Management of economic and environmental sustainability in international political economy perspective

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Abstract. In this study, the author focused on the management material of environmental, economic sustainability from the perspective of the international political economy. The first study is the concept of management, environmental economics in the view of the international political economy in addressing development, which often creates economic disparity, environmental damage at the international, regional, and local levels. The method used is the study of literature.

1. Introduction

Economic activity is seen as a significant factor in environmental damage. New land clearing - from forests for oil palm plantations in Sumatra, Kalimantan, Sulawesi, and West Papua is often done by burning land. Likewise, the exploration of coal, oil, and natural gas both off and on land has an excellent opportunity to damage the environment. The impact of intentional forest fires, in every dry season arriving in Indonesia, is the outbreak of smoke haze. Land burning is economically very economical. Regardless, burning forests for plantation land damages the environment, adds CO2, kill various plants, animals, which are very beneficial for the preservation of the environment, humans, and planet earth. This situation also supported by [1] study. He stated that the application of hierarchical theory and regulation of laws and regulations in Indonesia concerning forestry planning could be minimized by applying appropriate theories and regulations in the hierarchy of legislative regulations in the forestry field in Indonesia. Until 2020, the problem of smoke haze due to forest fires has become a national problem even the international problem has not been solved? Haze from burning forests for plantation land has harmed Singapore and Malaysia.

In the 21st century, the dominant paradigm that develops in the management of natural resources is highly economic centric. they were developmentalism, and neoliberalism. In the second view of the paradigm, natural resources are treated as consumptive objects in achieving growth and economic development ratios. That is what later led to excessive exploration and exploitative behavior in exploiting the wealth of the earth to be utilized as much as possible for commercial purposes. The implication that arises then is the destruction of the natural environment ecosystem system, which is followed by the presence of natural disasters as a form of natural anger towards greedy humans. Then at this locus, natural resources turn into an economic curse for the modernity of human life. According to [2], in the economic activity of production and consumption, an item can benefit or produce products that are of use-value to their owners or others. Conversely, economic activity can also produce adverse effects or reduce the effectiveness of others.
Discussing the problem of economic and environmental sustainability is closely related to how to manage natural resources that are sustainable, environmentally friendly, and efficient for humans. According to some natural resources experts, we can understand the following. Natural resources are resources formed by natural forces such as land, water, air, and space, minerals about nature, geothermal and natural gas, wind, tides/ocean currents [3]. Both living and inanimate objects that are useful for humans are limited in number, and their exploitation meets technological, economic, social, and environmental criteria. The scope of the resource economy covers two fields: first, natural resource economics (SDA) and second, human resource economics (HR).

Thus the study of natural resource economics is the application and implementation of economics to natural resources that are all living or inanimate objects that are naturally present, which have traditionally been linked to human uses. Usability referred to above is based on the level of technology controlled by humans and the prevailing socio-economic conditions. At present, the broader understanding includes the environmental and economic systems. In the study of international political economy, some sub-sections describe economic problems at the international level. This discipline is known as the International Political Economy (International Political Economy). According to [4], analysis of the international political economy is based on the interaction between factors - "market" and "state," between exchanges, authority, wealth, and power) in countries concerning other countries. In the international political landscape, these aspects appear prominently, resulting in many problems.

According to [5], the concept of political economy studies is interpreted as a global interaction between politics and economics. He then quotes Robert Gilpin's view, which states the close links between politics and economics [5]. On the one hand, politics so determines the framework of economic activity and directs it to serve the interests of dominant groups; the use of power in its various forms largely determines the nature of an economic system. On the other hand, the economic process itself tends to redistribute power and wealth; economics overhaul the power relations between groups. In turn, it has changed the political system, while at the same time forming a new structure of economic relations. Thus, the dynamics of international relations in modern times are necessarily a function of mutual interaction between economics and politics. As stated by [6], intellectuals have a positive and significant effect on the capability of innovation; the government has a positive and significant effect on creativity. The study of the international political economy is a reciprocal and dynamic interaction between the pursuit of power and wealth in international relations. This view implies that international political economy theory is not pure economic theory, in the sense of discussing only economic issues technically and not pure political theory, which looks at economic dimensions that tend to be political. However, more than that, international political economy theory serves to explain the various hooks linking economic and political factors, markets, and countries, in the international landscape.

