



# *Conference Full Papers*

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International Conference on Public Organization VI (ICONPO VI)  
On

*“Information, Open Government,  
Democratic Governance,  
and Public Administration”*

10-11 August, 2016 (Wednesday & Thursday)  
Thammasat University, Tha Prachan Campus,  
Bangkok, Thailand



## *Preface*

It was seven years ago when University of Muhammadiyah Yogyakarta (UMY) and our Faculty of Political Science, Thammasat University first started a small collaboration, initiated by Associate Professor Dr. Achmad Nurmandi, who at that time was Dean of Faculty of Political Science, UMY. We first had an opportunity to welcome colleagues and students from UMY to present their research of interests at Thammasat University organized by Associate Professor Soparat Jarusombat in collaboration with Associate Professor Dr. Nurmandi in year 2010.

The following year, the First International Conference on Public Organization (ICONPO) was organized by UMY in Indonesia, then in Korea, and back to Bali, Indonesia, before moving to Malaysia in 2014. The fifth ICONPO was organized in Davao City, Philippines last year.

This year, it is my great pleasure and honor to host this event at Thammasat University where it all started. The theme is set on “Information, Open Government, Democratic Governance, and Public Administration” for two days during August 10-11, 2016. There are about 189 proposals submitted this year. The participants come from various countries, namely Philippines (84), Indonesia (80), Malaysia (3), United Kingdom (2), Russia (1), Nigeria (1), China (1) and Thailand (17). All papers were blindly reviewed and will be selected for publication in Journal of Government and Politics. Some would be selected for book chapters. We have about 34 panels in all with topics covering every aspects and issues in Public Administration from Social Media, Network Governance and Open Government to Politics, Conflict, and Corruption in Public Affairs.

As a host of this special academic event, I would like to thank the Executive Committee of Asia Pacific Society of Public Affairs (APSPA) for entrusting us with the honorable mission of organizing this international academic conference this year. My great appreciations also go to all partners and supporters, namely Faculty of Political Science and Law, Burapha University, Faculty of Political Science and Public Administration, Chiang Mai University, Faculty of Humanities and Social Science, Khon Kaen University, Human Resources Institute, Thammasat University, College of Politics and Governance, Mahasarakham University, Sripatum University, EPA Foundation and Alumni, Thammasat University, and Faculty of Political Science, Thammasat University. Special thanks go to all staff for their time, tireless efforts, and dedications in organizing this Conference.

Last, but not least, I wish everyone all the bests and fruitful discussions. Till we meet again next year in Jakarta, Indonesia. Thank you.



Amporn Tamronglak  
Your Host,  
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August 14, 2016

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## **The Political Economy of Public Policy in the Field of Education (Case Study Educated Unemployment in Indonesia)**

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### **ABSTRACT**

Attention government, experts and observers of education to reformulate public service policy in the field of education through various forums brainstorming is important to follow, because it can stimulate us to also look at the complexity of the problems of education in Indonesia at this time, particularly the problem of educated unemployment amongst whom are alumni of institutions of higher education. The literature search result article presents and discusses the subject of discussion ever held by experts INDEF three decades ago that discussed again by education experts in Biak Numford together participants from relevant agencies (IISIP Biak, 2015). The results of the discussion agreed that the political economy of public policy in education highlighting the problem of educated unemployment in Indonesia is still the focus and locus of the study are important and relevant today, as it turns out a statement the number of unemployed educated majority come from the disciplines of the social and cultural inviting a wide response, both of the high officials and the public. The Ministry of Education and Culture is considered most responsible for the realization of the concept "link and match" the target of accusations of causing the large number of educated unemployment. Therefore, it was recommended strategies for improvement "incentive structure" for the education community (educators / teachers, religious teacher or lecturer and academic staff / employees) through the improvement of the real sector, keeping the relation between institutional / educational bureaucracy in order to avoid the process of involution , reform of higher education that do have to adjust to the demands of business and industry, as well as streamline the coordination, synchronization, and inter-agency simplification in addressing unemployment is multi-dimensional in this era of the ASEAN Economic Community (AEC).

