

Chapter 50

Quality Action to Accelerate Fair Accessibility Through Law of Telecommunication: Global Village Setting

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ABSTRACT

This article describes how telecommunication has a strategic role in national development, which requires a large amount of funding in Indonesia, in spite of the limited financial support from the government. The dynamics of telecommunication law has provided a clear direction, from monopoly to healthy competition. It is important for foreign investment to be an option that needs to be harmonized with the applicable law of telecommunication. Four main constructs have been identified as important issues to be discussed are Social Welfare (SW); Global Village (GV); Foreign Direct Investment (FDI); and Law Telecommunication (LT). In conclusion, two quality actions are proposed to accelerate fair accesibility through law of telecommunication in global village setting. The first quality action is to accelerate SW through fair accessibility in GV setting and FDI. The second quality action is to accelerate SW through fair accessibility based on FDI and LT.

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1. DYNAMICS OF TELECOMMUNICATION AND TECHNOLOGY IN A GLOBAL VILLAGE SETTING

Fast moving of technology in telecommunication includes internet have been significantly change the way of global society to interact each other. Boardless soil, language, cultural, nation and etc seem connected into one big village with the same pupose to survive within limited natural resources existed. Then to accommodate such phenomena, the term ‘global village’ (GV) then has entered the language as a recent reference (Densi, 2012).

In addition, the present reformation of telecommunication sector is conducted by almost all countries with an increasing acceleration and considering GV as both advantages and disadvantages impact that occurred. As to be admitted that the success of the reformation is still hard to be predicted. One of successful indicator of the reformation for nation’s wide is the achievement of social welfare (SW). Distribution of fair and transparent SW’s initiation seems significantly important to be considered. Therefore, accessibility of telecommunication is needed to aim to the social welfare’s (SW) achievement.

Furthermore, seems global telecommunication sector will be dominated more by private actors therefore its market will be more competitive and open for any operator. There is a demand for a fair, credible, and transparent regulation which caused a limitation on the government’s role only as a regulator, and no longer as a telecommunication operator. In this respect, three phenomena – privatization, monopoly disentanglement, and establishment of independent regulation body – are the foundation of global telecommunication sector (World Telecommunication Development Report, 2002). Research conducted in developing countries indicated that the advance of telecommunication technology is always linear with the increase of a country’s Gross Domestic Product (GDP) (ITU, 2012). The telecommunications sector is an industry that has achieved a leading role in the economy during the last decades, due to its potential impact in terms of welfare and development. For instance, Roller and Waverman (2001) found evidence of significant positive effects of telecommunications development on the economic growth at national level. For this reason, one major focus policy makers are to sustain and foster the service diffusion (Bruno, et al., 2015).

In Indonesia, however, to achieve SW through fair accessibility telecommunication, a regulation is required to guarantee the emergence of justice. Including one of the initiations among foreign investments is in the field of telecommunication with the interest of Indonesian people. The foreign investment required in order that the advance of communication technology is owned by foreign investors, while at the same time improve the welfare of Indonesian people. Therefore, technology advancement has rightly be an instrument for Indonesia in addressing the number of poor population (the population whose monthly per capita expenditure is under Poverty Line) which was 28.59 million people in March 2015 (11.22 percent) of around 254.9 million people (Central Bureau of Statistics, 2015).

GV is close related to industrial sector with the advance of communication technology that is also provide positive impact in increasing workers’ efficiency. In terms of technology sophistication, the advance of communication technology also provides positive impact for a company. The Deployment of Fiber to the X (FTTX) and Technological Advancement in Third Generation (3G) and upcoming Fourth Generation (4G) mobile telecommunications have given birth to many new broadband, multimedia, and cloud computing services in the telecommunications services industry (TSI). Many companies, such as in Taiwan, are increasing the use of this services for business management and are demanding highly customized services that suit their business workflow (Chen et al., 2015). Owing to the increasing popularity and the high efficiency of TSI, the competitiveness of the companies has strengthened and improved.

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