THE SOCIAL ENTREPRENEURSHIP SUPPORTING NATIONAL COMPETITIVENESS

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Abstract

National competitiveness is an essential factor in the era of globalization. Only competitive countries can compete with other countries. Social entrepreneurship is an alternative to drive the growth of competitiveness. A country that has successfully developed social entrepreneurship will have high competitiveness. This article describes the role of social entrepreneurship in enhancing national competitiveness, based on research on the Semarang Arso Tunggal Community, using a descriptive qualitative method with a phenomenological approach. The findings obtained are that the social entrepreneurship movement based on culture and local wisdom, creativity and innovation, and supported by government policy can be a lever of increasing national competitiveness.

Keyword: social entrepreneurship, competitiveness, culture, local wisdom.

INTRODUCTION

The structure of the world economy is undergoing a rapid transformation as economic growth, from Natural Resources (SDA) based to Human Resources (HR) based, from the agricultural era to the industrial and information era. Futurologist Alvin Toffler (1980) divided civilization into three waves, namely agriculture, industry and information.

Indonesia is now entering the Industrial Age 4.0, a trend in the industrial world that combines automation technology with cyber technology. Industry 4.0 was followed by the concept of Society 5.0 which was introduced by Japanese Prime Minister Shinzo Abe in 2017, as an extraordinary breakthrough to restore the economy, arouse people's optimism, and return to the forefront of global competition.

These developments require a new culture to build a future civilization, a change of mindset, and the application of an economic system that is suitable for an advanced economy based on the nation's potential. Increased national competitiveness is needed so that this nation does not lag behind other nations. National competitiveness is the ability of a country to create added value to increase national wealth in various sectors, including economic and social. Social entrepreneurship is an alternative; it can be a factor in leveraging national competitiveness in the era of globalization. Social entrepreneurship can build social cohesiveness, independence, foster a sense of love for the nation's potential, and overcome various economic and social problems.

The best hope for the future lies in the strength and effectiveness of people who are socially motivated, who are willing to fight for changes in ways of life, thinking, and behaving. In various parts of the world, various practices and movements were born with the
same common thread, namely efforts to meet their own needs and solve various social problems independently.

This article is based on research by the author about the Semarang social entrepreneurship movement, Arso Tunggal Community (Ekopriyono, 2012). This movement is trying to get around the global flow through various activities based on culture and local Javanese wisdom so that it contributes to increasing competitiveness.

From those description, this article raises the issue of the social entrepreneurship movement as a lever of increasing national competitiveness, and the ideal model of social entrepreneurship can play a role in enhancing national competitiveness.

**The Limits Of Understanding**

**Social Entrepreneurship**

One of the pioneers, who later made the term social entrepreneurship increasingly popular, was Bornstein and Susan. In *Social Entrepreneurship: What Everyone Needs to Know* (2011), they explained, the essence of social entrepreneurship is the process when individuals "build or change institutions to advance solutions to social problems."

Social entrepreneurship is a long-term and sustainable commitment. The social entrepreneurship quality is measured by the ability to overcome apathy, habits, misunderstanding, and distrust when facing specific resistance. Besides, it is also the ability to change behaviour, mobilize political will, improve ideas; the ability to listen, recruit, and persuade. Social entrepreneurs must be accountable, ready to change, and eager to be independent.

The terminology of social entrepreneurship (as a process) and social entrepreneur (people who practice social entrepreneurship) have become more prevalent in recent years. Social entrepreneurship has become a global issue. This movement then spreads and develops in various countries, impacting society, such as increasing access to health for the poor, helping farmers, and others. This movement is the antithesis of social and political-based development programs that tend to impose a top-down model on society.

A wave of social entrepreneurship has also penetrated Indonesia. SWA Magazine (swa.co.id downloaded 6/3/2011) states that social entrepreneurship in Indonesia is increasingly proven able to cure various social ills such as poverty, underdevelopment, and public health IS This proves that social entrepreneurship has provided benefits and new hopes for the wider community to improve living standards.

Hadad and Gauca (2014) define social entrepreneurship as the social entrepreneur with a social mission that recognizes a social problem and addresses it utilizing social innovation and in terms of creating social impact and social value by benefitting both business (sustainability) and social (scalability). Social Entrepreneurship is an emerging research field; the structural dichotomy between social and entrepreneurship is itself a complicating both dividing and fertilizing (Vyas, 2017). Alagappar and Vaithlingam (2015) suggested that social entrepreneurship represents a new paradigm of social value creation and reflects a dynamic revolution in the social sector.

