

COOPERATIVE EMPOWERMENT IN THE BORDER AREA OF IMT-GT IN INCREASING ECONOMY AND NATIONALISM WITH THE SPIRIT OF TOGETHERNESS AND MUTUAL COOPERATION

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ABSTRACT. *Economic development in the border area by reactivating the movement of a community-based economy reduces the dependence of border area communities on overseas economic activity. It is performed by reactivating existing cooperative activities (cooperatives revitalization), developing new cooperatives, and exhilarating the program of "Cooperative Aware Movement" (Gemaskop) of the Ministry of Cooperatives and SMEs. The establishment of cooperative as people's unifying institution will arise a sense of belonging and connection as fellow members of cooperative. The spirit of togetherness and mutual cooperation will be awakened by encouraging the existence of cooperative. Cooperatives as the facility due to limited economic facility in the border zone sell a variety of products of people's he basic needs as well as the sales center for the production of border communities. After they unite, they will develop a sense of belonging and attachment as fellow citizens of the cooperative. The spirit of togetherness or mutual cooperation is built in border areas with unpleasant condition where conditions are less encouraging, there is a stimulant that it can be run in accordance with its function.*

Key Words: *Cooperative, Border, Democracy, Unity, Mutual Cooperation*

INTRODUCTION

The roles of regional government recently have been at stake for the development of border areas. Why not? The government today is building infrastructures at the border, ranging from the rehabilitation of PLBN, Traditional Market, the services of Sea Toll and Air Toll. It is unfortunate if the Regional Governments of the border are only shackled with the slogan of "no budget". The government has been doing the construction in the border with the unimaginable scale and escalation. The government has built 9 PLBN with the new version which are friendly to cross-border trade activities in Indonesia. The government has also been and is building parallel roads in the border of Indonesia-Malaysia with a tremendous escalation as well. All of them will open up the isolation of border areas and to make them as the front page of the nation. The President also wants the Indonesian Military (TNI) to pay

attention to the "show of powers" related to the border areas. In strengthening the effectiveness of their own military force mobility, it is also important to stimulate the economic growth in the border regions.

Inter-state trade on the borders generally run well despite running within certain limits and seems to have inadequate response by the parties. In Entikong, many Indonesian shop in Tebedu, to the supermarkets in the village within one kilometer from the border. Otherwise, no shop of the same class is found in the side of Indonesia. There are only small shops selling Malaysian products at a price which is also classified as less attractive. The opposite occurs in Skow, the border between Indonesia and Papua New Guinea (PNG). In PNG side, there is no shop, but on the side of Indonesia there is a market in Skow selling various products from Indonesia at a cheaper price. The same thing happens on the border between Indonesia and Timor Leste.

Asean Economic in ASEAN Framework

Vice President Jusuf Kalla encourages to increase the cooperation in the border regions of Southeast Asian countries. The economic development in border areas will be better when supported by connectivity, selling or buying goods in accordance with the existing dynamics. For example, taking goods from Miangas Island on the tip of Sulawesi to the Philippines is more efficient than taking them to Java, as well as for West Kalimantan people from and to Sarawak. Such things should be improved," said Kalla when opening Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA) and Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) in Makassar, on Friday (14/10/2016).

Strengthening The Presence of Indonesian Products in Borders

Our opportunity is to present Indonesian products on the border in better quality and lower prices. Can it be done? Logically, it can be simply done. The first way is that Indonesia is building Sea Toll (it has been executed, but not optimal). All borders will be accessible by the sea toll; the areas which are not covered by sea toll will be reached by Air Toll. For example, for the regions of Sebatik and Nunukan, there will be two ports that will be visited by sea toll; SEI NYAMUK PORT in Sebatik and TUNON TAKA PORT in Nunukan. Then, the sea toll for the province of North Kalimantan (Kaltara) is included in the route eight, starting from Surabaya, Tanjung Selor, Tarakan, Nunukan and Sebatik. As for the inland area, minimally before the operation of the parallel road on the border, Air Toll can be operated. Currently, air toll is still focused on fuel transportation, but if the regional government and the Ministry of Transportation work together, it will obviously be developed for goods services. It is a very potential opportunity if the regional government can use it.

The Ministry of Cooperatives and Small and Medium Enterprises (SME) will revitalize 11 markets in border areas. The program will allocate the revitalization budget of IDR 950 million for each market. The Deputy of the Business Restructuring Field of the Ministry of Cooperatives and SMEs, Yuana Setyowati, said (at the office of the Ministry of Cooperatives and SMEs, Jakarta, 18/1/2017) it is very important for the improvement of business facilities and good markets in border areas because so far many people in border areas are easier to shop for daily needs in the territory of neighboring countries. The matters which are not synergistic with the role of regional governments or the regional government of border areas will not run this program optimally. Regional governments are expected to "pick up the ball" and coordinate with the relevant Ministries and mutual joints to build the markets and supporting facilities so that the benefits can be more optimal.

