

## AFFECTING FACTORS OF SISTER CITY COOPERATION BETWEEN DENPASAR GOVERNMENT AND MOSSEL BAY GOVERNMENT IN 2019

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#### *Abstract*

This study aims to analyze the factors behind the establishment of sister city cooperation between the Denpasar City Government and the Mossel Bay Government at the end of 2019. For this reason, qualitative research methods are used, primary and secondary data support, and the basic concept of paradiplomacy. As a result, five motives were found that could encourage the Denpasar City Government to accept the sister city cooperation offered by the Mossel Bay Government in 2019, including the international market, tourism and culture, establishing the identity of international partners, the status of government administration, and most importantly the bilateral relationship between the Indonesian government and the South African government, which in this case is an example of the implementation of the South-South Cooperation (SCS) concept

#### **Abstrak**

Penelitian ini bertujuan untuk menganalisa faktor-faktor yang melatarbelakangi terjalannya kerjasama sister city antara Pemerintah Kota Denpasar dengan Pemerintah Teluk Mossel pada akhir tahun 2019. Untuk itu digunakan metode penelitian kualitatif, dukungan data primer dan sekunder, serta landasan konsep paradiplomasi. Sebagai hasilnya, ditemukan lima motif yang dapat mendorong Pemerintah Kota Denpasar untuk menerima kerjasama sister city yang ditawarkan Pemerintah Teluk Mossel pada tahun 2019, antara lain pasar internasional, pariwisata dan budaya, membentuk identitas mitra internasional, status administrasi pemerintahan, dan yang terpenting adalah hubungan bilateral antara pemerintah Indonesia dengan pemerintah Afrika Selatan yang dalam hal ini merupakan contoh implementasi konsep Kerjasama Selatan-Selatan (KSS).

## INTRODUCTION

The state is no longer seen as the only actor in the international arena, especially after the end of World War II. The presence of non-state actors in the international world began in the late nineteenth century with the inclusion of the International Organization (IO) as a new actor and now it has even increased with the presence of sub-national government (Tavares, 2016). The role of sub-national government in the establishment of interactions beyond national boundaries has come to be regarded as paradiplomacy (Wolff, 2009). The presence of this new actor is supported by the opinion of Thomas L. Friedman who explains that in a flat world, all parties seem to be in a horizontal line where everything becomes quite transparent hence all parties can show themselves in competition in certain arenas (Mukti, 2013).

Nowadays, sub-national actors play a more important role, especially in the economic field. Decentralization which leads to the granting of regional autonomy by the central government

gives power and responsibility to the sub-national government to manage several aspects of the region with several requirements that follow. Thus, it allows each region to manage its own economy. It is not even impossible if there is a city or district in a country that exceeds the results of economic growth in another country. As stated in the report on the ranking of the top 100 economies in 2014 by the Chicago Council on Global Affairs showing that, out of 100 names of countries and cities in the world, 43 of them are cities with highest number of Gross Domestic Product (GDP) than other countries (Toly & Tabory, 2016). More specifically, South Africa's GDP is at 33rd position in the ranking, while in position 28th occupied by the city of Seoul, South Korea (Toly & Tabory, 2016). This shows that the existence of sub-national actors such as provinces, cities, or municipalities in foreign relations deserve international attention. In addition, according to UN-HABITAT, "with half of us now occupying urban space, the future of human species is tied to the cities" (UN-Habitat, 2008). Therefore, the practice of diplomacy today is more popular in the form of

cooperation involving cities as urban areas or commonly known as "sister city" cooperation.

Sister city cooperation has also spread in many developing countries including Indonesia. One of them is the sister city cooperation established by the Denpasar Government with Mossel Bay Government which was established in 2019 (Kementerian Luar Negeri, 2019a). It is known that diplomatic relations between the Republic of Indonesia and the Republic of South Africa have been established since 1994 (Embassy of The Republic of Indonesia in Pretoria, 2018). This cooperation will concern on the fields of culture, tourism, creative economy, and capacity building for actors in these fields (Kementerian Luar Negeri, 2019a). The Mayor of Denpasar, Ida Bagus Rai Dharmawijaya Mantra along with the Mayor of Mossel Bay, Alderman Harry Levandal also inaugurated the meeting room named "Denpasar" at the Mossel Bay Office (Kementerian Luar Negeri, 2019a).

However, out of the many opportunities from developed countries

available and benefits that can be taken from developed countries, Denpasar Government departs from the general pattern of sister city cooperation in Indonesia and chooses to cooperate with Mossel Bay Government. In maximizing the benefits gained by the cooperating parties, sub-national government usually will consider a lot of things in the selection of partners. Many of them prefer to collaborate with sub-national government in advanced countries because developed countries can usually provide technical assistance in various fields (Lecours, 2008). Therefore, the author interested to analyze, why does Denpasar cooperate with Mossel Bay in the form of sister city starting in 2019 which considered depart from the general pattern of sister city?

