



Good Governance in International Relations: Integrity Management and Locality in Nasrafa Painting Fabric, Jebres, Solo

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Abstract. This study discusses the correlation between local values in international relations, especially in applying the concept of Good Governance. An optimal and collaborative system can help establish the right conditions for industries to build domestic and international cooperation. This system is reflected in the production of painting fabric in Jebres, Solo. Nasrafa, as one of the producers of painting fabric to use the local values that earn the company prestigious national awards and the increasing number of foreign buyers. This paper argues that local values do not always take shape as the physical products but also the philosophy and the process in which the fabric was produced. These local values are then shaped into integrity management that makes Nasrafa a local painting fabric producer who manages to compete in the global market. This research also argues that the success of export business is caused by the massive and structured support from the government, corporations, and local citizens.

Keywords: good governance · painting fabric · Nasrafa · locality value

1 Introduction

The current globalization that continues to move and develop in today's world system results in the rapid transfer of cultural values, information, and products from one region to another. Globalization radically changes economic growth, employment, and income distribution, often without distinguishing between inequalities within countries or countries [1]. In the economic field, globalization creates a new space known as economic globalization, which includes cross-border goods and services, international capital flows, reduction of tariffs and trade barriers, immigration, and the spread of technology and knowledge beyond borders. This development opens up opportunities for local business units to engage in international activities to seek opportunities in trade.

There are various opportunities for local businesses to develop, starting from global access and increasing the volume of information that can be used to position strategies

in the industry. In this process, two essential concepts describe initiatives in opening up opportunities for local businesses, namely locality, and internationalization [2]. These two concepts illustrate how local elements become competitive advantages resulting in superior performance [3]. Simultaneously, competitive advantage opens up great opportunities for a local business unit to internationalize. Adopting local values in a product brought to the global realm is referred to as internationalization. Internationalization in the Big Indonesian Dictionary (KBBI) is defined as internationalization. When viewed in the trade process, it means developing products or businesses in foreign regions.

The opportunity to use locality and internationalization strategies must be utilized as well as possible by local businesses supported by the involvement and collaboration of various actors. In maximizing opportunities, the government as a policy maker becomes a vital foundation to pave the way for local businesses on the world stage. The presence of the government as an essential actor in foreign affairs can accelerate the transition of local companies to global markets. This can be illustrated through the principles of good governance.

In UNDP, Good Governance [4] is a good governance relationship between the government and the community by making policies related to economic and socio-political activities and using natural and human resources. Some principles of good governance applied are participation, legal certainty, transparency, responsibility, agreement-oriented, fairness, effectiveness and efficiency, accountability, and strategic vision [4]. This research will look at applying good governance principles, which are expected to be the right strategy in opening up local business opportunities with locality attributes to achieve internationalization. On the other hand, these localities can encourage the achievement of cultural diplomacy through international trade.

One of Indonesia's traditional cultures known by the world community is batik. UNESCO recognized Batik as a Humanitarian Heritage for Intangible Culture, or Intangible Cultural Heritage of Humanity, on October 2, 2009 [5]. Solo is one of the cities in Java famous for its local batik industry, which reflects philosophical values that are implemented in various patterns and describe the lives of Indonesian people. For example, batik parang comes from the word "*pereng*," which means slope. In batik, this motif represents someone who always chooses the best way to be lived. Then another motif, namely Sekar Jagad, which means "world flower," describes the batik wearer's joy and elegance [1]. In this study, painting fabric is an innovation in the batik industry that can penetrate the global market. In contrast to batik, painting fabric is a fabric product described by painting without using canting like batik. Although relatively new, painting fabric has the potential to reach the global market.

One of the painting fabric producers who has succeeded in bringing their products to the global realm by bringing local values is Nasrafa Painting Fabric in Jebres, Solo. Some of the locality values taken are good human resource management, namely empowering street children in the Solo area who previously painted on walls, roads, or public facilities and then employed as workers to add value [7]. The pattern of Nasrafa's painting is also taken from local values in the form of flora patterns in Indonesia. Nasrafa's painting fabrics are in demand by both domestic and international consumers. Selling painting fabric internationally has been done several times through cooperation with the Japanese

government, buyers in the Philippines through Manila Fame, and even personal buyers from France.

