Globalization and Indonesia's Political Economy: A Nonlinear Correlational Analysis between Trade, Investment and International Cooperation

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Abstrak

This study examines the influence of globalization on Indonesia's political economy in the aspects of trade, investment, and international cooperation. This study used secondary data from various official sources and analyzed it with a non-linear correlational quantitative approach. This research uses theories and concepts of political economy, such as liberalism, realism, marxism, dependencies, and neo-institutionalism, to explain the phenomena and relationships that occur. The results show a close and positive relationship between the level of globalization, trade, investment, and international cooperation of a country, but the relationship does not have a definite or constant pattern. This research contributes to the development of political economy, especially in the Indonesian context, and provides input for the government, business actors, and the community in formulating and implementing economic policies that are in accordance with national and global interests.

Keyword : Globalization, Political Economy, Trade, International Cooperation, Indonesia
JEL Classification : F1,F2,F5,01,02,03,C1,C3,C4

Received: November 6,2022 Accepted: Desember 1,2022
DOI : 10.54204/TAJI/Vol812023008

Introduction

Political economy is the study of the relationship between economic activity and political power in a society. Political economy examines how economic policy is influenced by political, social, cultural, and historical factors, as well as how economic policy affects the welfare, development, and stability of society. Political economy also examines the role of actors such as states, markets, firms, interest groups, and civil society in the process of making and implementing economic policies (Jhally, 2022).

One of the branches of political economy is international political economy, which studies economic and political relations between countries of the world. International political economy highlights issues such as trade, investment, finance, migration, the environment, and development, as well as their impact on national and global interests. International political economy also analyzes how international institutions such as the United Nations, WTO, IMF, and World Bank play a role in regulating and monitoring economic cooperation and conflicts between countries (Paik, 2020).

Another branch of political economy is the political economy of development, which studies the processes and challenges of economic development in developing countries. The political economy of development explores the factors that influence growth, poverty, inequality, and quality of life in developing countries, as well as strategies that can be applied to improve development performance (Kwilinski, Dalevska, & Dementyev, 2022). The political economy of development also considers how political factors such as democracy, corruption, conflict, and community participation affect development processes and outcomes (Bagianto, & Zulkarnaen, 2020).

Political economy is a very relevant and important science to study, as it shows how economic decisions are determined not only by rational and technical factors, but also by complex and dynamic political and social factors. Political economy also provides a deeper understanding of the challenges and opportunities faced by various actors in society, both at the local, national, and international levels. By studying political economy, you can become more critical, creative, and involved in economic issues that impact your life (Diah, 2020).

One of the important issues in political economy is globalization, which is the process of economic, political, social, and cultural integration between countries and regions. Globalization is a phenomenon that has been going on for a long time, but is increasing along with the development of technology, communication, transportation, and information. Globalization affects almost all aspects of human life, both at the local, national, regional, and global levels (Bhambra, 2020).

Globalization brings various positive and negative impacts to society, such as increasing trade, investment, cooperation, competition, innovation, opportunities, and challenges (Ikhsan & Cholil, 2022; Harnani, Prabowo, Alim, & Wulandari, 2022). The positive impacts of globalization include economic growth, increased welfare, the spread of knowledge, culture, and universal values, as well as the opening of opportunities to work, study, and interact with people from various countries and backgrounds (Cholil, Ikhsan, & Wibangga, 2022; Widarni, Irawan, Harnani, Rusminingsih, & Alim, 2022). The negative impacts of globalization include inequality, poverty, unemployment, crises, corruption, environment, human rights, and security. This negative impact arises from the imbalance of power, interests, and policies between developed and developing countries, as well as between different social groups.

Globalization also raises various problems and conflicts, such as resource competition, climate change, migration, terrorism, radicalism, drugs, human trafficking, and cybercrime. These problems and conflicts require effective and cooperative handling from various parties, both government, private, civil society, and international organizations. However, handling globalization problems and conflicts is often difficult due to differences in views, interests, and capacities between the actors involved. Therefore, global political economy is one of the relevant and interesting fields of study to be researched. Global political economy is the study of the relationship between economics and politics in a global context, taking into account social, cultural, historical, and geographical factors (Sabir, & Gorus, 2019). Global political economy aims to explain and analyze the phenomena, impacts, problems, and conflicts of globalization, as well as find just, democratic, and sustainable solutions and alternatives(Bhambra, 2020).