Keywords: Political Economy, public policy, unemployment.

### **INTRODUCTION**

Political Economy of public policy in the field of education, particularly to discuss the theme of educated unemployment (Theodoropoulou, 2008), is always interesting to talk about at various scientific forums. Therefore, Mr. Wardiman Djojonegoro never denied that the institution becomes the cause of the large number of educated unemployment. According Wardiman that the factors that determine whether graduates of

educational institutions (Universities) ready or not ready is a businessman (Kompas, November 8, 1986).

Educational institutions only provide supplies when graduates later work and not to prepare the workforce. Nevertheless, Wardiman regard still need to increase the amount of labor scholars only 3 percent to 10 percent, so that the added value of the Indonesian economy can also be increased (Voice Reform, December 18, 1996). In fact, at the end of

the Five-Year Development (PELITA) VII, the government expects the number of college graduates (PT) has doubled. Efforts will also be undertaken by the Ministry of Education, then, is to reverse the ratio of the discipline of the social sciences and the exact sciences, the original composition is 70: 30 to 30: 70 by adding the number of polytechnics, so hopefully this program can reverse pyramid composition of the workforce.

According Rachbini, et al. (Institute for Economic Development and Finance / INDEF, 1996: 2) that, anxiety various parties to the employment problem is not because the majority of labor is not ready to face the free trade of the era. Concerns overflow of labor from foreign countries who qualified a scourge and is expected to displace domestic employment if not immediately prepared. Competition is expected to occur at all levels and types of work. Thus, the necessary strategy and appropriate policies to address this, so that "Indonesian workers be able to host in their own country," not otherwise be servants to the gentlemen in foreign countries. However, a hasty reaction from various groups with a number of statements have political motives instead of just giving the impression of a lack of a common vision and understanding of employment issues being faced by Indonesia until today. Therefore, the concern is not the right solution for the response hasty.

To avoid the ineffectiveness of the solutions offered in addressing the problem of educated unemployment in Indonesia, the government together with the public and business (industry) need to apply creative solutions to be provided new jobs to job seekers, especially in the era of the ASEAN Economic Community (AEC) today (Akib, 2015). Based on data obtained from Indonesia Investments (2016) it is clear that, in the year 2010 to 2015, the unemployment rate of the labor

force in Indonesia showed an increasing trend fluctuates. In 2011, an increase from the previous year, but in 2012 and 2014 decreased compared to the previous year. And in 2015 experienced an increase in unemployment.

Indonesia Reports Investments (2016) explains that one of the characteristics of Indonesia is quite high unemployment faced by young workers aged 15 to 24 years, much higher than the average rate of unemployment nationally. Students who had just graduated from university and vocational and secondary school students are having trouble finding a job in the national labor market. Almost half of the total workforce in Indonesia only has a primary school diploma. The higher the education the lower the labor force participation in Indonesia. Nevertheless, in recent years seen a change in the trend: the share of higher education diploma holders getting bigger, and the share of basic education diploma holders wane. Based on this phenomenon, this article aims to explain the political economy of public policy in the field of education, in particular on the case of educated unemployment in Indonesia.

## **LITERATURE REVIEW**

### **Political Economy of Public Policy**

Alternative thinking about the political economy of public policy, particularly in the field of education and educated unemployment (Rachbini et al, 1996; Theodoropoulou, 2008), with reference to the results of the analysis of secondary data that is ex-post facto, based on the re-actualization of the content of education policy and employment nationally in Indonesia (Law No. 13 of 2003 on Employment). In fact, in formulating education policies can not be separated from the background of the political structures and institutional factors underlying the policy was born. A result that shows up is usually not more policies

that are efficient, effective, and economical, but have evolved into a political decision, because it is colored by the interests of the political environment that determines the pattern of operation, characteristics, and the performance / performance of the actors involved.

