# **ROLE IMPORT TO DEVELOPMENT IN INDONESIA**

# Andriansyah Hasibuan, Women Saajidah, Lathifa Aini, Naila Ananda Runi hasibuan17042004@gmail.com Medan State University

#### Abstract

The purpose of this study is to determine the role of imports in development in Indonesia. The research method in this research is a literature review method. The data collection technique used is secondary data using content analysis techniques. Import activities have a complex impact on humans resources in Indonesia. On the one hand, imports can create new jobs for the people of Indonesia, especially in the distribution and trading sector. But on the other hand, imports can also threaten employment in the country manufacturing and agricultural sectors, where local production cannot compete with cheaper imported products and import activities can have both positive and negative impacts on poverty in Indonesia.

Keywords: import, Development, Poverty

#### **INTRODUCTION**

ndonesia is the country with the fourth largest economy in the world by population around 267 million people in 2021. However, to achieve economic growth higher and more sustainable, Indonesia must continue to develop its export sector and the import. One important aspect in Indonesia's economic development is the role of imports in meeting the need for goods and services that cannot be produced efficiently in in country, as well as in increase Power competitive industry in country through import material standard And machines production which are more advanced.

On the other hand, imports can also have a negative impact on the Indonesian economy if not well regulated. For example, excessive imports can threaten sustainability domestic industry, harming local farmers and producers, and increasing the deficit trading. With so activity import can impact on poverty in something country. Import goods from outside country can give benefit for consumer local, such as cheaper prices and more diverse choices, but can also provide pressure on producer local.

If product import own price Which more cheap from on product local, so consumers tend to choose imported products, which can reduce demand and income producer local. However, import Also can open opportunity Work new And improving the skills and experience of the local workforce through technology transfer and knowledge. Besides That, import Also can help fulfil need material standard For production And strengthen chain supply,

Therefore, it is important for the Indonesian government to pay attention to the role of imports in development economy And do regulations Which appropriate so that import can make a contribution positive for the Indonesian economy. Report about role imports in Indonesia's economic development can provide more understanding Good about How import influence economy Indonesia And help government in establishing appropriate policies to optimize the benefits of internal imports development economy.

	Growth	Import
Year	Economy	(Million
	(%)	US\$)
2000	4.92	33514.8
2001	3.64	30962.1
2002	4.50	31288.9
2003	4.78	32550.7
2004	5.03	46524.5
2005	5.69	57700.9
2006	5.50	61065.5
2007	6.35	74473.4
2008	6.01	129197.3
2009	4.63	96829.2
2010	6.22	135663.3
2011	6.17	177435.7
2012	6.03	191691.0
2013	5.56	186628.7
2014	5.01	178178.8
2015	4.88	142694.5
2016	5.03	135652.8
2017	5.07	156985.5
2018	5.17	188711.2
2019	5.02	170727.4
2020	5.05	141568.8

Table Data Import towards development Economy in Indonesia from year 2000-2020

Source: BPS & World Bank

Development or economic growth in Indonesia during 2000 to 2020 appears to be in a fluctuating state every year (Hodijah, Siti; Angelina, Grace Patricia, 2021). We can see from the data above that imports greatly influence the percentage economic development in Indonesia. If imports increase, the percentage of development will increaseIndonesia will decrease, so also On the contrary, If Import reduce so Percentage development in Indonesia will increase. But imports will not always have an impact There are several negative negative impacts on economic growth in Indonesia, which can be seen from the data above year activity Import rather add percentage growth or development in Indonesia. So in conclusion, the import activities carried out by the government are carried out for useinterest For build Indonesia become more Good Again, However No all import activities have a good impact, because basically the higher the development something Country, so increasingly A little also activity Import on Country the.

## **METHOD STUDY**

## **Method Study**

The type of research used by researchers is literature review research, in study this is what researchers use method collection data study References. Study librarianship is a data collection technique by reviewing books, literature, notes, as well as various report Which

related with problem Which want to solved. Besides That,

The source of the data obtained is relevant and accurate data, due to the researchers reviews based on the central statistical agency, official documents from several ministries or data official national as well as a number of journal which are already in admit it.

## **Technique Collection Data**

Technique Collection data Which used in study This is technique secondary data collection. Secondary data collection techniques are collection techniques data is carried out by utilizing existing data, whether in the form of public data or data Which has generated by researcher other previously. In collection data secondary, researchers do not directly collect data through interviews, observations, or questionnaire, but rather utilizes data that already exists and is available in various sourcesTrusted.

