

Educated Youth as Driving Force of Urbanization: The Role of Higher Education and the Employment Opportunities in Emerging Cities in Indonesia

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Urbanization*

Hurriah Ali Hasan

Universitas Muhammadiyah Makassar, Makassar, South Sulawesi 90221, Indonesia

Email: hurriahalihasan@unismuh.ac.id

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ABSTRACT

City growth is often associated as a symptom of urbanization, which is interpreted as a process of changing the proportion of the population living in urban areas. Urbanization occurs when population moves from rural to urban areas, which causes the growth rate of the urban population to be greater than the rural population. Urbanization can be interpreted as the process of a region becoming a city due to the strong influence of city center activities. This research aims to identify the causes of urbanization in emerging cities in Indonesia among educated people by using a qualitative approach to explore the reasons why educated people do not return to their hometowns after completing their education. There were seven informants who had just finished college, interviewed to get an idea of the future they hoped for. All informants expressed a desire to return to their hometown, but job opportunities were very limited due to their high level of education. The respondents stated that they would look for work in urban cities after graduating. Several respondents stated that they were willing to return to their hometowns if there was certainty that they could work in government offices. The findings of this research show that it is very important to encourage development in various sectors in rural areas that can absorb highly educated workers. In the case of educated young people, they are willing to return to their hometowns because there are sufficient job opportunities.

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1. Introduction

City growth is frequently associated with the phenomenon of urbanization, characterized by a shift in the population distribution towards urban areas (Guastella et al., 2019). Urbanization unfolds as people move from rural to urban regions, resulting in a higher urban population growth rate compared to rural areas. This process signifies the transformation of rural regions into urban centers due to the significant influence of urban activities. In essence, rural areas can evolve into cities when urban activities become prevalent in those regions. Experts attribute city growth to two primary factors: natural growth, which accounts for the difference between births and deaths, and reclassification and migration, where population growth results from migration into urban areas (Yigitcanlar et al., 2022).

Population growth in urban areas in Indonesia averages 4.1 percent per year. According to World Bank (2016), 52 percent of Indonesia's population resided in urban areas at that time, a number that has been steadily increasing. In fact, it is projected that by 2025, urban dwellers will make up approximately 65 percent of Indonesia's total population, estimated at 270 million people (Indonesia, 2013). One of the primary drivers of this urbanization trend is the significant migration of people from rural villages to cities, a phenomenon identified by the Indonesian Ministry of Finance as the highest in the world. The main contributing factor to this high rate of rural-to-urban migration is

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economic hardship, characterized by limited employment opportunities and low wages, prompting many individuals to seek better-paying jobs in urban settings (Urbański, 2022).

Another contributing factor is the limited availability of educational facilities in rural areas, prompting many young people to opt for urban areas for educational opportunities (Corbett & Forsey, 2017). Educational offerings in rural regions typically extend only up to the primary and junior high school levels. According to the 2014 National Statistics Agency data, there were still 10,985 villages without primary school education facilities, compelling school-aged children to relocate to other villages where such facilities are accessible.

Meanwhile, children desiring to pursue higher education, such as high school, often find it necessary to relocate to busier areas, such as sub-district or district capitals. Additionally, for tertiary-level education, young people from villages must move to larger urban centers. This situation leads to a significant number of young individuals from rural areas opting to move to cities in pursuit of quality education. However, upon completing their education, many of these young individuals prefer to remain in the city rather than returning to their villages (Hugo, 2000).

The impact of urbanization driven by educational factors results in villages losing valuable residents, making it challenging for them to progress due to a limited educated workforce. This urbanization also contributes to uncontrolled population growth and an uneven distribution of population between regions, leading to spatial planning issues in urban areas experiencing an influx of urbanites. The increasing density of cities can result in unchecked residential expansion and environmental degradation. To foster rural development, it is imperative to implement development programs that engage educated individuals, particularly the youth (Kakumba, 2010).

Since 2015, the Indonesian Government has allocated IDR 127.74 trillion in village development funds; however, optimal and equitable development in rural areas remains elusive, with rural regions lagging significantly behind their urban counterparts. The government has not yet prioritized equalizing educational opportunities, resulting in a continued high rate of urbanization among educated young individuals (Muttaqin, 2018). When rural youth pursue their education in urban centers, their transition involves not only physical relocation but also shifts in mindset, lifestyle, and habits, including adapting to the conveniences available in the city. This transformation influences their daily routines, access to amenities, and the availability of services not found in their home villages.