Nasrafa has the principle of “MSME Integrated” or unique marketing with several points, namely HR, Production, legality, marketing, administration, and good CSR (in interview Yani Mardiyanto, Owner of Nasrafa, 2022). The CSR is to provide painting assistance for School for Children with Special Needs (SLB) students in Solo. In addition, Nasrafa also recruited local painters to be employed. Every two years, Nasrafa also performs art performances in theater, painting, and dance. In addition to Indonesian floral patterns, Nasrafa also raises locality values in its production, namely the basic materials, colors, image patterns, namely materials from burlap sacks, the colors used are natural colors, the patterns used are floral patterns from Indonesia, as well as in management and management still using the local value of the Javanese language is excellent and correct.

Based on the above, this research is fascinating and unique to be followed up on because it sees how painting fabric, a form of innovation and still relatively new, can become one of the products that can penetrate the global market. So in this study, the researcher wanted to study and analyze how the efforts of Nasrafa’s painting in Jebres Solo could penetrate the global market.

2 Discussion

2.1 The Role of Good Governance in Nasrafa Fabrics

In UNDP, Good Governance [2] is a good governance relationship between the government and the community by making economic and socio-political policies and using natural and human resources. Some principles of good governance applied are participation, legal certainty, transparency, responsibility, agreement-oriented, fairness, effectiveness and efficiency, accountability, and strategic vision [2]. Referring to this, three actors play a role in the activities of the Nasrafa internationalization process, namely the Government, especially the Central Java Cooperative and MSME Service, the private sector, namely Nasrafa Painting Fabrics as actors in internationalization activities, and civil society that helps the internationalization process, one of which is by consuming products.. Some of the government’s actions in encouraging the internationalization of Nasrafa Painting Fabrics are, first, conducting and facilitating virtual expo activities in 2020, where at this time the pandemic had a significant impact on economic growth, especially for MSMEs. This Virtual Expo is packaged by bringing in buyers from domestic and foreign countries. This activity aims to open up opportunities for Nasrafa Painting Fabrics to attract a broader range of consumers. Some of the countries involved in this virtual expo are Malaysia, Dubai, and Australia. Second, the local government, especially the Central Java Cooperatives and UMKM Service, is actively conducting and maintaining good relations with consulate generals abroad. This aims to create a more comprehensive network for overseas entrepreneurs who may have the potential to become suitable business partners for Nasrafa Painting Fabrics. Third, helping to connect the collaboration of Nasrafa Painting Fabrics with Belgium, starting with the existence of Indonesian diaspora communities in Belgium and France to manage exhibition houses. The system used in this collaboration is that Indonesia or MSMEs

send their products to be exhibited in Belgium. This is undoubtedly a vital moment to market the product more broadly. This activity is carried out not only in one country but also in Osaka, Japan, where Nasrafa products are sent for exhibition at one of the malls in Osaka. Fourth, the government also provides assistance and negotiations. The widening of the market to the international market raises other obstacles, such as language. The government plays a role in assisting MSMEs in negotiating or dealing. Fifth, the government provides an evaluation in the form of feedback in terms of design, color, and price so that the products sold by Nasrafa have been well planned. Sixth, the government assisted Nasrafa in displaying products at international airports such as Semarang and Jogjakarta. Lastly, the government also helps Nasrafa do branding through social media to expand consumers' potential.

The second actor who plays a role in this internationalization process is Nasrafa Painting Fabric, a business actor. In the internationalization process, Nasrafa continuously expands networking so that in this effort, Nasrafa helps to get some buyers. In addition to buyers obtained from government assistance, Nasrafa also received buyers through connections between businessmen and individuals, such as buyers from France. Nasrafa is also actively involved in overseas exhibitions such as Manila Fame. In this activity, Nasrafa managed to get buyers in the Philippines who bought painted fabric products in bulk. Furthermore, Nasrafa also establishes relationships with other business activists to support their products, such as the example of the materials used by Nasrafa, one of which is burlap. This material is obtained in collaboration with other business actors so that other private actors become supporters of Nasrafa's products.