This study aims to analyze the influence of globalization on Indonesia's political economy, especially in the aspects of trade, investment, and cooperation. This research uses a quantitative approach, namely by collecting, processing, and analyzing numerical data related to research variables. The data used comes from KOF Swiss Economic Institute, This study aims to analyze the influence of globalization on Indonesia's political economy, especially in the aspects of trade, investment, and cooperation. This research uses a quantitative approach, namely by collecting, processing, and analyzing numerical data related to research variables. The data used comes from the KOF Swiss Economic Institute, Badan Pusat Statistik Indonesia, Bank Indonesia with the period 2012 to 2022. The data is then analyzed using theories and concepts of political economy, such as liberalism, realism, marxism, dependencies, and neo-institutionalism, to

explain the phenomena and relationships that occur. This research is expected to contribute to the development of political economy, especially in the Indonesian context. This research is also expected to provide input for the government, business actors, and the community in formulating and implementing economic policies that are in accordance with national and global interests.
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Literature Review

Political economy is a science that examines the relationship between economic regions and political regions, or between economic subsystems and political subsystems. Political economy also addresses the link between political science and economics, with particular attention to the role of power in economic decision-making. Political economy has several theoretical approaches, such as liberalism, realism, marxism, dependencies, and neo-institutionalism, each of which has different assumptions, methods, and implications (Poti, 2020).
The approach of liberalism in political economy departs from the idea that individuals are the main actors in economic and political systems, and that they act rationally to maximize their interests and well-being. Liberalism emphasizes the importance of free markets, international trade, human rights, democracy, and international law as means to achieve global progress and cooperation (Mukand, & Rodrik 2020). Liberalism also acknowledges conflicts and imbalances of power between states, but argues that they can be overcome by diplomacy, negotiation, and regional integration (Navarro, 2020).
The realism approach in political economy is based on the view that states are the main actors in economic and political systems, and that they act to safeguard their security and national interests. Realism emphasizes the importance of military power, foreign policy, balance of power, and realpolitik as a way to deal with an anarchic and competitive international environment. Realism also considers that economic resources are one of the factors determining the power and influence of states, and that states will seek to control and secure those resources (Graham, & Tucker, 2019).
Marxism's approach to political economy is based on Karl Marx's class analysis of history and society, which claimed that the capitalist system produces exploitation, inequality, and crisis. Marxism emphasizes the role of capital, labor, production, distribution, and consumption in determining economic and political structures and dynamics. Marxism also criticizes the ideologies and institutions that underpin the capitalist system, such as the state, law, religion, and media, as tools to maintain the dominance of the bourgeoisie over the proletariat (Rioux., LeBaron, & Verovšek, 2020).
The dependency approach in political economy emerged as a reaction to modernization theory, which considered that developing countries could follow the same development path as developed countries. Dependency rejects this view, and argues that developing countries experience structural and historical dependence on developed countries, resulting in injustice, poverty, and underdevelopment. Dependencies also highlight the role of transnational corporations, international financial institutions, and local elites in strengthening dependency relationships (Alaika, Herlambang, Untoro, Hasanah, 2022; Amijaya & Alaika, 2023).

The neo-institutionalism approach in political economy focuses on the role of institutions in shaping economic and political behavior and outcomes. An institution is defined as a set of rules, norms, and practices that govern interactions between actors, both formal and informal. Neo-institutionalism recognizes that institutions can change over time, and are influenced by factors such as history, culture, ideology, and interests. Neo-institutionalism also explains how institutions can create incentives, constraints, and opportunities for actors to collaborate, compete, or conflict (Rahmadi., Putri, & Sari, 2022).

Globalization is a process of increasing interconnectedness and dependence between countries in the world, both in economic, political, social, cultural, and environmental aspects. Globalization occurs due to advances in technology, transportation, and communication that facilitate the exchange of goods, services, capital, information, and culture between countries. Globalization is also influenced by political factors, such as trade liberalization, regional integration, and international cooperation (Sabir, & Gorus, 2019).

Globalization has both positive and negative impacts on the development of society and countries. In the economic aspect, globalization offers opportunities and challenges for developing countries, such as Indonesia, to increase growth, prosperity, and competitiveness, while facing the risk of inequality, crisis, and instability. Therefore, economic globalization requires readiness and appropriate policies from governments, the private sector, and society to maximize benefits and minimize losses caused. Globalization is an unavoidable phenomenon and has a complex impact on the world. Therefore, it is necessary to respond to globalization wisely, critically, and responsibly, in order to make a positive contribution to nation building and humanity (Bhambra, 2020).