2. Methodology
The method used is a qualitative method, including research conducted on literature related to the problem. According to researchers, this study is a description of the study of some literature and summarized in conclusion.
3. Results and Discussion

3.1. Economic and environmental sustainability management.

Something unknown or unknown cannot be called SDA (natural resources), because it does not yet have a value. SDA is a dynamic concept in the sense that there is a possibility that with the change in information and technology, the scarcity will relatively change and affect the value of natural resources. Because natural resources occur naturally, goods produced by humans by combining nature, energy, capital, and technology cannot be called natural resources. SDA has a plural nature because it has dimensions of quantity, quality, time, and place.

Human resource economics (HR) is the application of economics to human resource analysis. HR Economics is the economics that is applied to analyze the formation and utilization of human resources related to economic development. In the assessment of HR can not be separated from the discussion about labor. The employment discussion is part of the discussion on the number, quality, and composition of the population. The discussion of HR economics includes the employment relationship with economic development.

Workers are development capital, and if excessive amounts can create development burdens, this approach is usually more macro. The environment can be interpreted as a combination of physical and institutional. Physical conditions include the state of natural resources such as soil, water, solar energy, air, minerals, and flora and fauna that grow on land and in the ocean.

While the institutional environment is a human creation like how to use the physical environment, it includes what people consider to be of high value in the use of natural resources, their organizations, procedures, and regulations in the use of natural resources to combine goods and services needed by humans. So, environmental management is both a technical problem and a social problem. The environmental loss could occur if the process does not pay attention to proper processes. Conditions that result in environmental pollution and depletion of natural resources, which will disrupt economic growth due to a decrease in the quantity and quality of natural resources.

Environmental sustainability cannot be negotiated to ensure the economic needs of the present generation without compromising the carrying capacity of the environment for future generations. Protecting the environment is not only needed to limit pollution but also to ensure efficiency in meeting the needs of the current generation. From an economic point of view, the impact of economic activities on the environment is external costs and occurs only if two or more individuals suffer losses. In the framework of building an efficient and environmentally sound economic system, each economic activity should carry out a process known as internalizing external cost. It is to take into account the environmental costs or the value of losses suffered by other parties as a component of its production costs.

From the discussion in this study, it can be seen that pollutants are limited to companies and other individuals and include the government, for example, because of the wrong policies that cause environmental pollution. Since the costs of externalities have not been included in the company's income statement, these became a burden on society. Therefore, the economic valuation of the environment has a vital role in calculating the value of these externalities to determine environmental management policies, corporate accounting, and the benefit of compensating individuals and communities.

From these results, the level of pollution will be at the most optimal level. Economic instruments can be used to force the parties to pollution to reduce the level of pollution. So that economics can be applied to sustainable environmental management and control of pollution caused by economic activities. This
A branch of science has been known as environmental economics, which is the development of natural resource economics.

3.2. International political economy perspective.

The problem of the international economy is not only limited to the exchange of goods and services or other economic transactions between one country and another. The economic problem is far more complicated than just the problem of international trade. Globalization, liberalization has an impact on increasing relations between nations and nations in the economic field shows how important the economy is in international political relations. Economic problems have a super complex character, meaning that the economy has a close relationship and strong influence in the political field, both on a national, international, and global scale.

During the revolution, economic interaction between European countries was not cooperative but instead aimed at competing to meet the need for raw materials for their military industries. The Industrial Revolution led to an arms race in Europe, which resulted in the outbreak of the First World War and continued into the Second World War. During the two major wars, economic problems lagged far behind. The problem of power politics and military power dominated the international political arena at that time. According to the authors, at least five theories are relevant enough to understand the study of international relations in the international political economy sub-discipline concerning environmental, economic management. Theories can help to understand environmental, economic problems from an international perspective.

3.2.1. Liberal trade theory. In the theory of liberal trade can be divided into two parts. The first part, the exemplary flow driven by Adam Smith and David Ricardo. The second part, the neoclassical school, which is the renewal of the first school. Neo-classical figures: Samuelson and Paul Krugman. In the view of A. Smith, in international trade, division of labor or specialization must be created, in which the state creates its production following their respective abilities [7].

