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Bandung City's Parallel Diplomacy In Marketing Msme Trough The Little Bandung Program In Petaling Jaya

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Abstract: This article discusses the parallel diplomacy practiced by the Bandung City Government through the Little Bandung Program as a marketing strategy for micro, small, and medium enterprises (MSMEs) at the international level. The background of this research stems from the increasing role of subnational actors in international relations and the need for local governments to expand market access for MSMEs as drivers of the local economy. This study aims to analyze how parallel diplomacy is implemented by the Bandung City Government in the Little Bandung program and the role of MSMEs as societal actors supporting subnational diplomacy. This study uses a qualitative approach through the collection of primary data in the form of interviews and secondary data through document studies and relevant literature. The results show that Little Bandung is a practice of parallel diplomacy that is autonomous, based on regional needs, and carried out through cross-actor collaboration, including the city government, MSMEs, foreign partners, and the diaspora community. MSMEs not only play a role as objects of promotion but are also actively involved in cross-cultural interactions and the formation of international economic networks. This study concludes that MSME-based parallel diplomacy can be a strategic instrument for local governments to promote the internationalization of the local economy and enrich the study of subnational diplomacy in International Relations studies.

Keyword: Parallel Diplomacy, Little Bandung, Subnational Actors, MSME Marketing

INTRODUCTION

Diplomacy as a vital instrument in international relations has undergone significant transformation (Cooper & Cornut, 2016). With the broadening spectrum of actors in international relations, states are no longer the only dominant entities. The emergence of various non-state actors such as multinational corporations, intergovernmental organizations (IGOs), NGOs, and subnational actors has shifted the dominant role of states in diplomacy and opened up space for new forms of diplomacy, including parallel diplomacy carried out by local governments (Dermawan et al., 2024). In Indonesia, the involvement of local governments in international cooperation has gained legal legitimacy through Law No. 23 of 2014 on the Regional Government System, which provides the basis for subnational actors in Indonesia to establish cooperation with foreign parties based on regional needs.

One of the interesting aspects being addressed in the practice of parallel diplomacy is the strengthening and support for micro, small and medium enterprises (MSMEs), due to their strategic importance in national and regional economies. More generally, in Indonesia MSMEs are estimated to absorb about 97% of the total labour force and generate more than half of GDP, with only 15% reported to have accessed export markets (Coordinating Ministry for Economic Affairs of Republic Indonesia, 2025). This condition shows the enormous potential of MSMEs that has not been optimized at the international level, mainly due to limited marketing capacity and global access. In this context, parallel diplomacy becomes a relevant instrument for integrating local economic interests into the dynamics of international relations.

The dynamic role of MSMEs as drivers of the regional economy is also evident in the city of Bandung, known as the center of the creative economy in West Java, with MSMEs contributing significantly to the local economy (Bandung City Communication and Information Agency, 2024). In this context, the Bandung City Government actively utilizes parallel diplomacy through the development of the Little Bandung program, which was initiated during Ridwan Kamil's leadership as a strategy to promote the creative economy and MSME products to various cities abroad. Among the number of implementation locations, Little Bandung in Petaling Jaya, Malaysia, has its own appeal because it is supported by historical, cultural, and linguistic similarities between Indonesia and Malaysia. These similarities in socio-cultural background create relatively conducive conditions for the implementation of economy-based parallel diplomacy. Through this program, the Bandung City Government not only acts as a facilitator of international cooperation but also as a link between local economic actors and the global market, making Little Bandung relevant to study as a form of parallel diplomacy strategy based on local needs and identity.

