

HUMAN RESOURCE DEVELOPMENT IN FACING THE 21ST CENTURY

by

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First of all I would like to welcome the dignitaries of the Tokushoku University to Indonesia, and congratulate the University for its 100 years anniversary. We appreciate very much that Indonesia has been chosen to host the centennial celebration of the University, and the celebration is highlighted by a seminar on human resource development as we enter the 21st century. It is a very important subject, and we in Indonesia have a lot to learn.

We have a lot to learn especially from Japan, a country which has been noted for its high quality of human resources, among the highest even among the industrialized nations.

In this occasion I would like just to contribute a few words on the challenges we face in Indonesia on the development of our human resources as we are approaching the next millenium.

Indonesia is an archipelago with a population of more than 200 million consisting of more than 250 ethnic groups each possessing its own culture and language. When we talk about human resources, we cannot escape this fact, which has made of Indonesia a plural society. Efforts to make Indonesia a strong and unified nation-state should not be understood as efforts to sacrifice Indonesia's cultural diversity for the sake of uniformity. Some people even say that the strength of the country is in its diversity. But again from time to time we face challenges to our unity, especially at times when the going is rough like for instance our situation at the present moment.

There is still discrepancy among the different provinces in terms of education and health as well as nutritional situation, and therefore in the capacity to absorb the fruits of development. While the island of Java has in its history received the advantages of development in many aspects, the other islands (usually known as "outer islands") are relatively less developed. Although Indonesia's economy has developed in the last three decades, still we see discrepancy in socioeconomic progress between the Western and the Eastern part of the country. That is why, the government is now putting greater stress on the development of those regions in many sectors.

The recent economic crisis has caused a set-back in the socioeconomic situation in Indonesia. Unemployment has increased due especially to the impact of the crisis in construction and manufacturing sectors. Although we have decreased considerably the number of poor, the crisis has now increased again the number of poor. Many school children have had to leave school because they have to work to support their family.

A major effort in this area, known now as the social safety net program with the assistance of the IMF, the World Bank, and the Asian Development Bank, is being implemented with a view to alleviating those socioeconomic problems.

The situation that I describe gives a few examples of the challenges to our efforts as we are facing the new era of the 21st century.

The 21st century is characterized mainly by the increasing pace of the globalization process. Some people are of the opinion that the term is only a means by industrialized countries to patronize and dominate the economies of the developing countries. In a way maybe those opinions are true. However, the globalization process is a reality that we are facing and from which we cannot escape. Globalization is a process which, as we know, has been facilitated by the increasing and rapid progress of information and transportation technologies.

Two of the consequences of globalization are transparency and open competition. Transparency is a consequence of the globalization of information, while open competition is a consequence of globalization in trade, capital, and human resources.

We have witnessed that progress in the technology of information and transportation has had an impact on the increasing possibilities of access to information for each individual. But the globalization of information also facilitates globalization of production. The benefits of global production for developing countries are large. It has had an impact on employment and an increasing contribution of the manufacturing sector to development vis-à-vis agriculture. This global phenomenon will also impact on the inflow and outflow of capital, including short-term foreign loans, portfolio investment, long-term foreign loans, and direct foreign investment. More than that, cross-border global production has the potential to increase the capabilities of managers and skilled labor force in the host countries.

The challenge for policy makers in the developing countries is how to establish conditions that will attract more global production and receive more benefits, especially for human resource development. Consequently, our challenge is in the area of education and training, where the government will have to reduce its regulatory policy. Flexible curricula and more dynamic teaching-learning practices should be promoted in order to make the human resources more adaptable to the diversified types of challenges, because not only Indonesia is a plural society, but the Indonesian people will face the rapid changes in technology and be more deeply involved in international interactions. In the area of trade, for example, even quite small companies will have to be organized as transnational businesses.

In fact, the development of small and medium-scale enterprises should be an important element of the strategy as we prepare ourselves to enter the next millennium. So far during the financial and economic crisis they have proven to be more resilient than the big companies.

They need to be empowered through various inputs such as financial support schemes, market and technology information, management, and various forms of technical assistance.

In particular, as the next century will be characterized by the supremacy of information, and the central role of information technology, in this area we have to give the chance for entrepreneurs to widen their horizons, and increase the capability to be able to compete in the global market. With economic integration, regional as well international, our domestic market will become part of the regional and global market. That means, even in our own market we have to be able to compete.

For instance much attention has been given to electronic commerce and the need to adjust ourselves and our computers as we enter the year 2000 or Y2k.

We need to educate our elites and professionals, especially those engaged in business and commerce, of these challenges, and more, as we are approaching an era, of unprecedented opportunity for mankind to overcome the limits of the earth's resources, and establish welfare for every human being through technology.

What I have discussed above is only part of what we should address as we prepare ourselves for the coming of the next century. During the seminar, there will be more ideas and thoughts. I am happy that the seminar is organized in Indonesia, so that we can benefit directly from this intellectual exercise.

For that, I would like to thank the Takushoku University.

In closing, may I congratulate again the Takushoku University for its 100 years anniversary, and wish for another 100 years of contribution to the development of knowledge for the enhancement of the quality of human life.