

## Foreign investment as the beginning of the presence of westernization of American culture in Indonesia

### *Investasi asing sebagai awal hadirnya westernisasi budaya Amerika di Indonesia*

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#### Abstract

Since 1967, foreign investment in Indonesia has led to the westernization of American culture among Indonesians. Westernization is a challenge for Indonesian people in terms of preserving their own culture. This study aimed to determine the impact of foreign investment as the beginning of the spread of the westernization of American culture in Indonesia. This study utilized descriptive qualitative methods with an analysis of literature studies that specifically discussed the impact of foreign investment as the beginning of the westernization of American culture in Indonesia. The results of this study indicate that the westernization of American culture occurs because of foreign investment in Indonesia so that Indonesian people adopt some of the culture brought by that country. This study finds that the cultural shift in Indonesian society is caused by the westernization of American culture among the people. This westernization is the result of Indonesia's opening to foreign investment, which has brought their culture to Indonesia. As a result, cultural assimilation occurs, leading to a cultural shift through westernization, especially in urban communities.

**Keywords:** cultural assimilation; American culture; foreign investment; Indonesian society; westernization

#### Abstrak

Sejak tahun 1967, investasi asing di Indonesia menyebabkan westernisasi budaya Amerika di kalangan masyarakat Indonesia. Westernisasi menjadi tantangan bagi masyarakat Indonesia dalam pelestarian budaya Indonesia sendiri. Tujuan dari penelitian ini adalah untuk mengetahui dampak hadirnya investasi asing sebagai awal dari hadirnya budaya westernisasi budaya Amerika di Indonesia. Penelitian ini dilaksanakan dengan menggunakan penelitian kualitatif deskriptif dengan analisis studi pustaka yang secara khusus membahas dampak hadirnya investasi asing sebagai awal dari hadirnya budaya westernisasi budaya Amerika di Indonesia. Hasil dari penelitian ini menunjukkan bahwa westernisasi budaya Amerika hadir karena adanya investasi asing di Indonesia sehingga masyarakat Indonesia menduplikasi sebagian budaya yang dibawa oleh negara tersebut. Penelitian ini menemukan bahwa pergeseran budaya di tengah masyarakat Indonesia disebabkan oleh westernisasi budaya Amerika di kalangan masyarakat. Westernisasi ini disebabkan terbukanya investasi asing di Indonesia yang turut membawa budaya mereka ke Indonesia. Akibatnya, terjadi asimilasi budaya yang menghadirkan pergeseran budaya melalui westernisasi, khususnya pada masyarakat perkotaan.

**Kata kunci:** asimilasi budaya; budaya Amerika; investasi asing; masyarakat Indonesia; westernisasi

## Introduction

The Indonesian culture has undergone numerous visible changes over time. The Indonesian people's eastern culture, which places a premium on courtesy, is gradually giving way to a liberal culture of freedom that represents liberalism. Since Indonesian independence, there has been a westernization culture. Initially, this culture was only practiced by those with high intellectual strata or high social strata in society. However, during the New Order era, specifically 1967, westernization became more widespread and no longer belonged exclusively to people of high intellectual or social status. The liberalization of foreign investment in Indonesia through the passage of Law No. 1 of 1967 on Foreign Investment in Indonesia and Law No. 25 of 2007 on Investment contributed to the spread of westernization culture throughout Indonesian society (Kambono & Marpaung 2020).

Foreign investment is, in fact, a form of bilateral and multilateral cooperation. This type of collaboration is most frequently used in the fields of health, education, infrastructure, social empowerment, and oil and gas (energy). This collaboration occurs between developed and developing countries in order to compensate for one another's shortcomings. Developed countries have a scarcity of natural resources that can be used as raw materials while developing countries lack the technology and human resources necessary to process these raw materials into useful products (Mollick et al. 2020, Purba et al. 2020). Cooperation is carried out to benefit each party's economic interests. Such cooperation is governed by each country's laws and regulations and is overseen by the United Nations (UN).