However, previous studies have mostly discussed Little Bandung from a non-International Relations perspective (Miftahuddin, 2020). Research using an international relations perspective generally places Little Bandung in the framework of public diplomacy or paradiplomacy, which focuses on tourism or intergovernmental cooperation (Windafiani, 2017; Azzahra, 2022), so there has been no study that specifically analyzes Little Bandung using a parallel diplomacy approach and focuses on MSME marketing. Therefore, this research offers an alternative approach by placing parallel diplomacy as a strategic instrument for subnational actors in articulating their needs in the international arena, in line with the views of Lecours (2002) and Alvarez (2020), who assert that subnational governments are genuine international actors and cannot be fully explained through economic instruments or traditional state-centric approaches to international relations.

Based on this description, this study aims to analyze the parallel diplomacy practices carried out by the Bandung City Government in marketing micro, small, and medium enterprises (MSMEs) through the Little Bandung program. In addition, this study is expected to contribute theoretically to the development of parallel diplomacy studies. Practically, this research is expected to provide an empirical description of the role of city governments in facilitating MSME involvement in cross-border activities, as well as to serve as a reference for local governments in designing parallel diplomacy strategies oriented towards strengthening the local economy and expanding access to international markets.

METHOD

This research uses a qualitative approach, namely a research technique that relies on non-numerical data and interpretation of social phenomena (Lamont, 2015), because the issues studied are complex and laden with social meaning. The use of this research design allows researchers to examine the processes, meanings, and dynamics of inter-actor relationships that cannot be represented quantitatively. The data sources in this research consist of primary and secondary data. Primary data was collected through interviews with five key informants related

to the planning and implementation of the Little Bandung program, including representatives from Bandung City Government, especially Bandung City Cooperation Division, Bandung City Dekranasda, and Bandung City Trade and Industry Office, MSME actors in the Little Bandung program, and representatives from the Petaling Jaya City Council (MBPJ). Informants were purposively chosen for their relevance and ability, hence the credibility of informants in situating parallel diplomacy practice could be achieved. Meanwhile, secondary data was obtained through a review of relevant documents and literature, such as development planning documents, Little Bandung program reports, academic publications, scientific journal articles, and official sources from the government and related organizations.

The data collection techniques in this research used a qualitative approach that included semi-structured interviews, document analysis, and internet-based research. Interviews were conducted to obtain primary data from key actors involved in Bandung City's parallel diplomacy practices, while document analysis was used to examine secondary data in the form of relevant policies and official reports. Internet-based research was used selectively to access digital sources, such as government publications, online news, official social media archives, and electronic journal databases, to enrich the context and support the validity of the findings. The collected data was then analyzed using deductive qualitative thematic analysis, starting from data collection, data reduction based on suitability with research questions and the conceptual framework of parallel diplomacy, deductive data categorization to identify patterns and relationships between findings, and drawing conclusions to answer the research questions and achieve the research objectives. This research was then validated through data triangulation, which involved comparing and confirming findings from various sources, such as interviews with informants, official documents, policy archives, and information from digital research and online media. This method was chosen to prevent bias from a single source and to improve the consistency and accuracy of the data in the analysis process. In addition to validity, this research also emphasises the importance of reliability to ensure that the data obtained is truly trustworthy, consistent, and accountable. To maintain reliability, this research uses credible data sources so that the authenticity of the information is guaranteed and the credibility of the findings is maintained (Fiantika et al., 2020).

RESULTS AND DISCUSSION

The Role of the Bandung City Government as a Subnational Actor

In the Little Bandung program, the Bandung City Government plays an active role as a subnational actor that carries out parallel diplomacy in a concrete, structured, and complementary manner. This role has been evident since the policy initiation stage, where the city government initiated Little Bandung as a strategy for the internationalization of the creative economy and the marketing of MSMEs based on local needs and identity. In addition, the Bandung City Government also serves as a coordinator to harmonize works of various regional apparatuses, in particular the Cooperation Division, Dekranasda and the Trade and Industry Office concerning planning, execution and sustainability of program. Then, as a facilitator, the city government creates and maintains an international network with foreign partners (the local government of Petaling Jaya and business partners in Petaling Jaya), as well as institutions regulating and administering to sustain MSME program stakeholders. In addition, the Bandung City Government also functions as a mediator that bridges the interests of MSMEs with international markets and partners, both through promotional assistance, product standard adjustments, and management of interactions with foreign consumers. This pattern of roles reflects the character of parallel diplomacy as conceptualized by Alvarez, who views subnational governments as international actors with autonomous capacity to formulate international agendas based on local needs, build cross-border networks, and involve societal actors in the process of regional economic internationalization (Alvarez, 2020). Thus, the

