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# PARADIPLOMACY AS THE PRODUCT OF STATE TRANSFORMATION IN THE ERA OF GLOBALISATION: THE CASE OF INDONESIA

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#### **Abstract**

The study of international affairs has found itself increasingly intermingled with local contexts. This condition has led us to a more decentralised approach toward international relations, where more attention is given to the role of subnational units such as city and province. Numerous studies with systemic-level analyses have been dedicated to examining globalisation as a structure and its impact on the emergence of subnational governments in foreign activities, which can also be understood as paradiplomacy. However, there has been limited state-level analysis of how paradiplomacy relates to the evolving state role in the contemporary era. This paper attempts to fill the gap by drawing the experience of Indonesia, a unitary state and an emerging democracy, in reshaping its institutional structures to pave ways for its local governments in conducting paradiplomacy. This exploratory study uses library study to primarily explore official documents on Indonesian regional autonomy, mainly related to international cooperation. This paper asserts that the rise of paradiplomacy in Indonesia is driven by the domestication of global issues, decentralisation of power, and fragmentation of the formerly powerful central agency.

# Keywords

Paradiplomacy; state transformation; Indonesia.

## How to cite this article

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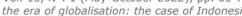
# Introduction

The study of International Relations generally still revolves around the behaviour of countries that occur across borders. The state's central position, in this paper by Lake (2007: 1), is said to "stand for the foreseeable future". This idea is, to some extent, undeniable. Rooted in the study of Political Science, International Relations is generally busy explaining why a particular country takes specific actions or does not take certain actions. Even though non-state actors are starting to be included in the equation, commonly, they are still struggling with how the state will respond to the actions of these non-state actors.

A good example is taking case studies on terrorism, one of the most salient contemporary topics in international politics scholarships. Even though much research has been dedicated to analysing terrorists as non-state actors, the analyses still tend to emphasise how the state will manoeuvre against the existence of these actors. For example, Lai (2017) discusses the impacts of terrorism on the states' foreign policy. Valeriano and Maness (2018) also highlight the relations between terrorism and cyber security. Last but not least, there is also the likes of Okafor and Piesse (2018), who correlates the causes of the emergence of terrorism and its relation to cases in fragile countries. Without belittling other research that focuses on finding the link between international phenomena and behaviour at the state level, this shows that International Relations is a study that still places state actors as the central figure in its study.

However, the increasingly vigorous movement of international issues, driven by the increasing flow of globalisation, has prompted International Relations scholars to find alternative explanations for the interactions between international actors. International issues spread despite the existing political borders. We cannot truly distinguish domestic and international realms as the line has been blurred between those two, bringing us to the concept of intermestic, a portmanteau of the terms "international" and "domestic". This term widely appears in numerous research trying to divert our attention to a more localised global politics version. Those researches remind us that contemporary scholars need to pay more attention to domestic aspects when analysing global issues (see Friedrich, 2018; Huijgh, 2017; Huang and Wang, 2021).

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Studies on the intermingling between the global and local context in the era of globalisation were notably initiated by Robertson (1995), who has warned Social Science researchers to be cautious in assuming globalisation as a phenomenon that overrides localities. According to Robertson, the dichotomous debate about homogenisation or particularisation cannot fully see the problem because what is currently happening is the transcendence between the two, giving birth to a concept he coins as "glocal" or a combination of globalisation and localisation.

In other terms, glocalisation can also include the hybridisation process. Pieterse (2019) formulates this idea of globalisation which does not automatically eliminate particularity. A good analogy is the creation of McAlooTikki by McDonald's India to cater for the local patrons, even though the spread of the aforementioned fast food joint itself is a global phenomenon (Reyaz 2013, p.244). This situation gave rise to terms such as "think global, act locally", which can be interpreted that each region has its particularity even though it is faced with the globalisation phenomenon, which seems to be a universal occurrence.

