The Development of a Strategic and Fast Growing Area  
A Study of the Modeling of Area Development in the District of West Kutai, East Kalimantan

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ABSTRACT

The development of a strategic and fast growing area which is followed by the building of infrastructures, transportation, communication, and social institutions naturally could raise the investors to that area. The implication toward the economic condition is the used up of the area’s products in order to run the economic activities at the hinterland. Besides, the products from the hinterland could be also used for the economic activities in the strategic area that becomes the center of growth. The determination of this strategic and fast growing area could unify among the different opportunities of the economic activities in an area. Even so, the effectiveness of the strategic and fast growing area’s developmental program implementation will depend on these factors: (1) comprehensive program’s substance; (2) sector development and determination’s result analysis of the strategic and fast growing area; and the (3) capability to overcome the existing inhibitor factors.

KEYWORDS: strategic area, fast growing, center of growth

INTRODUCTION

As an impact of the higher level of education and the improvement of the society welfare, there is a raise of consumption rate per capita for any kinds of food, so that will need an addition of the existing food, in its quantity and quality. Therefore, area development is needed in order to improve agricultural products, repair the marketing system of the products, fix the economy institution, and also develop a salubrious residential environment. Regional development that has been done so far, basically, is capable in improving the life quality and people welfare, even though that the building has caused a disparity between the areas, city-district, and between groups.

The evaluation result of the autonomy area, which is resulted from an enlargement, done by the Minister of in Country Ministrial (Kementerian dalam Negeri), shows that there is almost 80% of failure at the regional development resulted from the enlargement. Therefore, this condition has caused a problem for not so many developments for the strategic and fast growing area, which are:

a. There are many districts and villages that have superior products and strategic location, but haven’t been optimally developed
b. Lack of market information and technology for the improvement of their superior products
c. Lack of professionalism and entrepreneurship from the area developer
d. Under developed organizational infrastructure which oriented to sustainable management business development in economy
e. Lack of coordination, synergy, and cooperation between the areas developers, either government, private institutions, non-government institutions, and society
f. Limited access for farmers and small business managers to the capital business development, products input, technology support, and network marketing in its effort to create a business opportunity and investment cooperation.
g. Limited infrastructural network and economical means in supporting the area development and regional superior products
h. Ineffective utilization of the framework cooperation between regions in supporting intensifying competitiveness of the regions and the products

Therefore, the program of strategic and fast growing area development is needed to raise the society welfare. This program also built in order to be a “motor” for the hinterland for the developmental balance between the districts center and the suburban areas. Hence, it is needed to make an identification of the potential

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areas that are going to be built integrally as the strategic and fast growing areas in accordance with the developed potential natural resources. The building of the strategic and fast growing areas could be done through some ways such as the development of regional potential products, support the coordination, synchronization, integration, and also cooperation between inter-sectors, inter-governments, business world, and society to support the business opportunities and regional investments [1]. Based on the research background, the problems of the research could be arranged as follow: 1) how are the substances (content of the document) of the developmental program of strategic and fast growing area?; 2) How is the implementation of the developmental program of strategic and fast growing area?; 3) How is the implementation model of the developmental program of strategic and fast growing area?; and 4) What factors that could be the inhibitors of the implementation program of strategic and fast growing area?

MATERIALS AND METHODS

Research method

This research used a qualitative approach, with some considerations which are: (1) qualitative research presented in a holistic form in analyzing a phenomenon; and (2) this kind of research is more detailed in gathering the descriptive qualitative information by maintaining the wholeness of the object [2].

The focus of this research are: (1) the substance of the program of the development of the strategic and fast-growing area; (2) the implementation of the program; (3) implementation’s model of the program; (4) the inhibitor factors of the implementation of the program.

Data collection technique which is used in this research is the observation technique, in depth interview, and documentation. The key informant of this research is the head of Agriculture Institution, Mining Institution, and Bappeda Institution, and also the head of the sub-district area which was being researched. The truth worthiness that gathered is seen from its credibility, transferability, and the conformability. Data analysis process used in this research is the Interactive Data Analysis from Miles and Hubberman [3]. It is the analysis that done continuously since the data collecting process is started till it is finished. This analysis consist of some activities which are data display, data reduction, find the data that is important for the research’s focus and also learn and decide about what is going to be reported (conclusions: drawing/verifying).

Regional Autonomy

In the context of regional autonomy in Indonesia according to Said [4] quoted from Rondinelli and Cheema [5], decentralization could be defined as follow:

Decentralization is the transfer of planning, decision-making, or administrative authority from the central government to its field organization, local administrative units, semi-autonomous and paristatal (Italics original) organization, local government or non-governmental organization.