involvement of the Bandung City Government in Little Bandung cannot be understood solely as a practice of economic promotion or technical cooperation, but rather as a form of parallel diplomacy that positions local governments as active subjects in building cross-border relations.

The Bandung City Government's mechanism for implementing the *Little Bandung* program is carried out through structured and complementary cross-regional coordination. In this scheme, the Bandung City Cooperation Division serves as the main coordinator in managing relations with foreign partners, including developing partnerships with partner cities or *sister cities* that open up opportunities for initiatives such as *Little Bandung Stores* abroad. In addition, the Cooperation Division also coordinates the involvement of local governments and supporting institutions in the destination country, and ensures that the program's implementation is in line with the applicable international cooperation framework and mechanisms. Meanwhile, the Bandung City Dekranasda (Regional Handicraft Council) serves as the custodian of MSME products, particularly in the process of curation, design assistance, and strengthening product identity to suit the characteristics of the international market.

This role is complemented by the Bandung City Trade and Industry Agency (Disdagin), which focuses on technical aspects of trade, capacity building, and facilitating standards and readiness for SMEs that are deemed capable of participating in *Little Bandung Store* overseas or export-oriented exhibitions. At the same time, the Cooperative and SME Agency (DiskopUKM) also runs the *Little Bandung* program on a different scale by handling micro-business development and implementing *Little Bandung* in domestic cities, in accordance with business classification and development stages. Coordination between these regional agencies is carried out collaboratively through a clear division of roles from the planning stage to implementation, enabling the *Little Bandung* program to be run as an integrated cross-sector policy. In its pattern of cooperation with foreign partners, the Bandung City Government not only interacts with local governments but also involves non-state actors such as Indonesian businesses in Petaling Jaya as exhibition space managers and diaspora communities as part of an inclusive parallel diplomacy strategy. This modality of work demonstrates that Bandung City's parallel diplomacy is orchestrated through a networked-based diplomacy mechanism where the role of local governments as connecting nodes between domestic to international actors rather than a sole implementor of state foreign policy.

To clarify the position and limitations of this network pattern, it should be emphasized that the implementation of parallel diplomacy by the Bandung City Government through the Little Bandung Program is still carried out within the framework of national regulations governing the conduct of foreign relations. Thus, even though the Bandung City Government acts as a hub connecting domestic and international actors, all initiatives and cooperation undertaken still obtain legitimacy through coordination and approval from the central government. In line with Oddone, foreign policy is essentially within the authority of the state, so that the international projection of subnational governments can be facilitated and limited by the applicable national policy framework (Oddone, 2023). In this context, parallel diplomacy is not understood as an action separate from the state, but rather as a practice that develops through decentralized international cooperation and gains legitimacy through coordination across levels of government.

Findings from interviews with Bandung City Cooperation Division reveal that all international cooperation initiatives, including the Little Bandung program are required to follow formal administrative and political procedures in coordination with the central government. The exercise involves identifying and vetting foreign counterparts by the R&AW, liaising with the Ministry of Home Affairs and External Affairs Ministry, seeking official clearances followed by signing a Memorandum of Understanding. While program implementation is the responsibility of local governments, consultation with the central level

takes place to ensure conformity to legal requirements and national policy frameworks. In addition, alignment with national and regional development planning documents is a key prerequisite for parallel diplomacy to have institutional legitimacy and development relevance.

