

# **BORDER TOURISM: A SYNERGICITY MODEL OF ECONOMIC EMPOWERMENT PROGRAM IN OVERCOMING SOCIAL ECONOMIC INEQUALITIES IN THE INDONESIA LAND BORDER REGION - MALAYSIA**

**M. Irfani Hendri<sup>1\*</sup>**

**Hasanudin<sup>2</sup>**

**Vitriyan Espa<sup>3</sup>**

**Juanda Astarani<sup>4</sup>**

<sup>1,2,3,4</sup>Bisnis Universitas Tanjungpura, Kalimantan, Indonesia

e-mail: muhammad.irfani@ekonomi.untan.ac.id<sup>1</sup>, Hasanudin@untan.ac.id<sup>2</sup>,

vitriyanespa@accounting.untan.ac.id<sup>3</sup>, juanda.astarani@ekonomi.untan.ac.id<sup>4</sup>

\*Correspondence: muhammad.irfani@ekonomi.untan.ac.id

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**Abstract.** Poverty and socio-economic disparities in the border areas in West Kalimantan are the most conspicuous issues. But on the other hand, the border area has very rich natural resources but has not been utilized/exploited optimally. This study aims to describe the potential of the Indonesia-Malaysia land border area in Sajingan Besar District and Paloh District (PALSA) in Sambas Regency then a synergy model of economic empowerment program for border area communities will be developed. The approach used in this research is a qualitative approach and this type of research is a case study. For the purposes of analysis, data collection uses triangulation data collection methods which include observation, interviews and documentation. Based on the research results, several programs that synergize with economic empowerment programs include: a) Entrepreneurship Program for prospective new entrepreneurs; b) Business incubator establishment program at each university; c) village incubator program based on village superior products; d) Business development service program (village/kelurahan); e) BUMDes program based on village innovation and f) Leverage program: MSME big house tourism.

