A Nationalist Human Resource as a Vital Asset for Indonesia's Development

Dira Tiarasari Fabrian
Yale University, diratf@yahoo.com

Follow this and additional works at: https://scholarhub.ui.ac.id/global

Recommended Citation
DOI: 10.7454/global.v17i1.27
Available at: https://scholarhub.ui.ac.id/global/vol17/iss1/5

This Article is brought to you for free and open access by the Faculty of Social and Political Sciences at UI Scholars Hub. It has been accepted for inclusion in Global: Jurnal Politik Internasional by an authorized editor of UI Scholars Hub.
A NATIONALIST HUMAN RESOURCE AS A VITAL ASSET FOR INDONESIA’S DEVELOPMENT

Dira Tiarasari Fabrian
Yale University
Email: diratf@yahoo.com

In 2010, BPS predicted that the population of Indonesia would be 228 million people – an enormous number which makes Indonesia the world’s 4th most populated country, after China, India, and the United States (US). The population of a country can serve as both an asset and a liability, depending on a country’s condition and how we choose to see it.

Basically, as Joseph Frankle noted in his book, the population of a country – along with its geographic location, economic development, government and military might, socio-psychological elements like national morale and national character, and its strategic international position – is a component of national power. It implies that the greater the population of a country, both quantitatively and qualitatively, then the...
greater the national power of a certain country. The more the population, thus the human resource of a country, then the easier it is to allocate people in various fields, such as politics, economy, sports, and so on that can support the country’s development. This can also be understood because the economic productivity of a country relies on its human resources, as human beings are economic actors. The economy of a country cannot grow without sufficient human resources. That explains the economic boom experienced in China and India nowadays and the need of countries with a large economy but small population like Singapore to boost the birth rate of its citizens. Countries with high economic performances but low human resources will have to import human resources from other countries. Although the process gets cheaper and cheaper each day with the advance of technology and the removal of barriers for trade and human migration, countries with a big population will have an advantage that is taken for granted.

But on the other hand, a large population can become a burden for the government. The larger the population, the more amount of people the government has to take care of, in terms of infrastructure (e.g. schools, hospitals, housing, roads), resources (e.g. food, water, electricity), services (health, educations, pension) and jobs. The amount of burden increases, if the country is still a developing one because social spending becomes much higher.

In Indonesia, the large population is becoming a big burden. The government is still working hard – unlike Singapore – to decrease the birth rate by the family planning program. With a total land area of 1,811,569 sq km and a predicted population of more than 228 million people spread unequally in the more than 6,000 islands and a population growth rate of 1.097 % makes Indonesia a very crowded place indeed. Furthermore, 14.15 % (2009) of the total population is poor and there is still an 8.1% unemployment rate (as of February 2009). In 2009, when the global financial crisis occurred, the government had to come up with a stimulus package of IDR 73.3 trillion (US$ 7.6 billion). Included in the package was infrastructure projects and empowerment programs for people living in rural areas including the improvement of highways, ports, bridges and irrigation systems (US$ 1.3 billion); diesel and electricity subsidies and loans for rural empowerment (US$ 0.5 billion); allocation for job training and vocational training centres (BLK) (IDR 300 billion); allocation for training in labour-intensive sectors (IDR 110 billion); and state budget allocation for poverty alleviation programs (IDR 66 trillion in fiscal year 2009).
Nevertheless, seen from another perspective, Indonesia’s mass population is a gift. A labour force of 113.3 million (in 2009) can support Indonesia’s productivity, thus pushing the economy further. It must also be remembered that Indonesia’s large population has saved Indonesia from last year’s global financial crisis since another advantage of having a big population is its role in domestic consumption that spurs the economic activities. That is also why China, India – along with Indonesia – were still able to enjoy a positive economic growth. Chinese, Indian, and Indonesian commodities, which exports were cancelled because of the global economy crackdown, were well absorbed by the population in the form of domestic consumption. All that needs to be done – therefore – is to train and educate the population, thus creating a pool of potential human resources for Indonesia that can be used in Indonesia’s developmental process. While training and education is very important in order to increase the quality of human resources, so that they have the skill and knowledge needed for employment. Therefore, they can provide themselves for a standard living. There is one specific non-tangible quality that needs to be paid attention to, if a country wishes to have a potential human resource: nationalism.