Thus, national regulations do not eliminate the autonomy of the Bandung City Government's international actions, but rather create a space for parallel diplomacy that is managed and institutionalized. The Little Bandung practice shows how local governments can play an active and adaptive role in the international arena, while operating within the constitutional boundaries of the state, thereby confirming the character of parallel diplomacy as a process of negotiation between local interests and the national policy framework. Within this regulatory framework, the scope of the Bandung City Government's parallel diplomacy can be understood as the result of negotiations between regional autonomy and the management of national foreign policy. It is within this space that the Little Bandung practice not only demonstrates compliance with the constitutional boundaries of the state, but also opens up space for the city government to assert its role as an active and empowered actor in the international arena.

This finding then led to an understanding of the shift in the position of the Bandung City Government, from merely being an object of the country's foreign policy to becoming an active subject in the practice of international diplomacy. Through the *Little Bandung* program, the Bandung City Government not only implemented central government policy directives, but also proactively formulated an agenda, built cross-border networks, and managed international interactions based on regional needs. This shift is reflected in the city government's ability to initiate programs, coordinate cross-sectoral actors, and mediate the interests of MSMEs with foreign partners without directly relying on state diplomacy mechanisms. This practice reinforces the argument for parallel diplomacy as a relatively autonomous form of international action, in which subnational actors have the capacity to act, negotiate, and represent the needs of their regions in the global arena. This is in line with Alvarez's view, which emphasizes that the international actions of subnational actors cannot be fully explained through a state-centric framework or traditional foreign policy instruments (Alvarez, 2020). In this context, the autonomy of the Bandung City Government is reflected not in its separation from the state, but in its ability to act proactively and adaptively in a relatively open international space, while still operating within national constitutional boundaries. Thus, the practice of parallel diplomacy by the City of Bandung through *Little Bandung* confirms the transformation of the role of local government in contemporary diplomacy.

MSMEs as Societal Actors in Parallel Diplomacy

The involvement of MSMEs in the Little Bandung program demonstrates active and diverse participation in the parallel diplomacy practices of the Bandung City Government. MSMEs are directly involved in promoting superior products through the Little Bandung Store and international exhibitions, as well as interacting with consumers and foreign business partners at exhibition venues. These interchanges are not just transactional, however - they form a part of cross-cultural communication, market feedback and the building of economic relationships with consumers and local stakeholders. Interview data reveal that this participation motivates MSMEs to modify the product and marketing, such as design or packaging, market taste or strengthen the narrative of the identity of their product in accordance with the international preferences.

The experience of MSMEs in facing the international market through Little Bandung shows a gradual and contextual learning process. Their presence in international exhibition spaces is used as a means of testing the market to understand quality standards, demand patterns, and the dynamics of global competition. The strategies developed by SMEs include product differentiation, price adjustments, and strengthening storytelling that highlights the

uniqueness and creativity of Bandung City as added value. From the SME perspective, the Little Bandung program provides tangible benefits in the form of expanded market access, increased brand exposure, and strengthened international marketing capacity, which were previously difficult to achieve independently. However, SMEs also face a number of structural challenges, such as limitations in production scale, quality consistency, meeting export standards, and the sustainability of market access after the program ends.

Within the framework of parallel diplomacy, these findings interpret MSMEs as societal actors that support diplomacy, rather than merely objects of local government policy promotion. Through product representation, interaction with international consumers, and the formation of cross-border economic networks, MSMEs perform a representative function that contributes to the formation of Bandung's image and identity at the international level. This role shows that subnational diplomacy practices are collaborative and based on cross-actor networks, in which local economic actors serve as liaisons between regional interests and global markets. This perspective is in line with the expansion of actors in contemporary diplomacy, which emphasizes the involvement of non-state actors and local economies in international relations practices (Lecours, 2002; Alvarez, 2020). Thus, this research enriches the study of Little Bandung by placing MSMEs as an integral part of parallel diplomacy practices, namely as societal actors who contribute directly to the dynamics of regional economic internationalization. This is a perspective that has not received much attention in previous studies, which tend to emphasize aspects of promotion or intergovernmental cooperation.

