The Feasibility of Economic Potential for the Improvement of Public Welfare in Indonesia-Malaysia Border in Entikong

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ABSTRACT

This article is intended to determine the feasibility of the economic potential of Indonesia-Malaysia border in Entikong, which can be utilized for the improvement of public welfare, which consists of: (1) the potential of priority sites in Entikong sub-district; and (2) Mapping of the Superior Commodities. The approach used in this study is phenomenology qualitative with Existing Models, with research sites in the border area of Indonesia-Malaysia in Entikong Sub-district, Sanggau, and West Kalimantan Province. The analysis in this study employed interactive model. The results show: (1) The potentials of priority locations in Entikong sub-district consist of the existing potential, the forest potential, mining potential, as well as cultural and social potential; (2) Superior commodities in Entikong which can be mapped to the rank I is pepper, rank II is rubber, rank III is cocoa, rank IV is oil palm, and rank V is rice.

Keywords: Feasibility of Economic Potential, Public Welfare, Border.

INTRODUCTION

The border area between Indonesia-Malaysia in Entikong has a strategic value in the national development. The abundant natural and cultural resources that will support the regional development seem to have not been explored optimally. In fact, these advantages will open up opportunities for the development of Entikong border area as the goal of economic activity such as industrial, trade, and tourism activities. Law No. 17 of 2007 on the National Long-Term Development Plan 2005-2025 has also confirmed that the orientation of the development of the border region has changed from inward looking into outward looking as the economic and trade gateway. 

Economic wealth and other non-economic superiorities available are also the push factor for improving the socio-economic welfare in the area around Entikong border. Besides they have a relationship which is very influential to the activities carried out in other border areas bordering between regions and between countries, they also have an impact on the condition of the defense and security in both the regional and national scale. The success of the achievement of public welfare improvement in Entikong border area can also be determined by the dynamics of how cooperative the collaboration across the region and the degree of the involvement of community groups, local government,
Regional-Owned Enterprises (BUMD), private sector and law institutions. [1]

Entikong has the opportunity of economic growth in the border area. This area is a border region which has the highest economic activities throughout West Kalimantan- Sarawak. [2] The most economic activity is trade sector which grows because the formal cross-border door of Entikong-Tebedu (Sarawak) has been opened since 1991. As the cross-border door, this area becomes the entrance and exit door for trade flows between regions, as well as becomes the strategic location for economic activities. The strategic position of Entikong and the formal access of border lead the increase of commodities and people movement. This increase occurs in the income and outcome flow. In terms of people movement, it tends to show an increase from year to year with average of income flow which is higher than the outcome flow. The increase of movement is caused by the change of the function of cross-border post, which is not only traversed by traditional passer-by but it is also traversed by non-traditional passer-by. [3]

This study examines the feasibility of the economic potential existing in the border of Indonesia-Malaysia in Entikong, which is expected to improve the public welfare, and enable an impact on the national economy as a route of trade between countries. The importance of examining the feasibility of economic potential will clarify the position of Entikong as a strategic region, and to determine the superior economic potential that can support the trade between countries.

METHODS AND MATERIALS

The approach used in this study is phenomenology qualitative with Existing Models. A qualitative approach is used because the data that will be collected is soft, the emphasis is on the descriptions of people, places and conversations, and do not emphasize the use of statistical procedures. The location of this research is in the border region of Indonesia- Malaysia in Entikong sub-district, Sanggau, West Kalimantan Province. The analysis in this study used an interactive model with components including: data collection, data reduction, conclusions which the withdrawal/ verification of data and the data presentation. [4]

RESULT

In general, the finding in this study is divided into: (1) potential of the priority location in Entikong sub-district; and (2) Mapping of the Superior Commodity.