Pieterse (2019) states that globalisation is an extensive process permeating every aspect of life. Another essential idea from him is that glocalisation can also strengthen supranational and subnational regionalism. What is meant in this context is that not only globalisation can create new supranational blocs that respond to global issues, but it can also cause subnational government actors to adjust their positions on these issues. Therefore, globalisation in structural terms needs also to be understood as "the increase in the available modes of organisation: transnational, international, national, microregional, municipal, and local." (Pieterse, 2019: 72-73)

In light of that explanation, this paper attempts to see a facet of globalisation related to how subnational units are getting more power in international affairs. In the field of International Relations, such international affairs conducted by local governments is called parallel diplomacy or paradiplomacy. This paper tries to demonstrate how globalisation permeates the domestic level and transforms the role of states into making subnational governments the new international actors. In doing so, the author will bring the case of Indonesia's paradiplomacy through which we can see how globalisation brings a rise to subnational actors.

The structure of this paper will be structured as follows. First, the author will describe the logic behind globalisation and its impact on state dysfunction in carrying out activities to resolve their issues. Second, this paper will continue with how the dysfunction of the state causes subnational actors to come to the fore. Third, this paper will trace how the state then fragments and delegates its power to subnational actors to carry out paradiplomacy through case studies in Indonesia that can be related to the phenomenon of globalisation mentioned in the previous two sub-chapters.

In doing so, this paper utilises the State Transformation perspective developed by Hameiri et al. (2019), a frame of analysis that emphasises the development of states' roles in the era of globalisation where the global permeates into the local. The core of this perspective consists of three aspects: (1) fragmentation, (2) decentralisation, and (3) internationalisation. First of all, fragmentation refers to delegating the policy-making process to different actors. Then, decentralisation means allocating power to sub-state entities, for example, provincial and municipal governments. Third, internationalisation understands that there is a crossroads between domestic and international issues, so

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state agencies have begun to interact across borders (Hameiri et al., 2019: 4-5). Those three dimensions will be the departing points in seeing how paradiplomacy occurs due to the states' development under globalisation.

The main argument of this paper is that paradiplomacy is a product of state transformation driven by how globalisation slowly incapacitates centralised states and forces them to delegate some of its power to subnational actors. On the other hand, globalisation does not create uniformity but encourages glocalisation, absorbing the international issues into domestic realities. As a result, subnational governments welcome globalisation as an opportunity to internationalise themselves through paradiplomacy activities.

# **Previous studies on the topic**

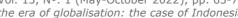
The study of paradiplomacy is still on the rise, and it has been getting more popular within the last few years in Indonesia. Among the earliest works that explore the concept of paradiplomacy from the Indonesian perspective are done by Damayanti (2012), bringing the argument that the practice of paradiplomacy can be used by Indonesia to enhance its stature within ASEAN. The study provides an idea that paradiplomacy has the potential to increase the depth of cooperation between members in regional organisations.

Some other articles, such as by Effendi (2012), Alam et al. (2020), as well as Moenardy and Sinaga (2021) add to the body of literature by using the economic lens in seeing the benefits of paradiplomacy. Those articles argue that paradiplomacy is an opportunity for Indonesian local governments to promote their international competitiveness by enhancing entrepreneurial government spirit. Mukti (2013), on the other hand, goes with a more holistic study, exploring the issue of paradiplomacy from four sides: International Relations, diplomacy, legal-formal, and practical. In his work, he highlights the prominence of the Indonesian Regional Autonomy in enabling the subnational government to perform in international affairs before providing case studies from the province of West Java, East Java, and the Special Region of Yogyakarta.

Regarding the use of State Transformation in the study of Indonesian paradiplomacy, Karim (2019) 's work has provided an essential foundation by highlighting the activities of frontier areas of Indonesia such as Batam and West Kalimantan participating in paradiplomacy activities with foreign territories bordering them (Singapore and Malaysia, respectively). However, the point of view Karim uses, in this case, is the dimension of border studies, which emphasises how regions respond to border management challenges that commonly occur in areas that share borders. Another dimension of paradiplomacy that has not been explored is the dimension of globalisation, or how the intensification of the spread of global issues ultimately encourages the redistribution of power from the state to the regions (Kuznetsov, 2014). Therefore, this paper will offer a new contribution from this aspect and see how globalisation has encouraged Indonesia to delegate the power to carry out diplomacy to the regions.

