# SUB-STATE ACTORS DYNAMICS AND GLOBAL COMPETITIVENESS: EVIDENCE FROM RIAU ISLANDS

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**ABSTRACT** International activities by sub-state actors today do not only apply to developed and developed democratic states, but extend across borders between countries and regions. Along with the rapid wave of globalization, there is a demand for the role of sub-state actors to create various actions in international relations. This study empirically assesses the chance of sub-state actors in the study of international affairs by using inter-state local government collaboration as an expressive action that must be performed between countries, particularly across borders. The success of sub-state actors will not only be an effective tool to solve problems in crossing borders, but also to ensure sustainable living and economic development regionally in the future. This study discovered that improving the capabilities of sub-state actors in crossborder competition can improve the collaboration of local governments between countries in order to overcome various problems that arise. In addition, this research affirms the importance of cross-border local government collaboration as an action to realize the emancipation of the nation-state monopoly in public action to synchronize the interests of all actors in international cooperation.

**KEYWORDS:** Collaborative Sub-national, Cross-border, Sub-State Actors.

# 1. INTRODUCTION

Regional government collaboration between countries across borders has increased rapidly in the twentieth century, this was initiated by activities carried out by sub-state actors, especially in the countries of Western and Eastern Europe.most of which adhere to a federal system, and then spread to all parts of the world.(Casson & Dardanelli, 2012). PIn the 1980s, the Brazilian State aimed to regulate international relations by creating a supportive environment for the development of

external activities of non-central government, through the first stage of the regional government bureaucratic structure and the process of political decentralization.

Thus, regional governments between countries across borders gain acceptance in surrounding countries with greatly increased development. The involvement of sub-state and state actors in Asian countries has developed their various international strategies to create a quite unique context in which the actors experience competition in development (Michał Słowikowski, 2018). As important international players, regions and states can strengthen the quality and capabilities of their communities, because they are part of an international community that recognizes the economic importance of some countries, such as some American states (namely California or Texas) or regions that implement such policies. foreign policy to increase their internal autonomy (such as Quebec or Catalonia).

In the development of diplomatic theory, the term regional government collaboration between countries is a regional diplomatic activity that influences the foreign policies of Western and Eastern countries and becomes the international aspirations of other countries such as those in Asia (Mchugh, 2015). Support from advances in technology, infrastructure, foreign investment and human resources allows a region to maintain its position as a competitive and relevant international agent. Furthermore, the political structure created by globalization can increase the role of sub-state entities such as regions to obtain the same benefits and opportunities without obstacles (Royles, 2017). The wave of globalization is a new model in international governance and management through the role of states, entrepreneurs, social actors and other sub-state political entities (Setzer, 2015). Sustainable collaboration encourages sub-state actors to engage in their own regional diplomacy and provides opportunities for the broadest possible international activities by all levels of society and government in all areas of international relations.

The development of research regarding cross-border regional government collaboration between European and American countries has become a reference for Asian countries, especially Southeast Asia. In other words, the influence of good regional governance between countries is an outward projection of the domestic capabilities of sub-state actors across borders, especially in dealing with policy issues at the lower level.(Marcos & Rodrigues, 2017). According to Kuznetsov (2015), regional government collaboration between countries across borders is a type of political communication used to gain economic, cultural, and political or other benefits, and it mainly consists of independent actions by sub-state actors with governments.

In academic debates, the movement of sub-state actors/regional governments across borders collaborating with each other and taking international opportunities are the implementation of globalization and regionalization where sub-state actors increasingly play a role in global politics.

With the high challenges of the era of globalization, involvement in public policy has enabled actors across borders to give their citizens an active role in international activities. Theoretical questions are starting to emerge and develop regarding the existence or position of the state's shifting role to sub-state actors in international activities, this is a new challenge to the state system and international law which is the basis of the international political order. In reality, this paradigm is challenged because in the current context of international relations, states are not the only main actors relevant in international cooperation (Rodrigo Tavares, 2016).