Potential of the Priority Location in Entikong Sub-District

Existing potential Existing potential in Entikong sub-district consists of agriculture, animal husbandry, plantation, fishery, forestry and mining. Some of these potentials have been utilized while some others are still untapped. Here are four existing potentials: (a) The potential of agricultural land. The agricultural land in Entikong sub-district had not changed since 2009 to 2014, which had an area of 50,689 hectares. Most of the agriculture land is dry land farming which in 2014 reached 88.79%, while the wetland was only 0.52%. Here is presented data on the use of land in Entikong sub-district which is divided into paddy fields, dry land and other land. The greatest use of land based on the agricultural commodity in Entikong sub-district in 2014 was for rice fields and the next was for plantation crops such as pepper, cocoa and rubber. Meanwhile, the productivity of paddy rice was relatively small, which only reached 4.2 tons / ha, so that their products were only used for their own purposes. [5] For commodities such as pepper, cocoa and rubber, the product share sold to out of Entikong sub-district as the part of the income source of the residents in Entikong sub-district. The largest market share of pepper and cocoa commodity is the Sarawak State of Malaysia. As for the market share of the results of rubber commodity is partially Pontianak and Sarawak State of Malaysia. The limited potential of...
agricultural land in Entikong sub-district was caused by the support of irrigation facilities which was very simple and limited, which was only rain fed. Even technical irrigation that already existed in 2011; no longer existed in 2013, as well as non PU irrigation also no longer existed, whereas simple irrigation increased. [5] Despite the provision of the irrigation of paddy fields in Entikong sub-district is still very limited due to the natural condition which is hilly and has steep slopes, it is still very possible to make rice cultivation up to two (2) times or more within a period of one year. [5] The use of the largest dry land and in the temporary category is still being sought, and the next is in the form of garden. Temporary category allows the dry land to change at any time and the current function is abandoned land. However dry land which was temporary cultivated decreased, while for the others uses increased; [5] (b) Livestock, livestock owned by people in Entikong sub-district consists of cattle, goats and pigs. The type of livestock which owned by most of the society is goat. However, the number of goats is relatively fixed because it depends on the demand and the number of consumers, while cattle and pigs increased; while poultries which are maintained by the people in Entikong sub-district is the kind of chickens and ducks. Chicken is not very developed in the community, while free-range chicken and ducks are poultries which are the most widely maintained by the community, but the number is relatively fixed because it depends on market demand; [5] (c) Plantation, Plantation crop which is cultivated is a large-scale plantation and public’s plantation. Large-scale plantation estate is a plantation business undertaken by an institution incorporated under the law on state land, and obtains a business license from the competent authority. Outside of this limit is a public’s agriculture. In this case, the Sub Department of Plantation Sanggau Regency noted that oil palm as a crop cultivated by large-scale plantations is already produced consistently, but it is located outside Entikong sub-district. For the types of crops such as coconut, cocoa, pepper, coffee and rubber are types of plants that are widely grown and cultivated by people in Entikong sub-district; [5] and (d) Fishery, the results of fishery in Entikong sub-district come from inland aquaculture activities. It has not experienced significant progress and improvement. The society is expected to continue to intensify efforts for fishery, given that the demand for fish in Entikong sub-district is quite high and continues to increase from year to year. Currently, the demand for fish is imported from Sarawak State of Malaysia, from Sanggau Regency and Pontianak. Only a very few needs of fish could be fulfilled by the fishers in Entikong city itself, and even it is only limited to the types of freshwater fish only. [5] The other problem faced by farmers in Entikong sub-district is the constrain of the adequacy of the land, given to photography of Entikong sub-district is hilly and has steep slopes. There is only very little flat land that can be used for aquaculture. The available flat land is already enabled for wetland and partly used as residential land.

**Forest Potential** Most of Entikong sub-district is a forest area which consists of protected forest with the area of 23543.46 hectares or 39.79%, production forests and limited production forest with the area of 45399.04 hectares or 76.74% of the total forest area in Entikong sub-district. This causes people not allowed to use the results of the wood, but they are only allowed to utilize the products of forest. As it is known that in the forest area there are many kinds of fruit trees such as durian, jackfruit, rambutan, longan, langsat, duku and other various types of fruit plants. The products of forest such as durian and langsatare sold to Malaysia, which are then sold at high prices in Malaysia. The result of sales of fruits such as durian and langsat can be a source of additional income for people in Entikong sub-district, even if only once a year. [5]

**Mining Potential** The main mining potential in Entikong Sub-district is coal,
which is mostly located in Suruh Tembawang village and Pala Pasang village. Because most of the area of Suruh Tembawang village is protected forest areas, then the coal in that area cannot be utilized. Besides having coal, Entikong sub-district also produces gold in Entikong village. [5]  