The perception of rural areas as underdeveloped, uneducated, and impoverished presents a significant challenge in enticing educated young individuals to return to their hometowns (Delavande et al., 2011). Having experienced the comforts of urban life, these young people often exhibit hesitation about returning to their roots. The growing number of rural youth pursuing higher education in cities further jeopardizes the presence of the younger generation in rural areas, potentially leading to their abandonment and exacerbating the rural-urban divide. Therefore, it is crucial to identify the underlying causes of urbanization among educated youth who have the opportunity to pursue university studies.

Given the backdrop of this issue, the central research question revolves around understanding why educated young individuals from rural backgrounds are reluctant to return to their hometowns after completing their university education. Considering the broad scope of urbanization among educated rural youth, this study focuses on those who have recently graduated from university, where they are confronted with the choice of either returning to their hometowns to contribute or remaining in the city to pursue their desired careers.

The primary goal of this research is to gather essential insights from educated youth, who are key drivers of urbanization. It is hoped that the findings of this study can serve as valuable input or recommendations for policymakers at both regional and central government levels when formulating development policies for rural areas.

2. Literature Review

Urbanization is a link in the chain of an inseparable relationship between one region and another, which influences each other where one becomes dominant in a spatial system that is closely related to political aspects. In classical migration theory, this movement is caused by two main factors, namely push factors from the area of origin and pull factors from the destination area, which occurs because of the beneficial values of the two different areas (Haas, 2014).

Thet (2014) states that pull factors are conditions that cause someone to be interested in moving to an urban area because of the attractions it offers. Driving factors consist of adequate health facilities, high standards of living, high standards of education, recreational facilities, employment opportunities, better security of life and property and a better social environment. Meanwhile, push factors are factors that cause someone to move to an urban area because rural conditions are no longer supportive. Driving factors include poverty, low standard of living, low security of life, minimal transportation and communication facilities, lack of employment opportunities, minimal health facilities, low quality of education (Banerjee & Duflo, 2007).

Poungsomlee & Ross (1992) explain that urbanization is a multidimensional concept that urbanization must be understood from several approaches, namely the demographic approach, economic-political processes, modernization and legal administration. The demographic approach is defined as an increase in population concentration in urban areas, so that the proportion of the urban population as a whole increases. From a political economy approach, urbanization can be defined as an economic and social transformation that arises as a result of the development and expansion of capitalism. This definition is often seen as the root of the problem of urbanization because international capitalism is accused of being the trigger. In the modernization process, urbanization is seen as a change from a traditional orientation to a modern orientation where there is a diffusion of capital, technology, values, institutional management and political orientation from the modern world to a more traditional society. Not only a diffusion process, but also an intensification process in various ethnicities, tribes, religions and livelihoods.

King (2015) stated that there are four things that make the urbanization process so easy to carry out, namely: 1) The concentration of government power in the city as a decision maker and supervisor in managing relations with the surrounding area; 2) Capital and investment flows that regulate the prosperity of the city and surrounding areas; 3) The diffusion of innovation and change that affects the social, economic, cultural and political aspects of the city can spread to the surrounding areas; and 4) Migration and new settlements can occur if the influence of cities continues to penetrate rural areas.

According to Albouy (2016), the modern sector in urban areas is much more productive than the traditional sector which is usually found in rural areas. For macro purposes, in order to increase national income, many less productive/unproductive workers in rural areas move to cities and work in the modern sector. However, it will have the impact that rural areas will lose workers, thus the agricultural sector will be hampered, because it is difficult to find workers in rural areas.

According to Li (2017), the increasing urbanization process cannot be separated from urban development policies, especially economic development developed by the government. The rapid development occurring in big cities in Indonesia can increase the city's economic growth. This development is carried out to meet the community's living needs so that it will improve community welfare. However, if this development is carried out unevenly, this will have impacts, one of which is urbanization.

Urbanization occurs due to differences in growth or inequality in development facilities, especially between rural and urban areas. This results in urban areas with better development becoming attractive magnets for residents to come looking for work and a place to live. Residents of rural areas are urbanizing due to many factors. The poor economic situation in the area of origin and the difficulty of obtaining higher education are the two dominant factors that cause urbanization. The limited employment

opportunities available in rural areas mean that opportunities for local residents to get good jobs with adequate wages are limited. In general, rural areas are open areas consisting of agricultural land.