Border Regions, Sea Tells, and MP3EI

According to the Deputy of Production and Marketing Field of the Ministry of Cooperatives and SME, I Wayan Dipta, there are 11 markets that will be revitalized in East Nusa Tenggara (NTT), Papua and Kalimantan. "For the border areas, such as NTT, Papua, and Kalimantan, the grant funds have been prepared to be managed by the Regional Governments. The Ministry of Cooperatives and SMEs will revitalize 51 markets spread across 24 provinces. In addition to 11 markets on the borders, there are 40 other markets that will be revitalized in the regular areas.

The administration of Joko Widodo and Jusuf Kalla is promoting the development of "sea toll" to balance the distribution channel between Java and out of Java, which is expected to minimize price disparities and regional economic growth. Port readiness is an important condition to support the implementation of "sea tolls". Increasing the capacity of port services is a priority that must be undertaken by the government to support the achievement of "sea toll" programs that connect the islands in Indonesia. According to the Head of Public Relations of PT. Pelabuhan Indonesia III (Pelindo), Edi Priyanto, the modernization through the provision of modern auxiliary equipment for ship loading will support the implementation of "sea toll" program that requires the flow of goods distribution to run smoothly and quickly. It is expected that 24 sea toll ports are expected to have relatively similar facilities so that the roles of sea toll can be optimal.

Concerning the prospect of Sea Toll for Indonesia's future progresses, it makes the Ministry of Transportation initiate air toll to improve the connectivity of goods and people in remote areas which are difficult to access by land and water routes. The Minister of Transportation tried to introduce the idea of AIR TOLL, which is the toll that can be expected if sea and land tolls cannot be utilized. The Ministry of Transportation is expected to be able to see this idea from the broader side, particularly related to the connectivity to facilitate the movement of fuel, goods and people in the border areas, Papua, West Papua and the Small Outermost Islands.

Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT)

The Cooperation of Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) was established at the 1st Ministerial Meeting (PTM) in Langkawi, Malaysia on July 20, 1993. IMT-GT is aimed at improving the welfare and economic growth of people in the border areas of the IMT-GT countries. Through IMT-GT cooperation, the private sector continues to be pushed to be "engine of growth". For this purpose, a forum for entrepreneurs in the IMT-GT areas called Joint Business Council (JBC) has been established. JBC is actively involved in the series of the SOM/ MM of IMT-GT every year.

The areas of Indonesia which are part of the IMT-GT cooperation are the provinces of: Aceh, Bangka-Belitung, Bengkulu, Jambi, Lampung, South Sumatera, Riau, Riau Islands, North Sumatera and West Sumatera

IMT-GT Development

At the 5th IMT-GT Summit in Hanoi, Vietnam, on October 28, 2010, IMT-GT leaders adopted the Joint Statement of the 5th IMT-GT Summit which contains: the development of IMT-GT projects primarily related to the realization of sub-regional connectivity in support of the ASEAN Connectivity, the Mid-Term Review of the IMT-GT Roadmap 2007-2011, the

Business Process Review undertaken by the Eminent Person Group (EPG), the importance of private and local government roles in IMT-GT development, the role of ADB as IMT-GT Development Partner, and the cooperation between IMT-GT and Japan in the Economic Research Institute of ASEAN and East Asia (ERIA). Until recently, there have been 15 Senior Officials Meetings (SOM) and Ministerial Meetings (MM) and 5 IMT-GT Summits.

IMT-GT Sub-Regional Connectivity

The 2nd IMT-GT Summit in Cebu, Philippines, January 12, 2007 had agreed to develop the IMT-GT Connectivity Corridor to be a center of economic activity that can drive economic growth in the sub-region.

The implementation of the concept of IMT-GT Connectivity Corridor in 5 (five) economic corridors considered to be the most potential with relatively high traffic and need to be improved are: (i) the economic corridor of Songkhla-Penang-Medan; (ii) the economic corridor of Malacca Strait, (iii) the economic corridor of Banda Aceh-Medan-Dumai-Palembang, (iv) the economic corridor of Melaka-Dumai, and (v) the economic corridor of Ranong-Phuket-Aceh.

At the 4th Summit in Hua Hin, Thailand, 28 February 2009, IMT-GT leaders reemphasized the importance of building IMT-GT Connectivity Corridors. The development of connectivity corridors should be included in national development planning. In addition, IMT-GT leaders also consider the need to strengthen maritime transport links and trade through Malacca Strait. In this case, there have been 13 (thirteen) ports incorporated in the Joint Business Councils (JBCs) of IMT-GT Coastal Network.

IMT-GT has established IMT-GT Baseline Priority Projects Connectivity (PCPs) in order to improve the connectivity in IMT-GT regions. The projects within the PCPs framework are the Sumatera Ports Development Project, the Melaka-Dumai Economic Corridor Multimodal Transport Project, the Melaka Pekanbaru Power Interconnection, and the Development of Aceh Highway Facilities.

At the 5th Summit in Hanoi in October 2010, IMT-GT leaders stated that PCPs can be concrete and visible building blocks for the ASEAN Master Plan on Connectivity.