Foreign investment not only stimulates economic growth through profit-sharing from ongoing foreign investments but also introduces their culture to Indonesian society, encouraging people to adapt to and imitate foreign cultures (Suharni 2015). Indonesia, as a developing country, is, of course, still quite reliant on developed countries to meet its people's diverse needs. Numerous foreign investors 'race' to invest in Indonesia and enter into various cooperation agreements with the country. Cooperation affects not only the national economic growth sector but also brings new challenges as cultures merge. Globalization marks the beginning of the modern era's spread and exchange of culture in this modern era. Cultural exchanges that occur in society have an effect on the emergence of a negative westernization culture among the Indonesian people.

Unfortunately, this westernization has undoubtedly shifted the popularity of the Indonesian people's indigenous culture due to globalization. Westernization has evolved into one of the dominant lifestyles in metropolitan areas or large cities that are characterized by modern behavioral patterns. As a result, concerns have been raised about the indigenous culture of the Indonesian people being wiped out as a result of westernization. As for whether the culture of Indonesian society has persisted, it has undoubtedly undergone modernization in accordance with its era. Indeed, many values inherent in the Indonesian people's indigenous culture do not need to be eradicated. However, as a result of ongoing globalization and modernity, these values are eroding and being replaced by new ones.

This study aimed to determine the impact of foreign investment as the beginning of the spread of the westernization of American culture in Indonesia. Foreign investment that intends to advance and accelerate Indonesia's economic growth also poses challenges for the indigenous culture. The foreign culture that was also brought by investors not only brought positive changes but also created acculturation and cultural assimilation of the original Indonesian culture. Finally, a culture of westernization, hedonism, and individualism was formed in the midst of modern Indonesian society, especially those living in big cities.

This study limits the discussion to the impact of the presence of foreign investment as the beginning of the westernization of American culture in Indonesia. Westernization promotes hedonism and individualism, which are stark contrasts to the indigenous Indonesian culture, which is characterized by mutual cooperation, social values, and indigenous wisdom from every ethnic group in Indonesia. Modern Indonesian society, especially those living in large urban areas, has gradually shifted away from the indigenous culture toward the westernized culture of America as a symbol of urban society's social strata. Indigenous culture is incrementally being recognized as an ancient culture that is incompatible with modern culture. Therefore, modern Indonesian society, particularly those living in big cities, respects foreign cultures, especially American culture, which is characterized by absolute liberalism. This led to the formation of modern society with a westernized culture characterized by real hedonism and individualism.

The study was compiled by reviewing previous research, including Herru Hermawan and Radja Erland Hamzah's 2017 study "Objectification of Women in Television Advertising: A Cross-Cultural Analysis of Axe Perfume Advertisements Airing on Indonesian and United States Television," Suharni's 2015 study "Westernization as an Educational Problem in the Modern Era," and a study entitled "Impact

of Cultural Invasion on Local Culture: Case Studies of Regional Languages.” Research into the impact of westernization and societal changes has begun to emerge. Earlier research has emphasized the importance of discussing the spread of westernization via advertisements for foreign products packaged attractively with their free lifestyle. It is obvious that using a sexual style to communicate a beauty product is in contrast to the original Indonesian culture, which communicates about beauty through the inclusion of community wisdom. Sexual style is extremely taboo in indigenous Indonesian culture, which places a premium on the politeness of the eastern culture. Additionally, another study indicates that westernization is a contributing factor to the problems that exist in the world of education in the modern era. It is undeniable that the widespread use of smartphones today fosters a distinct lifestyle and also has an effect on the realm of modern education. All forms of information can be accessed on a smartphone, making information that spreads quickly requires serious filtration, consideration, and supervision. Westernization, as a process of cultural assimilation, has shifted indigenous culture. The current shift creates a cultural schism that shapes modern Indonesian society. However, for those who live in urban areas, this westernization serves as a symbol of their social strata. Thereby, this study extends to the findings by conducting a detailed examination of the presence of foreign investment policies as the gateway to westernization in the lives of Indonesians, particularly those who live in urban areas. While foreign investment was initially promoted to accelerate the country’s development by providing skilled human resources, the reality is that foreign investment is also a means of westernization, gradually diminishing the value of indigenous wisdom among the Indonesian people.

