# RURAL AREA DEVELOPMENT PROGRAM: VILLAGE DEVELOPMENT STRATEGY BASED ON RURAL-URBAN LINKAGES (A CASE STUDY: AGROWISATA IJEN RURAL AREA IN BANYUWANGI REGENCY)

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#### **ABSTRACT**

Rural development is an effort to optimally utilize all potential resources to achieve village growth and improve the welfare of rural communities. The direction of the village development policy was then reborn marked by the birth of a law that regulating villages (UU 6/2014). The rural area development program is one of the mandates of the law on villages and makes a difference between the previous village development. The purpose of this research is to identify the characteristics of rural area development program. This research was conducted with a deductive approach and qualitative research methods. Data collection was carried out through institutional surveys and field observations. Data analysis was performed using content analysis and triangulation strategy. The research results show that the rural area development program is included in the development strategy of rural-urban linkages with the characteristics of the target village of the program being a developing village with good accessibility to cities, the availability of adequate infrastructure, and there are production-distribution network and economic exchange from rural to cities. The characteristics of program delivery are a combination of top-down and bottom-up approaches with multi-stakeholder participation and cross-stakeholder institutions with local institutions as the main implementers.

Keywords: Rural areas, Regional development, Program implementation.

## 1. INTRODUCTION

Villages and rural areas have a lot of potential, especially natural resource potentials that can be used as capital in improving the economy if used optimally. Rural development is an effort made to optimally utilize all potential resources to achieve village growth and improve the welfare of rural communities. In its development, rural development that has been implemented since long ago until now has not provided satisfactory results in improving the welfare of rural communities (Muta'ali, 2016).

In socio-economic and environmental terms, villages have dynamic relationships with other areas, especially cities. The urban-biased policy pattern makes this relationship unbalanced so that rural areas face internal and external problems that hinder the realization of the goals of developing productive, competitive, and comfortable rural areas (Muta'ali, 2016). Data from BPS in the Monthly Socio-Economic Data Report (2018) shows that as of September 2017, it shows that the percentage of poor people in rural areas is greater, namely 16.31 million people or 13.47% compared to urban areas of 10.27 million people or 7.26 %. Another problem related to rural human resources is dominated by elementary school graduates, amounting to 57%. Not enough poverty and education, other problems are related to the low assets controlled by rural communities, especially land, capital, and resource assets. The low level of services for rural infrastructure and facilities, as well as the weak capacity of rural institutions, means that the various potential and wealth of natural resources in rural areas are still not optimally used to support the rural economy. Apart from the helplessness of the village, the backwash effect phenomenon adds to new problems due to the depletion of rural resources by the city. Rural and urban conditions that experience development gaps make the level of urbanization high and tend to increase from year to year. According to the United Nations (2014), 53% of Indonesians live in urban areas and it is predicted that this will increase to 70% by 2050.

Various problems that occur in rural areas require handling in the form of a development strategy that can solve these problems. According to Zhu, et al (2019), the balance of urban village relations is

achieved if there is facilitation of related government policies. Besides, village development is also influenced by the role of local communities (Dinis, 2019).

The involvement of other parties is also important as according to Barraket, et al. (2017) show that the positive role of government organizations and social entrepreneurship also affects villages, especially increasing community capacity in the context of empowerment. The involvement of various parties and increasing the capacity of rural communities as the subject of development is used to support the optimization of the potential utilization of rural natural resources to improve the village economy. Over time, various strategies and models for rural development have emerged. In Indonesia, the village development program has been implemented in various models. Mutaali (2016) states that the typology of the spatial model of regional development can be grouped into three, namely the growth center model as a deepening of the development approach from above, the territorial decentralization model as a deepening of the development approach from below, and the spatial integration model that seeks to integrate the two previous models by considering the model, the relationship between the village and the city. The typology of the spatial development model can be identified through the characteristics of policy/program implementation in the form of program target characteristics (in this case "location of the program") and program delivery characteristics.

The direction of the village development policy was then reborn marked by the birth of a law specifically regulating villages. The enactment of Law Number 6 of 2014 concerning Villages brought significant changes to village development. Village development in the Village Law divides 2 (two) approaches to village development, namely "building villages" which are aimed at local scale village development (village development) and "building villages" which are integrated into broader and functional village development planning in form of rural area development program. Adisasmita (2010) states that development policies through a regional approach lead to the achievement of certain functions, development of various interrelated and supportive sectors, as well as more focused and integrated development activities that are expected to be able to encourage the achievement of development targets with a higher success rate.