Absolute superiority states that international trade must be based on the principles of free competition and the free market. In this sense, the flow of goods from one country to another is free from political barriers (political barriers), so that the movement of state goods takes place freely and naturally based on market law. In this theory, it is asserted that limiting the flow of goods from one country to another will cause a decline in economic growth that undermines the whole country's power. Steps such as protection, dumping, and so on are considered bad things to avoid. State interaction and interference that is too large for the field of international trade will distort or damage the market mechanism and cause economic chaos.

3.2.2 Theories of nationalist trade. The theory of nationalist trade or often referred to as the mercantilist theory. This theory states that the state has a significant role in international trade. In the view of nationalist trade theorists, economic activity should be subject to the main objective of building a steady-state. In other words, economics is a political tool, a basis for political power. National interest is the ultimate goal of trade activities. This theory sees the international economy as an arena of conflict between conflicting national interests, rather than as an area of cooperation and mutual benefit. It was argued that economic competition between countries is a zero-sum game, where a country's profit is a loss for another [8].

The main character of this theory is Alexander Hamilton, who was one of the founding fathers of the United States. According to Hamilton, a country in its international trade policy must prioritize
manufactured goods over agricultural commodities. In his view, only by producing manufactured goods would a country gain a substantial profit in international trade. The advantage will then lead to the national strength of the country. Because countries that previously still imported manufactured goods from other countries must take a policy or an "import substitution" strategy. The country must process its goods that its people need, although viewed from the principle of efficiency (comparative advantage) is more profitable when importing from other countries [9].

For Hamilton, the location where a product is processed is not solely determined by the principle of efficiency and specialization based on absolute and relative excellence. The choice of the location where an item is made must be determined based on the country's political decisions. In other words, the state must decide to change its economic direction. Therefore, the import substitution theory from Hamilton contradicts the principle of labor division as put forward by the liberal trade theory. According to Hamilton, the principle of division of labor and specialization in international trade benefit only certain countries. Therefore, countries that cannot produce their own manufactured goods must do everything in their power to produce them so that they can close the gap.

Another nationalist trade theorist is the Friedrich List. The list states the importance of state interference in economic aspects. Economic success is impossible without political interference [9]. In relations between nations, the list exemplifies how success Britain as a world empire in the past. It is supported by the power of industrialization driven by the state. He did not agree that economic development was based solely on aspects of efficiency, comparative advantage, and specific production choices without involving political factors.

3.2.3 Modern world system theory (MWS). World System Theory or often referred to as the Modern World-System (Modern World System). Immanuel Wallerstein coined this theory. The foothold of the MWS theory is Neo-Marxist teachings and the school of "Annales" in the field of history developed by Fernand Braudel in France. In this way, Wallerstein sees the world economic order as a unit of analysis that is linked to one another systemically. The processes of change that occur are analyzed in a long-term framework, which is considered sufficient to accommodate "logical calculations."

The central thesis of the MWS theory states that the modern world can only be understood as a global system with a single division of labor and plural cultural systems that form an international hierarchy through a never-ending state and class struggle. The hierarchy consists of developed and dominant "centers"; and "periphery" (periphery) that is dependent and underdeveloped. Economically and politically, the "central" area of the metropolis creates backwardness in "peripheral" areas. The relationship between "center" and "periphery" is exploitative, which is marked by the flow of surplus to "central" countries.

Thus, progress achieved in the central regions simultaneously creates poverty and inequality in peripheral countries. The periphery countries are trapped in a cycle or vortex of underdevelopment. According to MWS theory, the international economy is an arena of conflict between the interests of the advanced central countries and the weak and backward periphery countries, in the form of exploitation, which causes the underdeveloped countries to progress progressed both economically and politically. The international division of labor has continuously created peripheral countries always in a position-dependent on developed countries. Through economic capabilities, types of production, technology, and trade strategies that are created in such a way, the central (developed) countries enjoy a flow of trade surplus, which simultaneously impoverishes the periphery countries.
Thus, the phenomenon of development and underdevelopment in the perspective of international relations is nothing but a different side of the same coin. How can this situation happen? According to Wallerstein. The roots of such a structure of economic relations can be traced far back, since the birth of the world economic-capitalist system around the 1500s, which then slowly transformed through crucial stages. He stated that the world capitalist economic system developed through its secular tendencies. It included the process of annexation (incorporation), agrarian commercialization, industrialization, and proletarianization. At the same time, the world economic system has a cyclical rhythm, which is the rhythm of expansion and stagnation resulting from an imbalance in the demand and supply of world goods.