## **Research Method**

This study employed a descriptive qualitative approach based on a literature review. The literature review conducted was based on books and scientific articles that were filtered to include only those published between 2002 and 2021. In particular, this process involves a literature analysis on the impact of the presence of foreign investment as the beginning of the westernization of American culture in Indonesia. Foreign investment has an influence on the advancement of society, both in terms of the development of science, economy, politics, and culture. Especially in the field of culture, the impact of foreign investment is not only introducing Indonesian culture to the international community and vice versa. In fact, the international culture that is brought, especially the liberalization culture with American characteristics created a new challenge for Indonesian culture that was already rooted in society, namely westernization.

Triangulation of data was used in this study to support and demonstrate the characteristics of the data derived from the research results of the study conducted. The literature data indicate that the study’s findings are not dependent or contradictory, but rather provide, prove, and observe the occurrence of a potential cognitive conflict of interest (Miles et al. 1992). The data for this study were gathered from a variety of academic literacy sources, online pages from reputable information media, and reports of other research findings that specifically discuss the impact of foreign investment as the beginning of the westernization of American culture in Indonesia. Westernization due to foreign investment in Indonesia has compelled the Indonesian people, in general, to abandon their indigenous culture in favor of distinctive liberalism and individualism. Often, this westernization culture, which infuses Indonesian society with a culture of hedonism and consumerism, presents a new face of modern society through social stratification symbols. Thereby, Indonesia’s indigenous culture gradually shifted and was eventually abandoned by modern Indonesians, particularly those who live in major cities.

The data was analyzed to determine the perspectives on the issue of the impact of foreign investment in Indonesia and the cultural shifts occurring in society, particularly in urban areas as a result of modernization. Additionally, the data were analyzed in light of actual cases that are reported in mass media and supported by additional data from a variety of related institutions. The same view between the literacy sources used and the cases that occur in the community, backed up by data from relevant institutions, will reveal that foreign investment in Indonesia not only benefits in accelerating national economic development but also has a latent negative effect that is not realized by the community, which is westernization.

## Results and Discussion

### The beginning of foreign investment in Indonesia

The implementation of foreign cooperation, particularly the presence of a foreign investment in Indonesia, is to accelerate domestic economic growth and meet national needs (Kambono & Marpaung 2020). Foreign cooperation is carried out by every country in the world, whether developed, developing, or poor. This collaboration is made solely to meet the community's needs of the people in the area. The implementation of foreign cooperation not only encourages national economic growth but also introduces each other's culture thereby strengthening the push for globalization. Cultural assimilation exists on two polar opposites: acculturation and cultural assimilation.

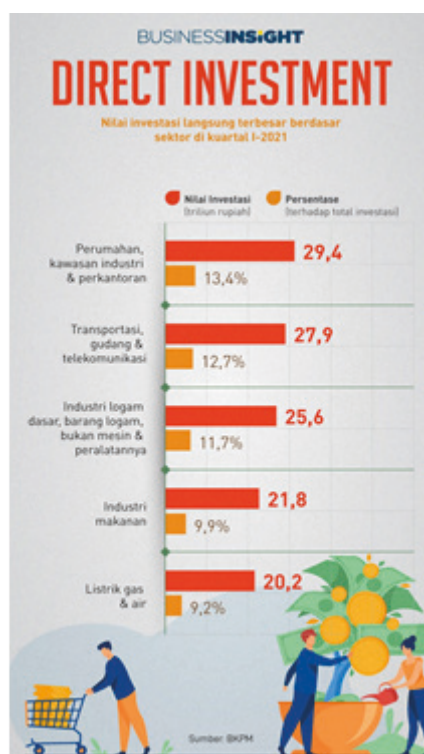
Each country has a relationship with other countries that it requires in order for its population to achieve a prosperous standard of living. Indeed, each country cooperates bilaterally and multilaterally to develop its own economy. This cooperation can take place independently or with the help of mediation from other countries. As a result, each country has undoubtedly friendly relations, even to the point of cooperation, in an effort to promote the country's development. International cooperation's primary objective is for each country to benefit from the efforts of others and to expand its economic potential. However, cooperation must adhere to the guidelines and political-economic signals provided by cooperating countries.