The development of rural areas is a new model for the development of rural areas in terms of both the spatial scale and the economic scale that will be achieved. Therefore, it is necessary to look at the concept and characteristics of the rural area development program so that it can also be identified the typology of the spatial model of regional development from the program.

### 2. RESEARCH METHOD

The research approach uses a deductive approach with qualitative methods. The deductive approach is carried out by studying technical literature, namely literature that provides a background of material that compares findings from actual data obtained and has specific functions such as providing theoretical and conceptual frameworks that can be used as guidelines (Creswell, 2009). The qualitative method used in this research is a case study.

This research was conducted in Ijen Village Area, Banyuwangi Regency. This rural area consists of 14 villages located in three sub-districts, namely Glagah District, Tamansari District, and Kalipuro District (map of study locations is shown in Figure 1). This rural area was chosen because it is one of the National Priority Rural Areas included in the direction of the National MediumTerm Development Plan (RPJMN 2015-2019).

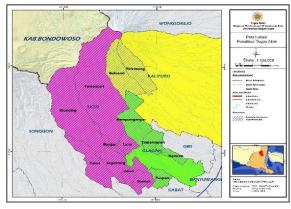


Figure 1. Ijen Rural Area Map

The data collection method was carried out through primary surveys and secondary surveys. Primary survey through field observations and secondary by collecting various related documents from various agencies, namely: Ijen Rural Area Development Plan (2017-2021); Annual Report on the Implementation of Ijen Rural Area Development Program, Banyuwangi Regency; Documents on Legality and Institutional Structure of Ijen Rural Areas; Banyuwangi Regency RTRW and RPJMD Plan Documents; In Figures District (Licin, Glagah, and Kalipuro Districts); and Village Potential Data (Podes) in 2018.

The data analysis method is in the form of content analysis from documented material such as books, documents, laws and regulations, and written content. In addition to content analysis, the authors also conducted data source triangulation techniques, namely checking data to see to what extent the data describes the research phenomenon. Triangulation of data sources was done by comparing the results of content analysis from documents with the results of field observations.

#### 3. RESULTS AND DISCUSSION

The results and discussion are divided into characteristics the location of the target village, the economic base of the village, the spatial patterns of investment, the movements of the villagers are carried out, the characteristics of program delivery, and program implementing institutions.

## 3.1. Location of Target Village

According to the program, the development of rural areas is one of the national priority programs in the context of realizing the Nawacita 3 agenda, namely Building Indonesia from the Outskirts and Strengthening Regions and Villages within the Framework of a Unitary State. One of the objectives of the agenda is to increase the linkage between rural areas and the economy of rural areas for the acceleration of independent villages. The affirmative target of the 2015-2019 National Mid-Term Development Plan is to strengthen 39 growth centers to increase the linkages between villages and cities. The locus target of the rural area development program is 39 growth centers as outlined in the 2015-2019 RPJMN document. One of these growth centers is in Banyuwangi Regency. Based on the direction of the Ministry of National Development Planning / Bappenas, the selection of village locus for rural area development programs is in villages with a "developing" index because developing villages have economic, social, and environmental resilience, availability of adequate infrastructure and facilities and are capable of being an economic driver for the surrounding areas. Meanwhile, according to Village Law (UU Desa No 6/2014) and Permendesa No. 5/2016 on Rural Area Development, the characteristics of the locus of rural areas are: (1) consists of villages bordering each other; (2) located in 1 district; (3) has main agricultural activities; and (4) have similarities and / or linkages potential or development problems.

The Ijen Rural Area of Agro-tourism, Banyuwangi Regency is located in 14 villages that border each other and are in the Banyuwangi Regency. According to the 2018 Village Development Index (IPD) issued by Bappenas and BPS, the majority of villages in the Ijen Agro-tourism KP have a "Developing" index and 1 village, Licin Village, has an Independent index. According to Bappenas, the concept of selecting villages with a developing and independent index is carried out to accelerate development in rural areas.