Villagers who recognize the significance of education often encourage their children to attend school and pursue higher education opportunities in urban areas. Generally, rural areas possess natural assets such as agricultural land, which constitute the primary source of livelihood for most rural residents. However, as socio-economic dynamics evolve and offer various alternatives beyond reliance on natural assets, village communities can explore diverse livelihood options outside of agriculture (Ojha et al., 2016). Nevertheless, these opportunities remain limited. Thus, the strategic choice for enhancing family economic well-being often involves migrating to areas that offer employment opportunities and higher income prospects, with urban areas typically providing the widest array of such opportunities.

The 2018 Indonesian Economic Report, compiled by Bank Indonesia, indicated that the country's economic growth in 2018 reached 5.17%, representing an increase compared to the previous year's growth rate of 5.07%. This growth momentum marked a crucial step in Indonesia's economic recovery, particularly in the face of global economic uncertainties and slowdowns. Even in the basic macroeconomic assumptions for the 2019 state budget, the government aimed for economic growth of 5.3%, despite more pessimistic projections from institutions such as the World Bank and the International Monetary Fund (IMF). What remains evident is the government's unwavering optimism in boosting economic growth in the country this year.

Several factors influence a nation's economic growth, including the quality and quantity of its labor force and the volume of capital goods, which are the primary factors of production. The size of the workforce can determine production levels, while a skilled and knowledgeable workforce can significantly enhance productivity. Additionally, a large population can expand the market size, driving increased national production and economic activity (Lewis, 2013).

3. Research Method

This research employs a mixed descriptive research approach, involving two distinct stages in data collection. In the initial phase of mixed research, the research aimed to acquire comprehensive insights into the factors influencing the choices of interviewees to reside and work in the city instead of returning to their villages upon completing their studies. A total of seven individuals were selected as respondents, all of whom were recent graduates with specific criteria for inclusion: 1) originating from villages located more than 10 km away from the sub-district city, and 2) having recently obtained their college degrees. The selection of recent graduates as informants was deliberate, as at the time of the research, they had not yet secured employment in the city, affording them the option to decide between returning to their hometowns after completing their university education or actively participating in rural development as educated youth. Subsequently, all information provided by the informants was meticulously analyzed through comparisons, leading to the formulation of conclusions.

4. Results and Discussion

4.1 Urbanization and Urban Economy

Urbanization is a global phenomenon that has been ongoing for the last few decades. This is the process of population movement from rural areas to urban areas, often triggered by residents' hopes of pursuing better economic opportunities, access to better education and health services, and improving the general quality of life. Urbanization has changed the economic landscape in many countries, especially in developing countries (Gross & Ouyang, 2021). One of the main impacts of urbanization in emerging cities in Indonesia is increased economic activity. With the increase in urban population, the demand for various goods and services increases. This creates opportunities for local and

multinational businesses to grow and develop. For example, growth in the industrial, trade, service, and retail sectors often occurs in cities that are experiencing urbanization.

A study conducted by Brückner (2012) revealed that urbanization has increased economic growth in a number of developing countries. They found that the increase in urban population was positively correlated with growth in gross domestic product (GDP) per capita. Urban residents tend to have higher consumption levels than rural residents. This is due to better access to goods and services. The retail sector, including shopping malls and restaurants, is growing rapidly in urbanized cities. Urban residents are also more likely to spend their money on entertainment, such as cinemas and recreation areas. According to data collected by the Indonesian Central Bureau of Statistics, per capita consumption levels in Indonesia's emerging cities are significantly higher than in rural areas.

Emerging cities are often centers of innovation, research and education. The existence of universities, research institutions and technology companies creates an ecosystem that supports the development of knowledge and technology. This can increase the competitiveness of these cities at national and international levels. In addition, high-quality education in big cities can produce a more skilled and qualified workforce, which supports economic growth. For example, Silicon Valley in California, United States, is one of the leading innovation and technology centers in the world. The existence of technology companies such as Apple, Google, and Facebook, as well as leading universities such as Stanford University, has helped accelerate technological innovation and economic growth in the region (Saxenian, 1996).

However, urbanization can also bring a number of challenges, such as inadequate infrastructure, economic inequality, environmental impacts, and housing problems. Therefore, it is important to have wise urban planning, adequate infrastructure development, and inclusive policies that take into account economic, social, and environmental sustainability.