Nasrafa also has the principle of "MSME Integrated," which consists of HR, Production, legality, marketing, administration, and good CSR. The HR aspect is proved by recruiting local painters to be employed. Meanwhile, the CSR is to provide painting assistance for School for Children with Special Needs (SLB) students in Solo. In addition, Nasrafa also performs art performances in theater, painting, and dance every two years. Besides the "MSME Integrated" principles, Nasrafa also raises locality values in its production, namely the basic materials, colors, image patterns, namely materials from burlap sacks, the colors used are natural colors, the patterns used are floral patterns from Indonesia, as well as in management and management still using the local value of the Javanese language is excellent and correct.

The last actor is civil society or civil society. First, the civil society that plays a role here is the Indonesian community members of the Indonesia-Japan Businessman. Nasrafa sent products to IJB, which IJB then accommodated Nasrafa as a liaison with buyers, helping with export activities, export training, and helping hold exhibition activities. Second, the people here are Semarang State University (UNNES) and Dian Nuswantoro University (UDINUS) students assisting MSMEs. Students carry out this activity according to their major, such as accounting, focusing on financial bookkeeping assistance. Students here in IT also help in the packaging section and manage websites, while management students assist in product management.

The collaboration of these three actors, summarized in the concept of good governance, helps Nasrafa achieve the internationalization process in the international market.

2.2 Process of Internationalization of Local Products

The role of good governance in helping local products made in Indonesia be recognized in the international market is only possible because of advanced technological developments and the high current flow of globalization. Globalization is a process of integrating various aspects of relations between international relations actors, both state and non-state actors, with increasingly blurred boundaries. Globalization affects multiple aspects of life, from politics, society, and culture, to technology and economy [3]. The high flow of globalization cannot be separated from the rapid development of technology. Social media, which makes it easy for one individual to connect with other individuals without being constrained by time and distance, is one of the results of technological advances that drive the flow of globalization. In addition, technological developments also encourage economic growth in the form of international trade. The role of technology in international trade is regulated in the International Telecommunications Agreement (ITA) and Trade Related on Intellectual Property (TRIPS), which were approved by the World Trade Organization (WTO) in 1996 and 1994 [4]. The two agreements allow markets in various countries to integrate to form a complementary international market.

International markets make companies in various countries more competitive because business competitors come not only from their respective countries of origin but also from multiple countries around the world [5]. On the other hand, an integrated international market also increases consumer buying interest. This is because the distribution process is becoming easier and faster, so consumers from one country can buy products from other countries without waiting for too long a delivery duration. Technological developments also impact increasing consumer buying interest in international markets. This is shown by the many applications or global payment tools such as PayPal, Wise, and the like, which can automatically change the sender's currency to the recipient's currency without manually exchanging it beforehand [6].

Besides being influenced by globalization and technological developments, the success of local products in entering the international market is also inseparable from the multi-track diplomacy strategy carried out by various international relations actors. Multi-track diplomacy is a diplomatic strategy that involves not only state actors as diplomacy actors but also different non-state actors such as multinational companies, educational institutions, and civil society [7]. This strategy originated from the concept of track one and track two diplomacy, which Joseph Montville coined in 1981, where track one was carried out by the government, while track two was carried out by non-governmental institutions. The concept was then developed by the United States diplomat John W. McDonald into five lines: government channels, conflict resolution expert lines, business lines or multinational companies, civil society lines, and media channels [8]. The five lines were re-developed by McDonald's in 1991 into nine lines as they are known today (Fig. 1).

According to the graph above, the nine tracks of multi-track diplomacy consist of government, non-governmental expert figures, business or multinational companies, civil society, education, activism, religious leaders, funding or donations, and the media [7].

First, the government route is generally taken if diplomacy is related to formulating policies and peace efforts through a formal government process. Second, the path of



Fig. 1. Multi-Track Diplomacy Source: McDonald, 2012

non-government expert figures is taken to carry out a diplomatic strategy as a conflict resolution effort. Third, business lines or multinational companies are carried out to overcome issues related to economic interests, such as cooperation between global companies, exporters, importers, and so on. The process of marketing local products to the international market can also be done through business line diplomacy. Fourth, diplomacy through civil society is carried out to maintain peace and develop the international community. Several ways can be taken, namely through student exchange programs, cultural exchanges, civil society organizations, etc. Fifth, diplomacy through education is carried out to increase research, training, and education activities for the entire world community. Research, training, and education activities generally focus on cross-cultural science, peace issues, conflict management, analysis, and resolution [8].