Ijen Rural Area is located about 20 km from the city center of Banyuwangi Regency. The physical characteristics of the target villages are assessed through the accessibility conditions from the city center to rural areas. At the Ijen Rural Area, access from the area to the city center is considered good with asphalt road conditions based on Village Potential Data (Podes 2018). In addition to accessibility, the availability of infrastructure and facilities is also assessed to see the physical characteristics of the program target villages. Based on data processing from the District in Figures of 2019, the availability of educational, health, economic, and religious facilities is sufficient to meet the service needs of the regional community. Besides, according to Podes 2018, the community also stated that it was easy to access these facilities. Clean water, sanitation, and garbage infrastructure have also met the service needs of rural communities.

According to BPS, the demographic characteristics of the target villages can be assessed from the size of the population density. Based on data from the District in Figures 2019, most of the population density in each village in Ijen Rural Area is below 500 people / km2 with an average density of all rural areas is 266 people / km2.

Based on BPS Regulation 37/2010 concerning the Classification of Urban and Rural Areas, the demographic characteristics of Ijen Rural Area are classified as low-density villages.

## 3.2. Economic Basis of Village

The definition of a village-based on economic characteristics according to some expert opinions is an area with the main economic base of agriculture. This is reflected in the livelihoods of most of the population who depend on the agricultural sector. The characteristics of a village have begun to become urban with a shift in the livelihood of the population that has begun to shift from the primary sector to the secondary sector. Based on Podes 2018 data, the main source of income for residents in the Ijen Rural Area is agriculture. The development of the agricultural sector was also balanced with the development of the small and medium industrial sector engaged in the processing of local natural products. Data from the Banyuwangi Industry and Trade Office the number of small and medium industries in Licin District is 1254 units, while in Kalipuro District there are 390 units (Telemung Village and Bulusari Village), and in Glagah District a total of 1282 units (Kemiren, Paspan, Tamansuruh and Kampunganyar Villages). According to the Regional Development Section and Industrial Clusters, the Banyuwangi Industry and Trade Office, small and medium-sized industries emerge mostly due to the presence or abundance of raw materials in local locations. In Ijen Rural Area, the development of superior commodities is included in the activities of small and medium industries. This condition is in line with the superior commodity development plan contained in the Ijen Rural Area Development Plan document which targets the involvement of economic actors at the farmer level and small and medium industry players.

## 3.3. Spatial Investment Patterns

The rural area development program starts from the same potential or problems that are owned by 2 or more bordering villages. One of the relevance of the development of rural areas to encourage an economy that has added value. The source of the village's backwardness is that it only produces raw materials. The added value of the processing sector is pursued by fulfilling the economy of scale which can be achieved by developing at the rural area level, not in the village. The existence of economies of scale in developing potential or superior commodities in rural areas invests focus on certain commodities that have been agreed to be developed. This also has implications for the development program plans contained in the Ijen Rural Area Development Plan document and its implementation by various cross-sectoral and regional stakeholders.

Based on the concept of rural area development issued by the Directorate General of Rural Area Development, Village Ministry, states that one of the functions of the area is as a bridge to rural-urban relations which is difficult to build evenly due to social, economic, and political inequalities. The villages are strengthened by collaborating to form areas so that they can connect with the city in a balanced way. Products of rural areas that have reached economies of scale can meet market demands originating from cities. The relationship between rural and urban villages can be achieved if the role of the village as a producer to meet the needs of the city and the role of the city as a market center for rural agricultural products can be optimally fulfilled.

In the process of developing superior commodities in the Ijen Rural Area, the optimization of the roles of villages and cities is reflected in the production flow of superior commodity distribution. Rural areas supply coffee products, one of which is marketed to the nearest city (marketing to the center of Banyuwangi Regency). The following is the flow of the production-distribution network for superior coffee commodities in the Ijen Rural Area.

# 3.4. Characteristics of Program Delivery

Based on Law no. 6/2014 concerning Villages Article 83 paragraph 2, Rural Area Development is inter-village development carried out to accelerate and improve service quality, development, and empowerment of village communities through a participatory approach. According to Eko (2015), rural development is the domain of the government but must involve village participation or be participatory. Emphasis on a participatory approach aims to enable local communities and institutions to determine development in their region independently and to be involved in every process of implementing rural development programs. In this case, the state, private sector, and villages can build partnerships to build rural areas that are oriented towards opening rural access out, local economic development and accelerating economic growth as well as providing employment, all of which are oriented towards reducing urbanization (Andari & Ella, 2019).

The process of involving the community and village government starts from the process of proposing rural areas including determining the location of the village, determining superior potential, and preparing a matrix for program indication/development needs to program implementation.