Investment objects that are often of interest to investors are generally the manufacturing industry, mining, natural resource processing, clothing industry, and other industries whose raw materials are found in Indonesia (Febriana & Muqorobbin 2002). Since ancient times, Indonesia in particular has been known as a country abundant in natural resources. Numerous investors, both domestic and international, are interested in investing in the empowerment of these natural resources. Apart from the abundance of natural resources, Indonesia also has a large workforce capable of processing these resources. However, the drawback of such management is that it requires expertise and cutting-edge technology to process it effectively and efficiently. Economic growth is moving forward with the support of the latest technologies brought by investors so that Indonesia can process its natural resources. Additionally, in terms of culture, there is an introduction to the culture of a different and more modern society.

Countries in Europe and the United States, in particular, are focusing on the advancement of technology and science. They strive to build an advanced and modern civilization through the development of various technologies that facilitate mobility and daily human activities. However, these European and American countries continue to require natural resources as raw materials for the industries they develop, as well as to meet other basic needs. There are some natural resources that are not available due to the geographical contours and subtropical climate of the European-American plains. As a result, Europe and the United States are massively seeking natural resources on various continents. After acquiring it, the desire to master it gradually emerges. This will have an effect on the countries that are attractive to investors. There will be a shift and a transition in the original culture of the investor's destination country.

This foreign investment activity has existed since the Industrial Revolution in Europe in 1760, and it grew significantly during the American Revolution in 1860. Significant consequences have resulted from the presence of this foreign investment policy, one of which is the arbitrary establishment of factories without regard for worker safety or environmental protection (Ilmar 2004). Shareholders who invest in stocks expect a return on their investment. Of course, by prioritizing this goal, various things are ruled out, such as Environmental Impact Analysis (EIA), employment issues, and environmental management after following natural resource extraction. As a result, it has a detrimental impact on the indigenous people who live nearby.

The positive impacts of the presence of a foreign investment in Indonesia include: (a) knowledge transfer, (b) wider employment opportunities, (c) increased state and regional income, (d) alternative sources of financing other than the APBN and APBD, and (e) increase economic growth. It should be a shared concern that the quality of education and teaching in Indonesia still necessitates various forms of development and evaluation of quality improvement to adapt to the rapid development of global education. The work ethic of the Indonesian people is also something that needs to be addressed and improved in some areas. The government hopes that by having foreign investors in Indonesia, they will be able to contribute to national development by being inspired by scientific advances and providing examples of the work ethic they have demonstrated thus far. As a result, the quality of Indonesia's human resources will change and improve. According to the 2020 population survey, 70.72 percent of Indonesia's 270 million people are in the productive age group (15-65 years). It is expected that the country's economic potential is backed up by the ability of productive, agile, and skilled human resources, which will not only accelerate the country's economic growth but will also advance the country's development. If the population of productive age is not absorbed as a productive, agile, and skilled workforce, this will be inversely proportional. Indeed, they will appear as an unbearable economic burden for the country. In order to overcome this problem, one thing the government can do is to use foreign investment channels. Foreign investment can also have an indirect impact on the amount of tax revenue through taxes paid by the company's employees and the increase in foreign exchange due to a large amount of foreign investment. The foreign exchange can be used by the state to pay off state debt, import fees, and others.



**Figure 1.**  
Infographic of direct investment realization per business sector for the first quarter of 2021  
Source: Hadiwinata (2021)

The negative impacts of foreign investment in Indonesia include: (a). the country's economic dependence on the investor's country of origin, (b). the weakening of the rupiah exchange rate against the United States dollar currency as a currency in international trade, and (c) natural resource exploitation and environmental destruction. The size of foreign investment in a country is highly dependent on the economic condition of the country of origin and the correlation of the investor concerned. Although incoming foreign investment may increase the country's foreign exchange, on the other hand, it can also weaken the exchange rate of the home country's currency against the United States dollar as an

international currency. This is due to the obligation of the investor company to send dividends to their home country. These dividend payments are generally made in international trade currencies. This causes the demand for the United States dollar to increase. This will influence the value of imported goods in the investor's destination country. It is because the exchange rate will fall causing the price of imported goods to rise in the domestic market. It is not uncommon for companies, especially those engaged in the mining industry, to be involved in cases of environmental pollution. This issue is caused by non-compliance with regulations related to Environmental Impact Analysis (EIA) and supervision over the implementation of the EIA regulations that run appropriately and transparently. As a result, environmental pollution and destruction of natural resources. Figure 1 depicts the investment realization.