In line with Rondinelli and Cheema [5], World Bank [6] stated that decentralization is the transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organizations and the private sector.

In the principal of decentralization, along with the transfer of administrative authority to the local government, so that central government should also transfer the funding, personnel, and equipment as the absolute requirements in applying that authority. In the other words, decentralization has been defined as the distribution of resources from central to local government. With no transfer of those three main business, the implementation of each authority section is not yet having own capability to fulfill those three business [7].

Decentralization contains a good political purpose, both philosophic and ideological. Reasons for that is the available chance for the emergence of public participation and local self-reliance, and also to guarantee the intricate of public officials in giving services to the public. While in the pragmatic level, decentralization is considered as a solution for solving all the organizational, physical, and administrative problems in running the developmental duties. Sharma [8] stated that decentralization consists of: (a) to bring the government closer to the people; and (b) to distribute the government level. This different understandings and perspectives said to be an important thing in understanding various approaches to decentralization. From the first perspective, government and decentralization is considered as a good thing because it could bring the government closer to the people. In the second perspective, government is considered as bad, and decentralization becomes a means in lessen government crimes.

The policy and decentralization has given autonomy to the local in formulating policy, implementing the policy. Even so, autonomy in the sense of independent in the development is so difficult to reach without any cooperation with other local governments, and also with the central government. According to Keban [9] in its relation with the cooperation, there are three strategic issues that should be identified that will be studied and repaired in the later time, which are: (1) repairing the role and capability of the Province in organizing cooperative functions between regions or “local government cooperation”; (2) deciding the sectors that should
or need to be cooperated; and (3) choosing the cooperative models that suit with those sectors. These issues are strategic since its position is crucial for the success of the local governments’ cooperation in the future.

In the period of the application of local autonomy and decentralization, cooperation between regions in Indonesia has shown a significant development. The appearance and the improvement of these cooperative organizations is a respond toward the change of the relation pattern between level of governments and a big authority for the local government as the implication of the applied decentralization policy in Indonesia. These changes create a wide open way for the local government to build cooperation, both with other local governments or with the private sectors. For example, economic development’s change, such as tourism, which located in a certain location, could not be efficiently managed if it is done separately. Furthermore, it could also create a new conflict between regions.

Many local governments nowadays are looking for a new method in reducing expenses and maintain the quality service, review the service’s system, choosing priority, and decide which service that given through the alternative management. Alternative of given services used by local government consist of: contract with the private institutions, non-profit organizations, environmental groups, franchise company, subsidiary to the direct service provider, the use of donated labor, determination of users’ cost and expenses to cover the cost of service, and cooperative agreement negotiation between governments. The use of cooperative agreement in giving services is an alternative for the local government.

Cooperation between Local Governments (Pemda) is one of the available choices that should be faced by the local government. Not all problems and services at the local level should be solved through inter-local government (Pemda) cooperation. Only certain problems and services that could be solved through ia as the kind of cooperation. Therefore, certain considerations are needed. An effective way to decide those needs is by studying the basic of the problems or the perceived needs by using the principal of demand driven, which are: (1) do that problem comes from the outside of the administrative region of local government and has given a serious impact to the related local government administrative region; (2) Does a problem appear from the inside of the local government administrative region and has given a serious impact outside the other local government administrative region. A way to know those impacts is by doing a survey, direct visitation, listening to the public complaints, conducting a focus group discussion and evaluating the seriousness of the impacts.

In improving the sensitivity in seeing those various problems, two important perspectives are needed to understand if local government is in good condition, both administrative and functional. Observing the problems faced in the border of administrative region is identification of various problems inside local government that may bring an impact to the outside of the local government region’s border. Meanwhile, observing the problems faced in the functional part is identification of various problems across administrative regions. Those identified problems should be aggregated and articulated to attract public attention, DPRD, and executives.

**Growth Point Theory**

The basic thought of this theory stated that economic activities in an area is tended to focused on one central point, and those economic activities’ impact would be decreased when its away from the center of growth. Sihotang [10], cited from Richardson [11], explained that, based on this thought, the space distribution from the citizen could be considered as an organized subject that changed into a central system hierarchy and functional relationship [10].

The concept of center of growth here could be explained in two ways which are functional and geographical. In functional, the center of growth is a concentration location of a group of business, or industrial branch which has dynamic elements for its relationship’s characteristics. Therefore, they could stimulate the economics life, either inside or outside. Meanwhile, geographically, center of growth explained as a location which has many facilities or infrastructures, and provides an ease that could attract many business to built an economic activity in that area, and people would be happy to come and use the facilities in that city, even there will be no interactions between those business [12].