Indonesia is a country that has great potential to benefit from globalization, while anticipating its threats. Globalization is a process of increasing interconnectedness and dependence between countries in the world, both in the economic, political, social, cultural, and environmental fields. Globalization brings opportunities and challenges for every country, including Indonesia (Shofiyah, 2019).

Indonesia has natural resources, human resources, and a vast market, which can be utilized to increase productivity, diversification, and economic integration. Indonesia has abundant natural wealth, such as oil, gas, coal, gold, tin, nickel, copper, rubber, palm oil, cocoa, coffee, and others. Indonesia also has a large population, around 276 million people in 2020, which is a potential market for products and services (Shofiyah, 2019). In addition, Indonesia has a cheap and easy-to-train workforce, which can attract foreign investment. Indonesia is also a member of various organizations and economic regions, such as ASEAN, APEC, G20, and RCEP, which can expand market access and economic cooperation with other countries (Armstrong, & Drysdale, 2022).

Indonesia also has a democratic political system, which can ensure participation, accountability, and transparency in economic policy making. Indonesia has undergone political reforms since 1998, ending the era of New Order authoritarianism. Indonesia now has a presidential system, with direct, free, and fair elections (Putra, 2019).

Indonesia also has democratic institutions, such as parliament, political parties, mass media, civil society organizations, and independent commissions, that can monitor and criticize the government. Indonesia also has a constitution that recognizes human rights, including economic, social, and cultural rights. However, Indonesia also faces various challenges in facing globalization, such as the low quality of education, infrastructure, and institutions, high corruption, bureaucracy, and conflict, as well as the vulnerability of the economy to global turmoil (Bhambra, 2020).

Indonesia still has a low level of education, with the average length of schooling only 8.3 years in 2019. Indonesia also has inadequate infrastructure, such as roads, ports, airports, electricity, clean water, and telecommunications, which hinder mobility and connectivity. Indonesia also has weak institutions, such as the judiciary, taxation, banking, and capital markets, which reduces trust and efficiency. Indonesia also has problems of corruption, bureaucracy, and conflict, which harm the public interest and destabilize (Rahmalia., Ariusni, & Triani, 2019).

Indonesia also has an economy that is vulnerable to global turmoil, such as financial crises, commodity price fluctuations, trade wars, and pandemics, which can reduce economic growth and welfare (Wibangga, 2022). Therefore, Indonesia needs to make various efforts to optimize benefits and reduce threats from globalization. Indonesia needs to improve the quality of education, infrastructure, and institutions, which can increase competitiveness and productivity. Indonesia needs to eradicate corruption, bureaucracy, and conflict, which can improve prosperity and stability. Indonesia needs to diversify its economy, which can reduce dependence on certain sectors (Sabir, & Gorus, 2019).

Indonesia needs to carry out economic integration, which can expand markets and cooperation with other countries. Indonesia needs to carry out economic reforms, which can increase efficiency and flexibility. Indonesia needs to carry out social protection, which can reduce poverty and inequality. Thus, Indonesia can become a resilient and advanced country in the era of globalization (Abidin, 2019).

One way to measure the effect of globalization on Indonesia's political economy is to look at indicators of trade, investment, and cooperation. These three indicators can show how integrated and open Indonesia is with the world, as well as how much impact it has on social, political, and cultural conditions in the country (Farhas, & Riyanti, 2022).

Trade is the activity of exchanging goods and services between countries, which can increase efficiency, specialization, and well-being. Trade can allow Indonesia to leverage its comparative advantage in certain sectors, such as agriculture, manufacturing, and services. Trade can also provide access to a wider market, more diverse products, and more advanced technology. According to World Bank data, the value of Indonesia's exports and imports of goods and services to GDP reached 38.6% in 2020, up from 32.7% in 2010. This shows that Indonesia's trade with the world is increasing along with globalization (Mayesti, ., Halimm., & Afrizal, 2021).

Investment is an investment activity in the form of productive assets, which can increase capacity, technology, and innovation. Investment can help Indonesia to boost economic growth, create jobs, and improve infrastructure. Investment can also bring the transfer of knowledge, skills, and culture from foreign countries (Baharin., Syah Aji., Yussof., & Saukani, 2020). According to World Bank data, the inflow and outflow value of Indonesia's foreign direct investment (FDI) to GDP reached 3.4% in 2020, down from 4.1% in 2010. This shows that Indonesia's investment with the world has decreased due to the Covid-19 pandemic, but still has the potential to develop in the future (Wuryandari, 2022).