Little Bandung as Parallel Diplomacy

Research findings show that the Little Bandung Program is implemented as a parallel diplomacy instrument oriented towards promoting the local economy and strengthening the image of Bandung City at the international level. Historically, Little Bandung has its roots in an initiative by the Bandung City Government during the leadership of Mayor Ridwan Kamil, who viewed the promotion of MSMEs as an integral part of the regional economic diplomacy strategy. This program is an extension of previous SME promotion practices, which have been carried out regularly, and is packaged in a more structured and recognizable branding identity in the global market. In its implementation, Little Bandung is realized through several main activities, namely the Little Bandung Store as a semi-permanent physical outlet, the Little Bandung Wall which utilizes space in Indonesian diaspora restaurants, and Little Bandung Mobile which is a mobile exhibition and event-based. This variety of forms shows that the program's orientation is not solely focused on short-term economic transactions, but rather on creating sustainable exposure, market learning, and the formation of cross-border business networks. This objective is in line with the understanding of parallel diplomacy as a practice that combines economic interests, city identity, and international networks outside the formal channels of state diplomacy.

As previously explained, the Bandung City Government's involvement in Little Bandung is active and multi-level, covering the planning, coordination, and implementation stages of the program. The Cooperation Division plays a key role in opening up opportunities for collaboration with foreign partners, particularly through sister city networks, and ensuring that activities comply with the regulatory framework for foreign cooperation. On the other hand, technical regional agencies such as the Trade and Industry Office, the Cooperative, Small and Medium Enterprises Office, and the Regional Handicraft Council carry out the functions of curation, guidance, and assistance for MSMEs so that the products promoted meet international market standards. This working pattern reflects a clear division of roles, in which the city government acts as a facilitator and liaison, while business transactions and negotiations remain in the realm of business-to-business.

The coordination framework was then realized in the selection of the program implementation location, namely Petaling Jaya, Malaysia. This location was chosen not only because of its geographical proximity and similar market characteristics, but also because of the sister city relationship that had been established between the two cities. The opening of Little Bandung in Petaling Jaya was the result of dynamic interaction between the Bandung City Government and the Petaling Jaya City Government, which offered free promotional space at Paradigm Mall for two years. This factor made Petaling Jaya a strategic location that was relatively low in cost, had a high level of consumer visits, and enabled the sustainability of MSME product promotion for a longer period of time than temporary exhibitions. Additionally, the popularity of the "Bandung" brand in Malaysia further strengthens the effectiveness of the branding strategy adopted in the Little Bandung program.

The Little Bandung Program's practice pattern shows the main characteristics of parallel diplomacy as understood in contemporary international relations literature. First, this initiative is clearly driven by subnational actors, namely the Bandung City Government, without relying on inter-state agreements or direct directives from the central government. The formulation of the agenda, selection of locations, and design of promotional activities are carried out based on regional needs and interests, particularly the strengthening of the competitiveness of MSMEs and the creative economy of Bandung City. In this context, the Bandung City Government functions as the main subject of diplomatic action at the subnational level, in line with Cornago's view that the subjects of parallel diplomacy are non-central governments at the mid-cal and local levels that carry out international actions on behalf of and as representatives of the citizens for whom they are accountable (Cornago, 2010). It is this representative character that distinguishes the actions of local governments from other international actors such as companies, universities, or civil society organizations, which, although active internationally, do not act as direct representatives of public interests.