According to Arsyad [13], the main points of this growth point theory are:

1) In a development process, there will come up a superior product that would be the main industrial motor in a building of a region and because of the relation between industries, so that the development of the superior products will also affect the other related industries.

2) The centralization of the industries in a region will speed up the economic growth, since it will create a different consumption pattern between regions, so that the industrial development in a region will affect the development in other regions.

3) Economy is a combination of the industrial system, which is usually active, with the passive industries, that is the industry that depends on the superior industry or the center of growth, and the relatively advanced area or active will affect the passive areas or the supporting areas.

Meanwhile, the characteristics that should be owned by an economic activity so that could be called as a center of growth as follow [13]:

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**References**

2. Arsyad (2014)
1) There is an internal relationship from many activities which have the economic values that would determine an area’s dynamic, since all the components of economic activities are working together and support each other.

2) There is a multiplier effect because if there is a sector with a raising demand, then it will raise other sectors’ demands.

3) There is a geographical concentration from many sectors or facilities that will cause efficiency between sectors, and also create a gravity from that area

4) It should be able to encourage the hind areas, which means that between the center of growth and the hind areas there is a harmonious relation.

Central Place Theory

According to Soepono [14], this theory is based on the continuation of the market areas. Market areas which are different from an industry and the other industries depend on the economic scale and the per-capita demands, so that every industry would have a different pattern location. This central palace theory also shows how the patterns location from different industries gathered around in forming the cities regional system. In a research done by Soepono [14], it was explained that in some phases of the center of growth, they will create a cities’ hierarchy system that consist of many cities. There are three kinds of cities or Central Place which are: L (high central place), M (medium central place), and S (low central place). The bigger the city, than there will be many variations of the selling products. Each city at the low level will import the products from the higher city’s level, and export the products to the lower city’s level.

Meanwhile, the building process of those hierarchy service’s centers could be divided into three phases, which are:

1) Self –Sufficiency Phase
   In this first phase, the citizen at the remote area will fulfill their needs by producing stuffs based on their needs. Next, they, who have trading instinct, will start to produce stuffs much more than their family’s needs so that they could sell the extra goods to their neighbors. Usually, this first step only provides goods and service low-order goods such as rice, eggs, vegetables, soaps, and others daily needs.

2) The development of free market and in-service areas
   The second phase is the phase of the free market development that built from the trading activities that start from a farmer, followed by the other farmers that done the same thing. These followers will produce the same goods to fulfill the people’s demands in the location that could not be reached by the first farmer. That is how the free market could be developed, and then there will come up many others sellers so that they could serve all the areas. Even so, not all areas could be served by the developed central service. Those areas are known as interstitial areas. The citizen of these interstitial areas should produce their own goods to fulfill their needs since there is no service center that could serve their needs, or they could live without those goods.

3) Spatial Competition and Market Area Downsizing
   In this phase, new entrepreneurs come up in the middle of the area that caused the downsizing of the market area that has been created before. As long as this downsizing does not distract the reachable threshold, then that scene will create new entrepreneurs that cause the downsizing of the market area by the presence of the new sellers. Assuming that the buyers will only come to the nearest service center, then there will be overlapping. Even though, there is an area that could be complete by two different service center, which are the area that has the same distance to both of the service center.

   City area as the regional central of growth will function as the central economic agglomeration that will push forward and backward between the center point and the hind areas in maintaining people’s life and the regional or district functional activities. Smaller service center will stand as a connector between the bigger service center and the village areas. The developmental relationship in the planning strategy of the regional development is not only addressed to increase the people rill income, but also to diminish or lessen the gap between city and village. In line with the purpose of the regional development, then the provision of the basic city’s service facilities as a form in raising the people’s welfare should be worked out in order to fulfill three principals which are: affordability, recoverability, and replicability [5]. First, the affordability principal means that the cost to use the service facilities should be relatively cheap, so that the people could pay and afford it. Second, the recoverability principal means that a supply service facility project, basically should be able to pay for their own cost (recover) to make a continuity service. The third, the replicability principal means that the city’s supply service facility planning for the people is not only applicable in a certain area, but it could be also implemented in the different areas at the different time.

Economic Base Theory

The point of this theory is to differentiate the base sector’s activity with the non-base sector activity. Base sector is a sector whose growth could determine the development fully in that area. While the non-base sector is the
secondary sector which means that the growth of that sector depends on the complete development of the area. This economic base theory attempt to determine the base sector of an area and from the determination’s result, we could predict the sector activities and analyze the additional impact of the sector activities.