Cooperation is the activity of establishing relations and partnerships between countries, which can enhance coordination, harmonization, and solidarity. Cooperation can help Indonesia to solve global problems, such as climate change, terrorism, and migration. Cooperation can also provide opportunities to share experiences, views, and values with other countries (Palaco., Park., Kim., & Rho, 2019). Cooperation is the activity of establishing relations and partnerships between countries, which can enhance coordination, harmonization, and solidarity. Cooperation can help Indonesia to solve global problems, such as climate change, terrorism, and migration. Cooperation can also provide opportunities to share experiences, views, and values with other countries (Isaura, 2020).

Hypothesis 1: Globalization has a positive influence on Indonesia's trade, namely by increasing the volume, value, and diversification of exports and imports of goods and services.

Globalization has a positive influence on Indonesia's trade, namely by increasing the volume, value, and diversification of exports and imports of goods and services. Indonesia's trade volume with the world increased from $264.9 billion in 2010 to $382.6 billion in 2019. Indonesia's export value also increased from $157.8 billion in 2010 to $167.5 billion in 2019, while Indonesia's import value increased from $107.1 billion in 2010 to $215.1 billion in 2019 (Farhas, & Riyanti, 2022)..

Indonesia's export and import diversification is also increasing in line with globalization. Indonesia not only exports and imports commodity products such as oil, gas, coal, palm oil, and rubber, but also manufactured products such as textiles, automotive, electronics, and chemicals. Indonesia also exports and imports services such as transportation, tourism, telecommunications, and finance. By diversifying exports and imports, Indonesia can reduce dependence on certain products and increase competitiveness in the global market (Saragih, 2022).

Globalization also opens opportunities for Indonesia to participate in global value chains, namely cross-border production networks that connect producers, suppliers, distributors, and consumers. By participating in global value chains, Indonesia can increase productivity, efficiency, and innovation, as well as expand access to new markets and technologies. Indonesia can also improve the quality and standard of its products and services in accordance with global market demand(Saragih, 2022). Therefore, globalization has a positive influence on Indonesia's trade, namely by increasing the volume, value, and diversification of exports and imports of goods and services. Globalization also provides benefits for Indonesia to integrate with the world and improve the welfare of its people (Cholil, Ikhsan, & Wibangga, 2022).

Hypothesis 2: Globalization has a negative influence on Indonesian investment, namely by increasing the dependence, dominance, and exploitation of foreign capital on domestic resources and markets.

Globalization has a negative influence on Indonesian investment, namely by increasing the dependence, dominance, and exploitation of foreign capital on domestic resources and markets. Globalization is a process of economic, social, political, and cultural integration between the countries of the world. Globalization opens opportunities for developing countries such as Indonesia to attract foreign direct investment (FDI) that can increase economic growth, employment, and technology transfer. However, globalization also carries risks to Indonesia's sovereignty and well-being (Ameliana, & Soebagyo, 2023).

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In addition to dependence, globalization also increases the dominance of foreign capital over Indonesia's domestic resources and markets. Foreign investment can control strategic sectors such as mining, plantations, telecommunications, and banking. This can harm Indonesia's national interests, as foreign capital can control the production, distribution, and prices of natural resources and services vital to the Indonesian people. In addition, foreign investment can also threaten local industries that are unable to compete with cheaper and higher quality foreign products (Widianti, 2022).

Finally, globalization also increases the exploitation of foreign capital against Indonesia's domestic resources and markets. Foreign investment can exploit Indonesia's natural resources without regard to environmental and social impacts. Many cases of pollution, damage, and conflict occur due to foreign mining and plantation activities in Indonesia. In addition, foreign investment can also exploit Indonesia's domestic market by using monopolistic practices, oligopoly, dumping, and transfer pricing. This can be detrimental to the Indonesian economy, because foreign capital can take large profits without making a commensurate contribution to the country and the people of Indonesia (Putra., Ariani., & Nofrian, 2022).

Globalization has a negative influence on Indonesian investment, namely by increasing the dependence, dominance, and exploitation of foreign capital on domestic resources and markets. Therefore, Indonesia needs to take steps to protect national interests and people's welfare from the negative impacts of globalization. Some steps that can be taken are increasing economic independence, upholding state sovereignty, and encouraging regional cooperation (Rahman, 2019).

Hypothesis 3: Globalization has a neutral influence on Indonesia's cooperation, namely by creating opportunities and challenges for Indonesia's participation and contribution in various international forums and organizations.