The author observes that while many Indonesian paradiplomacy pieces of research go directly to evaluating practices case studies or discuss them from the juridical side, departing from globalisation will add to the existing literature in viewing paradiplomacy

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as a necessity. In developing countries, paradiplomacy is not optimal because the implementing regions do not adequately perform it (Nganje, 2013). Meanwhile, there is also the possibility that the minimal knowledge of paradiplomacy will make the activity just a mere ceremony (Tavares, 2016). Thus, such a study is needed to prepare developing countries to welcome globalisation more responsively to essential issues.

# Glocalisation and the rise of subnational actors

Even though the Westphalian nation-state system seems to be the prevailing status quo, it is not immune to objections after all this time. A notion of the "post-Westphalian order" is thus offered to accentuate the evolving global system. Linklater (1996: 78) defines the so-called post-Westphalian global system as a system in which the exclusionary nature of traditional sovereignty is put into question as "the central purpose of the state is mediating different loyalties at the subnational, national and international levels." Drawing from the European case study, he asserts this argument by saying that the bond which holds the communities within a state together is being challenged by globalisation and new loyalties towards subnational communities. In another article, Osiander (2001: 251) even dismisses the Westphalian order as a "myth" and describes it as construction that hampers the development of different International Relations theories by fixating it upon a largely imaginary concept of sovereignty which finds its roots from an event from the seventeenth century. The debate goes on until now and finds its ways through different aspects of global politics such as security (Sperling, 2017; Doyle and Dunning, 2018; Mircea, 2020), culture (Mancini, 2017; Beyer, 2020), as well as the political economy (Langan and Price, 2020; Hester and William, 2020). Consequently, nationstates are increasingly dysfunctional in managing affairs in an increasingly connected world (Bell 1987; Ohmae, 1992). However, from such a vast array of discussions, there is a conclusion that globalisation has created deterritorialisation and decentralisation as the new norms in managing global issues.

However, globalisation itself is not a monolith, and not all countries experience it uniformly from time to time. Following Swyngedouw's (2004) idea, globalisation has a two-way process. First, it infuses global issues and trends into daily human life. However, on the other hand, globalisation also allows subnational actors to express their interests in international forums. According to Robertson (1995), this two-way process is called glocalisation. Robertson argues that globalisation creates not only uniformity but also cultural enclaves, each of which can have its characteristics in globalisation, hence a "localised" version of global issues. Robertson finds that globalisation can lead to differences in local politics that differentiate the practice of globalisation in one place versus another. This condition makes the approaches might differ between countries to meet global trends.

Regarding the rise of local actors, Keohane and Nye (1971) are the prominent names who notably bring the study to the table through their work entitled Transnational Relations and World Politics: An Introduction. The authors develop a theoretical framework that departs from the traditional wisdom, which puts states as the basic unit of action in global politics. This work mainly responds to realism, which treats states as the main actors in international affairs. Keohane and Nye argue that the increasingly interdependent relations will bring a new trend called "transnational relations" rather

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than the conventional "international relations". By definition, transnational relations refers to "interactions across state boundaries that are not controlled by governments' central foreign policy organs" (Ibidem: 331). In this case, the notion of transnationalism begins from acknowledging that the dynamics between states—as we know it and thus becomes the basic of realist thinking—does not occur within a vacuum. This argument means that several other factors contribute to play, including geography, domestic politics, and the advancement of technology. Therefore, global interdependence also creates a window of opportunity for the new international actors to build mutual interests.

A need to see the rise of these new international actors can also be seen through the speech by Javier Solana (1998) at the Symposium on the Political Relevance of the 1648 Peace of Westphalia. Regarding the concept of Westphalian sovereignty, he implies that the prevailing state-centric point of view is less able to accommodate the increasing interdependence of actors in this globalising world. Drawing from the European Union lessons, Inanc and Ozler (2007: 127) resonate with this argument by stating that the notion of traditional international relations is insufficient to explain the increasing level of interaction and transaction under globalisation.