Socio-cultural potential Most of the residents in Entikong sub-district are Dayak, meanwhile, in Entikong itself there are various tribes, which are Dayak, Malay, Javanese, Batak, Bugis, Minang, Flores tribe, and so forth. People in Entikong village have strong kinship; it can be shown by the activities of sports competition with the neighboring countries and cultural performances that demonstrate various cultures and dances of the tribes in Entikong sub-district. In addition, inter-religious tolerance is still well preserved with mutual respect between people of different religions. This potential should always be preserved, but until today, there is no supporting social culture activity, while in neighboring country (Malaysia) there have long been available facilities such as a building for the implementation of cultural exchanges between the two border areas. [5]  

Superior Commodities Mapping  
Superior commodity that is available in Entikong can be mapped as follows: (1) Selection of Superior Commodities. In selecting superior commodity, then the superior commodity is ranked, with various parameters that have a certain rank and weight. The results show that the first rank of superior commodity is pepper, rank II is rubber, rank III is cocoa, rank IV is oil palm and rank V is rice; [5] (2) Area, Volume and Amount of the Development of Superior Commodities. The land area for the superior and potential commodity increased from the existing condition, with an area of 2,417 Ha to 11372.87 Ha. Meanwhile, for the projection of the output of each main commodity, commodity productivity levels Sanggau Regency is used because it has a higher value than the existing productivity. [5] The development of rubber and cocoa productivity is expected to increase. Rubber commodity which productivity was 0.24 is expected to increase to 0.49, while for cocoa commodity which productivity was 0.21 is expected to increase to 0.83, while pepper commodity remained. In particular, level of productivity of public’s plantations for pepper in Entikong sub-district is higher, which is 0.49 if it is compared to the productivity in Sanggau, which is only 0.37. Therefore, in projecting the production of pepper plantation commodity development in Entikong sub-district, productivity levels that have been achieved in Entikong sub-district is used; (3) Model and Strategy of Superior Commodity - Based Development: (a) Model and Strategy of Public Plantation Area Development, Some models of public plantation area plantation in Entikong sub-district can be divided into four types based on the commodities, namely: Pure Plantation Area (KPM) is a plantation area of vegetation which only consists of pure annual plant or one-season plant; there is no other plant which is planted in addition to that plant. Amalgamated Plantations Area (KPC) is a public plantation area which consists of vegetation which is a combination of annual crop and one-season crop. So in the area of this model, the commodity chosen is a combination of one or several types of one-season plants and one or several types of seasonal crops; Multipurpose Plantation Area (KPS), area of public plantation which main vegetation is garden plant, both annual plants, as well as one-season plant or mixed plant, but on the sideline, it is planted with other agricultural crops and or plantations feed crops. This plantation area of this model, the main commodity is garden plant and the plant selected for the sideline is food plant, or fruit, or other plants that can add profits. In this case, there is no connection between one commodity with another commodity, but they also do not interfere each other. & Integrated Plantation Area (KPT), an area of public plantation which commodity chosen is the combination of agricultural crops, both annual plant and
one-season plant. In this model of plantation area, the main commodity is garden plant and the plant selected for the sideline is food plants, fruits or other plants that can add profits. In this case, there is a relationship or integration of functions between one commodity with another commodity connection in supporting the success of the development. Several models of area development of public plantation in Entikong sub-district based on the purpose of the development, closely related to people’s needs and the model, pattern or design of plantation will be developed. If the plantation development goal is to meet the food needs of society, the system to be developed is pure public plantation area. Thus the commodities to be selected are food plants with various kinds. If the goal is to meet the needs of medicine, then the commodity to be selected is medicinal plant, with the pattern of pure plantation area. If the goal related to the public interest is more than one, then the commodities chosen are more than one type of plant; \[5\] (b) Development and Institutional Development of Public Plantation; In the area development of public plantation, plantation required strong institutions that can be fostered by strengthening the economic institutions of plantation farmers in the countryside. It is necessary for an effective approach so that farmers can take advantage of the existing development programs continuously, through the growth of a sense of belonging, participation and development of creativity with the support of other community, so that it can be developed in the countryside. This development is aimed at the formation of farmer garden groups and inter-group cooperation of garden farmer, thus productive groups which are integrated in cooperative institutions in the plantation sector are formed. To encourage the achievement of the increase of productivity and business efficiency in the development of the public plantation area, the training of plantation institution both formal and non-formal is required.