3.2.4 Hegemonic stability theory. One of the central figures supporting the theory of hegemonic stability is Charles P. Kindleberger. Kindleberger states that this theory has advantages in explaining the phenomenon of the international political economy through various writings. The term "hegemony" comes from one of the Italian Neo-Marxist intellectuals, namely Antonio Gramsci. According to Gramsci, hegemony is not a relationship of domination using violence, but an agreement relationship using political leadership and ideology that is fostered based on a consensus mechanism. Hegemony is a systematic attempt by the ruling class to instill the dominant understanding in order to remain in power by implanting certain beliefs in the minds and ways of life of society [9].

In the word hegemony, it applies if ideology, values, beliefs, ways of life and systems, rather than the dominant group, have been taken over and accepted voluntarily by those who are dominated. The Hegemonic Stability Theory's central thesis states that a stable world economic system requires a single leadership that is willing to play a role as a guardian of stability. The leader's state of power must enforce the rules in such a way as well as protect the interests of smaller countries. He can provide solutions for other countries' products that are difficult to market, provide capital (as donors) to other countries in need. It also acts as lenders in the event of a financial crisis that threatens regional and global stability, maintains exchange rate structures, and coordinates macroeconomic policies to remain balanced and control investment behavior.

Given this theory, the structure of hegemonic power, which is dominated by a single power, will provide certainty or a conducive atmosphere for the development of a strong and stable international regime. The world economy will not be easy to deal with shocks and heavy pressure if the hegemonic power can act on behalf of the international economic community. Because in the view of hegemonic theorists, a liberal and open economic system cannot be left on its own without the control of a particular hegemonic power. Without the hegemonic power, it is feared that there will be a violent conflict of economic interests among nations, even anarchism, where a steady-state will prey on weak nations. In this connection, Kindleberger more often refers to the term "leadership" rather than hegemony.

Hegemonic stability theorists argue that all countries have an interest in keeping the hegemonic power structure from collapsing because this will lead to a decline in a secure and stable international regime. Because if the hegemonic power structure collapses, norms, rules, and liberal economic frameworks will fall apart [10]. The liberal trading system requires the presence of hegemonic power. However, this theory does not state that the international economy is not functioning or does not function if the hegemonic power is absent. They only asserted that the liberal economic principles that are non-discriminatory, open, and fair, with all the rules and rules of the game are difficult to enforce if without certain hegemonic powers that can become an "anchor" guard.
3.2.5. The "dual economy" theory. According to the theory of dual economy or economic dualism, that every symptom of the domestic and international economy must be analyzed from two sectors in the same relatively independent way. The first factor is the growing modern sector, which is characterized by a high level of integration and efficiency. The second factor is the traditional sector, which is characterized by backwardness in the ways of production and local self-sufficiency.

The figures for the theory of economic dualism are those who generally develop ideas of economic liberalism. Indonesia, we know J.H. Boeke, who analyzed the position of indigenous, colonial economies in the past, provided an assessment of the concept of economic dualism. Adherents strongly supported the theory to the modernization theory of development, such as W.W. Rostow.

The dual economy theory considers that the process of economic development is the process of transformation from the traditional sector to the modern sector through the modernization of economic, social, and political structures. In the process of this transformation, there is damage to old values, and new values emerge, such as individualism in society, economic rationality, and maximization of behavior. The integration of the global economy in the form of a market system and other institutions is a consequence of the movement of market forces towards economic efficiency and global interdependence.

According to dual economy theorists, the emergence of a market economy is a natural result of the operation of market forces. Advances in communication and transportation, the development of economic institutions' efficiency, and the reduction of transaction costs are driving factors for transformation from the traditional to the modern economy. This theory also states that gradually the market system will bring new regions into the orbit of the international economy. This process was at least first proven when European capitalist countries expanded into Asian, African, and Latin American countries starting in the 16th century. The modern sector introduced by the European capitalist countries began to spread to the underdevelopment sector in the three parts of the world.