In developing era, a country needs support from all of its citizens. Without nationalism, then a person is more tempted to work for the his/her own benefit, and not for the benefit of the country and nation as a whole. In this essay, I would like to elaborate on the concept of nationalism as a primary driving force for development, by giving an example of my observation of Indian nationalism in Mumbai, and adding some explanations about Chinese nationalism. If there is one important lesson that Indonesia should be able to learn from India and China is their strong sense of nationalism and I will further discuss my thoughts below. I shall divide my article into four parts. First of all, I will define the notion of nationalism. Then, I shall elaborate the concept of development. In the third section, I will further put the theory into practice, by giving an example of Indian nationalism and China, and lastly, I will withdraw the conclusion.

Nationalism Defined

According to Stephen J. Lee, nationalism is an expression of mass commitment towards the nation-state that transcends loyalty towards other institutions. Three important features prevail in nationalism: (a) the member of the nation’s awareness of their natural similarities in terms of language, culture (especially literature and music),
and social traits; (b) mass acceptance of the central government’s authority, in the
defense of territorial borders against an external enemy; and (c) the population’s
recognition of its unique identity, that can be a source of power either for territorial
expansion or for the struggle against the enemy. In addition, nationalism does not have
a concrete form. It can also adapt to any ideology. To illustrate, before 1851, Italian
and German nationalism was identified by liberal and social forces. Later on, the
nationalism of both countries were associated with authoritarian governments. In a
more simple way, Daniel S. Papp wrote in his book titled *Contemporary International
Relations: Frameworks for Understanding* that nationalism is basically “a
psychological force that binds people together who identify with each other”. It
implies that the people inside that psychological force called nationalism has a shared
identity. Moreover, Papp explained that from the above-given definition, nationalism
consists of two facet: (a) a feeling of belonging with the other members of the nation
and (b) the sense of pride that the members of the nation have towards themselves and
towards the nation itself as a whole.

From both the definitions above, it can be concluded that there are two main
attributes of nationalism: loyalty/allegiance towards the nation-state and sense of pride
concerning the nation’s shared identity. Therefore, there are two effects, resulting from
those attributes. Firstly, it will be difficult for a nation with a strong sense of
nationalism will be hard to be penetrated by foreign cultures because there is a solid
perception of pride toward oneself and toward the community as a whole. Thus, that
nation will be unenthusiastic to copy or claim the characteristic of other nations.
Secondly, resembling a person being loyal to one’s family or friend, a nation with a
robust sense of nationalism will try one’s best to nurture, develop, and protect one’s
nation. As former President of the US of America – John F. Kennedy – once stated in
his inauguration speech: “ask not what your country can do for you - ask what you can
do for your country”.

**The Concept of Development and the Importance of Nationalism**

Fundamentally, a state’s economic policy is aimed at increasing the rate of
economic growth with reference to statistical economic standards, such as Gross
Domestic Product (GDP) and GDP per capita. In recent decades, however, the
economic condition of a state is not the sole parameter of a state’s economic condition.
Welfare is being accounted as well. Development is now seen as a process to widen the
opportunities and options of every human being so that everyone can lead a life of respect and value.\textsuperscript{10} There are social and human development components that has to be taken into account too. According to Amartya Sen, there are welfare components that cannot be measured by only using traditional economic criteria, such as: (a) access to education; (b) access to health service and nutrition intake; (c) more secure livelihoods; (d) a sustainable environment; (e) security against crime and physical violence; (f) political and cultural freedom; and (g) participation in the community.\textsuperscript{11} However, it cannot be denied that the social and human development criteria will be much easier to obtain once the country witnesses impressive growth in terms of national income.

Thus, in its most simple explanation, development is a process of change towards betterment. Therefore, a successful development can be seen as one that succeeds in improving people’s welfare, increasing the state’s GDP and GDP per capita, decrease poverty, unemployment, mortality rate, and has the ability to reserve the state’s resources for future generations.