The training of formal groups is aimed at empowering the members of the group, in order to have an independent force, capable of applying innovations, either technical, social, and economic, capable of utilizing the principle of economic scale and be able to face the business risks, so as to obtain the decent level of income and welfare. Training and institutional development or plantation groups are divided into four (4) phases, namely: First Stage: Training and learning Class. Here, plantation group is a forum for members to interact in order to improve their knowledge, skills and attitude also ambition, ability and effort in agribusiness to be better, profitable and independent. Therefore, it is necessary to do the following steps: Hold regular meetings to discuss ongoing knowledge and skills as well as experience in dealing with issues related to technology, cultivation, provision of production facility, marketing, and business analysis; Invite expert interviewees from Plantation Office, private companies, cooperation; BUMN/ BUMD or financial institutions as the speakers; Develop a cadre of leadership among members; and Follow training or courses which are required in order to improve the group agriculture business. Second Stage, the Institutional Development as Production Unit. Agriculture business of each plantation group as a whole is viewed as a unit of production, so it can be developed to achieve economic scale which has agribusiness view. For that, these steps are necessary: Plan and determine the profitable pattern of agriculture business based on the available information in the field of technology, social, marketing, production facilities, and natural resources; Develop a business plan like: Group Definitive Plan (RDK) and the Definitive Plan of Group Needs (RDKK) which includes capital plan and the joint movement; Implement activities of mutual interest such as implementing appropriate technologies that have been agreed, provision of facility of production, marketing, pest eradication and
preservation of natural resources; Analyze and assess the agriculture business carried out and formulate the repair and improvement. Third stage, The Institutional Training as Cooperation Forum. In this case, group is a place to strengthen each other within the group and between group and other parties to improve the productivity and incomes in facing threats, challenges, obstacles and distractions. Therefore, the following steps are necessary: Establish agreements or provisions that must be followed or implemented by all group members and sanctions for the group members who violate the agreements; Conduct division of tasks, both administrators and members of the group, so that all group members can take part in activities which are carried out by the group; Run the administration of the group orderly, which includes records of the group members, group wealth inventory, the results of meeting, finance, correspondence and guest books; and Improve the group into a joint venture agribusiness group that is integrated into the plantation group.

Fourth stage, The Institutional Training as Business Group. In the training of this group, all the skills owned are directed to be able to take advantage of various business opportunities and also the improvement of business towards commercial, in which the activities conducted already take into account, the advantages and disadvantages. This training is done through the following steps: Analyzing the market potential and the opportunity to develop more profitable commodities; Analyzing the potential of the region, which commodity that can be developed in accordance with the availability of market that provides benefits in business; and cooperating partnerships with private companies, cooperation, and BUMN to increase the performance.

DISCUSSION

Entikong sub-district is a central-economic region which economic development is relatively fast. Entikong border area has excellent potential resource to be developed. Although it is not used optimally, the diversity of its resources can encourage the local economic activity and encourage regional economic units. Another potential is the strategic position that allows Entikong sub-district to have direct access to Sarawak Malaysia. Strategic position as a border region that has direct access to the neighboring countries is the push factor for the economic development of the border region in Entikong sub-district. [6]

As a border area, the economic condition in Entikong has improved since the opening of PPLB. The direct access of landline to Sarawak Malaysia gives an impact on the economic and socio-cultural activities. The neighboring country, Malaysia, is a potential market, not only for the interests of local producers in the border region of Entikong, but it can be used internally by producers in Sanggau Regency and West Kalimantan or even by national producers. Thus, the existence of PPLB in addition to provide a significant change to the economic development of border area in Entikong, the economic productivity of regional area will increase as a whole. Meanwhile, the potential of agriculture in Entikong Sub-district also varies. [5]

At first, the security management of the border area only used security approach, but nowadays it has led to prosperity approach and environmental sustainability with a balanced portion based on the principle of decentralization and regional autonomy. This is in line with the (Law of the Republic of Indonesia Number 43 of 2008 on the territory of the State), which states that the Management of the State Territorial is conducted with approach of welfare, security and environmental sustainability altogether. [7]