Second, the Little Bandung practice is carried out through a pattern of cross-actor collaboration involving regional apparatus, MSMEs, local business actors in the destination country, and the Indonesian diaspora community. The program's orientation, which focuses on MSME marketing and strengthening local economic identity, emphasizes that diplomacy is carried out based on the concrete needs of the region, not merely for symbolic representation or image communication. SMEs are not only positioned as objects of policy, but as societal actors directly involved in cross-border interactions through product promotion, communication with international consumers, and market strategy adaptation. Meanwhile, the involvement of the diaspora and local partners in Petaling Jaya as exhibition space managers and market liaisons further expands the dimensions of actors in this practice, without obscuring the position of the city government as the main representative actor. This pattern reflects parallel diplomacy as an inclusive, network-based, and adaptive process to the local context of the destination country.

Within an analytical framework, these findings interpret Little Bandung as a parallel diplomacy practice. Unlike public diplomacy, which focuses on shaping foreign perceptions through one-way communication, Little Bandung emphasizes direct economic interaction and the establishment of sustainable market networks. This practice also goes beyond inter-regional government cooperation by placing societal actors, particularly MSMEs, as an integral part of the diplomatic process, so that the diplomacy carried out not only represents the regional government, but also the economic needs and capacities of the local community. This interpretation is in line with Oddone's (2023) view that the international projection of subnational governments has developed as a territorial response to global economic fragmentation, which encourages regions to build dynamic comparative advantages, access global markets, and participate in international value chains through new, more adaptive schemes and logic.

Furthermore, this understanding is also in line with Lecours' (2002) view, which asserts that subnational diplomacy has developed in response to specific regional needs and interests, and cannot always be reduced to a state-centric framework of diplomacy. Alvarez (2020) adds that parallel diplomacy is characterized by the ability of subnational actors to formulate their own international agenda, build cross-border networks, and involve non-state actors in the process of regional economic internationalization. In this context, Little Bandung represents a practice of parallel diplomacy that is autonomous, pragmatic, and based on local needs, while also affirming the transformation of city governments from objects of foreign policy to active subjects in the dynamics of international relations.

The Contextual Dynamics of Little Bandung in Petaling Jaya

The local context of Petaling Jaya, Malaysia, has a significant influence on the implementation of the Little Bandung Program run by the Bandung City Government. Petaling Jaya is the center of economic and social activities in the state of Selangor, characterized by the presence of large malls, community spaces, and high consumer mobility, thus providing a strategic market space for Bandung City MSME products to be introduced to an international audience. The main location for the implementation of *the Little Bandung Store* in Paradigm Mall Petaling Jaya was chosen because the mall is one of the busiest shopping centers in the region and is able to attract various consumer segments, including the middle class, which is a potential target market for Bandung's creative products. Additionally, the *sister city* relationship between Bandung and Petaling Jaya provides institutional access that facilitates promotional space without the burden of heavy rental and tax costs, thereby strengthening the legitimacy of the program within the framework of cooperation between the two cities.

Consumer and partner local responses to Little Bandung are quite good, seen from the active participation of mall businesses as partners and the direct interaction with consumers which show that products characteristic as Bandung signature such as clothes crafts, snacks. Opening of the Little Bandung Store in Petaling Jaya, Malaysia with local authorities represents another indication of social and economic backing for the initiative; one that also symbolizes receptivity to foreign products which are culturally compatible or aesthetically harmonious with their own culture. This can be seen in information from interviews between representatives of the Petaling Jaya City Council (MBPJ) where cultural and linguistic conditions are relatively closer in these two countries, namely Indonesia and Malaysia and their close linkage with each other, such as the relationship of language used by Malay people both in Indonesia and Malaysia that makes it easier for marketing communication and social interaction between MSME actors with local consumers. It is this cultural proximity that helps broaden the market appeal of Bandung's creative economy products since its values and aesthetics intersect with local taste. The role of the diaspora network and the Indonesian community in Petaling Jaya is also an important supporting factor in this dynamic context. The diaspora community not only acts as a cultural bridge, but also as an initial facilitator in introducing *Little Bandung* to local consumers and migrant communities who have emotional and cultural ties to products from Bandung, thereby increasing the appeal of the products and enhancing the possibility of sustainable market interaction.