The case studies presented in this research focus on international activities carried out by the Province. The Riau Islands are one of the provinces in Indonesia which has a strategic position as a link between Indonesia and countries in the Southeast Asia region. This makes the Riau Islands a promising region for development in various fields, including trade, tourism and investment. Close collaboration between regional governments in the Riau Islands and regional governments in neighbouring countries is needed to realize this potential in various forms, including economic, social, cultural and security collaboration. Various international activities have been carried out, such as foreign investment, trade promotion, collaboration in handling environmental and energy issues, cultural exchange, human and labour rights, and tourism through the collaboration of several actors between countries and sub-countries across borders.

However, in the territorial component of the federal unitary system and decentralization, it is emphasized that the power and activities of sub-state actors within international competence can exceed the power of one nation-state, which is a major obstacle that cannot be overcome only through cross-border relations between regional government actors and states alone. On the one hand, the development of sub-state actors between countries across borders is in line with the rise of change and the flow of globalization which has major interventions in various aspects of life and the driving factors are increasingly agile in their role in international activities. This mutually open interaction and interdependence causes several countries to cooperate with each other in carrying out development to fulfil their interests. To develop this assumption, this research wants to evaluate regional government collaboration between countries in cross-border international activities by considering how big a role sub-state actors will play, in addition to the challenges and prospects that sub-state actors will have.

# 2. METHOD

This research uses the methods: (1) In literature analysis and critical review of papers and study findings on regional government collaboration between countries across borders, and the Riau Islands as the research locus; (2) the focus of the study is the role of sub-state actors in increasing

regional government collaboration between countries across borders with Singapore and Malaysia. (3) In improving the analysis of this research, researchers used collaborative reference analysis methods, namely Mendeley, Semantic Scholar, and Publishing or Perish to assist with literature review data. This research uses a literature study approach using a qualitative descriptive method which is described inductively.

# 3. RESULT AND DISCUSSION

Cross-border regional government collaboration in the International Relations literature has been carried out by several Asian countries with the aim of expressing the international actions of sub-state actors (Kooistra, 2017). The role of regional government in the context of international relations can be defined as the involvement of sub-state actors through formal and informal relationships, both permanent and ad hoc across national borders with the aim of promoting and enhancing the social, economic, cultural or political dimensions of development (Cornago, 2018).

The phenomenon of regional government can be analysed in international relations theory using three international relations theories, namely the liberalism, realism and constructivism paradigms. For realist understanding, states and state relations are the only component of global politics, so this has been opposed by Liberals. According to liberals, the state is not only a system of political relations between countries, but rather political interactions between each other important actor with characteristics such as autonomy, control and participation in cross-country political relations as a substantial resource relevant to a particular region.

Liberals consider regional governments as autonomous actors in international relations capable of building international cooperation, and regions as entities that deal with these issues every day tend to develop various forms of international cooperation. Furthermore, liberal theory addresses the issue of the relationship between transnational relations and the type of political regime. Regional government collaboration between countries is seen as an instrument for promoting regional identity in addition to state loyalty because it can be explained that the emergence of regions as transnational actors is the result of strengthening sub-state identities. These sub-state dynamics are critical to advancing new forms of multilateral cooperation in a region and to finding solutions to shared global and regional problems through the collaboration of sub-state actors (Oddone et al., 2018).

According to realists, the collaborative activities of regional governments between countries have the effect of "rationalizing the foreign policy of the central government, considering that the activities of sub-state authorities abroad are more beneficial to the interests of the state." Thus, participation in regional collaboration in international relations should be based on formal or

informal agreements of cross-border regional governments that advance state interests. Realists believe that the decentralization of the country is increasing, and the delegation of authority to regional governments has autonomy (Munir and Purnomo, 2019).

However, they argue that this happens because local governments have an obligation to serve national interests. A realistic approach in this case allows for regional governments among countries in authoritarian states. Realists, unlike liberals, do not link external regional activity to a country's political pluralism. One country in Asia, a province in China, considers the role of sub-state actors in the regional area as something natural because it is consistent with the central government's foreign policy. In addition, the central government in Beijing strongly supports the diplomatic interests of regional constituents.