Welfare approach in terms of the efforts of management of State territory should provide the greatest benefit to the welfare of the people living in the Border Area. Security approach in terms of territory management is to ensure the territorial integrity and sovereignty of the country and the protection of the entire nation. While the
approach of environmental sustainability in term of Border Area development that takes into account aspects of environmental sustainability is a form of sustainable development. According to Ratti (1993), the development of border area is a series of the processes of movement which was from frontier as a barrier, into a border area as a filter, then forms border area as a contact zone.

Economic activity in Entikong border region showed quite interesting phenomenon if it was examined from the traffic of the entrance and exit of goods through PPLB Entikong. By 2009, the value of goods entered was 748,328.54 USD, while the value of the goods out was 2,231,714.16 USD. This number showed the surplus value of trade with Malaysia which is certainly a prospect that needs to be continued in the future. Improving the economic infrastructure in Entikong border region, it is expected that the economic performance can be improved, so as to provide immediate benefits in improving the welfare of the community.

Glasson (1974) puts forward the concept of area as a method of classification that arises through two different things, which is reflecting the economic progress of simple economy to complex industrial systems. The first phase shows the formal area that is related to the uniformity and defined by homogeneity. The second phase shows the development of functional area, which is regarding to interdependence, mutual relations between the parts and is defined by the functional coherence.

Typology adopted from the view of Wu (2001) is essentially a characteristic classification of the development of border areas, so that every stage of development can be identified. The classification aims to improve the comparative study by classifying the characteristics of the onset of development of border areas and describing the development process to the next stage. The classification also gives more attention on the contributing factors for the development of border areas, thus it shows a typology of the development of border areas by highlighting some of the relationship of economic and institution, network infrastructure, labor costs, and migration factors.

According to Gonzalez (2001), where the new functions of a region have started to be put through a process of "gearing down". This model is characterized by the functional and spatial differences of border areas which are characterized by the transition from the political function of area to the economic development area.

The role of central government and local government is very important related to the implementation of government functions in accordance with the principle of local autonomy in managing the development of the border region in Entikong. State borders on land, the border area of Entikong was specified in the Government Regulation No. 26 of 2008 on the National Spatial Plan (RTRWN) in the form of National Strategic Area, namely the land area that borders Indonesia and the Heart of Borneo. In that PP, it is stated that setting of Entikong border area is planned with the first development priority with the program in the form of development or quality enhancement of national strategic areas in the interest of defense and security.

Several studies which have been done, whether conducted by the Tanjungpura University (UNTAN) Pontianak and the Indonesian Institute of Sciences (LIPI) concluded that Kalimantan Barat, which has a special interest in foreign affairs, has not obtained much benefit from its proximity to the Malaysian side and even the potential, both the potential of natural resources (SDA) and human resources (SDM) in Entikong border region are sucked away to the neighboring country, Malaysia. Meanwhile, according to Hamid (2003), the area of border is a strategic area because it is a growing point for regional and national economy. Through this area, inter-state trading activities can be done easily, quickly and cheaply, which in
turn will lead the improvement the production activity of society, people's income and lead to the welfare of society.

Lately, the development of Entikong border areas becomes the concern of the government because it has strategic and important purpose related to regional autonomy, free trade, and globalization. The development of border area in Entikong should be accelerated, given the fragility of the situation in the border areas from the aspects of ideological, political, economic, social, and cultural and defense, and security. The phenomena which are very prominent are the illegal activities, the flow of illegal migrants, and the shifting of the boundary markers between countries. To accelerate the development of Entikong border areas it is necessary to make concept that synergizes the ideas, policies or concepts that already exist. \[9\]

The decentralization which occurs in Indonesia is primarily an attempt to solve the problem of slow development in the area, which has an impact on the problem of underdevelopment and inequality between regions, regarding to the welfare and economic growth. The centralistic of the development do not consider the local resource owned by the region.