However, there are several literatures that discusses paradiplomacy activities. Based on a journal written by Fritz Nganje, paradiplomacy is used by sub-national actors in South Africa to contribute to their socio-economic development (Nganje, 2014). Meanwhile in Indonesia itself, Takdir Ali

Mukti explains that paradiplomacy activities in Indonesia still require legal construction and coordination of central and local governments (Mukti, 2015). In addition, Mariano Alvarez wrote a journal explaining the rise of paradiplomacy in international relations, in which he emphasized that the role of subnational actors in paradiplomacy activities will not replace the role of the state in diplomacy in general because it is only a complement (Alvarez, 2020).

From the available literature, there is still very little literature that specifically discusses the reasons or motives that encourage sub-national actors such as local governments to carry out their foreign activities. Moreover, the literature that is often found usually discusses local governments in developing countries with local governments in developed countries. Therefore, this study was carried out to find out the motive or affecting factor for the Denpasar Government to carry out cooperation with one of the local governments in developing countries, especially countries on the African continent.

## RESEARCH METHODOLOGY

The method used in this research is qualitative research method. Qualitative research is research commonly used by social science researchers to be able to interpret a social meaning contained in non-numerical data obtained from a study that focuses on a social phenomenon (Punch, 2013). It is exploratory and attempts to clarify 'how' and 'why' particular social trends or programs work in a specific context (Polkinghorne, 2005). As this research will describe why did the Denpasar Government cooperate with the Mossel Bay Government in the form of sister city in 2019, this study uses qualitative research because it can explain the "why" of the research question through the comprehensive explanation and comprehension focused on the perception of a representative's experience in the related field.

The author would use primary and secondary data, where the primary data were obtained through interview and the secondary data were attained from both sub-national government's official website, several books, journals, reports,

and online news websites that were reliable and suitable for the content of the research. The primary data came from interview result with the Head of Foreign Cooperation Sub-Division, Mrs. Ida Ayu Ganda Yukti. The type of interview employed in this research was semi-structured interview. Meanwhile, to obtain secondary data, the author used document analysis technique to express and develop understanding given that all types of documents can be used to achieve these objectives (Bowen, 2009).

## CONCEPTUAL FRAMEWORK

### Paradiplomacy

The inclusion of sub-national government into new actors on the international arena has several different mentions. Paradiplomacy is one of the most popular ones. Paradiplomacy itself is a combination of two words which "Parallel" and "Diplomacy", where the word "Para-" can mean "Besides", "Near", "Alongside", "Subsidiary", and "Assistant" (Tavares, 2016). Therefore, the merging of the two words refers to

the involvement of sub-national actors in the international arena where the position can be said to help or even harm diplomacy by the main actor, which is central government. Paradiplomacy itself was first discussed in the mid-80s in the writings of Ivo Duchacek and a scientist named Panayotis Saldatos (Wolff, 2009). Besides paradiplomacy, several countries that carry out similar activities apply different names such as "Sub-national Foreign Affairs", "Multilayered Diplomacy", and so on. This difference in mentions is based on political differences and the economic environment in the various countries that implement it (Tavares, 2016).

Participation of sub-national government in the international arena has several general objectives. In his book, Tavares explains some of the common reasons underlying their participation. These reasons include; to look for opportunities on a global scale to adjust with others foreign policy; internationalize the interests of local citizens in terms of sub-national government services; promoting

decentralization; seeking personal interests from sub-national governments; draw international attention to the region or seek world support in political interests; dealing with sub-national government problems with its central government; efforts to gain recognition of a culture and nationalism; bridging native people living in other countries' regions with native people living in their country; bordering geographical location; and handling unilateral isolation (Tavares, 2016).

In addition to an explanation of the motives behind the participation described by Tavares in his book, Lecours (2008) divides some of these motives into a main form called the "Layer of Diplomacy". The first layer is about economic matters. The second layer is about cooperation that is more specific in certain fields, such as education, technology, culture, and so forth. And, the third layer is about political concern.

Before establishing cooperation, sub-national actors must consider many things in the selection of partners such geographical location. In line with this,

paradiplomacy can be divided into three types of relationships introduced by Duchacek and Soldatos, namely Trans-border Regional Paradiplomacy, Trans-regional Paradiplomacy, and Global Paradiplomacy (Kuznetsov, 2015).

### **South-South Cooperation (SSC)**

Based on Nairobi Outcome Document of the UN High-level Conference on South-South Cooperation, South-South Cooperation (SSC) can be defined as a process of cooperation that exists between the 'Global South' countries in achieving individual or shared development goals to produce a win-win solution. The 'Global South' terms are referring to classifying developing countries. Forms of cooperation in SSC might be bilateral, regional, interregional, including partnerships involving government, private sector, regional organizations, academia, and civil society. Hence, the SSC is seen as a means for developing countries to exchange ideas, skills training, resources, and expertise in achieving development goals in their country (UN General Assembly, 2009).