## **Technique Analysis Data**

The data analysis technique used in this research is content analysis technique. Technique Content analysis is a technique used to analyze the content or content of written documents, such as scientific journals, books, theses, and official documents from government agencies related to regional taxes and local original income. This technique can be used to identify the main themes or topics, trends and patterns contained in the literature sources used in study.

## **RESULTS AND DISCUSSION**

# Impact Activity Import To Source Power Man in Indonesia

Impact activity import to source Power man in Indonesia is something problems that have become the concern of the Indonesian government and society in several ways year final. Data from Ministry Employment note, number unemployment open Indonesia in the second quarter of 2018 was 5.33%. Of these, numbers were recorded unemployment highest in between graduate of vocational school as big as 9.9%; graduate of SENIOR HIGH SCHOOL as big as 7.53%; graduate of S1 as big as 5.77%; And graduate of S2 of 3.13%.

In report Body Center Statistics (CPM) Which released on year 2019, number unemployment in Indonesia on quarter First year 2019 recorded as big as 5.23%, Which

consists from unemployment open of 2.33% And unemployment No open as big as 2.90%. From numbers it is visible that unemployment open dominated by graduate of SMK with a percentage of 12.56%, followed by high school graduates with a percentage of 9.94%, And graduate of S1 as big as 7.91%.

Wrong One reason its height unemployment in Indonesia is impact activityimports which cause competition between domestic products and products imports, especially in the textile and garment, leather and shoe industries. This has an impact on decline in domestic industrial production, which also hampers sector growth industry And exists dropping field work for power Work in Indonesia.

Activity import own impact positive to source Power man (HR) in Indonesia, between other:

1. Increase Skills And ability HR local

Activity import can give chance for HR local For Study And interact with new products and technologies not available in in country. Matter This can enrich knowledge And Skills they, so that increase ability And Power competitive HR local.

2. Increase efficiency And productivity

Import activities can also help increase efficiency and productivity in industry local because it can introduce more modern technology and production methods and sophisticated. This can help improve the quality of products and services offered, so that increase Power competitive And growth industry in country. 3. Providing raw materials and equipment that are not available domestically Activity import can introduce material standard And equipment Which No availablein in country, so that can help increase productivity And efficiency inindustry local. Matter This can help increase field Work And chance for HR local.

4. Increase quality life

Import activities can also help improve people's quality of life because can provide access to high quality and diverse products. Matter This can enrich experience And knowledge public, so that canhelp increase Skills And ability HR local.

Import activities can also have a negative impact on human resources (HR) in Indonesia in a number of method, between other:

1. Lower Power competitive HR local

Import activities can affect the competitiveness of local human resources because goods are often imported cheaper and more accessible to consumers compared to artificial goods local. This can result in demand for local products decreasing, so industry local become not enough competitive And reduce chance Work for HR local.

2. Lower quality HR local

Import activities can also reduce the quality of local human resources because products are often imported more advanced And quality tall compared to with product local. Matter This can result HR local No own chance For develop And increase Skills they.

3. Trigger unemployment

Activity import Which too big can trigger unemployment Because industry local become not enough competitive And chance Work reduce. This can resultUnemployment rates increase, which in turn can affect capabilities HR local For fulfil need life they.

# Impact Activity Import To Source Power Natural in Indonesia

Impact activity import to source Power natural in Indonesia can result decline ecosystem source Power natural, as well as reduce reserve source Power natural Which can produced in a way local.

Data shows that intensive import activities can have a negative effect on source Power natural in Indonesia, including including:

1. Source Power biological

Intensive import activities on biological resources can reduce sustainability biological resources, especially various types of fish and marine biological resources other.

2. Source Power mineral

Activity import Which intensive Also can influence sustainability source Power minerals, resulting in a decline in mineral resource reserves can produced in a way local.

3. Source Power forest

Intensive import activities can affect the sustainability of forest resources and reduce reserve source Power forest, so that impact negative on sustainability environment And habitat natural in Indonesia.

Data accurate that activity import can influence source Power natural in Indonesia:

1. Data from Ministry Outside Country shows that on year 2019, import Indonesiain a way whole recorded as big as USD50.8 billion.

2. Data from the Indonesian Ministry of Environment and Forestry in 2020 shows that Indonesia imports mainly natural resources such as wood and wood processed, rock coal, nickel, and tin.