The Construction of Grocery Shop in The Borders of Indonesia-Malaysia-Thailand Provincial Triangle Growth

The Head of Industry and Trade Cooperatives (Disperindagkop) of North Kalimantan Province (Kaltara), Haerumudin, said that the construction of Indonesian shops is a hope from the Governor of Kaltara, H. Irianto Lambrie, for the border areas. Regarding to the lack of infrastructure, the price of basic food is quite expensive in the border areas. People in the border areas live in a hard life because Indonesian goods traded there are not the same as those in the border area of Krayan. The groceries are made in Malaysia. The need to build Indonesian shops on the border will be able to accommodate all goods made in Indonesia which are traded and there is no shortage for the people who are in the border area.

The purpose of the Indonesian shop is to accommodate the goods of Indonesia so that they do not lack of groceries if there is a stop of delivery from the Malaysian side. Therefore, with

the Indonesian shop that, later on, the basic needs in the border area are always available for the community. The Provincial Government of Kaltara only subsidizes the cost of transporting goods to the border so that groceries are traded at the same price as the price in Tarakan and Nunukan. So far, when there is no subsidy to the price of goods or groceries, the price in the border area can be 10 times more expensive than the price in Nunukan or Tarakan. Hence, the people there take the goods from Malaysia because the price is cheaper. The government has been allocating IDR 9 billion to subsidize the freight charges until recently.

Regarding the plan to construct Indonesian shops in the border area, there are seven Indonesian shops that will be built in the areas of Krayan Induk, South Krayan, Lumbis Ogong, Central Sebatik and Pujungan. For the initial stage, the priority could be Krayan and Sebatik areas, and for the progress the regional government gets the assistance from the state budget through the relevant ministries.

For the management of the Indonesian shops, the Provincial Government of Kaltara has appointed the third party as the manager of the Indonesian shops on the border, such as the cooperatives or the Logistic Affairs Agency (BULOG) so that the needs of the people on the border can be fulfilled and there is supervision. When the initial stage starts, it could be with the cooperatives or Bulog as the third party.

Cooperative Implementation Strategy in IMT-GT Border Region

The development of cooperatives is implemented by reactivating the units of people's economic movement, while reducing the dependence of the people on the border on foreign economic activity. So far, people on the borders are heavily dependent on foreign business activities. Border area communities can be self-reliant in their economic activities by regenerating cooperative activities in cooperation with the Ministry of Cooperatives and SMEs along with the program of Cooperative-Conscious Society Movement (Gemaskop).

Today, cooperatives become one of people's economic supporters in Indonesia. The growth of cooperatives in Indonesia is also increasing every year. Based on Law No. 25 of 1992, cooperative has the objective to promote the welfare of the members in particular and the society in general, as well as to build the national economic order to realize the advanced, just and prosperous society based on Pancasila and the 1945 Constitution. The grant aid is a strengthening of capital. Each cooperative gets the funding of IDR 50 million. The grant must also be completely selective and in accordance with the applicable rules.

It is necessary to map the data and the number of inactive cooperatives in Indonesia's border areas with several other countries, such as Singapore, Malaysia, Brunei Darussalam, and Timor Leste in East Nusa Tenggara. The most vulnerable area that can be accessed by foreign parties for their economic activities is in the Riau Islands. People in this region are even almost familiar with the inter-state trade and economic activities with Singapore and Malaysia.

The society of traders in the Riau Islands even have a direct deal with their partners from both countries. By reactivating the movement of the people-based economy, There is an optimism that the dependence and the habit will disappear. It is improper to rely on the strength of foreign countries to revive the economic activities of Indonesian people in the border areas.

Therefore, border areas should strengthen their economic system through cooperative activities. The government and cooperative movement must work together so that people on the borders do not feel to be ignored in their economic improvement. It means that we want the economic condition of the community in the border area to be good enough. The goal of the cooperative empowerment in the border areas is to release the economic dependence of local people from neighboring countries. The cooperative movement has several concepts, i.e.: establishing cooperatives as people's unifying institution. Once they unite, a sense of belonging and attachment as fellow cooperative members will arise. Thus, the spirit of togetherness or mutual work developed in border areas with less encouraging conditions is a stimulant that can run in accordance with its function.

CONCLUSION

State border areas are the areas categorized as isolated with high level of basic needs vulnerability compared with their respective district capitals or other areas. It is necessary to prepare from development financing, monitoring costs, and preparation of UKL (Environmental Management Efforts) or UPL (Environmental Monitoring Efforts).

The economic development in border areas is conducted in order to provide basic needs for society, to stabilize prices in alleviating poverty, and to foster a sense of nationalism in border community as one of the evidence to present the state in the border regions. As a result, the government's assets can be utilized to increase regional original revenue (PAD) and to alleviate poverty in the border regions. Cooperative as an economic organization with social and cultural character has self-help nature so that the same economic interests of its members make the basis of independence of a cooperative.

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