Neither least the performance of the actors involved will determine both whether or not handling the problems of education. This means there is a performance trade-offs between the political environment as the external environment with education policy. In these conditions it is also clear that there is a coherence between the education policy with economic and political dimensions that affect the appearance of the policy.

Conceptually, a political economy approach is a formal label that can be applied to a variety of public policy issues. For example, studies on the measurement of cost and benefit that is caused by the specific structure of the policy or decision making (Stainland, 1985: 2). Staniland added that more relevant and philosophically aggressive with this approach is that the main stream of new political economy. "New" approach is intended to apply assumptions, language and logic of neo-classical economics to understand political behavior, as well as further afield on the whole issue of decision-making, both in the public sector and the private sector. By some thinkers social science, political economy analysis method is often understood as economic politics that economic theories are used to explore various political issues.

The rationale for this theory is due to the political events always imply the actual economic process or behavior of economic actors in the face of a particular process or political events (Haryadi, 1990). Meanwhile, for the political economist as Kuntjoro-Jakti (1991: 5) and Rachbini (1996: 17, 43), the reason is, because the

political economy could be a "bridge" to understand the reality and economic processes relating to the political process, so it is a convergence (Akib, 1997) or the synergies between the two (Rachbini, 1996). Therefore, if visualized will appear integration and interaction (Frey, 1978: 9; Caporaso and Levine, 1993: 7; Alt and Chrystal, 1990) or intersection (Yamamura and Yasuba, 1987: 35) between the two.

In order to obtain a common understanding of the meaning of political economy and political economy, then the following is introduced expert opinion. Kuntjoro-Jakti (1991: 5) which states that the political-economic analysis method is an implementation approach which is based on economic theory to understand political phenomena. In short, the economic theory of politics. Meanwhile, economic policy analysis methods can also be said as the application of the approach stems from the way political theory for understanding economic phenomena. In short, the political theory of economics.

Kuntjoro-Jakti (1991: 3) states that, despite the political economy approach is considered inferior to the method of economic analysis pure (pure economics) because the analysis is considered less rigorous (sharp), but in practice is also evident limitations of economic theory purely because it is not able to delineate institutional social reality in society that brought in the current economic problems. In addition, pure economic science is only able to see the indicator on the surface, without being able to reach more realistically in the root of the problem occurred. This phenomenon is more obvious because economists generally more concerned about the development of macro-economic analysis of fiscal and monetary policies, as well as economic development.

Despite the obscurity of meaning and weaknesses in terms of rests, but the

discussion by using the approach of political-economic analysis is carried out by a number of economists. The goal according to Gilpin (1987) is to formalize the study concerned with the economic of public policy, by asking political questions about who benefits, who loses from the policy, and how the process (Haryadi, 1991: 14). This view is consistent with the core of the discussion of the theory of economic regulation of Stigler (in Rachbini, 1996: 130) which explains who benefits and who bears the brunt of the existence of a regulatory or economic rules issued by the government, so anything that happens because of their institutionalization done in the community.

### **Articulation Role of Government**

In every activity of governance, development, community empowerment, and public services, including in economic activities in a country, either on the system of capitalism and socialism, the government always expected to play a very important role, minimal in carrying out the regulatory function, the function of equalization, distribution functions, and control functions. Reality as that described by the drafter pure capitalism, Adam Smith (1776), which states that, basically the government of a country has three main functions, namely: 1) maintain internal security and defense, 2) conduct judiciary, and 3) provide goods and services that were not provided by the private sector, such as roads and dams (read in Yay, 2010).