Sixth, activism is carried out as an effort to diplomacy and advocacy on the environment, human rights, social and economic justice, as well as activism against the interests of minority groups or groups disadvantaged by specific policies. Seventh, diplomacy through religious leaders is generally carried out to carry out diplomacy in areas that adhere to certain religious ideologies, and religious leaders play an essential role in determining public policies and opinions. Eighth the diplomacy of funding or donations. In this pathway, the figures who play an indispensable role are organizations that provide funds for the continuation of diplomatic efforts in other channels, such as non-profit institutions. Ninth, communication and media diplomacy are carried out through various content and platforms to help shape public opinion regarding an issue [9].

The success of the business of exporting local products to the international market is the result of implementing good governance in the practice of multi-track diplomacy. In the case of the success of Nasrafa Painting Fabric in exporting its products to international markets, the multi-track diplomacy effort cannot be separated from the intervention of the government, Nasrafa Painting Fabric, and civil society. Thus, it can be concluded that the export of Nasrafa products uses the diplomacy strategy of the first, third, and fourth paths, namely the government, business or multinational companies, and civil society. In implementing diplomacy through the government, the central and local governments through the intermediary of the Indonesian Embassy (KBRI), the Consulate General of the Republic of Indonesia (KJRI), and the Indonesia Trade Promotion Center (ITPC) always try to promote Nasrafa's local products to the international realm, either by communicating intergovernmental organizations for product purchases, as well as

organizing various international exhibitions. Several international exhibitions resulting from the Indonesian government's diplomacy include the Virtual Expo 2020 involving Malaysia, Dubai, Australia, and Manila Fame. In addition, the Ministry of Industry and BPOM have also consistently assisted Nasrafa in testing the quality of raw materials and products to comply with export standards implemented by the central government [11].

Meanwhile, the application of diplomacy through business lines or multinational companies can be seen in the activeness of Nasrafa Painting Fabrics in maximizing and maintaining the quality of their products. In addition, Yani Mardiyanto, the owner of Nasrafa, is actively networking with local and international entrepreneurs to expand the target market. This strategy got positive results, as evidenced by Nasrafa's success in getting new customers from France through the networking results.

The last aspect of good governance is the application of civil society diplomacy in a multi-track diplomacy strategy. Although Yani Mardiyanto admits that the government is still the leading party assisting the promotion and export of Nasrafa, it cannot be denied that civil society also plays a role in the promotion of Nasrafa. One example is the participation of School for Children with Special Needs (SLB) students in painting mentoring activities and the general public's involvement in art performances [13]. In addition, much general public visited the Nasrafa Painting Fabric production house located at the Semanggi Harmoni Creative IKM Center, Solo. People who saw the production house then uploaded several documents in the form of photos and videos to various types of social media, including Instagram, Facebook, Twitter, and so on. With the development of technology and the ease with which people from all over the world interact through social media, this article helps promote Nasrafa Painting Fabrics and the internationalization of their products to the global market.

3 Conclusion

Nasrafa Painting Fabric is a potential creative industry in the current era of globalization. Nasrafa has penetrated the global market by bringing local values from how it works to the ingredients used in its products. In making it happen, good governance becomes one of the essential points. The roles of the three actors, namely the government, the private sector, and civil society, encourage the internationalization process carried out by Nasrafa Fabric Painting. The government plays a role in opening networks with fellow governments abroad, holding international exhibitions, assisting in evaluation and feedback activities, and even participating in product promotion through social media. The role of the private sector in the internationalization process is to open up networking to get buyers and cooperate to support product needs such as fabrics and basic materials. While the third actor, civil society, helps to become a liaison in product expansion and assists in assisting MSMEs.

This cooperation among the three actors of good governance can be seen through the principle of "MSME Integrated." This unique marketing principle consists of several key points, namely HR, Production, legality, marketing, administration, and good CSR. While the principles are the main aspects that help Nasrafa to be recognized and supported by the government, they also assist the civil society, namely the School for Children with Special Needs (SLB) students in Solo and local painters employed by

Nasrafa. The internationalization phenomenon in this study is proof of the success of the concepts of good governance and multitrack diplomacy. Where international actors that appear today are no longer only a government, there are non-state actors such as the private sector and civil society.

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