The social entrepreneurship concept cannot be separating from Muhammad Yunus, the 2006 Nobel Peace Prize winner for his efforts to overcome poverty in Bangladesh, his birthplace. Yunus founded the Grameen Bank, with the primary goal of channelling microcredit to the poor. The program has helped more than 47,000 beggars, who were then
able to become independent entrepreneurs. There are six essential things from the Muhammad Yunus program, namely: Focus on the underserved community, have big dreams, collaboration is the key to growth, diversification, continuing to help others, ready to be criticized. The story of Muhammad Yunus with the Grameen Bank inspired the development of social entrepreneurship.

The European Commission, through its report in the Policy Brief on Social Entrepreneurship (2013) states that creating social entrepreneurs is more complicated than traditional businesses. Difficulties are not only because skills are needed to start and manage, but also access the funds and capital needed. It is also related to the general public's lack of understanding about this movement and the potential social value that can be built.

Therefore, the challenges of building social entrepreneurship practices are enormous. The study of Portes (Economic Sociology: A Systematic Inquiry, 2010) reinforces the opinion that social entrepreneurship is an anomaly, which challenges the general understanding of humans with all their thoughts and behaviour. Social entrepreneurship activities are considered 'strange' activities because they crash into the norm; namely carrying out various economic activities, but the results are for the welfare of others. The prevalence of thought that economic activity is for the highest possible personal prosperity is as if this activity has hit it.

“The phenomenon of social entrepreneurship challenges our assumptions about human behaviour and economic action. It also challenges our beliefs about the role of entrepreneurship in society. Social entrepreneurship is a complementary economic approach that is based on value creation and operates by its own rules and logic” (Portes, 2010).

National Competitiveness

In the current era of globalization, national competitiveness is essential. Only countries with high competitiveness can compete with other countries. Michael Porter believes that classical economic theory that explains comparative advantage is incorrect. A country gains a competitive advantage or competitive advantage if the companies in the country are competitive. A country's competitiveness is determined by the ability of industries to innovate and improve their capabilities, driven by pressures and challenges.

The company receives benefits from competition in the domestic market, aggressive domestic suppliers, and local markets that have high demand. Differences in national values, culture, economic structure, institutions, and history contribute to success in competition. Companies become competitive through innovation which can include technical improvement of production processes or product quality.

Porter proposed a Diamond Model consisting of four determinants, namely factor conditions, demand conditions, related and supporting industries, as well as firm strategy, structure and rivalry.

*Factor conditions* refer to inputs used as factors of production, such as labour, natural resources, capital and infrastructure. The main key factor of production is created, not inheritance. Furthermore, the scarcity of resources (factor disadvantage) often helps countries become competitive. Too much (resources) has the possibility of being wasted, when scarce can encourage innovation.

*Demand conditions*, referring to the availability of a domestic market that is ready to play an essential element in generating competitiveness. Such a market is characterized by the
ability to sell superior products, driven by demand for quality goods and services and the close relationship between companies and customers.

**Related and Supporting Industries**, referring to the availability of a series and the existence of strong links between supporting industries and companies, this relationship and support is positive, which increases the company's competitiveness. Porter developed a model of this type of condition factor with industrial clusters or agglomeration, which benefits the potential technology knowledge spillover, closeness to consumers to further increase market power.

**Firm Strategy, Structure and Rivalry**, refers to the strategies and structures that exist in most companies and the intensity of competition in specific industries. The Strategy factor consists of two aspects: capital markets and individual career choices. Domestic capital markets influence corporate strategy, while individuals often make career decisions based on opportunity and prestige. A country will have competitiveness in an industry where key personnel are considered prestigious. The structure follows the strategy. The structure was built to carry out the strategy. The high intensity of competition drives innovation.

Porter added another factor: the role of government and chance, which are said to have an essential role in creating national competitiveness. The role is intended, through its authority to provide facilitation, catalyst, and challenge to the industry. The government encourages and encourages industries to reach a certain level of competitiveness. The government can do these things through incentive policies in the form of subsidies, taxation, education, focus on creating and strengthening factor conditions, and enforcing industry standards.