**Keywords:** synergy; economic empowerment; border area.

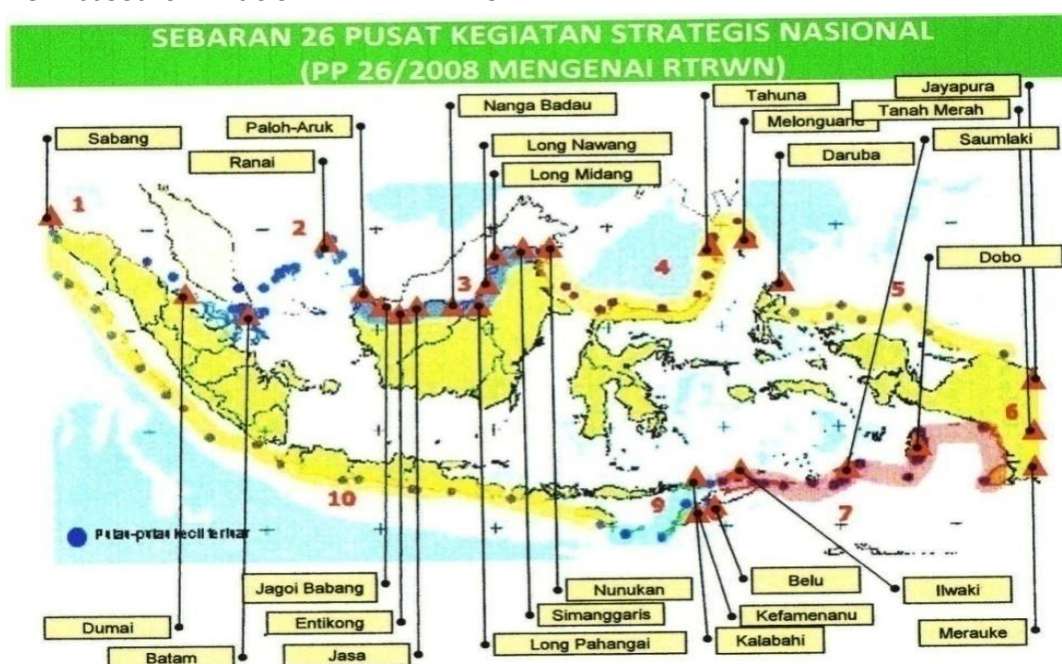
## INTRODUCTION

West Kalimantan province is one of the provinces in Indonesia which borders on land with the state of Sarawak, Malaysia. Land borders in West Kalimantan cross 116 villages in 15 sub-districts and are located in 5 districts, namely: 1). Sambas Regency; 2) Bengkayang Regency; 3) Sanggau Regency; 4) Sintang Regency and 5) Kapuas Hulu Regency with a land border line length of 966 kilometers 26/2008 concerning the National Spatial Planning (RTRWN) 6 of the 15 sub-districts located in the border area have also been designated as National Strategic Activity Centers (PKSN), totaling 26 sub-districts.

PKSN based on Article 1 PP RTRWN is

an urban area that is determined to encourage the development of state border areas. One of the criteria is that the urban center is a center of economic growth that can encourage the development of the surrounding area (Xie et al., 2019); (Klofsten et al., 2019).

The six sub-districts are Sajingan Besar District and Paloh District (Paloh-Aruk) located in Sambas District, Jagoi Babang District located in Bengkayang District, Entikong District located in Sanggau District, Jasa District in Sintang District and Nanga Badau District in Kapuas District. upstream. The distribution of the 26 PKSN can be seen in Figure 1.



Source: RPJM for the Development of Border Areas 2010 - 2014

**Figure 1** The distribution of the 26 PKSN

The level of socio-economic welfare of border communities in West Kalimantan is still low, so poverty and socio-economic

disparities with people in neighboring countries, Malaysia are issues. the most conspicuous. This condition is caused by

the accumulation of various factors, such as the lack of supporting infrastructure, the low quality of human resources (HR) and the low productivity of the community so that it has an impact on the non-optimal use of natural resources in border areas ([Ningtias et al.](#), 2018); ([I. M. and V. E. Hendri](#), 2013).

However, on the other hand, the border area has very rich natural resources but has not been utilized/exploited optimally. Potential natural resources owned by border areas include the potential for agriculture and plantations, mining and tourism.

An example is the Paloh-Sajingan border area (PALSA). The PALSA border area is a strategic area. The position of these two border districts, especially Temajok in Paloh District and Aruk in Sajingan Besar District, is a very potential and prospective area to be used as an economic development area (KPE). The delineation of the PALSA area to be used as an economic development area is quite original, considering that Temajok has links with Telok Melano (Sarawak) and Aruk has links with Biawak (Sarawak) ([Rai et al.](#), 2019).

The strategic external environment of Telok Melano-Biawak in the perspective of realizing the Temajok-Aruk KPE, needs to be supported by increasing the development of socio-economic infrastructure and facilities as well as appropriate economic empowerment programs and policies ([Haseeb et al.](#), 2018); ([Fan et al.](#), 2019).

According to ([I. M. and S. Hendri](#), 2013) the potential development of border areas

can be done by developing *clusters* through the development of superior products in each region (village/district) within the border area with the concept of *one village one product* (OVOP).

Development of the potential of border areas with the OVOP concept intended as the development of 1 (one) superior product in each village or sub-district within the border area, including areas that become hinterlands with a cluster ([Hoang Thanh et al.](#), 2018). While the cluster itself is a certain area/location where there are a number of micro, small and medium enterprises that use the same/similar raw materials to produce the same, similar and interrelated products.

The superior products required in the OVOP must meet several criteria ([Yang & Zhang](#), 2021), namely: superior village/regional products and/or regional core competency products, unique characteristics of local culture and authenticity, potential for domestic and export markets, quality and good appearance (market oriented), and can be produced economically. Continuous and consistent (consistent and sustainable) ([Rizvi et al.](#), 2013).