South-South Cooperation has several basic principles underlying its formation. SSC is a reflection of solidarity among developing countries in terms of achieving prosperity, individual or mutual self-reliance, and global development goals. In achieving these purposes, the SSC must be determined by developing countries and not deviate from principles such as, “respect for national sovereignty, national ownership and independence, equality, non-conditionality, non-interference in domestic affairs and mutual benefit” (UNOSSC, 2018).

The term South-South Cooperation began to receive international attention in the 1960s and 1970s (Modi, 2011). The SSC is an initiation task to improve the economy and politics of developing countries. The colonial countries abandoned exploitative patterns of government and economy. As the result, these countries eventually realized a slight gap of ideas that mutual self-reliance is a development driver that they should maximize. Therefore, in the 1960s these countries joined the Non-

Alignment Movement (NAM) that marked SSC at the global level (Modi, 2011).

In addition to elaborating important points that lead to definitions, the document also emphasizes that the SSC is not established as a substitute for traditional cooperation such as the North-South Cooperation (NSC) but as a complement (UN General Assembly, 2009). The colonialism era still left a vertical pattern of foreign relations which in this case led to the form of North-South Cooperation (NSC). The term 'North' is used to refer to industrialized countries after the end of the Second World War (Modi, 2011). However, considering the importance of the presence of these emerging economies, the horizontal pattern (South-South) is also starting to get international attention. This horizontal pattern does not shift the vertical pattern that has been and is still being practiced. In other words, SSC does not replace the NSC because this collaboration also allows assistance from third partners who are usually supporter countries or

institutions that provide support in various aspects (Kakonge, 2014). Such cooperation that bridges SSC and NSC is known as triangular cooperation (UNOSSC, 2018).

Therefore, based on the explanation of the Paradiplomacy motives and the characteristics of South-South Cooperation that have been described previously, it will direct the reader to the results of research that lead to the understanding of affecting factors for sister city cooperation between Denpasar City and Mossel Bay City in 2019.

## RESULT AND DISCUSSION

To achieve the objectives of this study, the authors include several research findings and discussions which are divided into several sub-chapters, as follows:

### City Profiles

#### *Denpasar*

Denpasar is a city located in the southern part of Indonesia, which is the capital of the province of Bali. The word

“*Den*” means northern, while the word “*Pasar*” means market (Yudiantini et al., 2017). Denpasar had the status of an Administrative City (Yudiantini et al., 2017, pp. 181–182). Until 1992, through *Undang-Undang* number 1 of 1992, the status of Denpasar was upgraded to become a municipality.

Denpasar has many potential sources that have been developed. Denpasar Government tries to explore the potential in the tourism sector. With the theme of "Daily activities heritage tour", tourists could see the promotion of cultural tourism in the accommodation, transportation, and other tourism facilities (Suarmana et al., 2017). However, the most prominent sectors are the Smart City sector and Human Resources empowerment. Smart City sector was marked by the construction of Damamaya Denpasar Cyber Monitor (DCM) Building in 2017, which functions to carry out operations related to PRO Denpasar program (Graha, 2020). Also, Denpasar received appreciation from the Ministry of State Apparatus Empowerment and Bureaucratic Reform (Kemenpan RB) of



Indonesia for the category of community empowerment in 2019 (Suarna, 2019).

### *Mossel Bay*

Mossel Bay is a local municipality located in a strategic place between the coastal cities of Cape Town and Port Elizabeth of South Africa (Main, 2020). The word "Mossel" in the name Mossel Bay was given by a sailor from the Netherlands named Paulus van Caerden in 1601 because in the bay where it was anchored many shells or mussels (South African Government News Agency, 2020). Based on Act 117 of 1998 regarding local government, specifically municipalities, Mossel Bay can be classified into a local municipality or municipality type B (Mokoena, 2020).

The majority of Mossel bay citizens depend on the tourism, fishing, and farming sector (*Socio-Economic Profile: Mossel Bay Municipality*, 2018). Tourism that is highlighted is historical tourism such as Bartolomeu Diaz Museum Complex which displays a replica of the ship used by historic sailor Bartolomeu Dias and there is a Post

Office Tree which is the oldest post office in South Africa (Fleminger, 2020). Another economic activity that is also leading is the light industry, because it can reduce unemployment in this area (*Socio-Economic Profile: Mossel Bay Municipality*, 2018).

Mossel Bay has managed to show that its presence is worth to be considered. Mossel Bay won first place in the 2019 Government Performance Index (GPI) at the local municipality level based on 3 indicators, namely administration, economic development, and service delivery including the provision of water, electricity, education, and other services (Head, 2019).

### **Denpasar-Mossel Bay Sister City Cooperation in 2019**

As part of a sovereign state and to respond directly to a world that is not normally governed by it, sub-national governments must, at the very least, abide by the standards and international commitments that exist (Alvarez, 2020). In terms of legality, indeed, there is no

international law that formally regulates the participation of sub-national government in the international arena because they do not fall into the classification of actors or subjects in international law (Paquin, 2020). However, they are based on national law in their respective countries as long as they do not violate existing international law because there is no prohibition of such power at the sub-national level (Tavares, 2016). Since the practice is regulated in the national law of each country, then the unification process is through the signing of a cooperation form (Tavares, 2016) (Nešović & Jerotijević, 2018). Therefore, the types of documents used to formalize cooperation between sub-national actors can be categorized as non-binding documents such Memorandum of Understanding (MOU), Letter of Intent (LoI), and so on (Tavares, 2016).