Porter put forward a model of self-reinforcing competitiveness, in which domestic competition stimulates the growth of the industry and simultaneously forms a sophisticated consumer who always wants improvement and innovation.

**METHODS**

This research is a descriptive qualitative method with a phenomenological approach. Researchers describe the role of social entrepreneurship in enhancing national competitiveness, based on study in the Semarang Arso Tunggal Community.

**FINDINGS AND DISCUSSION**

**Research Object Description**

The Arso Tunggal community is a community of people from various professions; a socio-cultural association which focuses on three main activities, namely medicine, agriculture, and culture. Through these three activities, the association seeks to develop creativity and innovation based on culture and local wisdom in facing global currents. Directly or indirectly, this movement can be used as a lever to increase national competitiveness.

Djoko Murwono, a researcher and formulator in the field of biochemistry, who often collaborates with Nagoya University in Japan, was founded thus the community. Alternative medicines and agricultural production facilities used for the social movement of the community are the findings, both individually and collectively with colleagues in Japan.
The Institutional

Initially, the name of the community was the “Hati Kudus” Community, which was formed on October 25, 1985, only engaged in health consultations. Handling health problems is done with various Javanese herbs and reflexology by hand. The service is carried out almost every afternoon until the next morning, in the Plamongan Hijau housing complex Semarang.

Since February 1986, the method of treatment has been developed using a massage model using wooden sticks on the patient's feet and hands, as well as herbs in leaf sheets, which must be independently sought after and mixed. Starting in July, treatment was developed using the boiled g herbal medicine method. In mid-May 1987 the service of herbal medicine, which was initially on Mataram Street was moved to Medoho Raya Street, Semarang. The herbal medicine model provided has become more practical in the form of concoctions.

In 1988, due to the need for institutions to develop the role and function of the service, the Arso Tunggal Foundation was formed as a forum for service, development of herbal medicine, culture and local wisdom concretely. In 1990, Arso Tunggal wrote and re-arranged various herbal remedies, in the sense of complete packages, needed for out-of-town and out-island services, which could not use a recipe system. Writing, and trial on the client begins in early May and finishes towards the end of the year, still in the form of herbal medicine.

In 1992, the herbal medicine was replaced with capsules, using a drying and grinding process with sifting, which had to be done more carefully. In this way, the possibility of entry of medicinal plant fibres was reduced as little as possible. In 1994, Arso Tunggal developed organic cultivation using a systemic leaf substitute fertilizer and the development of environmentally friendly organic pesticides.

January - October 1995, this community develops soil microbes. Soil microbes can replenish saturated soil and decrease its productivity due to inorganic fertilizers and various pesticides. Products developed include Nopkor soil microbes, which are used for soil and composting; Mofu and Nopco for organic animal feed manufacturing and treatment in animal and livestock diseases.

In 1996 and 1997, Arso Tunggal developed an integrated organic cultivation model between agriculture and animal husbandry in the East Timor region (now Timor Leste) and the Agricultural Entrepreneurship Training Centre (Puslawita) based in Dare. Using materials, including Nopkor and Nopco, developed dairy farming, cheese making, and coffee processing microbes. Lypotril and Phomadelab are used as systemic leaf fertilizer to stimulate the growth of coffee flowers and fruit in this region, in the framework of increasing productivity.

January 1997, Arso Tunggal undertook the development of rational organic agriculture on the slopes of Merapi under the name Argo Sebo Society based in Pakem, Sleman, Yogyakarta. In 2000, in collaboration with the Sorong Papua Do School, Arso Tunggal conducted counselling and manufacturing animal feed, using Nopkor and Nopco, with a fermentation process from existing agricultural waste products, to increase the digestibility of feed.

In 2001, Arso Tungggal provided guidance and counselling on the creation of an integrated pond model at the Integrated National Salt Project, Ministry of Industry and the World Bank, in the northern coast of Java, Madura, Jeneponto South Sulawesi, and Bima West Nusa Tenggara (NTB). The integrated model is carried out by implementing an intercropping system using shrimp and milkfish, especially during the dry and rainy season, using Nopkor PSO for pond water management.
May 2002, this association developed the process of making herbal medicines and biotic health drinks, which were developed from the simpisia herbal patents of 1990. The development of processing uses various substrates, nutrients, and growth factors for micro-organism growth, as well as various marine biodiversity, and fresh cow milk.