In its management, economic development with the OVOP concept requires a complete network between the government, the business world, farmers, universities, non-governmental organizations and other development actors.

Actually, at this time there have been many economic empowerment programs that have been carried out by the government ([Anton & Nucu](#), 2020),

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educational institutions and the business world (both BUMN/BUMD and BUMS). Quantitatively, this is quite positive considering that more and more parties are paying attention to improving people's welfare. Ideally, a good economic empowerment program is an empowerment program that is institutionally oriented towards independence, sustainability and sustainability (Hendri, Irfani. M ; 2010).

However, a breakthrough is needed to overcome the socio-economic gap. Therefore, a study is needed to design a synergistic model of economic empowerment programs in managing various existing natural resources potentials so that they have an impact on improving the welfare of the people of the Indonesia-Malaysia land border area in West Kalimantan.

This study aims to describe the potential of the Indonesia-Malaysia land border area in Sajingan Besar District and Paloh District (PALSA) located in Sambas Regency and then a synergistic model of economic empowerment program for the Indonesian- Malaysian land border area in West Kalimantan will be developed by adopting a concept *One Village One Product* (OVOP)

PALSA was chosen as the study location because in this area the government is actively developing infrastructure and the PALSA area includes 2 (two) sub-districts, namely Paloh District and Sajingan Besar District, where these 2 (two) sub-districts have tourism, fisheries, agriculture and tourism potential. plantations that can become superior products.

## METHODS

The approach used in this research is a qualitative approach. The type of this research is a case *study*. This research involves direct contact with the object of research, is detailed and comprehensive (*holistic*). In case study research, the researcher is the main research instrument. For analysis purposes, data can be collected using the triangulation data collection method which involves observation, interviews and documentation (Yin, 2006). The collection of data and information needed for analysis purposes is carried out in the following ways: 1) Documentation studies, which are intended to obtain secondary data owned by the relevant agencies; 2) Field observation, in the form of direct observation or observance of the area that is the research location; 3) Interview technique, where this technique is carried out if the data or information as input material is not contained in the secondary data; 4) *Focus Group Discussion* (FGD).

## RESULTS AND DISCUSSION

### General Description of Sambas

Regency Sambas Regency is located in the northernmost part of West Kalimantan Province or between 2<sup>0</sup>08' North Latitude and 0<sup>0</sup>33' North Latitude and 108<sup>0</sup>39' East Longitude and 110<sup>0</sup>04' East Longitude. The total area of Sambas Regency is 6,395.70 km<sup>2</sup> or about 4.36% of the total area of West Kalimantan Province.

The area of Sambas Regency has specific geographical characteristics. Externally administratively, Sambas