Similarly, during this reality, which in the era of the modern economy, none of the capitalist state is able to run purely capitalist system. The question is why the government needs to play a particular role in the economy of a country. The next question is whether or not it's better if it were left entirely to the economic activities of the private sector, or the market mechanism. Answers to questions like

these, by Adam Smith explained that, in a capitalist economy, someone will do the things that are considered to meet the interests or the best for himself. In any transaction activity that is done, each individual will perform activities that are in harmony, that seemed to have been set by "the invisible hand" of the unseen. Thus, it would seem that the scope of government activity being very limited or restricted, are just a few things or activities that can not be done by the private sector. The role of government as it is getting "less" in line with the demands and the spirit of "Reinventing Government" by Osborne and Gaebler (1992), which states that the role of government in the economy just as a director, not a player (steering but not rowing). In other words, in this case the role of the government is required when there is market failure.

In fact, the principle of economic freedom such as this often face a variety of conflicts of interest, because of the lack of coordination and synchronization of harmonious inter-actor interests or the interests of each individual. For example, the interests of employers are often incompatible with the interests of employees and even contradictory, can create conflicts of interest are different. In this case, of course, the government must carry out the functions and roles, so naturally when the government has a role and the authority to regulate, repair or direct the activities of the private sector. The private sector was also not able to overcome the global economic problems, so that the economy may not be the exercise itself fully. Based on this insight, in a system of a modern economy, for example in the case or the problem of unemployment, the role of government can be classified, at a minimum, into three categories, namely: 1) the role of the allocation or reallocation - in allocating economic resources and human resources in various fields and sectors of productive

activity, 2) the role of distribution - the ways and means to distribute the labor force that has the knowledge and expertise in various fields and types of activities, and 2) the role of stabilization - by arranging so that the workforce be distributed proportionately and professionally (Yay 2010; Reich, 2010).

### **Role Resource Allocation**

Private goods (private goods) is the availability of goods that can be met by the market system, namely through the transaction between the seller and the buyer, but not all people's needs for goods and services can be provided by the private sector. Goods and services can not be provided through the market system is caused by the failure of the market (market failure). The market system can not provide certain goods and services, because the benefits are not only enjoyed personally but also by others. Examples of goods and services can not be provided through the market system, among other things, is cleaning the air and river water or sea water, and so forth. Air or water contaminated by pollution causing various diseases. Everyone is feeling the negative effects of air and river water or sea water is dirty and smelly, but nobody wants to buy a tool to clean the air, river water or seawater, and even what happens is the bad habit of the community in taking advantage (of fish) on the river with by poisoning or a bomb, as the case shown in the print media or electronic media. The reason is, when he bought an air purifier or cleaner river water or sea water then it is not only he who enjoys air or clean water but also others in the vicinity. Though he can not prohibit other people to inhale or take fish or water that has been cleaned.

Based on the illustration above, it can be said that the market system has failed to provide goods and services that do not have the nature of an exception,

namely for others to enjoy these goods. As with the private goods that can be provided via the market, because these items have the nature of an exception (excludable, divisible). For example, when someone buys a flip, then that person can exclude other people to wear them. So, someone will buy these sandals when needed. However, in the case of public goods, a person would not want to clean the air and river water or sea water, even if that person requires air or water, because it can not exclude other people who also have the benefit of air or clean water. Therefore, the public goods provided by the government for reasons of market system fails to accommodate through "market mechanism".

The next question is, how much the government should provide public goods? Several large government budget should be provided to provide roads, defense, security, public order, justice, and so on? Given in the case of public goods are a matter of setting the value of A, then the payment for the supply of such goods can not be done with the voting system (voting). In a voting system, everyone will be trying to use their rights, so that the results are as preferred. Results of voting itself, is not going to please everyone, because certainly there are those who are satisfied and vice versa, there are those who feel aggrieved. But by using certain criteria, the results of the voting will be close to completion an efficient market mechanism coordinated.

### **Role of Distribution**

The role of government in the allocation of economic resources is to keep the allocation is carried out in an efficient, effective, and economical. Another role of government is cultivated as a tool distribution of human resources and sources of income. The success of the distribution of resources and sources of income depends on the ownership of the

factors of production, demand or supply factors of production and labor, as well as the ability to earn income. While the ability to earn an income for a person (the labor force that works) is determined by factors of education, talents, skills, and so on. Ownership of the factors of production as a source of revenue depends on the demand factors of production and the amount offered by the owners of the factors of production. Meanwhile, supply and demand determine the price of the factors of production are concerned. Finally, factor market is strongly influenced by the level of technology to produce labor-intensive goods, so the demand for labor is relatively larger than the demand for capital.