From here, we can conclude that we are now facing a condition where (1) scholars need to re-shift their attention toward the increasingly glocalised version of international issues and (2) states need to restructure themselves in the face of globalisation. Otherwise, they will be highly dysfunctional as issues are now moving fast despite the existing borders, and those issues permeate into the domestic realm within their borders. On the other hand, this signifies a condition where traditional international relations are reshaped to accommodate more actors.

If we relate the above discussions to the concept of glocalisation that this paper has mentioned earlier, then the unification of the world into a more integrated system has made local governments now begin to engage in their capacity as subnational actors (Mukti, 2014: 176). Theoretically, this phenomenon is called paradiplomacy, a portmanteau of "parallel" and "diplomacy", which translates to the capacity of subnational actors to engage in foreign diplomacy in order to fulfil their specific interests (Wolff, 2009). It is named "parallel" because it occurs alongside the traditional diplomacy that the state does. This definition infers a meaning where the host states share their power in foreign activities with the subnational governments. Currently, the notion of paradiplomacy is normalised as the standard practice in international relations. In this case of normalisation, he argues that paradiplomacy is too relevant to be dismissed in the current international context. The normalisation of paradiplomacy is measured through the intended outcomes, but it can also be studied as an assertion of "institutional autonomy in an increasingly complex context" (Cornago, 2010: 35). Next, it is essential to unveil the logic behind the existence of paradiplomacy due to the transforming role of the state in the current context.

# State transformation and paradiplomacy

Previously, we have seen that globalisation brings with it the interconnection of issues and actors, which ultimately renders the absolute nature of the state obsolete. Here, the author argues that one of the lenses that we can use to view the phenomenon of paradiplomacy is to relate it to how the state's role has evolved in globalisation.

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The concept of state transformation was developed by Hameiri and Jones (2016), with the main idea of this concept departing from the assumption that global governance is facing a crisis. Meanwhile, the crisis in question is the difficulty in balancing the relevance of multilateral institutions with domestic interests in a country. Thus, the authors argue that in this era of globalisation, what is no less critical for the state is transforming its institutional functions to respond to global challenges better.

The consequence of living in the post-Westphalian era is that countries can no longer minimise the impact of an issue in their territory. A case study on this is the mitigation of the Severe Acute Respiratory Syndrome, more popularly known as SARS, pandemic in China. The clash between Westphalian and post-Westphalian logic is at play here because China, as the first affected country, decided to postpone official information about SARS to save the domestic economy. On the other hand, the World Health Organisation (WHO) has vigorously announced the research results on SARS that China can no longer hide from the public. In this case, WHO's meta-governance positions it as an international oversight agency that defines the institutions, capacities, and relationships that China had to develop domestically to address global health problems (Hameiri and Jones 2016: 392).

The state transformation theory asserts a "pluralisation of cross-border state agency via contested and uneven processes" (Hameiri et al., 2019: 1). This idea arises as a further analysis upon the post-Westphalian order, which can no longer regard that only one central solid authority can "resolve all questions and contestations into a single foreign policy" (Ibidem: 3). There are three points that Hameiri et al. made in explaining such transformation. First of all, there is a process of fragmentation, noting that the initially powerful central agency has now been pushed to distribute its resources to different actors and sub-agencies, including private and public agencies. Second, there is also the process of decentralisation. Through this process, the central agency is now sharing its power with subnational entities such as regions, provinces, and cities. Lastly, state transformation also occurs as the domestic agencies have become involved internationally. In such a sense, globalisation will not be experienced equally by all the states in the world. Also, this concept reaffirms the post-Westphalian notion that states should no longer be regarded as single-unitary actors in international politics.

Following that explanation, paradiplomacy is equal to the internationalisation stage of state transformation. Here, the author sees it as an effort to transform the state to respond to global issues whose influence has spread to the domestic level. Repeating what Bell (1987) and Ohmae (1992) argued about the dysfunctional concept of the unitarian nation-state in the post-Westphalian system, paradiplomacy is necessary for countries to keep themselves relevant amidst the advent of new international actors. In this case, the practice pursued by the state is to allow local governments to participate in formulating foreign activities based on their specific interests. To give an example of how state transformation is linked to paradiplomacy, the next section will discuss how the transformation of state functions in Indonesia ultimately results in more regions practising paradiplomacy.