The economic base from an activity consists of the activities which create an income and job vacancy as the economic base for a region. All of the economic growth is determined by the sector base. Income base and job vacancy base come from the export activities and this thing makes the export industries become the basic of that region. The non-base income and non-base job vacancy are determined by the base income and base job vacancy. The key’s concept of the economic base theory is by making the export activity as the growing machine. Therefore, an area could grow or not is determined by the performance of that region to fulfill the demand of goods and services that comes from the other regions or foreign country.

There are four methods that could be used in identifying the sector base which are:
1) A sector could be considered as a key if it has a backward linkage and forward linkage which are relatively high
2) That sector could produce a relatively high output gross so that it could be able to maintain a high final demand
3) That sector able to make a relatively high net foreign exchange income: and
4) That sector is able to create a great number of job vacancies

**Strategic and fast growing area**

Strategic area is area where the city planning is prioritized since it has an important influence toward the state sovereignty, defense, and the state’s security, economy, social, culture, and environment. Meanwhile, the strategic fast growing area is a part of developed or potential strategic area to be developed because it has predominance resources or geographic that could move the surround area’s economic growth. The development of the strategic fast-growing area is expected to be a “motor” for the development of the hinterland to balance the development among the center of growth in the districts and in the villages. For those reasons, the development of the strategic area should pay attention on the primary potential of the region, and also the available human resources, so that could be managed optimally. It will also need an identification of the potential areas that will be developed integrally as a fast-growing area in accordance with the potential natural resources that are going to be developed [15].

The development of the strategic and fast-growing areas is held based on some principals, which are:
1) The creation of an atmosphere conducive to business for the investments development
2) Legal certainty for the security investment guarantee, an ease and the transparency of the business license management through one door service
3) Integrated program and sector institutional activities at the central state, province, and district/city where the business activities and the people’s activities are suitable with the needs
4) Increased business linkage that could benefit each other between the big scale entrepreneurs with the micro business, small, and medium, through the empowerment of the micro, small, and medium entrepreneurs
5) Emphasized mutually linkage among entrepreneurs and between areas, such as through the linkage effort between the center of growth and the production’s center at the hinterland
6) The optimal and sustainable use of the natural resources and the artificial resources for the enhancement of the people welfare
7) Specialization of mastering the science and technology in raising the domestic industrial resources and outputs by using local raw materials to be exported in the form of finished products

Meanwhile, the development of the strategic and fast-growing area in the province/districts/cities is aiming to:

a) Increase the additional and competitive value of the superior products in the area
b) Increase the economic growth at the center of growth
c) Encourage the functionally development cooperation among areas, and between areas which are relatively developed with the surrounded lagging regions in an integrated regional economic system development
d) Optimize the management of specific resources at the province/district/city areas for the increasing of the regional economy and people welfare based on the environment conservation
e) Create an integrated, balance, and compatible growth between regions

An area could be chosen and established as a strategic fast-growing area if it is fulfilled these criteria, which are:

a) Has a political commitment from the governor and DPRD at the province/district/ city level in organizing the area’s development continually
b) The big potential is seen from the availability of the natural resources which consist of the renewable sector and superior products, suitable land, and the availability of backup land for the investment’s development, especially in supporting the domestic processing industry by using local raw materials as a potential motor for an integrated regional economic development
c) Potential infrastructure or relatively sufficient basic infrastructure, such as road, bridges, fresh water, electricity, fuel, and telecommunication; and also the supportive infrastructure such as transportation, warehouse, cold storage, process and distribution equipment, that meet the need of the business sector development and the area superior products development

d) A development management linkage between center of growth and the hinterland in an integrated regional economic system development

e) A structured area’s management, sector business management and superior products of an area, which are supported by the yearly functionally management system and mechanism development from the state level, province, and district/city; and

f) Availability of skilled and educated labors in managing business sector and the regional superior products

The choosing and determination of the strategic and fast growing area is based on:

a) Government matters that become the province’s and district/city’s authority

b) Feasibility location study result; and

c) Regional area development law that consist of main Plan, business plan, and the act of area development plan

RESULTS AND DISCUSSION

Program Substance

Basically, the development program of the strategic and fast growing area is not quite different with the preceding program, Pengembangan Ekonomi Terpadu-Development of Integrated Economy (Kapet) which is established in the year of 1996-1998. Both of them are a model of developmental plan which is aimed to faster the economic growth of an area, and hope that the area will give a significant effect for the hinterland’s development. According to Haripoe wranto [16], that model adopted the concept of growth center, which creates and develop centers of growth in a form of a superior area that reflects each province.