In Indonesia itself, local governments are given the freedom to carry out foreign cooperation with partners abroad. This is regulated in several regulations such as Indonesian Law Number 23 of 2014 regarding Local

Government; Indonesian Law Number 24 of 2000 concerning International Treaties; Minister of Foreign Affairs Regulation Number 3 of 2019 concerning General Guidelines for Foreign Relations by Local Governments; and Minister of Home Affairs Regulation number 25 of 2020 regarding the Procedures for Cooperation with Local Governments Abroad and Cooperation with Overseas Institutions.

In the article 6 of the Minister of Home Affairs Regulation Number 25 of 2020 concerning The Procedures for Cooperation with Local Governments Abroad and Cooperation with Overseas Institutions, there are several stages that Denpasar Government should go through to get the recognition. Prior to collaborating, an exploratory stage was carried out to get to know each other's regional potential. After that, they signed a Letter of Intent (LoI) as the beginning of cooperation. After that, the Denpasar government asked for permission from the Denpasar Regional People's Representative Council (DPRD) as one of the requirements requested by the

Ministry of Home Affairs. After going through the discussion process and drafting the MoU, the Ministry of Foreign Affairs and the Ministry of Home Affairs will give their approval in the form of a letter called a confirmation letter. Based on Head of Foreign Cooperation Sub-Division, Mrs. Ida Ayu Ganda Yukti explanation, this confirmation letter was previously known as the full power letter which was used as evidence of granting power by the ministry as the central government to the Denpasar Government as the regional government to sign the MoU (Yukti, 2020).

Denpasar and Mossel Bay agreed to establish cooperation with three sectors, namely culture and tourism promotion, creative economy development, and human resources capacity building. Prior to the signing of the MoU in 2019, the governments of both cities had signed a Letter of Intent (LoI) in 2018 (Kementerian Luar Negeri, 2019a). Therefore, this cooperation has led the Denpasar Government to become the first regency/city government in Bali,

which has succeeded in running sister city cooperation with city governments abroad (Yukti, 2020). Also, this sister city cooperation with the Mossel Bay Government is the first sister city cooperation by the Denpasar Government which has succeeded in reaching the MoU signing stage of the three sister city collaborations proposed in 2019 with three different cities (Yukti, 2020).

### **Benefits of Sister City Cooperation with the Government of Mossel Bay for the Government of Denpasar**

In realizing good cooperation, it is necessary to have several principles that must be obeyed by both parties, one of which is the principle of mutual benefit. With one of these principles, the cooperation carried out will not only benefit one party. Similar to this, the sister city cooperation carried out by the Denpasar Government and the Mossel Bay Government in 2019 also implements the principle of mutual benefit. To determine the Denpasar Government's motivations in this

cooperation, it is important to examine the advantages that the Denpasar Government will derive from this cooperation. Thus, this analysis is expected to guide readers towards the answers to the research questions.

### *1. Creative Economy Development Sector*

The creative economy sector in the last few decades has begun to receive international attention, especially when John Howkins poured his understanding of the creative economy into a book entitled "The Creative Economy: how people make money from the ideas". In that book, John Hawkins describes;

*"Creativity is the ability to generate something new. It means the production by one or more people of ideas and inventions that are personal, original, and meaningful. Creativity occurs whether or not this process leads anywhere; it is present both in the thought and in the action."* (Howkins, 2001)

In other words, it comes from people's creativity such as architecture, design, fashion, and others (Buitrago & Duque, 2013). John Hawkins sees a

correlation between the two concepts because gradually the characteristics of the world economy have shifted from industrial economy to creative economy (Howkins, 2001). This is indicated by the presence of intellectual property rights, which mostly contain products of human creativity. In addition, creativity has been expressed at various levels of the economy, such as the branding of a product launched by a company. Therefore, it is not uncommon for the creative economy to be equated with a creative industry or a cultural economy, which was more popular before the term creative economy appeared. This leads to various definitions of the creative economy in various parts of the world. Because the creative economy is closely related to the creative industry, United Nations Conference on Trade and Development (UNCTAD) defines it as;

*"...cycles of creation, production, and distribution of goods and services that use creativity intellectual capital as primary inputs. They comprise a set of knowledge-based activities that produce tangible goods and intangible intellectual or artistic services with creative content, economic*

*value, and market objectives.*"  
(United Nations Conference on  
Trade and Development  
(UNCTAD), 2008)

The presence of innovations in this economic sector has made many countries begin to develop their creative assets, including Indonesia. Seeing the opportunity and potential for developing this type of economy, the Indonesia Government then took it seriously. The seriousness of the Indonesian Government in developing the creative economy as a complement to the industrial economy era can be seen in the formation of a special agency that handles creative economic activities known as *Badan Ekonomi Kreatif (Bekraf)* or the Creative Economy Agency in 2015 and is separate from the ministry in charge of it (Suparta, 2019).