The process of development is not only done by the government but also by the people. The developmental process has to be inclusive in order to succeed and satisfy everybody. This is why nationalism is very vital. Without loyalty towards the state and awareness of shared identity and interest, the process will not end up in favor of the country’s and nation’s welfare and betterment. Why, for example, is corruption vastly spread in Indonesia? One of the reason is because the bureaucrats are only thinking about themselves, individually. If they had any sense of nationalism at all, they would not have corrupted the people’s money because they are conscious that their deeds will hurt their own country and fellow citizens (nation). The corrupted money should have entered the country’s cash account and be used for the execution of the government.

Among the government’s agenda is poverty alleviation, like giving out direct assistance (\textit{bantuan langsung tunai} – BLT). If – for instance – the government allocated IDR. 300 million for BLT every month and every poor family is given a BLT of IDR. 100,000 per month, then 3000 poor families are able to receive the BLT to support their lives. Say, someone corrupted the money as much as IDR. 20 million, then only 2800 families will get the BLT. The right of the other 200 families will be abused – and that’s only a rough example. Logically, a person who loves his country and nation will not do deeds that might harm the country and nation, just as someone who loves his family will always do the best for the family and will not betray it.
A Lesson from India and China

Tales of Indian nationalism is not a new item. Mahatma Gandhi, as India’s founder, has shown an incredible strength of nationalism in order to free India from the British rule, by using peaceful means. With the help of a weaving tool, for example, Gandhi taught his people to produce their own clothes, as the main foundation of a nation’s independence. The consequence of this policy is that the Indians no longer has to be dependent on British-made clothes, and this served as the first basis of the people’s economy. Up until this very day, Indian nationalism still exists and it can be observed even all the way down to the grassroots level. More amazingly, Indian nationalism is not only a rhetoric, but also implemented in their everyday lives. Some phenomenon are taken into account in this essay, to strengthen my argument.

Never beforehand, I had to stand up and listen to the national anthem of the country before watching a movie in the cinema – with some of the Indians singing along to the anthem. Furthermore, Indians are very proud in wearing their national dress, either Indian-made saree or shalwar khamiz wherever they go, even in malls and working places – a scene not seen in Indonesia. In Indonesia, we have never seen a woman wearing a kebaya when shopping at the mall. In general, Indians are very proud in utilizing domestically-made products. In India, the clothes are mainly India-made clothes. Even if many youths are now wearing jeans and t-shirts (mostly made in India), sarees and shalwar khamizes have never been left out and are still common sights in India. Even doctors wear a saree under their white jacket.

The automobile sector is no exception. Indian products are seen everywhere. Taxis and rickshaws are made domestically, although mostly are old models. Also, Tata cars and joint-venture cars like Suzuki Maruti are seen in the streets, along with imported cars, sometimes in larger quantities. In its May 2010, Tata Motors – India’s giant automobile company – managed to increase its company’s commercial vehicles sales in the domestic market by 41 % to 373,842 units. This leads to a market share of 64.2 %, up from 63.8 % of last year. An object as small as a measuring tape – that in Indonesia would have already been written ‘Made in China’ – is ‘Made in India’ here. The pride in utilizing local products compared to imported products gives a considerable amount of outcome in the country’s economic sector because the money-cycle will stay inside the country and will be used by the people in conducting
economic activities, not transferred to another country. Domestic producers will get a big share of profit too, and they will be able to advance themselves better.

One thing that needs to be noted is that India is not against free trade, and is not a country with a closed economy. Since 1991, India has reformed itself after experiencing a harsh economic crisis. Slowly but sure, India has transformed from a socialist economy into a liberal economy. At present, India is showing its commitments towards free trade, by concluding Free Trade Agreements (FTAs) with several countries, such as South Korea and ASEAN. The question that arises – therefore – is why do Indians still prioritize local products when many imported products are coming into the market? My conclusion is because nationalism prevails in every citizens, from bureaucrats to civil society.