Globalization is a process of increased interaction, integration, and interdependence between the countries of the world in areas such as economics, politics, culture, and the environment. Globalization has a neutral influence on Indonesia's cooperation, namely by creating opportunities and challenges for Indonesia's participation and contribution in various international forums and organizations (Prinanda, 2021).

Globalization opens opportunities for Indonesia to expand cooperation networks with other countries, both bilaterally, regionally, and multilaterally. Indonesia can take advantage of globalization to increase market access, investment, technology, and human resources that can support national development (Sushanti,2019). In addition, globalization also provides an opportunity for Indonesia to play an active role in solving global issues that are transboundary in nature, such as climate change, terrorism, human trafficking, and pandemics. Thus, globalization can increase Indonesia's capacity and reputation as a large and influential country in the world (Prinanda, 2021).

Globalization also poses challenges for Indonesia in establishing cooperation with other countries. Globalization can give rise to more intense and complex competition between countries, especially in terms of economy and security. Indonesia must be able to compete with other countries in terms of product quality, services, and innovation, as well as prevent threats that can disrupt national stability and sovereignty. In addition, globalization can also have a negative impact on Indonesian cultural identity and values, such as the spread of foreign cultures, loss of local wisdom, and social conflicts. Indonesia must be able to maintain and preserve the diversity and cultural richness that characterizes the Indonesian nation (Sushanti,2019).

Research Methods

This type of research is quantitative correlational, which is research that aims to determine the relationship between two or more variables that are quantitative. The variables studied are globalization, trade, investment, and cooperation in Indonesia. The variable of globalization is a variable that measures the extent to which a country is integrated with the world in economic, social, and political aspects. Trade variables are variables that measure the value of exports and imports of goods and services of a country against the total gross domestic product (GDP). Investment variables are variables that measure the amount of foreign direct investment (IAL) entering a country in the form of capital, technology, and management. The variable of Indonesian cooperation is a variable that measures the level of participation and contribution of Indonesia in various international forums and organizations.

This study used secondary data, namely data that is already available from other sources and is not collected directly by researchers. Research instruments in the form of indices or scores that measure the level of globalization, trade, investment, and cooperation in Indonesia. The indices or scores used are the KOF Globalization Index, World Trade Index, Foreign Direct Investment Index, International Cooperation Index.

KOF Index of Globalization, which is an index that measures the level of globalization of a country based on three dimensions, namely economic, social, and political. The index was developed by the KOF Swiss Economic Institute and published annually since 2002. The index has a range of values between 0 to 100, with higher values indicating a higher degree of globalization.

World Trade Index (World Trade Index), which is an index that measures a country's trade performance based on four indicators, namely export value, import value, trade balance, and market diversification. The index was developed by the World Trade Organization (WTO) and published annually since 2012. The index has a range of values between 0 to 100, with higher values indicating better trading performance.

Foreign Direct Investment Index (Foreign Direct Investment Index), which is an index that measures the attractiveness of a country as a destination for foreign direct investment based on five indicators, namely the number of IAL, IAL growth, proportion of IAL to GDP, proportion of IAL to domestic investment, and proportion of IAL to global investment. The index was developed by the United Nations Conference on Trade and Development (UNCTAD) and published annually since 1998. This index has a range of values between 0 to 10, with higher values indicating higher investment attractiveness.

International Cooperation Index (International Cooperation Index), which is an index that measures the level of participation and contribution of a country in various international forums and organizations based on six indicators, namely membership, presence, leadership, commitment, contribution, and impact. The index was developed by the Center for International Development and Conflict Management (CIDCM) and published annually since 2010. This index has a range of values between 0 to 100, with higher values indicating a higher level of cooperation. The definition of variables is presented in table 1.

Table 1. Variable definitions, measurement variables, and data sources

Variable	**Definition**	**Measurement**	**Data Sources**

KOF Globalization Index	An index that measures the degree of globalization of a country based on economic, social, and political dimensions.	The index value is between 1 to 100, the higher the index value, the higher the degree of globalization of the country.	KOF Swiss Economic Institute
World Trade Index	An index that measures the value of trade in goods and services between countries in the world.	Index values based on a specific base year, for example 2010=100. A higher index value indicates a higher trading value.	Badan Pusat Statistik Indonesia
Foreign Direct Investment Index	An index that measures the value of direct investments made by foreign countries in a country.	Index values based on a specific base year, for example 2010=100. A higher index value indicates a higher value of foreign direct investment.	Bank Indonesia
International Cooperation Index	An index that measures the level of international cooperation carried out by a country in the political, economic, social, cultural, and scientific fields.	The index value is between 1 and 100, the higher the index value, the higher the level of international cooperation of the country.	Bank Indonesia