The development of traditional medicine and Eastern medicine, especially for the treatment of cancer and viruses, in vitro processes through simple bioreactors, to increase absorption, comprehensive functions, and eliminate side effects, by utilizing the role of natural microbes as natural biofilters.

October 2002, Arso Tunggal used a clinical laboratory analysis approach for sufferers, linked to the simultaneous development of "biotic herbal simplicia drugs", with rehabilitation capabilities related to dosage and frequency of use. Recording in the form of medical records is carried out for the development of measurable Eastern medicine, for the development of health sciences in the future. The handling of clinical laboratory data is in collaboration with the Central Cito Clinical Laboratory, Indraprasta Street, Semarang. May 2005, the transfer of the activity centre from Jalan Medoho Raya to the secretariat and service building in Bulusan Selatan Raya 111 Street, Tembalang, Semarang.

The Purpose

Arso Tunggal seeks to assist the state, government and the wider community, in using traditional herbs and herbs based on local wisdom, to overcome the problem of diseases caused by viruses and cancer. Also, it helps the state and government in the development, management and observation of traditional herbs and herbs based on local wisdom, adjusted to the challenges of the times and civilization, to improve the health of the people.

This movement carries out various activities to increase knowledge, benefits, processing of traditional herbs and herbs, to maintain health from disease, especially those caused by viruses and cancer, and to introduce technology to the people of Indonesia in order to enjoy prosperity. Also, make intensive observations of traditional herbs and herbs by biodiversity in Indonesia, the processing of which harmonized with advances in science and technology.

In the field of agriculture, Arso Tunggal helps assist the state, the government, and the community in agricultural activities, which are indirectly related to the provision of traditional herbs and herbs to maintain public health and preserve the environment. The various activities carried out are observation, development, and counselling in agriculture, so that food, feed, and the environment are healthy and sustainable. The manifestations of agriculture activities include providing counselling in terms of organic agriculture, organic plantations, forest and ecosystem conservation, organic farming, organic fisheries. Arso Tunggal also helps the state, government and society in activities related to cultural issues and local wisdom that is adapted to the progress of civilization.

The Effort

To achieve this goal, Arso Tunggal conducts efforts including increasing knowledge so that people return to nature to maintain holistic health, by utilizing natural ingredients in the form of herbs and bio-organic herbal ingredients, as well as organic food ingredients, which are equipped with information, systems cultivation, and their use; promote the use of herbs and bio herbs which are more natural and organic and provide clinical information related to health problems, in accordance with support from organic food sources; and conducting businesses that are social, educational, and informative to the community.
Arso Tunggal conducts activities in the fields of medicine and agriculture, based on Javanese culture and local wisdom. The rationale for the activity is: uncertainty and little hope with modern medical treatment, the flow of Western medical treatment without progress; fear of the risk of Western medicine, which is very rational without local wisdom, compared to the Eastern flow model using proven local wisdom; inability to continue treatment due to cost factors. In addition, the limitations of Western medicine and the limitations of Eastern medicine which is very traditional to encourage this community to combine the two models of treatment, for the welfare of humanity.

Arso Tunggal developed the field of medicine by relying on the word of mouth information system related to various limitations, relating to voluntary assistants and therapists, as well as funding. The information dissemination is aimed at encouraging the treatment of Eastern concepts to become a holistic part globally for improving the welfare of human beings in the world. In addition, it also encourages the concept of developing treatment back to nature as a way out of the deadlock of treatment arising from viruses and cancer.

Until then, most of the patients consisted of Indonesian citizens who had and were still seeking treatment abroad, including from Singapore, Malaysia, Germany, and China, patients from major domestic hospitals, and patients who came on their own initiative.

In the field of health, Arso Tunggal seeks to develop a treatment back to the holistic concept of returning to nature based on local wisdom, towards and responding to global challenges in the field of rehabilitation and treatment of diseases due to viruses and cancer, independently and inexpensively. This community is also developing a biotic drug simplisia from herbal medicine.

Arso Tunggal also established a model of psychiatric therapy and simple meditation, as well as providing motivation related to self-confidence and antibody growth, the need for preventive self-preservation with food and eating patterns towards a healthy life. Besides, therapy and surrender guidance as well: guidance to accept part of an illness, as a whole life towards goodness and health, guidance of simple breathing exercises for the concentration of antibody formation, are reflective following Javanese local culture and wisdom.