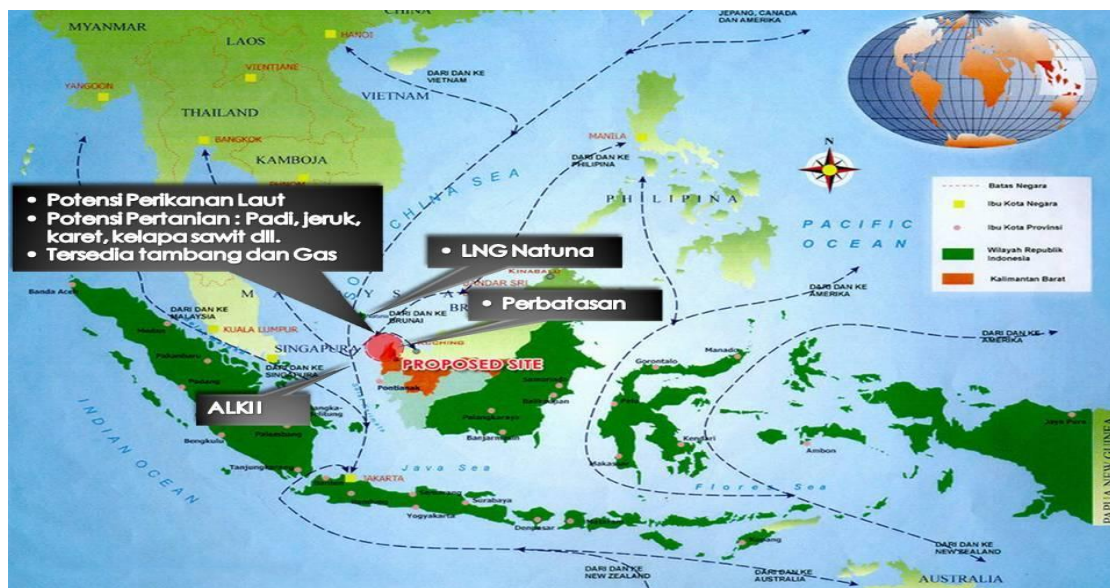
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Regency is directly adjacent to the Natuna Sea (West), Bengkayang Regency and Singkawang City (South) which can open access to inland areas as well as coastal areas to the provincial capital, and has sea and land borders ( east) directly with Sarawak in East Malaysia.

The strategic position of the region certainly provides opportunities for the development and development of the Sambas Regency area. In addition, the

strategic position of the region can increase socio-economic and cultural accessibility to the surrounding districts, to neighboring countries and to countries within the scope of other ASEAN regions.

In Figure 2 it can be seen the strategic position of Sambas Regency to neighboring countries and to countries within ASEAN



Source: BAPPEDA Sambas, 2012

**Figure 2.** Position of Sambas Regency to Neighboring Countries

In Figure 2 it can be seen that the specific characteristics of the Sambas Regency area that are not shared by all other regencies/cities are its very strategic location so that it is very easy to reach from neighboring countries such as Malaysia , Singapore, Thailand, Taiwan, Brunei Darussalam, Philippines, Cambodia, Laos, Vietnam and Myanmar.

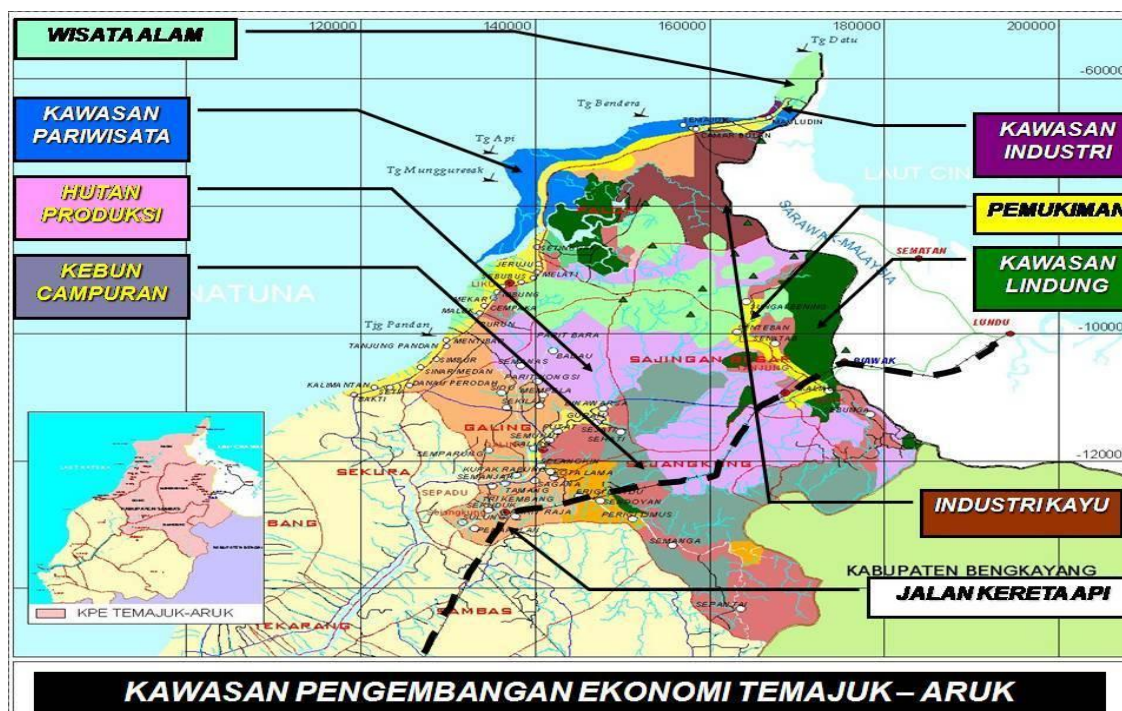
### **Economic Potential of Paloh – Sajingan (PALSA)**