# The case of Indonesia

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Indonesia is an interesting case study. It is a country that has recently been undergoing a transition from an authoritarian government to a democratic one. Previously, Indonesia was under Suharto's New Order regime, where the Indonesian Constitution was "sacralised" to the extent that criticising Suharto was equal to criticising the Constitution. This had resulted in the legitimation of Suharto's authoritarian rule for 32 years (Hutagalung, 2017). In this era, Indonesia was a centralised country where power was concentrated in the hands of the President and development based on regional autonomy had no place in the political reality in Indonesia.

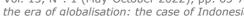
However, in 1998, Suharto's government collapsed following the crisis in Asia. Delin (2000) argues that the fall of the Suharto regime can be categorised as one of the phenomena of the third wave of democratisation experienced by world countries. In this context, Delin sees that globalisation has contributed to the downfall of authoritarian regimes because it was driven by several factors such as the emergence of Westerneducated Indonesian democrats and the loss of legitimacy of authoritarian governments in the face of the global economic crisis. This argument, for example, is consistent with other works of literature that discuss the relationship between globalisation and democratisation, such as Acemoglu and Robinson (2006), who say that maintaining authoritarianism will be increasingly costly in an increasingly integrated world, and Xie et al. (2021) who finds that globalisation is positively correlated with democratisation based on their study of 129 countries in the period 1974-2018.

According to the State Transformation theory, the first dimension that changes the state's function is the emergence of fragmentation of the initially centralised body. This condition is due to the state's incapacity to manage increasingly complex problems. Fragmentation is marked by the spread of power-taking agencies that were previously centralised in one agency to many agencies, often with overlapping responsibilities (Hameiri et al., 2019: 5).

The 1945 Constitution stipulates that Indonesia is a unitary state. The Constitution, therefore, implies that the ultimate decision-making power rests with the central government. Such a context is different from the case of federal states, where the constituent states have more autonomy in the law-making process. Prior to the 1998 reformation, however, the 1945 Constitution recognised the trias politica model of power fragmentation, which divides the government into legislative (making laws), executive (implementing laws), and judicial (supervising the implementation of laws). However, this division of power remained ineffective because, in practice, the legislature could also issue decrees that supported the will of the rulers (Hutagalung, 2017: 339). Following the amendment of the 1945 Constitution in 1999 after the fall of Suharto, the powers are now fragmented even further to six powers, and those powers are: constitutive, executive, legislative, judicial, inspective, and monetary (Marlina, 2018: 176). In this case, fragmentation occurred in the post-Suharto era to minimise abuse of power in the hands of the executive.

First, the constitutive power is the power to change and establish the Constitution and is exercised by the People's Consultative Assembly (Majelis Permusyawaratan Rakyat). Executive power, which is the power to implement laws and the administration of the state government, is held by the President. Legislative power, which is the power to make laws, is held by the House of Representatives (Dewan Perwakilan Rakyat). The judicial

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power, which is the power to hold courts in order to uphold law and justice, is held by the Supreme Court and the Constitutional Court. The penultimate power is the inspective power related to the conduct of inspections on the management and responsibility for state finances. The Financial Auditing Agency exercises this power. The sixth and last power, the economic power to set and implement monetary policy, regulate, and maintain the currency's value, is exercised by Bank Indonesia as the central bank in Indonesia.

Although this dimension does not directly relate to the discussion of the practice of paradiplomacy in Indonesia, it provides some background on the current state of power fragmentation in the Indonesian government. After all, this fragmentation of power marks the context of Indonesia's post-reform democratisation. This condition is ripe for international cooperation due to its increasing regard to more accountable governance. A more detailed explanation of transferring power from the centre to the regions will be facilitated by implementing decentralisation.

From the aspect of decentralisation, Indonesia came up with regional autonomy, which later became the next stage after the fragmentation following the end of the New Order regime. Regional autonomy in the reformation era was the answer to the demands of society that commonly appeared in the New Order regime, such as the problem of uneven development, the government that is too centralised, and the ineffectiveness of the bureaucracy. The first regulation on decentralisation was stipulated through the Act No. 32 of 2004 on the Regional Autonomy. This regulation was later amended by Act No.23 of 2014 to catch up with the developments in the state, state administration, and demands for regional government administration (Indonesia, 2004).