Because of this theory, the main forces at work behind the transformation process from the traditional sector to the modern sector are economic efficiency, organized activity, and technological development. It includes the introduction of productive techniques, the opening of new markets and sources of supply, and the emergence of new tools in regulating and managing economic activities. Monetization of economic life, the emergence of cities, and developments in communication and transportation are important factors. Through this development, all have reduced the costs of economic transactions and have, therefore, facilitated the market expansion and traditional integrated sectors into international economic interdependence.

According to adherents of the dual economy, the process of economic evolution (both domestic and international) is controlled by market competition, price mechanisms, production efficiency, and wealth maximization. Inefficient economic actors will be forced to adjust their behavior according to market demands or choose the risk of facing the destruction of economic activity. As a result of market expansion, capital accumulation, and other factors of production, as well as technological discoveries and new forms of organization, have created high economic growth and global interdependence among the international community.

3.3. Challenges and prospects in Indonesia.

For Indonesia, actively building has challenges and prospects that are quite heavy in realizing an environmental economy to preserve life on earth. The main challenge is to enforce environmental laws rather than pragmatic economic interests, while the prospect is a country rich in natural resources. So stakeholders in Indonesia must pay attention to environmental aspects of the economy if they want
Indonesia to remain green, modern, fair, prosperous, and prosperous following Pancasila. Environmental, economic valuation is not an easy job. However, this can be done by using the results of the valuation to assess similar environmental pollution. This term is called benefit transfer [11]. According to [12], to realize the management of ecological-political natural resource management itself faced various challenges both from the elements of government administration, formal legal, and politics.

First, for the government, in the policymaking process that has been contained in a hidden agenda, the environment has always been prioritized and prioritizes the aspects of environmental benefits. The AMDAL document (Analysis of Environmental Impacts) is only considered as a policy portfolio without further action from the government. Besides, in terms of legal legality in environmental protection and natural resources in Indonesia in the form of environmental law, it can be very minimal.

Secondly, the lack of application of environmental law as a legal basis for environmental policy. Environmental law itself is a legal approach oriented to the protection of the environment. The environment itself is translated as the complexity of the correlation between human dependence and nature in interchangeable terms. In the context of regional regulations in Indonesia, it is scarce to use the formal legal framework of environmental law concerning the regulation of natural resources because the legal boundaries are so complex that it is feared that they do not meet the human rights element. That view is biased because as long as natural resources themselves are only individual objects, they do not yet have their legal umbrella, so justice in the context of Indonesian law only applies to humans, not nature. Besides that, the reason why this environmental law was abolished was that there was still a lot of Provincial Regional Revenues (PAD) from the exploitation of natural resources so that the existence of environmental law was not so important as an act of legal advocacy.

Third, in Indonesia's political context, there are no parties that entirely fight for environmental sustainability in economic activities, as a political agenda in the form of the formation of a green party. The lack of politicians' attention to environmental sustainability will undoubtedly hamper the realization of natural resource management patterns that are more just for nature.

All this time, political parties in Indonesia have been dominated by pragmatic agendas rather than idealists as benchmarks for political parties' struggle. That is what causes the political parties to only think about the dimension of their power without any political interest being brought. For this reason, the ideological context in the face of political parties in Indonesia is virtually nonexistent. The political reality has made the ecology-politics less accepted as the ideological basis of political parties in Indonesia.

4. Conclusions
According to the author, there are three crucial things to consider in understanding the management of economic and environmental sustainability from the perspective of the international political economy in the Indonesian context.

Environmental experts, observers, and officials from the government related to economic and environmental sustainability must go to the field to defend against sustainability in connection with the practices of large companies that tend to ignore the problem of environmental sustainability and environmental laws that have been arranged quite well.

Indonesia is a significant part of the world's lungs, the primary oxygen producer. Damage to nature, the environment due to "economic development," which is not environmentally friendly, will damage Indonesia's and planet earth's future. A green economy must be the primary paradigm for Indonesia's development in the present and future.
Third, Indonesia is not currently the center of international politics and economics. To maintain abundant natural resources, Indonesia must be able to be independent, cut off capital dependency, and become a country that exports finished products to international markets. Indonesia must become a central country both economically and internationally politically.

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