This discrepancy has been regulated in Law No. 25 of 2007 concerning Investment, Presidential Regulation No. 44 of 2016 concerning the List of Business Fields that are Closed and Business Fields that are Open with Conditions to Investment, and Presidential Regulation No. 10 of 2021 concerning the Investment Business Sector. However, the lack of supervision of these regulations' implementation creates an uncontrollable situation. Many companies are discovered to be owned by foreign investors who do not comply with applicable regulations. However, only a few have been publicly disclosed. This noncompliance is a tangible manifestation of the impact of foreign investment with less stringent oversight. Meanwhile, the latent dangers posed by a large number of foreign investors tend to have a greater impact on future generations. The value of dependence on the country that is the destination of investors to investors will tend to increase because the country believes that investors are aiding in the development of their country through investment taxes and the percentage of profits paid to the state treasury by investors.

Indeed, the main objective of foreign investment is to maximize profits for investors by processing raw materials into finished materials, obtaining human resources who can at least be employed to process these raw materials, and taking advantage of a country's special status as a destination for international trade investors. This provides more benefits in terms of quality and quantity (Rajaguguk 2019). Foreign investors have enough capital to drive the wheels of industry, and the destination country has natural resources and labor that can be used to process these natural resources. This demonstrates that the two parties have a mutually beneficial relationship. In reality, however, these natural resources are depleted without regard for the sustainability of the environmental ecosystem or the welfare of workers, resulting in a new unresolved problem.

The pluralistic Indonesian society is not only culturally rich, but its local wisdom has piqued the international community's interest (Suparlan 2001). Indonesia, as a multicultural country, captivates the international community's interest in getting to know and exploring it, so that many people eventually settle in Indonesia. Similarly, the Indonesian people regard the outside world as a society at the forefront of scientific and technological advances. As a result, the Indonesian people respect the international community, particularly the American community. Various stigmas have emerged in the midst of Indonesian society, to the point where the culture of the international community is now being applied by Indonesians, particularly those living in urban areas.

America's success in providing assistance to countries in Europe for economic recovery following World War II led to the United States expanding its role in providing assistance to developing and poor countries through foreign investment or directly in the form of loans through the International Monetary Fund (IMF) (Ilmar 2004, Dewi 2019). Countries that are destinations for foreign investors have gradually become reliant on capital owners. This occurs because the benefits offered are very appealing to development capital from countries with these natural resources. They do not, however, fully encourage the ability to manage their natural resources. These natural resources are still managed by foreign investors, and the country that owns them receives only a small portion of the profits, as agreed and regulated in the agreement.

However, the Indonesian people are currently too reliant on foreign investors to "privilege" them excessively, thereby distorting traditional Indonesian cultural values such as courtesy and mutual cooperation (Ponirin & Silaban 2019, Rajaguguk 2019, Alfadhil et al. 2021). This attitude is reflected in urban society, which is characterized by individualism and hedonism. Urban Indonesians do not even know each other, rarely greet each other, and are preoccupied with their needs. The hedonistic attitude that emerged became a symbol of the urban community's social strata. Even if the price is high, every brand of goods originating from abroad is always a target to purchase. Of course, this attitude does not reflect the culture of the Indonesian people, who are of eastern origin and have high social values.

### **The presence of westernization in Indonesian society**

This form of westernization is becoming more prevalent in society as a result of the constant advertising of foreign products that astonish consumers (Rip 1977, Hermawan & Hamzah 2017, Maison & Adamczyk 2020). The unlimited access to the world of social media, as well as a variety of other accesses, contribute to globalization's increasing modernization of Indonesian society. In fact, urban communities' modernity has shifted some of eastern society's values and norms. Too much privilege is placed on foreign culture, particularly the culture of American society, which appears to demonstrate that absolute liberalism has its own impact. The culture of American society, which is obviously of absolute liberalism, is distinct and distinguishable from the native Indonesian culture, which is eastern and adheres to social values and norms. Globalization allows for the greatest possible amount of space and access to information and communication networks, facilitating human interaction. Various types of information can be easily accessed and obtained at any time and from any location. Shared information can also be easily disseminated through the growing number of social media platforms.