The decentralisation aspect is fundamental to the study as paradiplomacy is related to how the powers are dispersed from central agencies to regions as implementers. Even though paradiplomacy positions subnational governments as the prominent actors, states as the highest sovereignty holder are the ones that need to bestow the power to the regional actors. Therefore, even though the Indonesian regional governments can now manage their affairs, they still have limited authorities (Mukti et al., 2020: 140). There are six powers reserved only for the central government. Those powers are foreign policy, defence, security, judiciary, monetary, and religion (Indonesia, 2014).

From the aspect of internationalisation, we need to understand that the context underlying Indonesia's paradiplomacy activities is the awareness that foreign activities are not only the central government's domain. Within the Act Number 37 of 1999 concerning Foreign Relations, Article 1 paragraph (1), Article 5 paragraph (1), and paragraph (2), it is implied that foreign relations are any activity involving international aspects carried out by the government at the national and subnational level. The subnational level referred to by this regulation are the cities (Kota), regencies (Kabupaten), and the provinces (Provinsi).

In its implementation, paradiplomacy by Indonesian subnaitonal governments is supervised by the Minister of Home Affairs and the Minister of Foreign Affairs. The two ministers coordinate in the implementation of foreign relations and their implementation. In Act No. 24 of 2000, article 5 paragraph (1), it is stated that state institutions and government agencies, which have plans to conclude international agreements, must first conduct consultations and coordination regarding plans with the relevant ministers.

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With the Act as mentioned above No.32 of 2004, it is also mentioned that autonomous regions can carry out foreign cooperation as contained in Article 42 paragraph (1). There, it is stated that the Regional House of Representatives (*Dewan Perwakilan Rakyat Daerah*) has the function to give approvals for international cooperation carried out by regional governments. It is also emphasised in the explanation of the article that in addition to sister cities or province activities, local governments can also make "technical cooperation agreements including humanitarian assistance, loan and grant forwarding

cooperation, capital participation cooperation and other cooperation following the laws

and regulations" (Mukti, 2014: 182).

The essence of state transformation as a response to the glocalisation of issues is slowly being captured through paradiplomacy opportunities for Indonesia's cities, regencies, and provinces. Nowadays, regions in Indonesia are starting to establish cooperative relations based on the interests they most want to pursue. According to Lecours (2008), the interests in paradiplomacy are divided into three levels. First is economic interest, involving cooperative activities that attract foreign investment or promote local products. Second is knowledge interest, a paradiplomacy level that aims to increase knowledge through exchanges and capacity building programs. Third is political identity interest, a paradiplomacy that attempts to display an international image distinguished from the one possessed by the parent state. In connection with the Indonesian Constitution, which reserves the implementation of central politics to the state power, Indonesian subnational governments can only perform paradiplomacy at the first and second levels.

Paradiplomacy at the first level, namely economic interests, can be found on issues such as tourism and the creative economy. For example, tourism is a prevalent glocalised issue that many Indonesian regional governments focus on. It has become attention because of its promising position as the extension of the creative economy strategy in the current era. Arionesei et al. (2014) see that tourism has now become a global issue because of the growth of leisure time, accompanied by a better living standard, as well as increasing tourism demands by the international community. The advancement of information technology has made it possible for people to find different new touristic destinations. In response to this globalising tourism, the city of Bandung in West Java translates the issue by developing its own "halal tourism" concept by conducting paradiplomacy through tourism fairs by inviting Muslim country representatives as well as foreign journalists to come to Bandung (Dermawan et al., 2020). On the other hand, highly touristic regions such as Bali and the Special Region of Yogyakarta are also well-known for promoting their tourism potentials through foreign engagements (Adil, 2017; Rahmawati, 2019; Sabarno, 2021).