In contrast to village development where development actors are dominated by the community and the village government, the development of rural areas has more diverse development actors both crosswise.

When viewed from the two previous contexts, the process of implementing rural development uses a combined top-down and bottom-up approach. At certain stages, the community and village government are given an active role to participate in planning and decision making (bottom-up), but on the other hand, various policy directions, planning systems, budgeting, and implementation procedures are still top-down.

## 3.5. Program Implementing Institutions

On the institutional side, the development of rural areas has an institution called the TKPKP or the Village Development Coordination Team. TKPKP is a team that oversees the entire rural area development process and has the functions of coordination, facilitation, mediation, and marketing in terms of proposing, stipulating and planning, implementing as well as reporting and evaluating the development of rural areas. TKPKP exists at three levels, namely central, provincial, and district. The following are the duties and functions of TKPKP at each level. The TKPKP Center contains the relevant ministries. At this time the Central TKPKP is commanded by the Ministry of National Development Planning with members of several related ministries such as the Ministry of Village, Ministry of Public Works, Ministry of Agriculture, Ministry of Marine and Fisheries, etc. The TKPKP Center is legalized through a Ministerial Decree. However, until now the Central TKPKP does not have the legality of ratification. At the Provincial TKPKP, it is led by a Regional Secretary and consists of various regional apparatus organizations with approval through a Governor Decree. At the regency level, TKPKPs are validated through a Regent Decree. The TKPKP in regency level is led by a Sekda and has members from various regional apparatus organizations such as Bappeda, Dinas PMD, Dinas Perindustrian, etc. The TKPKP of Banyuwangi Regency has been determined through the Regent's Decree Number 188/87/KEP/ 429.011/2018 concerning the Establishment of the Banyuwangi Regency TKPKP. In carrying out its duties and functions, coordination between levels is reciprocal.

In the Ijen Rural Area, there is an institution under the TKPKP Regency, namely TKPKP Ijen Area. The TKPKP in rural area level is chaired by the Head of Bappeda and has members of various regional apparatus organization heads, village heads, Village Consultative Bodies, distric heads (Camat), and Community Groups. TKPKP of Ijen Rural Area was established through Regent Decree Number 188/448/KEP/429.011/2018. According to the technical guidelines for PKP implementation, the TKPKP in rural area level is formed according to the needs of each area. In Permendesa No.5 of 2016, TKPKP institutional arrangements are only at the central, provincial, and district/city levels. TKPKP in rural area level is an extension of the TKPKP in regency level which contains elements of the regional community and is expected to be more technical and operational at the regional level.

The implementation of rural area development through TKPKP institutions has elements that are cross-sectoral and regional in nature. The involvement of various ministries at the central level and various apparatus organizations at the regional level is expected to be able to encourage the implementation of rural area development optimally in the context of accelerating the improvement of the rural economy. In addition to formal institutions, the involvement of multi-parties is also seen in partnerships and development of cooperation to support the development of the Ijen Agro-tourism Village Area which has been established with several agencies and individuals (experts) as follows:

- (1) Partnership between ITC and IRE, Yogya through a comparative study on the management of guided tourism villages (2018).
- (2) ITC's partnership with Balkondes, Magelang through a comparative study on tourism management and supporting infrastructure (2018).
- (3) ITC Partnership with Government of Canada NSLIC. ITC received a RIF grant program worth IDR 1 billion in the form of various training and production infrastructure (2018).

- (4) ITC Partnership with Academics of Local Economic Development, Brawijaya University Malang. Partnerships in the form of sharing sessions and regular coaching on business models, creative economy, and marketing (2018-2019).
- (5) Pioneering collaboration between BUMDes Bersama (local economic institution for Rural Areas) with PT Pos Indonesia.

#### 4. CONCLUSIONS

The study concludes the rural area development program is included in the typology of the development model of the rural-city linkage area with the characteristics of the target village of the program which is a developing village with good accessibility to the city, the availability of adequate public infrastructure, the population works in the agricultural and non-agricultural sectors in a balanced manner. There are small and medium industrial activities that depend on local agricultural products, the program focuses on fulfilling processing infrastructure in the context of downstream rural superior commodities and there is a production-distribution network and economic exchange from villages to big cities. The characteristics of program delivery in both the planning and implementation processes are a combination of top-down and bottom-up with multi-stakeholder institutions and funding as well as local institutions as the main implementers.

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