The implementation of foreign policy represents the adequacy of a public policy for the political cycles in the country. Chronologically, this condition emerged with the end of the Cold War. This is due to the emergence of new roles from outside the country and new, more complex dynamics, particularly those involving economic, sociopolitical, and cultural issues in a country (Nehring 2004, Leventon & Gluckman 2013, Lopes 2020). The United States must consider all aspects of foreign policy when projecting its value around the world. The separation of foreign policy and diplomacy is more of an evolution, with social class, interest groups, and public opinion all influencing the decision not to share the same mindset. The United States, as commander in chief, would theoretically be in charge of a wide range of tools, including diplomatic, military, and economic tools. Thus, international trade, economic aid, immigration, geopolitical assistance, sanctions, domestic military spending, and military deployments are all terms used to describe a country's foreign policymaking.

When the Indonesian people, particularly in urban areas, made ongoing modernization an exclusivity and incorporated it into the identity of social strata, the resulting westernization elevated the exclusivity of urban communities (Suharni 2015, Clooney 2019, Hendarsyah 2019). It is not wrong to want to imitate foreign cultures solely to improve people's lives while maintaining their own cultural identity. This curious attitude of foreign culture must be suppressed in order to prevent the prevailing values and norms from shifting too far. Cultural imitation should lead people to new and better developments.

The current westernization not only transforms urban communities into groups that are rich in thought but lacking in social values and courtesy norms (Latova & Latov 2008, Pramuhadi 2020, Aminullah & Lestari 2021). Individualism, hedonism, and materialism are clear manifestations of cultural imitation that have a negative impact on society. People, particularly those living in urban areas, incorporate westernization into their social strata identity. Because of modernization, this westernization will only cause people to forget their identity as a multicultural society. Westernization and modernization are two different things. The notion of modernization is defined as a shift in traditional thinking to become more rational, efficient, and practical. Westernization, on the other hand, focuses on the identification process of imitating western culture. Westernization has both positive and negative effects on society in Indonesia. Westernization is here to renew societal changes through the mastery of technology and

science. The existence of cultural acculturation, as a result of which people are able to understand and apply positive aspects of a new culture. The use of foreign languages in communication helps to broaden the public's understanding and acceptance of new ideas for the advancement of science and technology. However, westernization also poses a hidden danger in the form of a diminished sense of nationalism, the introduction of western ideas that can harm the nation's morals, people's lifestyles becoming more consumptive, people preferring everything instant, and a lack of enthusiasm for their own culture (as illustrated in Figure 2). The concept of liberalism that Western culture has adopted is incompatible with national culture. People's behavior is becoming more individualistic, and the family spirit is fading. There is a deviant attitude that is contrary to Indonesian norms.



**Figure 2.**  
Consumptive lifestyle  
Source: Pangastuti (2014)

Globalization and westernization are inextricably linked because globalization is a process or strategy used by Western countries to expand their products and influence, including culture. As a result, we can say that westernization is one of the outcomes of globalization (Basunanda 2020, Alfadhil et al. 2021). Westernization refers to the process of imitating the culture of Western countries by people from other countries, including developing countries such as Indonesia, but without making any distinction between what is good and bad. Modernization and westernization are frequently confused, despite the fact that they are fundamentally different processes. Modernization, on the other hand, is frequently accompanied by symptoms of westernization in society.

Massive differences that divide traditional community groups are gradually being replaced by new forms of development and various industrializations that operate flexibly according to their specialization. With the territorial structure of the network and industrial district planned as a production system, community groups in the flow of various industrializations can later carry out development in their country optimally (Amoroso 1998, Kubota et al. 2017). Relying on public-sector investment and income redistribution, as well as the potential for a revival of entrepreneurship competitiveness, will encourage new forms of industrialization. The marginalization of ongoing development must be avoided in order to avoid inequitable development in society. Inequality can be seen in the unequal number of people belonging to the prosperous category, as well as regions that receive the impacts of equitable development. Foreign investment, which was present, also aided the emergence of economic equality and industrialization through regional taxes and levies derived from the management of natural resources, which became the object of the investment. The technology brought in by investors as the carrying capacity of the management of investment objects also contributes to the advancement of industrialization in the areas where investment objects are managed.