Moving on a smaller scale, one of the creative economy developments that the Indonesia Government appreciates is the creative economy development by the Denpasar Government. In recent years, under the leadership of Mayor Mr. Ida Bagus Rai Dharmawijaya Mantra

even today, the Denpasar Government is still promoting the concept of the creative economy as an economic goal it wants to achieve. As a result, by the Decree of the Head of Indonesia Creative Economy Agency, number 83 of 2019, the Indonesian Creative Economy Agency (Bekraf) has named Denpasar as a creative city in the leading fashion market especially for traditional fabric called *Endek* (Antari & Jannah, 2016; Suparta, 2019).

The seriousness of the Denpasar Government in implementing the creative economy, of course, cannot be separated from the previous considerations of the economic situation in Denpasar. In fact, the city of Denpasar has quite a lot of population in productive age. However, it seems that this is not enough to be able to restore the growth rate of Denpasar's Gross Regional Domestic Product (PDRB).

**Table 1 Pertumbuhan PDRB / Ekonomi Kabupaten / Kota di Provinsi Bali (Persen), 2018-2020.**

District / City	Growth of GRDP or Economy of Regency / City in Bali Province (Percent)		
	2018	2019	2020
Jembrana Regency	5,59	5,56	-4,96
Tabanan Regency	5,71	5,59	-6,14
Badung Regency	6,73	5,81	-16,52
Gianyar Regency	6,01	5,61	-8,38
Klungkung regency	5,48	5,42	-6,35
Bangli Regency	5,48	5,46	-4,10
Karangasem Regency	5,44	5,50	-4,45
Buleleng Regency	5,60	5,53	-5,76
Denpasar City	6,42	5,82	-9,42
Bali Province	6,31	5,60	-9,31

Source: (Badan Pusat Statistik Provinsi Bali, n.d.)

The GRDP data per district or city in Bali province above shows that almost all districts in Bali experienced a decline in the growth rate of GRDP growth from 2018 to 2019, except for the Badung and the Karangasem districts. Denpasar itself has experienced a decrease in the GRDP rate by 0.6 percent (Badan Pusat Statistik

Provinsi Bali, n.d.). Data on the rate of GRDP is usually reviewed and used as consideration for decision-making to stabilize the economy in Denpasar. Thus, with the pressure of decreasing GDP rate plus the opportunities for its productive human resources, the Denpasar Government decided to prioritize creative economic concepts on human ideas and creativity. One way to be able to streamline the economic concept it promotes, the Denpasar Government then takes a step forward to carry out international cooperation with Mossel Bay, which also realizes the importance of developing its creative potential. Of course, cross-border cooperation, such as a sister city has an impact on the economy of each city.

In explaining what benefits the Denpasar Government will get through cooperation in the creative economy sector, the author will focus on several factors that affect the national creative industry income. These factors are labor, export value, number of companies, and import value. In a study conducted by Afif Leksono and Purbayu Budi Santosa, the four factors were examined for their

influence on the GDP of creative industries in Indonesia, namely labour, export value, number of companies, and import value. One of the factors that must be considered in the table is that the export activity of creative products is one of the factors stated to be in line with GDP growth. This means that the higher the export value, the higher the GDP that can be achieved by the city government in terms of creative industries (Leksono & Santosa, 2014).

Therefore, the Denpasar Government undertakes international cooperation to open up opportunities for their creative products to enter the international market, which will also have an impact on the increase in the GRDP of Denpasar in the creative industry sector. This was also explained by the Mayor of Denpasar, Mr. Ida Bagus Rai Dharmawijaya Mantra when delivering his remarks at Mossel Bay that this cooperations is expected to open new market access, especially for MSMEs of the two cities (Kementerian Luar Negeri, 2019a). In other words, the economic motive becomes the driving force for the

Denpasar Government to involve itself in international activities as previously described by Kuznetsov and Tavares.

## *2. Culture and Tourism Promotion*

Regarding the previous motive that has been explained, the cultural aspect is still closely related to the creative economy aspect. Before it was called creative economy, a similar definition was better known as a cultural industry (Howkins, 2001). In his book, Caves explains that the creative industry is an industry related to cultural values, art, and entertainment (Caves, 2000). Meanwhile, Cultural heritage is a concrete cultural product or works resulting from a number of traditions (tangible heritage) and spiritual values from the past (intangible heritage) that become the identity of a community or a country (Davidson & McConville, 1991). Therefore, the concept of heritage tourism can be defined as one of a tourism concept that utilizes cultural heritage or historical heritage as a tourist attraction (Inskeep, 1991).