In the PALSA area, there is an external movement in the form of mobility of Palsa residents/border crossers to Teluk Melano and Biawak City. Between the people of Temajok Village, Paloh Subdistrict and the people of Teluk Melano Village, Sematan, Sarawak and the Aruk community of Sebunga Village in Sajingan Besar District and the people of Biawak Village, Sarawak,

Malaysia, there was quite a high level of trading activity. This cross-border trade activity has been going on for quite a long time and has been carried out from generation to generation. Generally, cross-border trade activities are due to economic interests, namely the sale of agricultural, plantation and fishery products, as well as

to meet all kinds of needs needed by some communities along the borders of the PALSA area. The exchange rate used and very high demand is the Malaysian Ringgit exchange rate.

In Figure 3 it can be seen the economic potential of PALSA.



Source: BAPPEDA Sambas, 2016

**Figure 3.** Economic Potential of Paloh – Sajingan

### Economic Potential in Paloh

Paloh Subdistrict is located in the northern part of Sambas Regency or between 1°35' North Latitude and 2°05' North Latitude and 109°38' West Longitude and 109°38' East Longitude. Administratively, the boundaries of the Paloh sub-district are: North: South China Sea, South: Teluk Keramat District, West: South China Sea, East: Sarawak (Malaysia). The largest village is Sebus Village with an area of 326.21 km<sup>2</sup> or 28.41 percent while the smallest is Matang Danau Village

with an area of 44.01 km<sup>2</sup> or 3.83 percent of the total area of Paloh District.

Paloh District as one of the sub-districts in Sambas Regency apart from Sajingan Besar District which is directly adjacent to the State of Malaysia has a strategic role for the development of Sambas Regency as a whole.

Based on the projected figures, the population of Paloh District in 2015 was around 25,148 people with a population density of around 22 people per square

kilometer or 1,048 people per hamlet.

**Therefore, the urgent problem is the lack of human resources to manage development in areas with enormous potential.**

In addition, Paloh District has many potential tourist attractions that can be developed. Tourist objects in Paloh District include Kalimantan Beach, Harapan Beach and Lestari Beach in Tanah Hitam, Selimpai Island Beach and Batu Bejamban Recreational Park in Sebusus and the most are in Temajuk which include: Tanjung Flag Beach, Bayuan Beach, Camar Bulan Beach, Asam Jawa Pier, Telok Atong Bahari Beach, Tanjung Dato' Tropical RainForest, Teluk Nibung Waterfall and Mount Pangli Waterfall.

**Economic Potential in Sajingan Besar**

Sajingan Besar District is located in the northern part of Sambas Regency or between 1°25' North Latitude and 1°49' North Latitude and 109°25' West Longitude and 109°45' East Longitude. Administratively, the boundaries of the Sajingan Besar District are: North: Sarawak (Malaysia), South: Galing District, West: Paloh District, East: Sarawak (Malaysia).