The distribution of income generated by the market system is often deemed unfair by the public. In economics, the issue of justice in the distribution of income is a very complicated issue, because the issue of efficiency is sometimes not appropriate to the problem of justice. Changes in the economy, it efficiently, if changes were made to improve the state of society or community group done in a way that does not aggravate the situation of other groups. It is of course difficult, as no action of man that does not affect others, either positively or negatively. For example, the government's policy to protect the domestic labor force to protect the entry of foreign workers or workers from abroad. This policy on the one hand protect the domestic labor force from overseas competitors, but on the other hand can also inhibit the transfer of technology and foreign investment, which often come together experts in the field.

### **Role Stabilization**

The Government has a major role as a stabilizer of the economy. Disruption in one sector will certainly affect the other sectors, and will ultimately lead to the

creation or increase in unemployment and the disruption of economic stability. The solution, in which first suggested by Keynes is the government intervention (in Keynes, 2009). However, the government's role as an allocator of economic resources, the distribution of income and economic stability, may be a conflict arises between the government policy. For example, there is a view that economic growth will be achieved when the public investment increased ("development hypothesis view"). In general, the investment made by the rich by saving more than the poor. If the government wants rapid economic growth, the domestic private funds to be mobilized as much as possible. This means that the rich, who are potentially very large as the locomotive of national investment, should be taxed at a lower, as incentives to save and invest more. However, the imposition of lower taxes on the rich, so it is relatively lower than that charged to the poor, is clearly contrary to the principle of proportional taxation, being intended to promote economic growth. Therefore, even if the three functions of government could theoretically be separated, but in reality is not. The implication, an employment policies to tackle unemployment must be determined after careful consideration of objective and rational aspects that accommodate various other functions.

### **DISCUSSION**

Based on theoretical thought, the literature review above, the relevant political economy approach is used to analyze and explain the determination of the political process in Indonesia education policy, including policy implications on the performance of actors involved in the management of educated unemployment problem at various levels and sectors. Here are presented the latest data on the ratio of the amount of labor

(labor force) by the number of unemployment in Indonesia.

Table 1. **Employment and Unemployment in Indonesia (millions)**

	2010	2011	2012	2013	2014	2015
<b>Manpower</b>	116,53	19,40	120,32	20,17	1,87	22,38
<b>Works</b>	108,21	11,28	113,01	12,76	4,63	14,82
<b>Unemployed</b>	8,32	8,12	7,31	7,41	7,24	7,56

Data from BPS (2016) shows that the trend is the amount of force (workers) working in Indonesia in 2010-2015 has increased the price fluctuates. In 2011-2012, total employment to increase, but in 2013 the number has decreased. Furthermore, in 2014-2015 the number of workforce again showed an increase. The assumption is, the more the labor force working more productively and may be the better the quality of a nation. It is inversely proportional to the data of unemployment, as more and more force is unemployed, the more unproductive and quality of a nation tend to be less good or decreased. Similarly, these assumptions may apply to the labor force in Indonesia, both working and unemployed, as the data will be presented below.

Based on data obtained indicates that, in 2010 to 2015, the unemployment rate of the labor force in Indonesia showed an increasing trend fluctuates. In 2011, an increase from the previous year, but in 2012 and 2014 decreased compared to the previous year. And in 2015 experienced an increase in unemployment. Information from Indonesia Investments (2016) states that one of the characteristics of Indonesia is quite high unemployment faced by young workers aged 15 to 24 years, much higher than the average rate of unemployment nationally. Students who had just graduated from university and vocational and secondary school students are having trouble finding a job in the national labor

market. Almost half of the total workforce in Indonesia only has a primary school diploma. The higher the education the lower the labor force participation in Indonesia. Nevertheless, in recent years seen a change in the trend: the share of higher education diploma holders getting bigger, and the share of basic education diploma holders diminishing (Indonesia Investment. 2016).