The different between the Kapet’s model and the strategic fast-growing area is there is no structured organization from the state level to the regional level of government at the strategic fast-growing model area. Strategic fast-growing area is an initiative and innovation from the autonomous region to faster the regional economic growth, which intended that it could affect the economic growth for the whole region. This thing is in line with the concept of decentralization at the era of autonomous region to rule the interest of each region, including in managing their own city plan, without any consideration to the state and province’s law [17].

According to the Minister of Housing and Regional Infrastructure (2003), in order to efficiently and effectively manage the regional economy then it will need a utilization and spatial planning strategy that suits with the autonomous regional principal which has been compiled by looking at the factors below:

a) An integration which is under across sector and across region in the context of regional development so that could be able to create a consistency in management of sector and regional development toward the city spatial plan

b) Bottom-up approach or participatory planning process in a transparent and accountable area development building to be more accommodative toward many inputs and aspirations from the whole stakeholders in the process of area development

c) Cooperation between regions (inter-province, inter districts/cities, between city and village) to create a synergy of development by considering the initiative, potential, and regional superiority, and also lessen the potential conflict across region

d) Consistent and consequent law enforcement – either PP, Kepres, Kepmen and Perda – to avoid unilateral interest and for the implementation of a balance role sharing between the elements of stakeholders. In the context of strategic and fast-growing area, it is need to make a new rule for the law background in the field, and not only stated as a part of Perda tata ruang (province law of spatial plan).

One effort to guarantee that there will be integration across region in the implementation of the strategic and fast growing area development program is the inter-region cooperation. Since in the implementation of the program there will be some problems come up as a result of the functional relation in social and economy that pass the border of its administrative area. According to Keban [9], the main reason for the need of cooperation between regional governments is to solve the problems and to use the regional potential together for the public interest.

Based on those limitation then we could propose a proposition as below:

Minor proposition (1):

To make an effective implementation of the strategic and fast-growing area program, then in the substance of the program should an integrated of across sectors and across region, bottom-up approach in the planning process, inter-region cooperation, and there is a consistency in management and law enforcement.
Implementation of Strategic and Fast-Growing Area Program

Sector Analysis

Based on the result’s analysis, it could be understood that farming sector which is seen as a potential and reliable is only developed in two sample of sub-district which are Long Apari and Barong Tongkok. While in the others sub-districts, there are three sub-districts that could be categorized in the “medium” category (Long Irham, Manor Bulat, and Bongan), and there are five sub-districts in the category “poor”, which are Muara Lawa, Melak, Linggang Bigung, Penyinggahan, and Muara Pahu. This data show that the land area and the food plant productivity, especially rice has not been well developed in most of the sample districts.

The second sector which is intended to be well developed is the industrial sector, but this sector also only developed in two sub-districts which are Barong Tongkok and Penyinggahan. The development of this sector, even it is only in the scale of home industry and micro industry, it is very helpful for the economic growth of the District of West Kutai that still depend most of its needs fulfillment from the import products from other regions. Therefore, the development of industrial sector is expected to be able to process the agricultural products, so that the people will no longer sell raw products, but they could sell either finished or half-finished products. So that, there is an increasing additional value, and the people (farmers and merchants) will gain more advantage. The linkage between agricultural sector and industrial sector, which is called as agro-industry in other context, has been well explained by Anwar [1] who stated that a growth in the form of an increase in regional products capacity which is resulted from the farming activities is not only the increasing of cultivated farm. Farming activities that process the raw materials resulted from the cultivated farm and marketing products could not be separated from the village’s economic development. In this thing, the concept of gradually development economic growth has a bounded linkage with the regional development activities and the agro-industry, and also the developed agro-business.

Based on that sector analysis, it could be explained that the main characteristics of the research’s object is the agricultural sector, which stand as the natural sector that push other sectors in the district of West Kutai. According to Sihotang [10], the stronger the characteristic, so that the higher the growing level and the economic development level.

Rank analysis of The Research Area

Based on the analysis’ result, it is known that sub-district Barong Tongkok has the highest value index of regional development which is 0.1095. This number is resulted from the index of seven infrastructure groups from the total of 21 villages. The highest index came from the trading facilities by 0.1858; the next is the cooperative facilities and UKM by 0.1488, and Medicare facilities by 0.1019. While the lowest index value is the industrial facilities by 1.0358, service and financial facilities by 0.0959, information facilities by 0.0992, and educational facilities by 0.0993. Other highest sub-district is Melak by index value of 0.0648 which come from the available facilities from 6 villages.