Apart from implementing the creative economy, the Denpasar Government is also trying to explore other potentials from the region. Denpasar is the capital city of Bali Province which has quite a lot of cultural heritage including temples, museums, monuments of struggle, *Puri* (royal palace), and others. Therefore, the Denpasar Government is promoting the concept of heritage tourism as a unique strategy to attract tourist visits, both domestic and foreign tourists. The concept that the Denpasar Government is trying to apply is the concept of the orange economy, which has been narrowed down to two concepts, namely creative economy and heritage tourism (Yasa, 2017). Apart from Denpasar or Bali, Indonesia also has a lot of potential heritage tourism that is scattered throughout its region.

Meanwhile, South Africa also has unique cultural characteristics. This country has eight heritages that are recognized as World's Official Heritage Sites by the UNESCO World Heritage Committee which are scattered throughout this region (South African

Government, n.d.). Although Mossel Bay is not one of them, this area also has quite many historical sites. Similar to the Denpasar, Mossel Bay has also developed the same concept in attracting foreign and domestic tourists. Mossel Bay has several tourist attractions leaning more towards historical sites where some of the places that have become quite famous destinations such as the Bartolomeu Dias Complex Museum. The historical traces Bartolomeu Dias left behind can be seen in this museum, including the replica of the caravel that he used to explore the seas and the historic post office tree (Fleminger, 2020).

**Picture 1 Bartolomeu Dias Caravel at Bartolomeu Dias Museum Complex.**



Sources: (Mossel Bay Tourism, n.d.).



The use of heritage as a tourism promotion is not without reason. Tourism promotion can take various forms, but heritage tourism as a cultural attraction has greater advantages. A study conducted by Mandala research said 65% of the vast majority of these travelers said that they seek travel experiences where "destination, its buildings and surroundings have retained their historic character" (McCormick, 2010). Another opinion states that heritage tourism is one of the economic development tools because tourists who are interested in culture and heritage stay longer and spend more money than other kinds of travelers (Advisory Council on Historic Preservation, 2002). This allows people in the area to develop businesses that will have an impact on regional income. This certainly provides an advantage for areas that have many historical places such as Denpasar and Mossel Bay.

In the Plan of Action agreed by both parties, one of the programs that will be carried out by the two cities is the shared calendar, which means that the

two city governments will attend each other's festival events held in the two cities. Given the potential of the two cities and the concept that is being implemented by the two cities is a concept of heritage tourism, it is important to always promote it in various forms, one of which is organizing cultural festivals. One of the festivals held by the Denpasar Government every year is the Denpasar Festival, which is usually held at the end of the year. This festival features cultural performances in the form of dance, music, foods, and others. Unlike most festivals that only feature art performances, in the Denpasar Festival, the government also provides space for MSMEs and other creative people to market their products (Dewiyanti et al., 2017). According to the Head of Foreign Cooperation Sub-Division at the Secretariat of Denpasar, Mrs. Ida Ayu Ganda Yukti, by holding a festival such as the Denpasar festival, the government not only contributes to Denpasar culture but also contributes to the creative economy sector it develops (Yukti, 2020).

The festival was one of the programs that were considered in the MoU, due to the interest of the Mossel Bay community towards Balinese culture in general. In addition, another consideration is that the number of foreign tourist visits, especially from South Africa to Bali, has increased (Badan Pusat Statistik Provinsi Bali, 2020). Thus, it is expected that with this cooperation in the field of culture and tourism promotion, the visits of South African tourists can continue to increase along with the strengthening of the brotherly relations between the two cities.

**Picture 2 Cultural Performance in Denpasar Festival.**



Sources: (Denpasar Tourism, n.d.).

This is in line with the identification of reasons described by Kuznetsov and Tavares. Kuznetsov explained that culture is an important sector for a region that has its uniqueness (Kuznetsov, 2014). Denpasar and Mossel Bay have different historical and cultural heritage but apply the same tourism concept, namely heritage tourism, where the attraction lies in the historical tourism sector. This uniqueness allows the two regions to share knowledge in developing this concept, to create a cross-border relations in a sister city.

In addition, Denpasar accepted the cooperation offered by Mossel Bay because it is predicted that it will have an impact on increasing the number of South Africa visitors to Bali through the holding of a shared calendar program or attending each other in festivals, which not only focus on introducing each culture but also as tourism promotion and the development of the creative economy sector. Therefore, by doing so, it will create a high sense of belonging to the people of Denpasar, especially towards culture which is now one of its tourism attractions, or in other words, it will

increase a sense of nationalism as explained by Tavares (Tavares, 2016).

### *3. Human Resource Capacity Building*

The last sector included in the MoU is human resource capacity building. In the Plan of Action that has been planned by the two cities, there are two different points of this sector. The first is activities to provide consultation to the Mossel Bay Government which only provides one-way benefits. The second is an apprenticeship activity of workers in Tukad Bindu Management Foundation which is beneficial for both cities.