3. Data from Bappenas states that imports of natural resources in 2019 recorded amounted to \$14.8 billion, which covers oil earth, gas, coal, gold, tin, And other.

4. Reference source from the World Bank "Environmental Protection and Economic Growth" (2004) show that import activities can have a negative impact on sources Power natural through use source Power natural Which more intensive And No sustainable.

5. Data from the Indonesian Ministry of Environment and Forestry "Impact of Activities Imports of Natural Resources in Indonesia" in 2020 provides data that import activities can affect natural resources in Indonesia Through the decrease in the availability of certain natural resources and the negative impacts on the environment.

6. Reference source from Bappenas, "The Economic and Social Impact of Import Activities on the Sustainable Exploitation of Natural Resources in Indonesia" (2019) points outthat import activities can affect natural resources in Indonesia Through the decrease in the availability of certain natural resources and the negative impacts on the environment.

In the same statement, Bappenas also stated that import activities could affecting natural resources in Indonesia Through the decrease in the availability of certain natural resources and the negative impacts on the environment, which are caused by intensive imports of natural resources such as petroleum, gas, coal, gold, tin, And other.

# Impact Activity Import To Poverty in Indonesia

Imports can have varying impacts on poverty levels in Indonesia depends on type goods or commodity Which imported. By general, import can impact positive or negative to poverty in Indonesia.

Impact positive import to poverty in Indonesia can happen when import used to meet the need for raw materials or capital goods that are not available in domestic. In this case, imports can help increase productivity and power competitiveness of domestic industry so that it can increase employment and income forpublic.

However, impact negative import to poverty in Indonesia Also Can happen if import too Lots done For goods Which Actually can produced domestically. Excessive imports can reduce domestic demand against domestic products and make local production uncompetitive. This matter can cause subtraction field Work And income for public.

Besides That, import is also possible impact on the increase in prices of goods in local market, especially If import done For goods consumption Which very needed by public. Ascension price This can cause public from group economy weak become the more difficult For fulfil need base they And can worsen level poverty.

Therefore, imports must be properly regulated and balanced so as not to have an impact negative impact on poverty levels in Indonesia. The government can adopt an import policy Which appropriate For ensure that import No harm production local And No give impact negative on level poverty. Data about impact activity import to poverty:

1. In 2019, the number of poor people in Indonesia was 26.4 million people, or the equivalent with 9.78% from total population. (Body Center Statistics, 2019)

2. In the same year, the proportion of poor people in urban areas was 7.31% and in villages as big as 13.76%. (Body Center Statistics, 2019)

3. From the results of the World Bank study "Poverty and Social Protection in Indonesia" in 2013, activity import can influence level poverty through influence to growth economy, field work, And income public.

4. Asian Development Bank study in "Impacts of Trade on Poverty in Indonesia" on year 2013

show that activity import can influence level poverty through enhancement access to goods Which affordable price.

5. As discussed by UNESCO in "Trade and Poverty Reduction" in 1984, Import activities can influence poverty levels through increasing supply affordable goods, increased efficiency of using resources Power, And enhancement access to technology And knowledge knowledge Which more proceed.

6. Based on the results of the World Bank study "Trade, Employment and Inequality in Indonesia: Implications for Poverty Reduction and Social Protection" in 2015, activities imports can influence poverty levels through increasing the supply of goods goods Which affordable price And enhancement efficiency use source Power.

## Impact Positive And Negative from Activity Import in Indonesia To Development

Import activities in Indonesia can make a significant contribution to development economy Indonesia, especially If done with wise And regular. Following is a number of contribution activity import to development economy Indonesia:

1. Increase access to market global

Import possible products from Indonesia For for sale in market global, so that expand access to market international And help increase volume export, Which can contribute on economic growth Indonesia.

2. Increase productivity And Power competitive industry

Imports of raw materials and more sophisticated production machinery can speed things up industrialization process in Indonesia, increasing productivity and production efficiency, as well as increase Power internal industrial competitiveness country.

3. Increase quality product And service

Importing high-quality goods from abroad can affect quality products and service in country, so can improve quality standards product Indonesia And increase satisfaction customer.

4. Fulfil need consumer

Imports can help meet consumer needs that cannot be produced efficiently domestically, so as to increase customer satisfaction and increase request products in country.

5. Push exchange technology And knowledge

Import activities can also encourage the exchange of technology and knowledge between Indonesia with other countries, which can help improve quality and efficiency production, as well as speed up development technology And innovation in Indonesia.