Sub-district which has the lower index is Long Apari with the composite index by 0.0116 which come from the index of ten villages. The higher index comes from the information and communication facilities by 0.0207, cooperative and UKM facilities by 0.0187, educational facilities by 0.0185. While the trading and industrial facilities are relatively unavailable. If it use the regional development index (average composite index), then the sub-district Long Apari will be the lowest by the index of 0.0012.

The value above explained the regional development index that picture the amount of available facilities from the whole villages or area. But if the regional development index is counted in average, or by ignoring the amount of villages in that sub-district, then the highest index belong to Melak sub-district by 0.0108 which come from the index of service and financial facilities by 0.0236, Medicare facilities by 0.0097, and educational facilities by 0.0096. Meanwhile, the facilities’ group which has the lowest index is the industrial facilities 0.0098.

Correlation Analysis of the Area Development

Based on the analysis result, it is known that the index correlation value (average composite index) with the index of 7 groups of facilities or area infrastructures, which is educational facilities with the correlation value of 0.76, Medicare facilities by 0.65, trading facilities by 0.35, service and financial facilities by 0.89, cooperative and UKM facilities by 0.49, and information and communication facilities by 0.58. If its use standard coefficient correlation >0.75 (high density), then group of facilities which has high density with the index level are the educational facilities, service and financial facilities, and also the cooperative and UKM facilities which means that those three groups stand as the determination factor and as an indicator of the regional development level. The higher the availability of those three facilities, then there will be a tendency that the regional development level is also getting higher.

Hierarchy Analysis of the Area Development

Based on the analysis result, the research’s area could be divided into three hierarchy (class), which are: (a) hierarchy 1 (High hierarchy): sub-district Penyinggahan, Melak; (b) hierarchy 2 (Medium Hierarchy):
sub-district Barong Tongkok, Muara Lawa, Linggang Bigung, and Long Iram; (c) hierarchy 3 (low hierarchy): sub-district Long Apari, Manor Bulat, Bongan, and Muara Phu. Based on the rank of the area, then there are two areas at the development level which are: Melak and Penyinggahan. Next, at the medium area category, there are four areas which are Barong Tongkok, Muara Lawa, Linggang Bigung, and Long Iram. The rest, there are four areas which are concluded into less developed area which are Long Apari, Manor Bulat, Bongan, and Muara Pahu. The development of an area has an important value in economy since it is related to the availability of production and market factors. If both factors could be fulfilled, then it could be assured that the area will be soon developed than the other areas.

**Accessibility Level of the Research’s Areas**

Index accessibility analysis is used in order to understand how big the ease level of transportation from the hinterland into the center of growth. The higher the index, then it will be ease for the center area SSWP to be reached by the people in hinterland. Therefore the SSWP could do its function as the center of growth for the surrounded area. It is also known that there are three sub-districts with a high level of accessibility which are Barong Tongkok, Linggang Bigung, and Melak.

**Analysis Level of Labor Concentration**

Based on the analysis result, it is already achieved the potential areas to be the strategic and fast-growing area. The criteria used in this analysis are: (a) linkage between sector (seen from the rank of the area), (b) be able to encourage the hind areas (seen from the accessibility level), and (c) could create a multiplier effect (seen from the labor concentration).

Based on the analysis result, could be understood the list of the area priority that is going to be built as the strategic and fast-growing areas which are: (1) Melak, (2) Barong Tongkok, (3) Muara Lawa, and (4) Manor Bulat, Penyinggahan, Muara Pahu, and Long Iram. It is certain that those areas should be based on their superior potential and the capability of the available resources. Therefore, the prioritized areas should be an open area for the investments, especially internal investment (domestic), so that the flow of labors and technology could happen. As what has been mentioned in *Teori Baru Pertumbuhan Wilayah* (New Theory of Regional Growth) [18] that the amount of internal investment really influent the growth of an area, which are human resources, research, and technology’s development.

Based on that discussion, then we could propose a preposition, which is:

**Minor Proposition (2):**

The achievement of the development of the strategic and fast-growing area depend on the sector development and the determination result that could encourage the internal investment is in the form of human resources, progress of research and technology, and also the supply of supported infrastructures.

**Model of Implementation of the Development of the Strategic and Fast-Growing Area**

As what has been explained before that the implementation model of the strategic and fast growing area development came from the owned potential, either from the economic sector or the availability of the land, which are region’s rank, accessibility and labors’ concentration. Since there are areas that have similarities at its developed sector, so that should be chosen the most potential one to be developed as the strategic and fast-growing area. Therefore, to make an ideal model of the implementation of the development program, we should make a matrix resulted from the linkage of the aspects sector and regional. For example, the sub-district Long Apari should increase their electricity sector, building sector, and financial service sector. While the sub-district Melak should increase their agricultural sector, industry, trading, and financial service.

