

Education – next frontier of Singapore-Indonesian cooperation?

By Shoeb Kagda

INDONESIA has much going for it at the moment. Its economy is on a sound footing, it has a growing middle class, and fiscally prudent policies have enabled the government to invest heavily in infrastructure over the past decade.

But while its physical infrastructure has improved vastly, the same cannot be said about its soft infrastructure, in particular its human capital. While the populous country has a large labour pool, its talent pool is relatively small. This is especially evident in the fast-growing digital sector where, according to the country's Ministry of Communications and Informatics, Indonesia has an annual shortfall of 600,000 digital talents.

A recent survey by Google and Economist Impact found that around 60 per cent of Indonesian employees consider digital skills the most important to acquire. If the future of Indonesia's economy is digital, then Indonesians are highly aware of the need to upgrade their digital skills.

Data from 2020 suggests that less than 1 per cent of the Indonesian workforce possessed advanced digital skills that will fuel the country's growth in the future.

The Google-Economist Impact report also noted that Indonesia's digitally skilled workforce can contribute as much as US\$303 billion (\$413 billion) by 2030, accounting for 16 per cent of its gross domestic product. The numbers speak for themselves. The question that needs to be answered is – how does Indonesia upgrade its talent pool to meet the growing needs of the economy in the shortest time possible?

The answer may be found in a new initiative recently launched by Singapore and Indonesia to foster greater collaboration between institutes of higher learning from both nations.

Working together

The RI-Singapore University Network will link Singapore's six autonomous universities with Indonesian varsities to collaborate on a wide range of activities including research, postgraduate programmes, executive education initiatives and student mobility projects.

As the rector of University of Indonesia, Professor Ari Kuncoro, noted, that Singapore universities – including the Singapore Management University (SMU) which last December established an Overseas Centre in Jakarta – can play a critical role in advancing Indonesia's human capital development.

While the University of Indonesia has initiated collaboration with both local and foreign universities, he emphasised that even more important for the university is collaborating with university partners in South-east Asia, including Singapore, to advance the world of education.

Developing cross-border collaboration is thus high on the agenda of both sides. In this regard, SMU has begun to explore and foster collaboration not only with Indonesian university partners but also with industry players.

But going alone can be an uphill battle. So four Singapore universities – SMU, Singapore University of Technology and Design (SUTD), Singapore University of Social Sciences (SUSS), and the Singapore Institute of Technology – teamed up to hold a "Study in Singapore" dialogue session in Jakarta recently.

This was the first time Singapore universities have come together and judging from the response, more such collaborative initiatives may be in the pipeline. During the session held at the SMU office in Jakarta, with participants including education counsellors and principals of both private and public schools, each university had an opportunity to outline their unique individual offerings.

Ranking fourth globally behind China, India and the United States in terms of size, Indonesia's education system is both large and varied. It weaves between public and private systems and has both centralised and decentralised governmental oversight. Navigating such a complex system can be daunting but there is growing openness by the Indonesian higher education institutes to partner and collaborate with foreign universities.

Indonesia is expected to become the world's seventh-largest economy by 2030, according to the McKinsey Global Institute. Its large youthful workforce has the potential to be one of the country's most powerful economic levers if it is adequately trained and skilled.

Singapore's highly advanced higher education institutes can participate in this huge growth opportunity by collaborating with their Indonesian university partners, not just in terms of student exchanges but through the development of joint programmes in areas such as data analytics, business and finance, digital marketing, information systems, as well as green finance.

The two close neighbours have enjoyed a symbiotic relationship over many decades in economics, business, investments, military and cultural exchanges. Education can be the next frontier for cooperation.

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