However, uncontrolled and poorly regulated import activities can impact negative to development economy Indonesia. By Because That, government Indonesia must notice regulations import Which appropriate For Minimize negative impacts and maximize benefits from internal import activities development economy Indonesia.

Data about impact import to development or growth economy :

1. Import influential negative And significant to growth economy.

The import coefficient of -1.66E-05 means that if imports increase by 1 percent it will lower growth economy as big as -1.66 percent. On the contrary, import will lower request public in in country. Import will lowerNational income is in balance and creates economic problems Which will faced country.

2. Import influential positive And significant to growth economy.

The import coefficient is 2.895370, meaning that if imports increase by 1 percent, it will increase growth economy as big as 2,895 percent And when imported decrease

as big as 1 percent so will lower growth economy as big as 2,895 percent.Goods And

service Which used For fulfil need public And asmaterial standard production Lots Which imported from country other. If goods And serviceWhich imported from outside country increase so will push enhancement activityeconomy in country Good production, consumption And distribution. If activityIf the economy is running well, it will increase economic growth. Following This import curve against development economy from data on.



From curve the Can We conclude that's it growth economylowest on year 2001, namely 3.64%, and the highest economic growth in year 2007 that is 6.35%. On year 2008 to 2009 happened decline economic growth which was quite serious, this happened because of the 2008-2009 economic crisis that occurred in moment That, But Fortunately government Indonesia succeed overcome matter the, And prevent a monetary crisis like in 1998. So imports can have an impactpositive And negative depends situation And condition Which faced, government must prepare a plan or a thorough plan before actually doing it activity import so that No happen things who does not pleasant.

## CONCLUSION

Import activities have a complex impact on human resources in Indonesia Indonesia. In One side, import can create field Work new for public Indonesia, especially in sector distribution And trading. However, in side other, import Also

can threaten jobs in the manufacturing and agricultural sectors, where local productioncan lost competing with product import which are more cheap.

In addition, imports can also have a negative impact on skills development andtechnology in Indonesia. If most of the goods imported are finished goods, then local industry will find it difficult to develop skills and production technology higher. This can hamper the ability of Indonesia's human resources to compete in the market global.

Import activities tend to have a negative impact on natural resources, namelyreducing the sustainability of biological resources, can affect resource sustainability mineral, as well as influence sustainability source Power forest And reduce reserve source Power forest.

Import activities have both positive and negative impacts on poverty in Indonesia. The positive impact can occur when imports are used to meet needs material standard or goods capital Which No available in in country. Whereas impact negative that is can cause subtraction field Work And income for public.

Import activities in Indonesia can make a significant contribution to development economy Indonesia that is:

- 1. Increase access to market global
- 2. Increase productivity And Power competitive industry
- 3. Increase quality product And service
- 4. Fulfil need consumer
- 5. Push exchange technology And knowledge

## SUGGESTION

Suggestions that we can give as researchers to increase insight and knowledgeall readers:

- 1. Policy import must focused on fulfil need industry local in IndonesiaWhich No can fulfilled by production in country. Matter This will help increase Power competitive industry in country And create field Work new.
- 2. The government must pay attention to the impact of imports on local industries and sources Power natural in Indonesia in make policy trading And investment. Import must arranged like that appearance so that No threaten continuity economy period long in Indonesia.
- 3. Government must push development Skills And technology in Indonesia so that local industries can compete with cheaper imported products. This can done through program training, development infrastructure, And support finance for businessman local.
- 4. Government must strengthen supervision And regulations to import goods illegal or goods Which violate standard quality And security. Matter This canhelps protect domestic consumers and producers from competition No Healthy.
- 5. Government Also must promote export product local For balance import. This can help increase state revenue and improve Power industrial competitiveness in country in the market global.

## REFERENCES

Adm-Bappeda. (2019, April 24). *Pancasila And Development National*. Retrieved from BAPPEDA REGENCY. BELITUNG: https://bappeda.belitung.go.id/pancasila-dan-National development/

Blue Economy Development Frameworks for Indonesia's Economics Transformation. (2021).Jakarta: Ministry of National Development Planning/National Development PlanningAgency. Retrieved from

https://perpustakaan.bappenas.go.id/e-

library/file\_upload/koleksi/documentbappenas/file/Blue%20Economy%20Developm e nt%20Framework%20for%20Indonesias%20Economic%20Transformation.pdf Notes Government in Accountability Answer State Budget 2019, Volume 1, Part VII.