Based on the matrix, then an implementation model could be arranged, which will show the kind of areas based on their potential so that it could be easily developed and also fit with the existing regional potential. Therefore, each developed area, either in the upstream, plateau, or in the low land will grow evenly. That is why the linkage between growing areas should be worked mutually.

Based on the explanation, then we could identify the weakness of the empirical model of the program implementation as below:

a) Empirical model has not pay much attention to the potential and characteristics of each areas that could support the area development

b) There has been no acknowledgement of the sector potential (farming, livestock, etc.) and also the regional potential (infrastructures, labors, etc.) so that the kind of the available investments that suitable with the area’s priority could not be determined yet

c) The empirical model not explained about the focus of the strategic area development, and also not show the region’s potential at the model, so that there is no exact focus in each area about the potential that is going to be developed, and
There is no attention on the other resources support (labor and technology), and also the support from other areas near the center of growth. Based on those weaknesses, the researcher could draw an ideal model of implementation as below:

**Figure 1 Ideal Model Implementation of the Strategic and Fast-Growing Area Development Program**

In the model above, there are three areas division that will be built as the center of growth, which are the upstream, the lowland, and the plateau. Even so, it is different from the empirical model that not explained about the focus of the strategic area development, and also not show the area’s potential in the model. In an ideal model, every area has already had an exact focus of the potential that is going to be developed. In the ideal model, there are three areas categories, which are: food plant farming area, plantation, and livestock area which consist of Long Apari, Long Iram, and sub-district Bongan. Second is the micro industry area, trading, and financial service area which consist of sub-district barong Tongkok, Melak, and Linggang Bigung. Third is the Public plantation Industry which consist of Penyinggahan, Muara Pahu, and Muara Lawa.
That model based on the concept of Growth Pole and Growth Center, or that has been known as the concept or Growth Centre Model. According to Herpoerwanto [16], growth center model is a region economic concept or an economic region with areas that could be a center of economic development. Even so, in its implementation, there still a vagueness in its role for the regional economic development. It happens because lack of understanding about the growing process, relationship components of the inter-industry (related to hierarchy, function, and also the role of the center of growth in its relation with the hinterland or spread effect). Therefore the implementation model should also pay attention to the support of other resources (labors and technology), and also the support from other side by side areas with the center of growth area.

Based on those analysis and discussion, a preposition could be arranged as below:

Minor proposition (3)
The success of implementation model depends on the superior potential factors of the area, labors’ competency, available technology, and the support from other areas that side by side with the strategic and fast-growing area.

Inhibitor Factors of the Implementation of the Strategic and Fast Growing Area Development Program

Geographical Condition

The inhibitor factors from the geographical condition are:

a) Most areas of district west Kutai could not manage the city’s activities because of the slope which cause the limited number of land area to manage the city’s activities
b) Isolated area that cause a difficulty to access that area
c) Lack of knowledge and public awareness to protect the nature
d) Limited labors, cost, facilities, and infrastructures that is not comparable to the land area and the environment’s problems.

Economy Regional

The inhibitor aspects from the economy factor are:

a) The agricultural sector only grow for 3.23% compared to the growth average of PDRB West Kutai which is 10.41% in 2003-2004, and even in 2004 there is a negative growth for 2.39%. It is caused by:
   (i) rice production which still focus mainly on the field farming only, (ii) food production which still below the needs of people consumption so it is needed to buy from the other areas, (iii) there has been no serious attention to the vertical diversification of the second crop (palawija) plant; (iv) there are still many isolated areas so that it is difficult for the farmers to go to the market; (v) the building of physical facilities have not given a real advantage in encouraging the increasing of the rice farming production.

b) In the forest sub-sector, the problems that faced are: (i) there is inefficiency in the use of raw materials; (ii) lack of awareness from the corporation that hold the HPH to use the forest through the chosen cutting system; (iii) the profit of forest products mostly enjoyed by the people at the other areas

c) In the plantation sub sector, outside rubber, in the year of 2003-2004 there is no significant increasing and even there is a decreasing. It is happen because there are 23 PBS (big private plantation) which already had a license, only three of them that have been operated.

d) The main problem in the industrial sector could be mapping as below:
   i. Most people still think that a direct selling of the raw materials from the farming and plantation sector is more promising and less risky than to build a processing industry
   ii. Minimum credit from the bank to the entrepreneurs
   iii. Lack quality of human resources which could manage the big scale industries
   iv. Problems in the sector of electricity, gas, and water is the unevenly development in the region of West Kutai

