

AN INQUIRY OF GOVERNMENT'S EXTENDING THE ROLE OF STATE-OWNED ENTERPRISES FOR THE INTEREST OF SCIENCE, TECHNOLOGY, AND INNOVATION POLICY: CASE STUDIES FROM INDONESIA

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The study investigates the under-studied role of state-owned enterprises (SOEs) in the governments' science, technology, and innovation (STI) policy actualizations. The first study examines the collaboration behavior of various SOEs from different countries that then being compared to a traditionally leading privately-owned enterprise (POE) in the same sector. All study subjects are Fortune 500 companies. The finding shows that although some SOEs are not doing adequate R&D, others actively conduct research collaborations with domestic partners. After experiencing privatization, one SOE advanced its behavior to be more similar to the selected POE by decreasing the domestic collaboration hence their R&D network become more internationalized. The findings suggest the government-masters of SOEs indeed can direct the companies to take "innovation-enablers" roles for other national actors, although their privatization may disrupt the role.

Using case studies from Indonesia, the subsequent studies focus to understand the cause of the government's not assigning SOEs to take the leading roles in their national innovation system. The second study aims to understand the contemporary Indonesian national structure and process of government to produce STI policy decisions. Then, the last study tries to understand the interaction between the government and SOEs in identifying the firm's role in the national innovation policy. The analysis found that although SOEs may have business intentions to expand their innovation activities, the government may not have a parallel vision. So, in order to shape SOEs' leading role in the national innovation system, the government must first create a coherent vision of their national STI policy.