According to the Head of Foreign Cooperation Sub-Division at the Secretariat of Denpasar, Mrs. Ida Ayu Ganda Yukti, before reaching the signing stage of the MoU, the Mossel Bay Government was already interested in one of Denpasar's attractions, namely a recreation area called Tukad Bindu (Yukti, 2020). Before it was known as a recreation place as it is today, Tukad Bindu was just a slum place because the river in the area was full of garbage.

However, due to the awareness and initiation of residents who are trying to revitalize the river flow, now the place innovates economic and recreational activities in the area around the river (Humas Menpan RB, 2019).

This project was later organized by a foundation with the same name. With good management and continuous support from various parties, will also improve the quality of natural and human resources, economic, social, and cultural empowerment, development of micro, small and medium enterprises (MSMEs), as well as support in government programs (Suarna, 2019). Because of this, the project received a top 45 Public Service award from the Ministry of State Apparatus Empowerment and Bureaucratic Reform (Kemenpan RB) of Indonesia for the category of community empowerment (Suarna, 2019).

With the consultation activities held by the Denpasar Government to the Mossel Bay Government related to community empowerment in Tukad Bindu, Mossel Bay received information on how to encourage the community to

become more aware of the potential of the river and start developing it into a place that has economic value, thus it can increase employment. Given that this activity was funded by the government of Mossel Bay, the only party that benefited from this activity was the government of Mossel Bay as well.

Meanwhile, the second activity planned in the PoA, apprenticeship of workers in Tukad Bindu Management Foundation, is an activity that provides benefits to both cities. This activity is likened to practice from the first activity, where the activities carried out are in the form of training in the Tukad Bindu area. From this activity, of course, the delegations of the two cities can interact with each other, thus it can trigger an increase in the quality of human resources for the two cities.

Of the two activities, only one activity was written as having benefits for the Denpasar Government, but in fact, there are other benefits that the Denpasar obtained as a city that has potential in its human resource capacity sector, especially Tukad Bindu. With the sister city cooperation with the Mossel

Bay Government, the Denpasar Government has a great opportunity to introduce its regional potential as an identity that it wants to introduce to its international partners. Economic city branding aids in the utilization of local economy potential in the attraction-oriented intercity competition by focusing branding activities on attracting values from global value flows with a specific emphasis on business segments or industry classes (Anttiroiko, 2014). Therefore, the Denpasar Government has another motive, which to create an identity that can be used for city branding, that it can survive in the flow of globalization which places increasingly important interactions between cities.

#### *4. Government Administrative Status*

As said by the Head of Foreign Cooperation Sub-Division at the Secretariat of Denpasar, Mrs. Ida Ayu Ganda Yukti, who said that this sister city cooperation must be established based on two main principles that become its pillars, namely the principle of equality and the principle of mutual benefit (Yukti, 2020). The principle of

mutual benefit is implemented in several of the programs discussed earlier. Meanwhile, the principle of equality referred to here is the equality of local government administration. Denpasar has experienced several changes in its government system, until finally in 1992, through Law number 1 of 1992, the status of Denpasar became a municipality (Yudiantini et al., 2017).

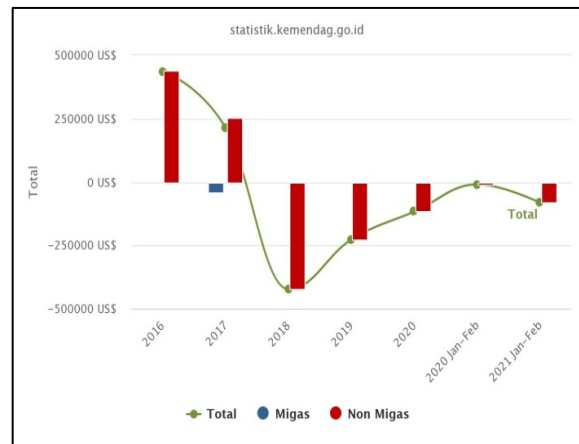
Similar to Denpasar, Mossel Bay is also a municipality. Based on South African Act 117 of 1998 regarding local government, specifically municipalities, it is explained that municipalities are divided into three types, namely municipality A (metropolitan municipalities), municipality B (local municipalities), municipality C (district municipalities) (Mokoena, 2020). Therefore, Mossel City Bay is included in the classification of municipality type B, which is local municipality.

The principle of equality is also contained in Minister of Foreign Affairs Regulation Number 3 of 2019 concerning general guidelines for foreign relations by local governments. Because

the two cities have the same government administration status, the benefits that will be received by the two cities in this cooperation will also not be much different. This is also one of the considerations of the Denpasar Government in approving the cooperation offered by the municipality government of Mossel Bay.

#### 5. *Bilateral Relations between Indonesia and South Africa*

**Chart 1 Trade balance between the Republic of Indonesia and the Republic of South Africa for the period: 2016 – 2021.**



Sources: (PSDI Kementerian Perdagangan, 2019).