Social Culture of the region

Problems that exist in this matter are:

(a) In the education sector, the problems are:
   (i) High number of drop out students at the level of elementary and junior high school because of the incapability of the parents to pay the tuition fee, the geographical condition, and limited transportation to go to school
   (ii) Decreasing ratio of the teachers and the students for elementary, especially in the isolated areas, which cause a heavy working responsibilities for the teachers since they should acknowledge more than one field of science.
   (iii) Lack of knowledge and awareness from the parents about the importance of basic education for their children that makes the students’ motivation to study is low
(iv) Less supporting educational facilities such as laboratory and other facilities, and also the limited numbers of references that could interfere the teaching activities at school

(b) At the medicate sector, the problems are:
   (i) Lack awareness of the people to live healthy and clean
   (ii) Lack access to the supporting infrastructures that could increase the quality and the ability of the people
   (iii) Many children under five years old with bad nutrition which is almost 26.0% or almost one-third of the numbers of toddler in West Kutai
   (iv) The decrease of medical workers in each year, especially nurse in the the isolated sub-districts as the impact of the lack of welfare guarantee

Facilities and Infrastructures
Problems that faced at this sector are:
(a) The transportation facilities in the district of West Kutai easy to get broken because of the flood that happens quite often
(b) Lack in the numbers and the uneven distribution of fresh water

Public Government
Problems that faced at this sector are:
(a) Internally, the enlargement government faced a serious problem such as limited infrastructures that support the government activities, low government management, low information access and low capacity of regional financial
(b) Autonomous kampong principals has not been well translated by the people in running the kampong government

Based on that explanation, there is a preposition that could be arranged as below:
Minor Proposition (4):
There are five factors that could be the source of inhibitors for the development of strategic and fast-growing area, which are: (1) geographical condition; (2) economic regional; (3) social culture of the region; (4) facilities and infrastructures; and (5) public government. The ability of the government of the autonomous region in handling the inhibitor factors will determine the implementation of the program's efficiency.

Based on the whole minor propositions that have been arranged, then we could arrange a major proposition as below:
Major Proposition:
The efficiency of the Implementation of the strategic and fast-growing area development program depend on these factors: (1) the substance of the comprehensive program; (2) the sector development and the result analysis of the strategic and fast-growing area determination; and (3) ability to solve the existing inhibitor factors.

CONCLUSION

Based on data analysis and discussion, so that the researcher could draw some conclusions as below:
(1) The substance of strategic and fast-growing area has been explicitly stated at Perda about city plan. It could be seen from the articles that manage the management of city plan such as conservation area, cultivation area, housing and office space, and production forest area. As the impact of the explicitly unarranged in a separated Perda (Regional Rule), then the implementation of strategic and fast-growing area development program has no strong legal basis as the reference in the field. Therefore it still depend on the creation and innovation of the related institutions to build it. Besides that, there is no exact responsible institution of the program.

(2) Implementation of the strategic and fast-growing area development program really depends on the phases that should be passed could be managed by the manager of implementation. Those phases consist of: (a) sector analysis development; (b) determination or the choosing of the strategic and fast-growing area. Both phase should be worked on so that we could identify the superior factor of the area, and the kind of business or industry that should be built. We could also identify the human resources and the capital that should be invested.

(3) The model of strategic and fast-growing area development program divided into three growing areas which are: upstream area, plateau, and the lowland. That model refers to the concept of Growth Poles and Growth Centre, or which is known as Model Pusat Pertumbuhan (Model of Growing Centre)). The implementation much depend on some factors, such as human recourses’ support in managing the potential resources in the
area; available technology; regional investments in developing the area; the support from other area that side by side with the center of growth area.

(4) There are five factors that stand as the inhibitors, which are: (1) geographical condition; (2) economic regional; (3) social culture of a region; (4) facilities and infrastructures at the area; and (5) public government.

SUGGESTION

Based on the conclusions and the identified inhibitor factors, the researcher could build a few suggestions as follow:

(1) The arrangement of the strategic and fast-growing area in a separated law, either in the form of Perda or Bupati’s decision, is needed so that there will be an exact source of law in running the program in the field. Besides, so that there will be a clarity about the institution that hold the responsibilities and the role of each institution.

(2) There is a need of support as a form of protection from the district’s government so that the product of the strategic and fast-growing area is well distributed; and also the support of investment in the business development for the people that own a business in the area.

(3) The problem of infrastructure for the strategic and fast-growing area development should be solved immediately, such as the road, bridges, and irrigation, so that the farming products, livestock, fishery, and plantation products could have a market with a compatible price.

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