State actors are influenced by inter subjective structures rather than material capabilities, according to the constructivist paradigm. Inter subjectivity is built on a collective system of meaning in which the state participates and reproduces itself through practice. The most important inter subjective structure is sovereignty. Regional governance between countries is mentioned in constructivist works, especially in the context of developing a country's regional identity. Therefore, if a region has the aim of strengthening its identity as a country, then the region must try to carry out foreign activities, with the aim of 'signalling' its status to the outside world and getting responses and recognition from other international actors (Sharafutdinova, 2003). Thus, foreign activity is a political interest that represents a region in a certain image and builds an identity, where sub-state actors try to include elements of a sovereign state in regional identity.

# **Main Trends in Local Government Between Countries**

In developed countries, the expansion of local government activity practices between countries is part of the history of integration of each country. Regional government collaboration between countries as part of transnational interactions is growing rapidly throughout the world, signalling the rise of regions in facing global problems and offering opportunities and challenges (Mukti, 2015).

According to Lecours, cross-border local government practices can be divided into three categories. First, relations and collaboration between state governments only focus on economic interests through market expansion, international trade, collective development of foreign investment. These relationships are not motivated by complex factors such as politics or culture, as generally, countries in the United States and Australia engage in transnational types of interactions. Second, regional governments between countries collaborating in various fields (multipurpose), including community economy, local wisdom, education level, health education, technology transfer, etc.

This relationship concept refers to the decentralized cooperation model used by several regions (Aldecoa & Keating, 2013). This pattern is used in several regions/states in Germany such as the Rhone-Alpes regional government, France, has established relations with several countries in Africa such as Mali, Senegal and Tunisia, as well as provinces in Vietnam and Poland. Next, thirdly, regional governance between countries across borders is complex and involves political motives and specific regional identities to maintain international relations so that they can express their different and autonomous national identities. The potential for sub-state authority means that geographic distance is no longer an obstacle, while increasing the economic and political role of these countries, thereby leading to increased integration within the global economy. Some countries even carry out a number of international activities that can increase exports and attract foreign investment.

# Collaboration between Regional Governments between Countries in International Activities

The growth of investment in the Riau Islands cannot be separated from the role of the central and regional governments in driving development and expanding various models of cooperation with developed countries, especially countries with direct borders (Grydehj 2014). The existence of the Riau Islands since 2002 as an independent province is considered capable of maintaining the integrity of the country while involving foreign countries in accelerating regional development. Due to geographical and other factors, the approach of regional governments, especially regional governments and central governments, towards neighbouring countries is unavoidable.

However, other approaches that use a state transformation approach argue that cooperation and several cross-border regionalism projects are a platform for challenging the authority of the central government, therefore there are very few opportunities for sub-state actors so this will hinder cross-border development. -border regionalism (Karim, 2019). In particular, the implementation of interstate local governance within a country can have two effects: strengthening or weakening.

Local governance between countries can sometimes strengthen and complement central state diplomacy, but can also give rise to conflict if it conflicts with that diplomacy. Good local governance between countries must complement each other and strengthen central government diplomacy so that national and regional interests can be achieved well. The Riau Archipelago is one of the regional governments that indirectly involves national interests, although regional government between countries is explicitly supported by Law Number 32 of 2004 which discusses changes in ownership of authority since the decentralization era. In this case, the Regional Government has authority over everything except foreign policy, defense, security, justice, religion, monetary and fiscal (UU No. 32/2004 Article 10 paragraph 3).

Because the central government has represented international cooperation between the islands of Batam and Singapore, the development of regional governance between states in the Riau Islands as a region that borders developed countries has been slower than in other countries. Because the central government has represented international cooperation between the islands of Batam and Singapore, the development of regional government between states in the Riau Islands as a region bordering developed countries has been less successful compared to other countries.

Several potential areas in the Riau Islands, including Batam, Bintan and Karimun Islands, have a lot of potential for development, so Indonesia must have high bargaining power if it wants to manage these islands seriously. This bargaining power must be balanced with the capabilities of the sub-state as the main actor in the region. This is unavoidable because the role of sub-state actors in international cooperation is taken into account under the laws governing decentralization of government. International cooperation is a phenomenon that emerged after World War II in its "decentralized" dimension. Furthermore, the international participation of local governments is becoming more visible in practice. Since regional governments have gained greater autonomy, international issues have become very important in their daily processes as a means of overcoming regional limitations, such as economic, technological, social or other limitations.