Another sector that can show Indians’ nationalism is the movie industry (Bollywood). India’s movie industry is a huge one indeed and one of the biggest in the world, with the biggest domestic market share in the world, even more than that of Hollywood in the US, amounting to over 90 percent of domestic market share.\textsuperscript{14} India’s movie industry is very productive, with a new movie coming out every now and then – that always succeeds in arousing enthusiasm among the citizens. What is more stunning is that India is one of the world’s largest movie exporters in the world, and currently challenging the domination of Hollywood, as Michael Curtin said:

“Recent changes in trade, industry, politics and media technologies have fuelled the rapid expansion and transformation of media industries in Asia, so that Indian and Chinese centres of film and television production have increasingly emerged as significant competitors of Hollywood in the size and enthusiasm of their audiences, if not yet in gross revenues.”\textsuperscript{15}

There are also many foreign movies screened in the cinemas, but the citizens’ enthusiasm of watching their domestically produced movies never fades away. Unlike Indonesia, it is amazing how in India, it is very difficult for other foreign movies (excluding Hollywood movies) to penetrate the market and set up foreign influences. In Indonesia, the movie market is already penetrated by movies coming from East Asia – Korea, Taiwan, China and Japan - and even India. In India, most people only know Bollywood or Hollywood movies. As a result, the income of the domestic movie industry increases and the movie industry becomes more productive. Another significant outcome that can be achieved by the progressive growth of the movie industry is a stronger sense of nationalism since the movie industry serves as a media
to spread out the idea of people’s nationalism. Movies are regarded as a cultural expression and not just ‘any other’ goods.\textsuperscript{16} It is no wonder that we are seeing an advantageous cycle in India’s development where the people’s nationalism pushes the people to watch domestic movies and then those movies will further spread the notion of nationalism in the community, thus releasing a positive energy for the people’s economy and the country’s development as a whole.

Also, the role of non-resident Indians (NRI) cannot be denied. As a country with the second largest population in the world, Indians are spread out all over the world. Even though they do not reside in India’s land, their contribution to India’s development cannot be left out. There is a huge amount of money that enters the capital market of India from the NRIs. In the second half of the 1980s, India’s income that came from the NRIs (usually from the diligent workers working in Arab and Gulf countries) reached an average of US$ 1.5 billion a year.\textsuperscript{17} As a source of foreign exchange, this amount accounts to 40\% of India’s merchandise export every year. Shashi Tharoor noted that in Kerala, incomes from the NRIs succeeded in supporting an economic boom in real estates and construction business.\textsuperscript{18} Furthermore, the NRIs’ deposit almost as much as US$ 3 billion in Indian banks throughout the 1976-1988 period.\textsuperscript{19} This phenomenon can only occur because of the still strong psychological bond of the NRIs towards their country, so wherever they might be, they are still aiding the country’s development.

Now, India is the world’s new emerging economic power and is also claimed to be the world’s largest democracy. With an economic growth of 7.2 \% per year, India is the second fastest growing country in the world, after China. Several economists even predicted that in a matter of ten years, India will be able to beat China’s impressive economic growth because of the large pool of productive human resources that it has (that act as actors in the country’s economic development).\textsuperscript{20}

Just like India, China’s astonishing economic growth, which is currently the fastest and highest in the world, is in many ways driven by the strong sense of nationalism embedded in the Chinese society. Interestingly, Martin Jacques noted that Chinese nationalism had appeared long before the Chinese state was formed and for that reason, the term nationalism is less proper than civilizationalism.\textsuperscript{21} The unity and feeling of oneness in the Chinese people dated back since the ages of Chinese civilization. The Chinese civilization ended up in entrenching the view of sinocentrism – “the idea that the Middle Kingdom, the view that China was the centre of the world,
the belief that Chinese civilization was the most advanced in the world”.22 The term Han Chinese was also an invention, since there was no such race and it was actually an amalgam of various races. The purpose of the term was a means of inclusion (of all the Chinese people) and exclusion (from the rest of the nation and races of the world). It was a term used in defining the Chinese against their enemies, from the Manchus, European, Japanese, to American.23

The strong attachment felt by the Chinese towards their home country and nation can be reflected in the overseas Chinese as well. Martin Jacques gave splendid illustration in his book entitled When China Rules the World: The Rise of the Middle Kingdom and the End of the Western World on how the Chinese still uphold their traditions and customs. They even form small Chinese communities around the globe to teach fellow overseas Chinese their language. The loyalty of overseas Chinese to their country and nation has never faded away. Jacques wrote:

“The strength of these bonds is rooted in a shared inheritance of Chinese civilization...Despite the legacy of political differences, the overseas Chinese, especially those in Hong Kong and Taiwan, have made a formidable contribution to Chinese economic growth through huge investments in the mainland. In contrast, Russian émigrés chose to shun the Soviet Union, and the Indian diaspora has historically made a much less significant contribution to Indian growth than its Chinese counterpart. Strong centripetal forces operate in Greater China, as within China itself, with the Chinese, wherever they are, feeling a powerful sense of attachment to the homeland.”24

In short, the success of China’s development is also attributed to China’s way of being, its sense of superiority, its belief in the state, and its commitment to unity.25 Up until now, “the state in China remains as pivotal in society and as sacrosanct as it was in imperial times.”26

**Globalization and the Government’s Role in Promoting Nationalism**

From the explanation above, it is seen that nationalism has a very important role in the developmental process. The next question is, therefore, how is it possible to internalize and build the sense of nationalism of the people? This is where the government’s role becomes important. The government has to participate actively in order to promote nationalism, in ways that the people may or may not realize. The role becomes increasingly important in this globalization era because the territorial borders of a country becomes less significant. Goods, services, people, information, capital, and also ideas are moving freer everyday. It can even be argued that the world is
becoming smaller and more integrated with the advent of technology and also the eradication of various barriers towards trade and capital.

In a situation like that, then it is very crucial for a government to still retain the country’s sovereignty by rebuilding and sustaining the people’s nationalism. Patricia Goff, in her writing entitled “Invisible Borders: Economic Liberalization and National Identity”, remarked that whereas states intentionally erode the borders that act as barriers towards international trade and the free movement of goods, people, services and capital for economic reasons, they do not apply the same strategy concerning the cultural industry. Thus, this “blurring” sense of territorial borders does not mean that the borders and therefore the sovereignty of a state is eroding. According to Goff, countries have actually figured out a way to enhance the other form of border which Goff calls an invisible border. This invisible border lies on the foundation of collective national identity, which is constructed by culture.\(^{27}\) The culture is later socialized in the form of a cultural industry consisting of television programs, radio, contents of books, and the movie industry in order to shape and redefine the national identity shared by the people of the country.

Besides broadening the idea of nationalism through the strategic culture industry, the government can also implement affirmative action in the economic field, such as by giving subsidies and tax breaks so that local production will increase and will still be prioritized by the people. Take China and India, for examples. Despite international pressures, both countries still retains its subsidies in the agricultural sector. In the WTO talk in 2008, both China and India refused to succumb to international pressure to liberalize their agricultural sector. The Indian and Chinese leaders were worried about economic hardship in the countryside, where hundreds of millions of farmers have struggled to compete against imports from the US and other countries.\(^{28}\) These type of policies will not only help the farmers survive but will also boost the productivity of farmers (i.e. domestic producers) and keep the price of the basic domestically-produced commodities, such as food, low so that they can maintain their competitiveness and will be absorbed by domestic consumers in the market.

In the automobile sector, as well, the Chinese government has to be praised for the tremendous growth the that sector experiences. Recently, China is building its own car business with the help of foreign investors, who, according to a law stipulating that Chinese investors must now own 51% of any joint venture and that a Chinese company must be the largest investor if more than two are involved.\(^{29}\) Such advantageous law,
along with the financial and regulatory backing of the government, and China's growing economy, low labor costs and enormous population, has encouraged the advance of Chinese automotive. A senior industry analyst, Zeng John Zeng, noted that the market share of national-brand cars has increased from 25% in 2008 to about 30% in 2009 and for all of 2010 will be around 33%. Moreover, five Chinese brands – Chery, BYD, Geely, Xiali and Great Wall – are among the top-20 sold in China.

In India, the government offered tax-breaks and launched two new schemes – New Millennium Indian Technology Leadership Initiative and the Drugs and Pharmaceuticals Research Programme – that especially targeted the pharmaceutical industry. These sort of help from the government has resulted in low prices for pharmaceutical products, which is 5-50% lower than that in the developed countries. In addition, the top 20 Indian pharmaceutical companies account for 57% of the domestic market share.