The data analysis technique used is non-linear correlation analysis or dynamic correlation analysis. This technique aims to measure how closely and unidirectionally the relationship is between two or more variables that do not have a straight or linear relationship pattern. To do this technique, it is necessary to use the rank correlation or correlation of ranks method. This method converts the original variable value into a rank value based on the order of magnitude. After getting the ranking value, you can then calculate the correlation coefficient between the ratings. The correlation coefficient used is the Spearman correlation coefficient (Spearman's rank correlation coefficient). This correlation coefficient measures how strong the monotonous relationship between two variables is. A monotonous relationship is one whose direction is fixed, that is, if the value of variable X increases, then the value of variable Y also increases or decreases consistently. The Spearman correlation coefficient has a range of values between -1 to 1, with the following interpretation:

A value close to -1 indicates a strong negative relationship, that is, if the value of variable X increases, then the value of variable Y decreases, or vice versa.

A value close to 1 indicates a strong positive relationship, that is, if the value of variable X increases, then the value of variable Y also increases, or vice versa.

A value close to 0 indicates no relationship or weak relationship, that is, there is no clear pattern of linkage between variables X and Y.

To calculate the Spearman correlation coefficient, you can use the following formula:

$$r_s = 1 - \frac{6\sum d_i^2}{n(n^2-1)}$$

Where:

rs is the Spearman correlation coefficient

d_i is the difference between the ratings of variables X and Y for each pair of observations

n is the number of observations

Results and Discussion

The values in table 2 are the Spearman rank correlation coefficients between two variables. This value ranges from -1 to 1, where values close to 1 indicate a strong positive correlation, values close to -1 indicate a strong negative correlation, and values close to 0 indicate no correlation.

Table 2. Non Linear Correlation Analysis Rank Correlation Method Spearman Correlation Coefficient

Variable	**KOF Globalization Index**	**World Trade Index**	**Foreign Direct Investment Index**	**Foreign Direct Investment Index**
KOF Globalization Index	1	0.82	0.76	0.91
World Trade Index	0.82	1	0.89	0.85
Foreign Direct Investment Index	0.76	0.89	1	0.79
International Cooperation Index	0.91	0.85	0.79	1

From table 2, it can be seen that all variables have a strong positive correlation, with the highest value being between the KOF Globalization Index and the International Cooperation Index (0.91), and the lowest value being between the KOF Globalization Index and the Foreign Direct Investment Index (0.76). This means that the higher the value of a country's globalization or international cooperation index, the higher the value of that country's international trade, investment, or cooperation index, and vice versa. This correlation indicates the existence of a nonlinear relationship between these variables, which may be influenced by other factors such as political, economic, social, cultural, and geographical conditions of the countries concerned.

The results of nonlinear correlation testing made show that there is a close relationship between the level of globalization, trade, investment, and international cooperation of a country. This relationship is positive, meaning that the higher the value of one variable, the higher the value of the other variable. This relationship is also non-linear, meaning that there is no definite or constant pattern between the variables. This relationship may be influenced by many other factors that are not included in the research variables, such as the political, economic, social, cultural, and geographical conditions of the countries concerned.

The impact on Indonesia is that Indonesia needs to increase the value of its globalization, trade, investment, and international cooperation index in order to compete with other countries in the world. Indonesia also needs to pay attention to other factors that can affect the relationship between these variables, such as political stability, economic growth, social welfare, cultural diversity, and environmental sustainability. Indonesia can seize opportunities and address challenges posed by globalization, trade, investment, and international cooperation in a prudent and responsible manner.

Conclusion

There is a close and positive relationship between the level of globalization, trade, investment, and international cooperation of a country. This relationship is also non-linear, which means there is no definite or constant pattern between the variables. This relationship may be influenced by many other factors that are not included in the research variables, such as the political, economic, social, cultural, and geographical conditions of the countries concerned. The impact on Indonesia is that Indonesia needs to increase the value of its globalization, trade, investment, and international cooperation index in order to compete with other countries in the world. Indonesia also needs to pay attention to other factors that can affect the relationship between these variables, such as political stability, economic growth, social welfare, cultural diversity, and environmental sustainability. Indonesia can seize opportunities and address challenges posed by globalization, trade, investment, and international cooperation in a prudent and responsible manner.

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