Basically, the problem of unemployment can be traced, among other things, of the government's efforts in the early New Order to fight against ignorance and illiteracy through education programs, both formal and informal. Formally, at ground level can be seen basic education program of six (6) years by way of the development of Presidential Instruction Elementary School (SD Instruction) on a large scale in various corners of the country are now followed by Indonesia and compulsory education of nine (9) years. Meanwhile, informally, the government also organized education forum through group study (Chase), either Packet A, B, or C. The program managed to reduce drastically the number of people who are illiterate. Its success not only at the primary level, but also followed by success at the level of higher education. In fact, the reality is rather striking is the increasingly large number of scholars produced by public and private universities. The number of graduates is not accompanied by the large amount of demand for labor at the undergraduate level, so as to create an undergraduate unemployment.

Unemployment scholars will be increasingly prevalent in case "domino effect" of education is not handled effectively. That is, with increasing income levels in recent years, it is not closed any possibility for a number of people who come from families able to continue to send their children to a higher level, so it will not only unemployment undergraduate

(S1) is there, but also graduates Master program (S2) or Doctoral program (S3). If that happens then obviously it will be difficult for the government, because it is like leaving a "time bomb" that would explode in the future.

The problem of educated unemployment of course have multiple dimensions related to demand and supply of educated labor, as well as government policies that govern them. Although the Ministry of Education and Culture reject the institution as one source of the problem of unemployment of educated (bachelor), but the result of the interaction between demand and supply of labor that resulted in the issue of unemployment of educated put the higher education system - on the supply side of an educated workforce - in a position that is worth questionable. On the supply side, the college system is not the only factor causing the unemployment of educated stand-alone, but it could be the problem is the product of the design of the education system as a whole. Regardless of the intensity contribution of higher education system in this matter, Mr. Wardiman statement may be very naive to eliminate the link between PT with unemployment scholar.

The education system is certainly not the only factor responsible for this problem. Labor demand side should also be questioned. Yes, the problem of unemployment among the educated in the business world demand accountability, but also feels very naive than demand accountability employers without serious understanding on the strategic environment that gave birth to the world's response effort, which in turn is considered the cause of educated unemployment. Therefore, policies and strategies for educational development should also be questioned, let alone with an allocation of the education sector in the

State Budget (APBN) is relatively small when compared with other countries.

### **Education system**

Indonesia's economy growing at rapid dynamics in turn spawned new jobs with high skill levels. Labor demand (SDM) with a higher level of expertise is in fact a feature of the future economy is expanding rapidly toward modernization. However, the dynamics of this kind less received a response from the government in the last decade, because it is happening is "mushrooming" PT private - who was only an Institute of Exercise Private (LLS) is expandable - quality rated inadequate, as reflected in the number of graduates which grew rapidly in large numbers, but with the insight and level of skill and proficiency that is sometimes questionable. Therefore, the Indonesian education system still faces serious problems.

Rachbini, et al. (1996) and education experts highlighted some of the problems the education system in Indonesia today. The first is the issue of quality. It is undeniable that the graduates of upper secondary education (high school) who are interested in entering the PT grew rapidly, including due to system failure Vocational High School (SMK), before being applied dual education system. Today, a number of State Universities (PTN) that is estimated to be only able to accommodate about thirties percent of high school graduates who enter the PT, the rest were accommodated by Private Higher Education (PTS) which amounts to more than a thousand pieces. Response of the private sector in participating in education is commendable, because in developed countries in general, PTS was the one who actually gave birth to qualified scholars.

Second, a mis-match with the labor demand side. On the one hand, graduates of educational institutions from year to year to grow by leaps and bounds.