At the second level of paradiplomacy, the paradiplomacy infused with interest to increase knowledge, we can take environmental issues as an example. Responding to environmental demands that are starting to be felt at the local level, cities such as Surabaya (East Java) have established a thematic paradiplomacy with the city of Kitakyushu with a focus on green cooperation. This partnership with Kitakyushu also led to the development of the Green Sister City Program to manage waste and prevent this environmental issue from spreading into a more significant health issue (Wardhani & Dugis, 2020). Suppose we trace it up to the international context leading to the cooperation. In that case, we can find that the choice of the theme of green cooperation was initiated from a need to answer the eleventh point Sustainable Development Goals

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(SDGs), regarding sustainable cities and settlements. This point regarding the SDGs is then translated into Indonesia's national plan to follow the SDGs as a national development priority that requires synchronisation of planning policies at the subnational government level. Based on the SDGs, Surabaya then translated it into a vision of "Surabaya, a prosperous city with a strong character and a global competitiveness based on ecology" (Surabaya City Government, 2016). Surabaya also implemented regional development plans, which the Surabaya City Government facilitated through foreign cooperation schemes, one of which was with Kitakyushu through green cooperation. The implementation of the green sister city between Surabaya and Kitakyushu is an example of how the domestication of global issues translates to the paradiplomacy among subnational governments.

Admittedly, the paradiplomacy activities carried out by regions in Indonesia are still far from perfect. One lingering issue is that some paradiplomacy plans have stopped following the creation of the Memorandum of Understanding. Therefore no practical implementations are made (see Erika & Nurika, 2020; Putri & Adnan, 2017; Rani, 2014). However, this does not negate that a precondition has led to these regional activities on the international scene. In this case, the transformation of the Indonesian state can explain such a phenomenon. As a result, the regions now have a window of opportunity to interpret the reality of globalisation based upon their specific interests and react accordingly through cooperation.

The decentralisation and internationalisation phase of the state transformation are so closely related. The role of subnational governments in globalisation can be explained by a need to look at local aspects of the economy, followed by a need to look at local aspects of the state system. The logic of glocalisation is that it creates a particularity obtained by translating the global context into local aspects. The closer the translation is to the constituents, the more unique a subnational government is in globalisation (van der Heiden & Terhorst, 2007). In this context, the subnational government is a political actor whose function is to capture the needs and local context of the community below. On the other hand, decentralisation allows sub-national governments to have the political and structural capabilities to interact with international actors and global values in line with the transformation of power at the state level.

# Conclusion

This paper has attempted to answer a question on how subnational units are getting more power in international relations. More specifically, it tries to shed light upon an issue about what makes them more engaged in international affairs through paradiplomacy. Throughout the discussion, the author has shown that the explanation can be related to how globalisation has been absorbed at the local level, creating the "intermestic" approach to varying life problems. This condition makes not every country faces this phenomenon uniformly. In addition, in responding to globalisation, countries also feel dysfunction increasingly due to growing issues and increasingly felt at their local

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level. This condition is known as hybridisation because each locality will experience global issues in different measures.

Paradiplomacy is a product of globalisation. It affirms the increasing role of non-state actors studied so far by International Relations scholars. The emergence of regions as actors of globalisation can be traced using the perspective of state transformation, which has three dimensions: fragmentation, decentralisation, and internationalisation. First, central government agencies are separated from a single body to more specific ones. Then, countries in globalisation are increasingly demanding to delegate their power to a lower level because global issues have permeated the regional level. The states are becoming more and more overwhelmed with managing those issues. The delegation of power made the region realise its needs and then carry out foreign activities through paradiplomacy.

The author has presented the case of Indonesia as an illustration of how state transformation can lead to the active participation of regions to carry out paradiplomacy. This activity can be viewed in two ways, firstly as a way for countries to compromise with increasing global demands, which are increasingly pressing them to delegate their power. Moreover, the second is a way for regions to assert their locality in the era of globalisation with specific collaborations with foreign partners.

Nevertheless, the author sees that new avenues of research can still improve this paper in the future. For instance, subsequent studies can focus on different case studies, especially in states that still adhere to authoritarianism. State transformation entails a condition of democracy and requires a delegation of powers. Also, more attention can be paid to analysing how leaders' characteristics affect Indonesia's regions to internationalise, especially their choice of partners and global issues to translate towards cooperation.

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