Globalization not only encourages the formation of westernization but also has the potential to create secularization, which will shift people's cultures more fundamentally than westernization (Robertson 2018). Globalization is present in the world community as a way to diminish information



and communication barriers. People all over the world have unrestricted access to information and communications that connect them together. In terms of cultural exchange, every community around the world can learn about each other's cultures from other countries without having to travel to that country. Every society's culture in different countries is unquestionably distinct. Often, the desire to follow, imitate, or replicate foreign cultures arises and has its own impact on those who engage in it. Excessive imitation eventually resulted in westernization. Every human being strives to improve and perfect everything within him/her, and one of his/her efforts is to imitate those around him/her. However, if the act of imitating is done excessively, it will almost certainly result in the loss of the human being's original identity.

Today, multicultural education must be a priority that provides students with as much diversity and tolerance for differences in society as possible. It is hoped to develop an understanding of diversity and tolerance for differences in their immediate environment and the larger environment. The resulting cultural diversity has a significant impact on the form of behavior, attitudes, and human thought patterns so that each group of people has different ways (usage), habits (folkways), rules (mores), and even customs from one another (Rosyada 2014, Nurcahyono 2018). The primary goal of incorporating multicultural education into school-based learning is to instill a sympathetic attitude, respect, appreciation, and empathy for diversity, as well as tolerance for differences in the community. Multicultural education acknowledges the existence of cultural and ethnic diversity and allows for tolerance of these differences. They all have the same opportunity to achieve academic and non-academic success in school, regardless of their cultural or ethnic background. Acceptance of differences and tolerance for differences become the focal points of multicultural learning in an education system that implements multicultural education. As a result of this process, it is hoped that the younger generation will grow up with a sense of mutual respect and understanding for the surrounding environment. Also, tolerance for these differences can be developed in the realm of other components of education.

Multicultural education has indeed been included in several subjects at school, with the goal of future generations being able to maintain societal values and norms even though they live in the modern era (Rosyada 2014, Nurcahyono 2018). This is a type of long-term preventive treatment. However, it still requires community support by addressing modernity wisely. Multicultural education embedded in learning provides teenagers and the younger generation with an understanding of how to maintain their original culture in the midst of modernity and globalization that is increasing without boundaries. The multicultural education that was held did not fully provide the desired impact. Westernization is still uncontrollable in society, particularly among adolescents (10-18 years) and young adults (19-25 years). At this vulnerable age, the psychological development of the adolescent group still follows the popular trend among their peers. Meanwhile, the group of young adults is still in the process of maturation and identity consolidation. These two groups of people are frequently the target of consumers and create consumerism groups for the latest trending products, particularly those from other countries.

## **Conclusion**

Foreign investment exists as a form of cooperation that is oriented towards the objectives of increasing development in a country that is a place for investors to invest and meet the needs of goods in the international market. Investors enter into investment agreements in order to obtain raw materials and labor. Meanwhile, countries, where investors invest, will be able to use foreign exchange earnings to fund state development programs. Indonesia, as a multiculturalist country rich in natural resources as well as locally sustainable wisdom, is very appealing to the international community to learn about, explore, and eventually settle in Indonesia. Outsiders, particularly those from the United States, are viewed as the most advanced society in terms of science and technology by the Indonesian people. New issues emerge in society, particularly in urban areas, such as individualism, hedonism, and materialism. This is clear evidence of the negative impact that begins with unfiltered imitation of culture and then emerges a new trend known as westernization.

Community groups, particularly in urban areas, make westernization a part of social strata's identity. Because of the encouragement of modernization and globalization, this westernization quickly made people forget their identity as a multicultural society. As a result of this social change, the majority of Indonesians have begun to value popularity, product value, and practicality in their various activities, as a Western society, particularly in the United States, does. The act of mass imitation results in the loss of the community's original identity, which is replaced by a new identity derived from westernization. Finally, the westernization, particularly from the United States, which dominates foreign investment in Indonesia, serves as the starting point for cultural assimilation, which brings westernization to urban society.

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