The interview results further indicate that the Little Bandung project not only enhanced the international capacity of the Bandung City Government, it also had a diffuse effect in which other city partners were motivated to emulate comparable moves. In view of this, the Petaling Jaya City Council expressed interest in setting up a "Little Petaling Jaya" at Bandung City in return gesture. Although the initiative has not been realized due to budget constraints, particularly related to the need to finance location rental, spatial planning, logistics, and operations, this interest reflects how parallel diplomacy practices can shape new *trajectories of cooperation* that expand the policy imagination of subnational actors. In line with the view that

experience in parallel diplomacy equips local institutions with new technical, financial, and political capacities, the Little Bandung practice serves as an institutional reference that is perceived as legitimate and successful by foreign partners (DiMaggio & Powell, 1983). In this framework, Little Bandung is not only understood as an economic promotion program, but also as a policy model that has *policy emulation* appeal within the network of cooperation between city governments, while also affirming the role of parallel diplomacy as a medium for learning and diffusing cross-border policy practices.

Although the Little Bandung Program shows significant potential as an instrument of parallel diplomacy, the research findings also reveal a number of structural obstacles that affect the effectiveness and sustainability of its implementation in Petaling Jaya. One of the main challenges lies in the limited capacity of MSMEs, particularly in terms of production scale, quality consistency, and readiness to meet international market demand on a sustainable basis. Based on the interview results, some MSME players experience difficulties when there is an increase in demand, both in terms of raw material availability, mass production capabilities, and quality control in accordance with foreign market standards. These findings indicate that the internationalization of MSMEs through parallel diplomacy does not only depend on open market access, but also on the structural readiness of business actors in responding to global market dynamics.

Beyond the limitations of MSME capacity, the issue of the sustainability of the Little Bandung Program cannot be separated from the dynamics of local government policy and funding. Findings from interviews show that the sustainability of the program is greatly influenced by the availability of local budgets and changes in policy priorities following leadership transitions. Budget allocation determines the scale and intensity of international facilitation, ranging from financing exhibition operations and MSME assistance to overseas promotion. Funding constraints have resulted in unequal access to the program for MSMEs and limited the frequency of international activities that can be held on a sustainable basis.

Policy changes across leadership periods further exacerbate these sustainability challenges. Based on field findings, the direction of the Bandung City Government's international cooperation tends to adjust in line with the vision and agenda of the ruling regional head. Thus, the program Little Bandung not institutionalized and become long-term policy well established and still requires political commitment in certain periods. This influences the institutional support consistency, budget stability and stability in maintaining of the network of foreign cooperation that has been developed, increasing risk on fragmentation of policy and decreasing long term resilience program.

The link between funding constraints and policy fluctuations has direct implications for MSMEs as societal actors supporting parallel diplomacy. The uncertainty surrounding the sustainability of programs limits the ability of MSMEs to develop long-term strategies for international markets, including maintaining production continuity, managing cross-border distribution, and maintaining business networks. Thus, the effectiveness of parallel diplomacy is not only determined by the initiatives of subnational actors and the involvement of social actors, but also by policy stability and continuous fiscal support. However, in the face of these structural limitations, the Little Bandung practice continues to demonstrate the adaptive nature of parallel diplomacy to the local context and internal dynamics of government. The Bandung City Government and its collaborating group in Petaling Jaya reoriented their routes of attack by no longer relying on the financial facilitation, but using non-financial one such as offering free exhibition space from time to time, empowering diaspora role as market connectors as well restructuring a more flexible promotion scheme which was based on network. This adaptation pattern suggests that parallel diplomacy operates as a pragmatic practice sensitive to institutional constraints and shifts in the political context.