The area of Sajingan Besar District is 1,391.20 km<sup>2</sup> or about 21.75 percent of the total area of Sambas Regency, which is the largest in Sambas Regency. Sajingan Besar District in 2014 was divided into 5 villages. The largest village is Sei Bening Village with an area of 557.30 km<sup>2</sup> or 40.06 percent while the smallest is Senatab Village with an area of 110.04 km<sup>2</sup> or 7.91 percent of the area of Sajingan Besar District.

Sajingan Besar District as one of the sub-districts in Sambas Regency apart from Paloh District which is directly adjacent to Malaysia has a strategic role for the development of the entire Sambas Regency.

Projected figures show that the population of Sajingan Besar District in 2015 was around 11,114 people with a population density of about 8 people per square kilometer. Therefore, an urgent problem for the regions is the lack of human resources to manage development in a region with enormous potential with the largest area in Sambas Regency.

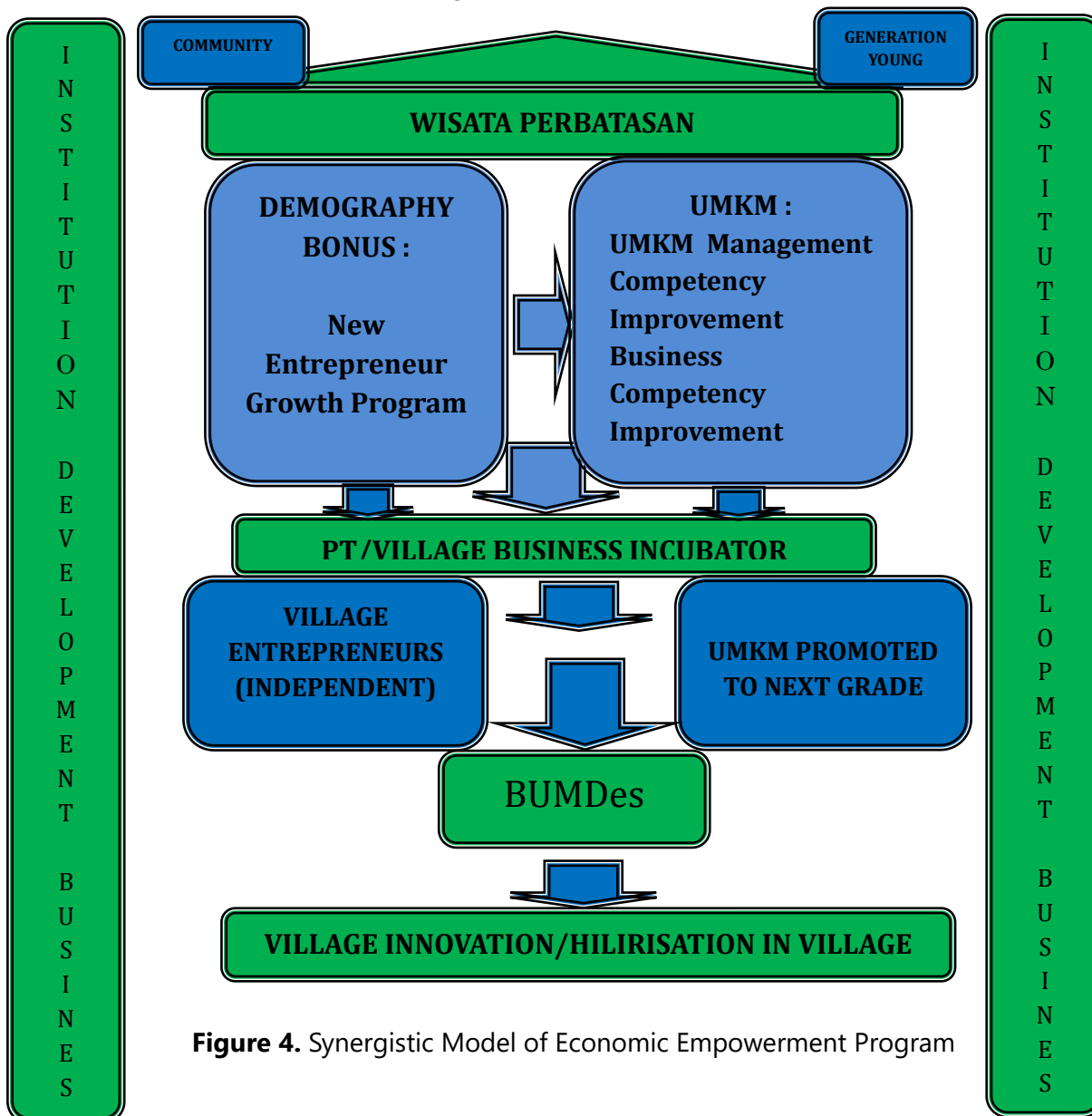
The food crops sub-sector is one of the sub-sectors in the agricultural sector. This sub-sector includes rice crops (lowland rice and upland rice), corn, cassava, sweet potatoes, peanuts, soybeans and green beans. In general, the increase in food crop production in Sajingan Besar District is still strongly influenced by the increase in harvested area. In addition, productivity also greatly affects production. Such conditions are mainly due to the influence of natural factors and the ability of farmers to manage their agricultural businesses.