Nonetheless, the government’s effort will face failure if the government officials and top bureaucrats do not set a good example, showing their nationalism as well. The government has to show and prove to the people that they are being accountable and responsible for their tasks in carrying out governance for the betterment of the country and the nation. If the government would like to promote the utilization of domestic products in favor of imported products, then its officials should set an example and utilize local products as well. In addition, the government knows what is best for the country and nation and therefore should introduce measures that will be most beneficial for the country and nation, without succumbing to any outside pressures. As the government, even if the whole world is liberalizing, but its country is not yet ready, then it should not follow the trend, just like what China and India did. As Martin Jacques commented on China, “The reason for China’s transformation (like those of the other East Asian countries, commencing with Japan) has been the way it has succeeded in combining what it has learnt from the West, and also its East Asian neighbours, with its own history and culture, thereby tapping and releasing its native sources of dynamism”.

Compare the situation with that of Indonesia where the International Monetary Fund’s (IMF) pressure got Indonesia to liberalize its agricultural sector. The Indonesian government had been forced privatize BULOG, the Indonesian state company founded to regulate buffer stocks, in 1998 under the policy package of the International Monetary Fund. Furthermore, in 1992, Indonesian farmers produced...
enough soya to supply the domestic market. Soya is an important commodity as it is the main ingredients of making tofu and tempe – popular Indonesian food. But later, following the neo-liberal doctrine, the country opened its borders to food imports, allowing cheap US soy to flood the market, which has caused a non-desirable outcome: the destruction of national production. Today, 60% of the soy consumed in Indonesia is imported.36

Conclusion

China and India are the two most rapid growing economies in the world. Both countries also happen to be the two most populous countries in the world, with an incredible amount of territory. China and India has proven that their large population, that acts as human resources, can actually serve as a driving force for the country’s development. Formerly associated with mass poverty and underdevelopment, who would have imagined China and India growing at such a speed in today’s world? That is the reason behind my optimistic view of Indonesia’s human resource. Indonesia is gifted with a big population of more than 220 million. There are still millions of people in a state of poverty (32.53 million to be exact37), but an even larger amount of the population make up a productive human resource. 113.3 million of labour force is not a small amount of number. Moreover, by seeing the amount of Indonesian children and youths that has managed to win international science Olympics and participated in international events, it can be concluded that Indonesia has many potential human resources.

However, the sense of nationalism has to be strengthened. The case studies of China and India have given a picture on how nationalism is a very vital element in the developmental process of a country. Every single citizen in the country – from the top government officials, bureaucrats, to the grassroots level – has to be embedded by a strong sense of nationalism in order for a country’s development to succeed. This psychological bond and loyalty toward the country and the nation will serve as a primary driving force in a development. The nation will have the same interest of building and improving the country to achieve better results – the main idea of development. Now, Indonesia is being considered as the fifth member of rapidly growing developing nation – the BRIC group (Brazil, Russia, India, and China). Once Indonesian human resources are given more sense of nationalism, along with training
and education, it is only a matter of time that Indonesia surfaces as one of the world’s most rapidly developing country, along with China and India.

References

Endnotes

1 Dira Tiarasari Fabrian is interested in diplomacy, world politics and global issues. She was a delegate of UI for Harvard National Model United Nations and Indonesia- Thailand Friendship Camp in 2009.
6 Ibid
9 Ibid. It must be noted that the term nation-state could be misleading since in the modern world, each nation does not necessarily have their own state. There may be more than one nation living in a state, such as Indonesia. Therefore, to make it clear, the essay is not to debate about the definition of ‘nation’. In this essay, the term nation refers to the nationals of a country. Whereas the term country and state will be used interchangeably.
11 Ibid.
12 The observation was done in Mumbai.
17 Shashi Tharoor, India: From Midnight to the Millennium and Beyond (New York: Arcade Pub., 1997), p.147
18 Ibid
19 Ibid
23 Ibid, p.244.
26 Ibid, p.418.
31 Ibid.
36 Ibid.