

ABSTRACT

THE BUREAUCRACY OF REGIONAL INVESTMENT BOARD AND INTEGRATED LICENSING SERVICES OF LAMPUNG PROVINCE IN ATTRACTING DOMESTIC INVESTORS

By

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Regional Investment Board and Integrated Licensing Service of Lampung Province was formed to facilitate the investors who want to do investment in Lampung Province. According to the board's declaration, this board is expected to create a licensing service that is easy, fast, transparent, and accountable. But in fact, Regional Investment Board and Integrated Licensing Service of Lampung Province cannot optimally facilitate the investors therefore there is still reluctant feeling from the investors to do investment in Lampung Province.

Based on the problem, the purpose of this research is to know how the bureaucracy of Regional Investment Board and Integrated Licensing Services of Lampung Province in attracting domestic investors. This research used descriptive qualitative method. The focus in this research was taken from ideal bureaucracy theory by Max Weber, those are: 1) A clear bureaucratic functions; 2)

Specifications task; 3) The existence of hierarchy; 4) Suitable regulations; 5) Non nepotism; 6) A strong commitment; 7) The existence of administrative activities; and 8) A clear system for bureaucratic staff.

The results of this research revealed that the bureaucracy of Regional Investment Board and Integrated Licensing Services of Lampung Province in attracting domestic investors is not accordance yet with the ideal bureaucracy theory by Max Weber. This is due to: 1) The complicated bureaucracy system; 2) The implementation of rules is not maximal; 3) There is illegal charge; and 4) The staffs of bureaucracy who lack of understanding about their own job. Furthermore the fact revealed that there is decreasing number of investment made by domestic investors. There were 13 projects in 2013 but decreasing to 7 projects in 2014. It revealed that the bureaucracy of Regional Investment Board and Integrated Licensing Services of Lampung Province still cannot attract the domestic investors maximally.

Keywords: Bureaucracy, Domestic Investor, Investment Board