

## **Editorial Note:**

### **Messages from Indonesia Development Forum 2018**

Dear The Indonesian Journal of Development Planning readers,

In this edition the Indonesian Journal of Development Planning (IJDP) presents articles presented at the Indonesia Development Forum (IDF) 2018 which took place in Jakarta on 10-11 July 2018. IDF aims to provide a forum for dialogue and collaboration between government officials, researchers and development practitioners in a joint effort to find solutions to the challenges of development in Indonesia. IDF is a Bappenas initiative in collaboration with the Australian Government through the Knowledge Sector Initiative (KSI) program, this year the second IDF was held.

The theme raised in the IDF 2018 is “Pathways to tackle Regional Disparities Across the Archipelago”. The main topics that will be discussed in this forum are: (a) development of growth centers; (b) efforts to reduce the gap between disadvantaged regions and borders; (c) basic service improvements to reduce regional disparities; (d) utilize digital economic potential to encourage regional development; (e) strengthening Indonesia’s connectivity as an archipelago; (f) innovations in local governance; and (g) optimization of development funding sources.

IDF 2018 encourages open discussion on challenges and key issues in the inequality of the pace of human and economic development throughout Indonesia. Various research results and successful examples of experts and practitioners will be displayed in this event, with the aim of producing recommendations for the preparation of the National Medium Term Development Plan (RPJMN) 2020-2024.

#### **Inter-regional disparity**

Social and economic development disparity is one of the main challenges for Indonesia’s development. Economic growth over the past two decades is still concentrated in the western part of Indonesia, which contributes as much as 80% of Indonesia’s gross domestic product (GDP). On the other hand, economic development in eastern Indonesia lags behind even though the area is rich in natural resources.

Although sustainable growth has resulted in significant poverty reduction, the benefits of that have not been evenly distributed. Health and Education conditions in eastern Indonesia are still very low, while the average Human Development Index (HDI) in some provinces is still relatively low and some even below the national HDI average (Papua, West Papua, East Nusa Tenggara and West Sulawesi ) Dealing with inequality between regions is a top priority of the current government.

In this edition there are 5 IDF 2018 articles plus 1 regular article relating to the Bappenas works recently in order to prepare the RPJMN 2020-2024.

The first article is written by Tengku Munawar Chalil. This study explores the paper effect in Indonesia using a spatial approach. Covering data from 2000-2014, the paper shows that grants stimulate overspending by local governments even though spatial interdependence is carefully treated.

Iskandar wrote the second article entitled “Optimizing CSR Funds as a Source of Funding for Regional Development in Indonesia”. The goal of local government in optimizing CSR Funds as a source of minimizing local development funding is the potential fraud. To achieve this objective, this paper used a qualitative approach through analysis of relevant regulations and previous studies.

The third article is about that there is a growing need for SMEs to understand Talent Management (TM) better and optimize the digital economy in Indonesia. Article written by Monica Yanuardini aims to explore, especially in digital-savvy SMEs that use internet platforms in their business. By using cluster analysis, this study presents the pattern of TM issues: attract, select, develop and retain key talented employees. This exploratory study involved CEOs and managers of digital-savvy SMEs in Jakarta, Bandung and Yogyakarta. This study of the awareness of SMEs in harnessing the demographic growth of the young population in Indonesia

Sri Sarjana and Nur Khayati presented an article entitled “Industrial Estate Development and Competitiveness of Manufacturing Industries in Indonesia”. This empirical study investigates the role of human capital, infrastructure, supply chain, science and technology on competitive strategy in business units at industrial estates and its impact on strengthening the competitiveness of manufacturing industries. The author conducted an on-the-best industrial estate survey to test hypothesis and analyzed the survey results using structural equation modeling.

The fifth article was written by Wibowo et al., with the title “Strategic Digital Campaign to Improve Rural Health Workers Recruitment Process in Indonesia: A Case Study of Pencerah Nusantara Batch VI”. The recruitment process of PN and Main is using secondary data such as “Relative Volume Search” measuring Google search popularity, social media insights measuring social media engagement and Google Analytics of PN weblog measuring weblog visits and online recruitment data measuring the daily application rate PN.

The last article is a paper written by Eka Riski Ningtiyas who presents an article that aims to examine the existence of counterproductive effects of Raskin (rice for poor) programs on labor supply. The impact evaluation is done by a combination of Difference-in-Difference and Propensity Score Matching methods. This study compares outcomes in the treatment and control groups in the period before and after Raskin implementation.

Enjoy the reading.

Muhyiddin  
Editor in Chief