- (2019).Retrieved from Ministry of Environment and Forestry : https://fiskal.kemenkeu.go.id/baca/2020/09/01/181539824242233-ini-hasildiscussion-of-2019-APBN-accountability bill
- Febrian, W. D. (2022). Management Source Power Man. In m m Man, *Management Source Power Man* (p. 1). Jakarta: Eureka Media Archipelago Repositories.
- Hodijah, Siti; Angelina, Grace Patricia. (2021). Analysis of the Effect of Exports and Imports on Growth Economy in Indonesia. *Journal Management Applied And Finance, 10* (1), 53-62.

Impacts of Trade on Prostitution in Indonesia . (2013). Retrieved from Asian Development

Bank: https:// www.adb.org/id/countries/indonesia/poverty

Indonesian ImportActivities.(2019).RetrievedfromMinistry ofForeignAffairs:

https://kemlu.go.id/portal/id/list/view/82/angkat-ekspor-ke-pasar-alternatif- foreign ministry-encourages-indonesian-entrepreneurs-to-participate-in-ina-latamcar-business- forum-2019

Report Economy Indonesia . (2019). Retrieved from Ministry Coordinator Field Economy : https://ekon.go.id/publikasi/detail/1487/edisi-4-februari-2019-report-economicweekly

Environment and Forestry, K. (2021). *Indonesia's Environmental Status in 2020*. Jakarta: Ministry of Environment & Forestry of the Republic of Indonesia. Retrieved from World Bank.

- Mathis, & Jackson. (2006). *Human Resource Management: Resource Management.* (A. Dian, Trans.) Jakarta: Salemba Four.
- Nopirin. (2011). Economy Monetary. Yogyakarta: Publisher BPFE.

Development Economy And Poverty . (2020). Retrieved from Body Center Statistics: https:// www.bps.go.id/pressrelease/2020/07/15/1744/persentase-penbangun-miskinmarch-2020-increase-to-9-78-percent.html

Pridayanti, A. (2014). Influence Export, Import And Mark Swap To Growth Economy in Indonesia Period 2002-2012. *Journal Education Economy (JUPE), 2* (2).

Proverty and Social Protections in . (2013). Retrieved from World Bank: https://documents1.worldbank.org/curated/pt/459361468044650535/pdf/672170W P00PUBL0T00English000PUBLIC0.pdf

Proverty Reduction and Growth . (1984). Retrieved from UNESCO:https://en.unesco.org/culture-development/transversal-approaches/poverty- reduction-and-growth

Purwanti, ES, Arsinta, Y., Arifiyah, Arisanti, NF, & Azizah, IN (2014). Import Impact Against Indonesian Inflation in the First Quarter of 2014. *Economic Development Analysis Journal (EDAJ), 3* (2), 381-392.

Rintuh, C., & Miar. (2003). *Institutions and People's Economy*. Jakarta: Directorate General Education Tall.

Sallata, m K. (2015). Conservation And Management Source Power Water Based on Its existence As Source Power Natural. *Bulletin Ebony, 12* (1), 75-83.

Soerianegara, I. (1977). *Management Source Power Natural part I.* Bogor: School Post Bachelor. Institute Agriculture Bogor. .

Studies from Impact Activity Import To Source Power Natural in Indonesia. (2018).

Retrieved from World Bank: https://worldbank.org

Sukirno, S. (2006). *Introduction Theory Economy Macro Economy*. Jakarta: PT King Grafindo Homeland.

Tinangon, H., Kojo, C., & Tawas, H. (2019). Comparison of the performance of permanent and non-permanent employees Remains at the North Sulawesi Provincial National Defense Agency Office. *EMBA Journal, 7* (4), 5079-5087.

Tjokrowinoto, m (1996). *Development, Dilemma, And Challenge.* Jakarta: References Student.

Trade, Employment and Inequality in Indonesia: Implications for Poverty Reduction and Social<br/>Protection .Protection .(2015).RetrievedfromWorldBank:https://

www.worldbank.org/en/country/indonesia/overview

Utami, F. P (2020). Influence Index Development Man (IPM), Poverty, Unemployment To Growth Economy in Province Aceh. *Journal Ocean economics, 4* (2).

Jacob, Y. (2010). Influence Level unemployment To Level Poverty Regency/City in Province Sumatra West. *Journal Ekos, 8* (3).