Every region in the era of regional autonomy is required to manage and be able to utilize its resources independently, and then border area which has enormous potential can be used as an asset for regional development. Border areas between countries have strategic potential for the development of international trade activities which is very profitable. This area also has great potential to be the center of growth in the region, particularly in terms of industrial development, trade and tourism. This will provide opportunities for the improvement of production activities which will further lead to a variety of multiplier effects. \[14\]

All this time, the economic relation and cross-border trade between West Kalimantan and East Malaysia runs smoothly through the four points/main lines, namely Entikong, Badau, Senaning, and Jagoi Babang. From those four exit doors, there are only two official doors, namely Entikong and Badau (as an official border). While Senaning and Jagoi Babang are still semi-official exit doors. Until now, Entikong border area is the densest area of trading and economic activity. \[9\]

Trade commodities that cross Entikong border area in general are goods of agricultural and plantation commodities, such as rubber, pepper, cocoa seed, tallow seed, rattan woven craft, tree bark, bream and others. Conversely, basic need goods entering Sarawak, such as sugar, salt, cigarettes, tobacco, canned beverage, packaged bread, LPG, agricultural and plantation medicine, fertilizers and building tools. Trading activities undertaken by communities in Entikong border area are mostly done through irregular channels (traditional lines), besides because it does not require complicated rules of bureaucracy, the process is easy and fast, and the distance is also closer. \[9\]

To reduce the greater loss due to the proliferation of traditional trading activities (traditional borders points) which are "untouched" by government regulations, then one of the policies that can be considered is to improve cross-border relationship between Entikong and Sarawak which are carried out by the local governments. However, the policy seems to be hampered by the lack of legislation that the management of Entikong border area is under the authority of central government, whether it is regarding to the developmental programs and in-out services in PPLB. The result that emerges is that Entikong border area is still a border region that is grungy, chaotic and filled with illegal trading practices. \[15\] It requires immediate action related to the effort to expand the function of PPLB in Entikong region, with the hope to increase the volume of official trade which in turn can have an impact on the growth of local economy.

Meanwhile, the potential of natural resources in Entikong sub-district border region is very big, but so far the effort in the
management is not optimal yet. Natural resources that are possible to be managed along Entikong border region are forestry, mining, plantation, agriculture, tourism, and livestock and fisheries resources. Now the utilization of natural resources begins with agribusiness development program, especially for the commodity sector of rubber, oil, pepper and cocoa. [5]

The effort to use the natural resources in most of Entikong sub-district borders areas is illegal and uncontrolled, which disturbs the ecological balance and environmental sustainability. The effort to optimize the potential of natural resources should pay attention to the carrying capacity of the environment, so it does not harm the environment, both physical and social environment. [5]

CONCLUSION

Potential of the Priority Location in Entikong sub-district consists of: (1) Existing potential, which consists of agriculture, animal husbandry, farming, fishing, forestry and mining; (2) The potential of forest, most of area in Entikong sub-district is forest area consisting of protected forest with an area of 23543.46 hectares or 39.79%, the area of production forest and limited production forest is 45399.04 hectares or 76.74% of the total forest area in Entikong sub-district; (3) Mine Potential, the main potential is coal, which is mostly located in Suruh Tembawang village and Pala Pasang village; & (4) Social and Culture Potential. The most residents in Entikong sub-district are Dayak, meanwhile, in Entikong itself there are various tribes, Dayak, Malay, Javanese, Batak, Bugis, Minang, Flores tribe, and so forth.

Superior commodity in Entikong can be mapped by: (1) Selection of Superior Commodities, the results show that the superior commodity in the rank I is pepper, rank II is rubber, rank III is cocoa, rank IV is oil palm and rank V is rice; (2) The land area for the superior and potential commodity has increased from the existing condition with the area of 2,417 Ha to 11372.87 Ha; (3) Model and Strategy of Superior Commodity-Based consists of: (a) Model and Strategy of Public Plantation Area Development, namely: Pure Plantation Area (KPM), Amalgamated Plantations Area (KPC), Multipurpose Plantation Area (KPS), and Integrated Plantation Area (KPT); and (b) Development and Institutional Development of Public Plantation, which is divided into four (4) stages: Training of Teaching and learning Class Stage, The Institutional Development as Production Unit Stage, The Institutional Training as Cooperation Forum Stage, The Institutional Training as Business Group Stage.

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