4.2 The Labor Market for Youth

The urban labor market has its own dynamics, especially as urbanization continues to increase (Feng & Guo, 2021). Young people from villages who move to emerging cities in Indonesia often have high hopes of finding jobs commensurate with their education. They look for opportunities in job sectors that are relevant to their fields of study. In this research, the resource person highlighted the desire of young college graduates to work in their respective fields. For example, graduates in Islamic economic law hope to work in the banking sector or Islamic religious courts, while graduates in education aim to become teachers or lecturers. This illustrates how young people's job expectations align with their education.

However, finding work in their field of study in emerging cities in Indonesia also presents challenges. Increasingly tight competition in the labor market, especially in sectors relevant to higher education, can make new graduates feel pessimistic about finding suitable employment (Yanindah, 2021). This encourages some educated Indonesian youth to pursue higher education, such as a master's program, in the hope of enhancing their job opportunities. In contrast, high school graduates often secure jobs more quickly in various sectors, although these jobs may not always be related to higher education. They tend to be more flexible in choosing available jobs, while college graduates often seek positions aligned with their field of knowledge.

In the context of urban labor markets, urbanization in emerging cities significantly impacts job competition across sectors and shapes the expectations of young college graduates (Wang et al., 2018). As more people migrate to cities in pursuit of better opportunities, competition for jobs intensifies, particularly in sectors that traditionally attract urban migrants. This heightened competition can influence wages and employment conditions, affecting overall labor market dynamics. Simultaneously, young graduates often have high expectations of finding jobs aligned with their education and offering room for career growth (Bönte & Krabel, 2014). However, the urban labor market may not always meet these expectations, leading to potential skill-job mismatches.

Understanding these dynamics is crucial for policymakers, educators, and employers, informing strategies to bridge skill gaps, enhance workforce development, and create more efficient and equitable urban labor markets.

4.3 Opportunities to Return to the Village and the Role of Government

Returning to their hometown after completing university education is not always a viable option for new graduates. The primary reason educated youth are reluctant to return is the limited employment opportunities in the village (Holmes et al., 2022). Besides the scarcity of job prospects, the educational qualifications and fields of knowledge acquired at universities may not align with the conditions in the village, further hindering the return of educated youth.

For many educated Indonesian youth, villages are often associated with the agricultural sector, which primarily involves physical labor. However, their educational backgrounds emphasize cognitive work. In their perception, a suitable job entails intellectual engagement and the application of knowledge, rather than physical labor in agriculture. Consequently, many educated youth are more inclined to seek employment opportunities in emerging cities in Indonesia. Nonetheless, some educated Indonesian young individuals, who were interviewed in this research, expressed their willingness to return to their hometowns if they could secure positions in village government offices, such as village employees. They see working in village government as an opportunity to make a positive contribution to their village community.

In this context, the role of Indonesian government, especially village governments, can be pivotal in creating appealing employment opportunities for educated youth eager to return to their villages (Maulani & Agwanda, 2020). Village governments can collaborate with various stakeholders, including the private sector and educational institutions, to generate job positions that match the qualifications of educated youth. Furthermore, village governments in Indonesia can establish training and skill development programs to facilitate the integration of educated youth into the village environment.

Additionally, the central government also plays a crucial role in supporting educated youth who aspire to return to their villages. National policies that promote rural economic development, invest in infrastructure, and offer education programs tailored to village needs can foster a more conducive environment for educated youth to contribute to their village's development. With the active involvement of both village and central governments, it is expected that improved opportunities will emerge for educated youth to return to their villages, thereby contributing to community development and enhancing the quality of life (Ella & Andari, 2018).

Conclusion

The attractiveness of urban areas for Indonesian university graduates is greater because the types of jobs available are more diverse and are in line with the fields of knowledge obtained by undergraduates at universities, so they choose to work and have careers in emerging cities. The attractiveness of villages for educated youth is very low because villages are considered synonymous with agriculture. In Indonesia, working in agriculture is not attractive to educated youth because it requires a lot of physical effort which is more suitable for workers who have no schooling.

Many educated Indonesian graduates are focused on pursuing careers in government or the private sector. They yet think about becoming an entrepreneur. The refusal of educated Indonesian youth to return to their village is an important concern for the government in encouraging development at the village level, so that it can develop as a supporter of emerging cities in Indonesia. In this way, it is hoped that educated youth will return to the village without losing the opportunity to develop themselves according to their scientific qualifications.

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