Thus, the challenges to the sustainability of the Little Bandung Program, which stem from the limited capacity of MSMEs, dependence on regional funding, and policy fluctuations across leadership, not only reflect the objective limitations of parallel diplomacy at the subnational level, but also confirm its nature as a dynamic process that continues to negotiate with the local political and fiscal context. In this framework, Little Bandung can be understood as an adaptive practice of parallel diplomacy, yet one that remains vulnerable to domestic policy instability, thereby underscoring the importance of institutionalizing more consistent subnational foreign policy to ensure the sustainability of economic benefits for MSMEs.

Analytical Synthesis in the Framework of Parallel Diplomacy

Overall, the findings of this research show that the Little Bandung practice represents a form of parallel diplomacy actively carried out by the Bandung City Government through the integration of local government institutional roles and the involvement of societal actors, particularly MSMEs, in the process of local economic internationalization. This practice cannot be separated from the transformation of the international arena, which is marked by the increasing significance of transnational affairs and the growing recognition of the role of non-state actors in influencing global political and economic dynamics (Oddone, 2023). In this context, Little Bandung shows how the city government formulates an international agenda based on local needs, builds cross-border networks with foreign partners, and facilitates direct interaction between local economic actors and international markets. MSMEs are not only beneficiaries of the policy, but also perform a representative function through product promotion, cross-cultural communication, and the formation of transnational economic relations. At the same time, the local context of Petaling Jaya emphasizes that parallel diplomacy practices are adaptive and influenced by institutional factors, culture, diaspora networks, and structural limitations such as MSME capacity, regional funding, and policy fluctuations across leadership.

From a theoretical perspective, this research reinforces parallel diplomacy as a relevant analytical approach for understanding international relations practices at the subnational level. Empirical findings show that the involvement of the Bandung City Government is in line with the definition of parallel diplomacy as "the involvement of non-central governments in foreign affairs, either directly or indirectly, in permanent or ad hoc activities, in order to achieve functional objectives" (Alvarez, 2021). Furthermore, the Little Bandung practice reflects the territorial response of subnational governments to global economic fragmentation, in which cities are encouraged to integrate themselves productively into international markets and value chains in order to build dynamic comparative advantages, while reducing the structural heterogeneity and economic asymmetries inherent in the national context (Oddone, 2023). Within this framework, the positioning of MSMEs as societal actors supporting parallel diplomacy broadens the discussion on diplomatic actors, showing that the process of regional internationalization is not only carried out by government institutions but also by local economic actors who bring regional interests and identities to the international arena. Thus, parallel diplomacy is understood as a collaborative ecosystem across actors, not merely an institutional practice of local government.

Analytically, these findings also suggest practical implications for future subnational diplomacy practices. The Little Bandung practice demonstrates the importance of policy design that is capable of integrating local government institutional support, societal actor readiness, and international network sustainability into a coherent framework. The fund dynamics, policy reforms and adaptation process at the local level also imply that parallel diplomacy effectiveness is not only determined by initial intention but also the ability of local government to manage programme continuity and long term learning for MSMEs. Accordingly, MSME-led parallel diplomacy can be seen as a changing process of negotiation and context that needs

to be managed with institutional consistency and for its program design to become stronger towards longer-term economic and diplomatic effects.

CONCLUSION

The Little Bandung program has proven to represent a parallel diplomacy practice actively carried out by the Bandung City Government in marketing MSMEs and expanding local market access to the international arena. Research findings show that the city government functions as a subnational actor that autonomously formulates a regional needs-based international agenda, builds cross-border networks, and facilitates MSME involvement in international economic interactions through promotion, assistance, and cooperation with foreign partners. The implementation of Little Bandung in Petaling Jaya shows that parallel diplomacy operates as a functional instrument that connects local economic development interests with global market dynamics within the framework of subnational cooperation. Thus, this research confirms that the practice of parallel diplomacy not only expands the role of city governments in international relations but also enriches the theoretical understanding of regional economic internationalization through the involvement of subnational and societal actors.

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