However, on the other side of the world of work and the various fields of economic activity it is still a shortage of experts, including for the supply of PT is very limited. There are areas of expertise that is required is precisely not responded normally by the institution, especially by PT, so that on one side there is a surplus of University graduates who are unemployed with the number and rate of growth is relatively huge.

Third, higher education systems are unlikely to give autonomy to the PT. Determination of centralized curriculum for this, it is very difficult to imagine PT to respond to the dynamics of labor demand. In fact, the allocation of the number of students in the determination of a department or program is also determined uniformly and centrally. As everything happens, where the granting of autonomy from the central government to the provincial government and district / city, as well as it seems that swept the world of education (high).

### **Alternative thinking**

Some thoughts ever offered by experts INDEF (Rachbini, et al. 1996: 7) may be relevant as the suggestion to fix the problems of educated unemployment.

- Improvements 'incentive structure' for the workforce through the improvement of the real sector. Important ideas in it is the elimination of economic policies that provide opportunities for rent seeking (rent seeking).
- Relationship bureaucracy in order to avoid the process of "involution". At this time, the public sector (government) become a safety valve for the employment of graduates of PT. Meanwhile, the ability of public sector spending, particularly for labor, increasingly limited. In case of a decision of the Coordination Meeting of the Coordinating Ministry for People's Welfare it called for each department or

ministry increase employment scholars. This appeal on the one hand further accelerate the process of involution in the public sector. However, on the other hand the bureaucracy increasingly perceived as the main obstacles that hinder the development of the business world. Therefore, bureaucracy (public sector) need to be sterilized in order to avoid the process of involution. The solution offered is precisely contrary to the demands of today, that the government was time to reform the public sector. Without public administration reform done then surely the practice of KKN (corruption, collusion and nepotism) is becoming more prominent (mal-practice management of the state).

- Ideas about the need to reform higher education can adapt to the demands of the business world (link and match) has long been ejected. Curriculum, education, job descriptions, as well as all aspects of systems and processes demanded a "revitalization", to be closer to the demands of (market) work and development needs proportionately. Reforms are completely and comprehensively on the overall system components include, among others: (a) reform at the federal level (Ministry of Education and Culture); (b) reform at the micro level, the educational institutions (colleges). The most important aspect in this case is the granting of autonomy to educational institutions (PT) to be more flexible and dynamic in following the rapid changes taking place. In the midst of the demands of university autonomy does not mean that the government should lose a role in the higher education system. In this context, the government must provide direction and regulations guaranteeing the quality of the outcomes of the education agency (PT), while still exercising control in

execution. Today, touches have been widely granted to PTN. Meanwhile, the biggest portion of the PT is managed by private universities (PTS). Standardization product through the accreditation system which applies both to PTN and PTS, which is expected to contribute effectively in addressing and solving the problem of educated unemployment, as well as providing a sense of fairness in assessing the existence of state and private universities; (c) reform of the education agency network development with the business world. Therefore, the development of a systematic and sustainable networks, including the world's corporate responsibility efforts in the field of education.

- The unemployment problem is multi-dimensional, because it requires a coordination mechanism between agencies more effective. So far, the high official response to the problem of unemployment reflects much of the effectiveness of coordination, both in understanding the essence of the outbreak of educated unemployment, as well as in providing solutions to solve them.

## CLOSING

Understanding the phenomenon of educated unemployment from the various reviews, including political economy approach, a constructive step towards the revitalization of the functions of institutions interested in its implementation. Interested agencies, among others, are the Ministry of Education and Culture as the main responsible for education at the supply side (supply), with the world of work / business and industry on the demand side (demand) labor. In addition, policies that regulate and shape the role of government (bureaucracy), also associated therewith, at a minimum as a safety valve, in addition

to carrying out regulatory functions and control functions.

The complexity of the problem of unemployment faced in times of economic crisis and institutional politics today is demanded reformulation of the draft national education system is set up. Therefore, through brainstorming forum of experts, should have presented the idea of diverse viewpoints relevant to look at the future of the national education legislation better and anticipate the problem of educated unemployment.

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