Every Sunday at 12.00-15.00, this association opens medical practice on Jl Bulusan Selatan Raya 111 Semarang through reflection massage and health consultation. Also, provides herbal medicines at (relatively) heap prices far below the prices of medicines sold at pharmacies. The price of hepatitis drug, Interferon, in this place, is only 2,500 IDR per capsule, even though the prices outside reach tens of thousands of rupiah. Dozens of patients from various diseases come to this place every Sunday.

In agriculture, this community develops organic and natural culture based on Javanese culture and local wisdom, by applying the Rational Organic Agriculture System (SPOR) tailored to the needs, using advanced technology, in the form of supporting facilities, to overcome environmental damage and inequality;

It This is done with the following rationale: damage to oil that is saturated with inorganic fertilizers decreases land productivity, the higher the level of malignancy in crop pests and diseases due to resistance to the drugs that have been used. Besides, the high chemical residues from pesticides and drugs in food, which triggers cancer and wasteful antioxidants in the body. Toxins enter as residues, which potentially interfere with health and are vulnerable to disease, mainly caused by viruses in humans; awareness of healthy living and return to nature, related to the existence of organic food, and the high cost of production
of food cultivation, which must be done because of the high price of fertilizers, animal feed, and medicines.

Arso Tunggal develops agriculture through counselling and training, and group formation; fostering independence related to seeds and cultivation facilities. It is done oriented towards market needs that will use products and cooperation in the field of organic markets and consumers, with information systems. This community seeks to achieve self-reliance related to the price and procurement of local seeds and supporting infrastructure, cheap organic cultivation in the concept of housing, conservation of plant plasma, restoration of damaged and less productive environments, and concern for nature and the balanced environment will provide welfare and sustainability.

CONCLUSION

The study of Arso Tunggal illustrates that this community is a social entrepreneurship movement that is relevant to efforts to increase national competitiveness. Based on local culture and wisdom, it conducts activities to overcome social problems, especially in the health and agriculture fields. This movement proves that as a nation we do not have to be dragged down by global currents and lose our identity, but instead, can deal with globalization by developing social entrepreneurship based on culture and local wisdom.

Arso Tunggal underlines the opinion of Giddens (2000), namely globalization is not about economic interdependence, but about the transformation of time and space in human life. Events in distant places, related or unrelated to the economy, affect humans more directly and immediately than ever before. Conversely, decisions are taken by individuals, as individuals often have global implications.

The Arso Tunggal movement can also be seen as a criticism of Pang Lixin's dichotomous views in the Bleeding Horse Pub, Dublin published in the Far Eastern Economic Review on June 24, 2004. "This is globalization; this is the world today. "You fit in, or it will throw you out," Lixin said. Globalization presents everyone with the choice to take it or get left behind. A person is only faced with two choices, either dissolving or bouncing out of the global current (Ekopriyono, 2006).

Arso Tunggal proves itself as a social entrepreneurship movement that is not washed away but also does not bounce off global currents. Arso Tunggal is a local community that does not oppose but instead tackles globalization for the rise of Javanese culture and local wisdom to enhance national competitiveness.

Arso Tunggal has a strong ethos to change things for the better. The Arso Tunggal's view, according to the author, deserves to be paralleled by the view of the German economist E.F. Schumacher (1993) who criticized the behaviour of large companies that were cruel and did not pay attention to the business environment or the human aspect of business activities. The ethos of the Arso Tunggal Circle of Friends can also be juxtaposed with Bung Karno's self-reliant spirit, Mahatma Gandhi's self-defense struggle, Mother Teresa's humanitarian movement, Sarvodaya Shramadana A.A. Ariyaratne in Sri Lanka applies four principles of life, namely: equal distribution of welfare, harmony and respect, material improvement, and no social discrimination.

Social entrepreneurship movements such as Arso Tunggal deserve to be developed as a lever factor to increase national competitiveness in the face of increasingly fierce global competition. This movement illustrates the spirit "from the small to the big" as hinted by E.F. Schumacher (1993).
Based on this description, the role model of Social Entrepreneurship in Supporting National Competitiveness can be described as follows:

![Figure 1. The Role Model of Social Entrepreneurship](image)

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