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The central government provides legal protection for international activities in every region of Indonesia. As a result, every international activity involving neighbouring countries must be of special concern to the central government. To ensure that sub-state actors are supervised and independent in resolving problems in their region, inter-state diplomacy and national diplomacy approaches must be mutually reinforcing and complementary rather than contradictory. International activities, especially along the Riau Islands-Singapore border, have the potential to influence Indonesia's foreign policy. In the cooperative relationship between the two countries, local governments directly collaborate in cross-border management to improve community development and mutual security.

Apart from the dualism of leadership in the Riau Islands, which raises concerns about the regional government's steps and policies in international activities, this is the context for international activities in the Riau Islands. Cross-border advantage is the ability of a country or region to exploit institutional structures and influence foreign policy. As a result, the central government created a special unit in the Riau Islands, which is a business entity in each potential area that is heavily involved in international economic and cultural cooperation.

Sub-state actors are important to consider in the international arena because they understand the situation in the region better than the central government. Local governments continue to feel the impact of limited knowledge and vulnerability in decision making. Therefore, the capabilities of sub-state actors must be strengthened so that they can realize their full potential in the international arena. The regional government approach between countries has shown a slow pace of accelerated development. Several articles discuss the readiness and capabilities of local officials or sub-state actors, such as governors, regents, local entrepreneurs and private institutions, in responding to incoming investment in their respective regions. In order to strengthen international collaboration, sub-state actors must control the readiness of investment support tools such as permits and international procedures so that people living in regions are expected to socialize and learn about cooperation opportunities with those who are adjacent or bordering them.(Hero et al., 2012).

Inter-state regional government activities are more organized and coordinated, less anarchic and destructive, more pragmatic and skilled, and are the goal of sub-state actor capacity. Despite frequent disputes, both state and sub-state governments ultimately tend to view interstate local government as a common resource for enhancing international activity. Sub-state actors can successfully develop specific methods of interstate local governance that fall into two categories.

Direct ways include preparing international legitimacy and recognition through ratifying regional laws, signing partnership agreements, establishing representative offices abroad, attracting foreign investment, improving the region's image in the eyes of international organizations, and establishing cooperation with sister cities ( sister cities). Meanwhile, indirect methods are taken by involving central legislation, using the role of the national parliament, carrying out various diplomatic techniques and regional central infrastructure, as well as the involvement of international organizations. Thus, it is hoped that the combination of direct and indirect strategies will ensure the greatest success for interstate regional governments in the border regions of developed countries.

#### 4. CONCLUSION

Regional government collaboration between countries across borders has become an increasingly important tool for public policy exchange between countries, playing an important role

due to its ability to spread good practices and experiences that can be applied in regional contexts, even to other countries. Debates about the challenges and prospects as well as the potential for substate actors to compete at the international level encourage the ability of leaders to improve their regions through inter-state regional government collaboration with several countries across borders. This is due to the vast globalization network which cannot be limited to even the smallest area, so it is an opportunity to advance cross-border development and help maintain overall sovereignty and is strengthened by an institutional approach considering the impact of institutions in changing the structure and activities of sub-states in the international world.

The need for determining factors in regional government collaboration between countries across borders by sub-country actors includes:

- Special policies for cross-border socio-economic cooperation are an important factor in crossborder cooperation together with the Regional Border Management Agency and/or work units responsible for socio-economic cooperation can be key players in this cooperation.
- 2. Identification of determining factors: Identification of determining factors is an important factor in developing border area cooperation. This identification can help in prioritizing the development of cross-border cooperation between countries.
- 3. Border management is an important component of cross-border cooperation. Border management can help resolve border problems and develop border areas.
- 4. Cross-border development issues: Human resource development issues across borders affect cross-border cooperation for sub-state actors. Each local government often does not pay adequate attention to this issue.

To increase the effectiveness of cooperation between regional governments between countries across borders, sub-state actors are needed such as business associations, non-governmental organizations and mass media, so that these actors can act as a liaison between government and society, as well as providing various opportunities and information, which will educate the public about the importance of international cooperation.

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