Apart from the principle of equality, the Denpasar Government also considers bilateral relations between the

Republic of Indonesia and the Republic of South Africa. The chart above shows, in 2018 the trade balance between the two countries experienced a deficit of US \$ 423.09 million. Even though, one year earlier the trade balance showed a surplus of US \$ 212,896 million. But, in the following year, the trade balance between Indonesia and South Africa was still in a state of the deficit but it had decreased to a deficit of US \$ 227.052 million. It is feared that this is due to the quite high import tariffs for Indonesian products to South Africa hence trade interactions between the two countries have decreased and have an impact on the trade balance deficit between the two countries (Suastha, 2017).

The Indonesia Government has begun to increase its attention to relations between the two countries. During the visit of the president of South Africa, Mr. Jacob Zuma, to Indonesia in 2017, the President of Indonesia, Mr. Joko Widodo, expressed his objection to the import tariff that is imposed on around 30 percent of Indonesia products (Ihsanuddin, 2017). Then, the solution offered by the Indonesia Government for

its objection is a Preferential Trade Agreement (PTA). The offer was not accepted immediately, because South Africa had to negotiate it first with other members of the Southern African Customs Union (SACU). However, South Africa gave its full support in the proposed PTA offer. PTA with SACU countries or other countries in the African continent is not only limited in terms of reducing tariffs but also strengthening south-south cooperation (Kementerian Luar Negeri, 2019b).

Indonesia's efforts to achieve the sustainable development goals set out in the 2030 Sustainable Development Agenda, can be seen from how Indonesia plays an active role in supporting South-South Cooperation between developing countries. Many of the developing countries have been recognized as world economic actors, one of which is Indonesia, which is a member of the G20, along with nineteen countries with other largest economies in the world (Larasasati & Natasya, 2017). It is common for Indonesia to help other developing countries in various vital fields such as economy, development,

labor, and others which can be mutually beneficial. One form of mutual assistance is bilateral cooperation as previously discussed.

The good relations that is carried out in the concept of south-south cooperation by Indonesia is aimed at Sub-Saharan countries such the Republic of South Africa, is one of the considerations of the Denpasar Government to carry out sister city cooperation with Mossel Bay Government. In this case, the paradiplomacy practice carried out by the Denpasar Government can be said to be non-conflictual with the central government, since, in essence, sister city cooperation and south-south cooperation are not patterns of cooperation that replace the previous pattern of cooperation; rather, this pattern of cooperation is complementary to the previous pattern of cooperation (Jatmika, 2008; United Nations, 2009). The sister city cooperation is an extension of Indonesia's bilateral cooperation with South Africa, which can be said to be south-south cooperation. By agreeing to

the sister city cooperation offered by the Mossel Bay Government, the Denpasar Government has indirectly supported the central government to promote south-south cooperation which is projected to the countries of the African continent, especially South Africa.

## CONCLUSION

Several factors affect sister city cooperation between the government of Denpasar, Indonesia, and the government of Mossel Bay, South Africa. This sister city cooperation is an initiation from the Mossel Bay city government to the Denpasar Government. However, there is a striking pattern of sister city cooperation, where each city government signed the sister city government in developing countries. Thus, the authors summarize the results of this study into several important points that can be categorized as motives or reasons why the Denpasar Government accepts this sister city cooperation.

The Denpasar Government has framed this collaboration to expand the

demand for its creative economy goods. The sister city cooperation in this area is expected to boost the city of Denpasar's GDP growth rate, which has been decreasing since 2018.

Second, the similarity in the Heritage Tourism concept. Because it has similarities in the management of tourism and culture with Mossel Bay, the Denpasar Government agreed to this collaboration to help each other develop this concept.

Third, to create an identity it wants to show to international partners. The empowerment of human resources in the Tukad Bindu area is one of the reasons the Mossel Bay city government proposes cooperation. Therefore, with the agreement of this cooperation, the Denpasar City Government is not only able to increase the capacity of its human resources, but also to create the identity it wants to develop. Also, through this collaboration, the Mossel Bay government wants to learn how to empower the people in the area to jointly create economic opportunities that can reduce unemployment.

Fourth, there is a factor of equality in government administration status. Both governments were identified as a municipality. So, this cooperation will bring benefits that are not much different for both parties if they are in the same administrative government status.

Fifth, this cooperation is an extension of the bilateral relationship between the Republic of Indonesia and the Republic of South Africa which is currently implementing the South-South Cooperation. The Indonesian government is focused on fostering good economic relations with African countries, especially South Africa, which also supports this idea. Therefore, by agreeing to the sister city cooperation offered by the Mossel Bay government, the Denpasar Government has indirectly supported the central government to promote the south-south cooperation which is projected to South Africa. Given that, in paradiplomacy, there are two possibilities in the relationship between governments in a country, and in this respect, the relationship between both local governments is a complementary one. Thus, this sister city can be seen as



an extension of the South-South Cooperation between the two countries.

Therefore, the five points described above are the possible motives of the Denpasar Government towards sister city cooperation with the Mossel Bay government in 2019. In general, as stated in the opinion of Tavaez and Kuznetsov, this cooperation is considered as an intermediary for the two cities to learn for the welfare of each other socially.

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