With a very strategic position because Sajingan Besar District is one of the districts directly adjacent to Malaysia. Just as the industrial sector and other sectors in Sajingan Besar District can be more advanced, however, the infrastructure which has not been completed yet with difficult and remote areas makes the industrial sector of Sajingan Besar District still lagging behind its neighboring sub-districts.

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**Synergy Model of Economic Empowerment Program**

From the various existing economic empowerment programs, the researcher then proposes a synergistic model of economic empowerment program in overcoming socio-economic disparities in border areas, which can be seen in Figure 4.



**Figure 4.** Synergistic Model of Economic Empowerment Program

**Entrepreneurship Program for Prospective New Entrepreneurs**

Several studies on population state that Sambas Regency will get a demographic bonus between 2020-2035 where the

dependency *ratio* of the productive population is greater than that of the non-productive population.



The demographic bonus conditions must be prepared as early as possible so that Sambas Regency can take full advantage of the demographic bonus conditions. To be able to take advantage of the demographic bonus, an Entrepreneurship Program for Prospective New Entrepreneurs is needed.

The Entrepreneurship Program for Prospective New Entrepreneurs is aimed at: 1) Students from universities in Sambas Regency; 2) Youth who do not go to school/college; 3) Children of MSME entrepreneurs in Sambas Regency.

### **Business Incubator Establishment Programs in Every Universities and in Superior-Based Villages.**

Business Incubators in Universities were established in order to help students and new alumni at the university who are interested in becoming entrepreneurs in the form of: (1) physical facilities or office facilities that can be used together, (2) opportunities for access and formation of networks and information and funding, (3) consulting services covering aspects of technology, management and marketing, (4) establishment of a network between entrepreneurs startups and (5) research product development to be produced commercially.

In addition, this OVOP-based community empowerment requires an institution. The discussion on community institutions is closely related to the empowerment process at the community level. Empowerment is not just a methodological approach in the context of the independence of the target community,

but must also be realized in a more concrete form as a form of achieving a program. This institution was later referred to as a "*Village Incubator Based On Unggulan Village*". The existence of a Business Incubator in this village can create "*Village Innovation*", so that the commodities sold by the community are expected to gradually be produced in the form of added value (downstream in the village).

### **Business Development Service Program (Village/Sub-district)**

Based economic development *cluster* is the Business Development Institute (LPB) in each *cluster*. LPB is an institution that provides business development services to improve *cluster business performance*, market access, competitive ability and also provides financing (capital).

This LPB can be managed (owned) in its entirety by the provincial/district government or also managed jointly with the private sector. The functions of LPB for *clusters* are: 1) Information services for *clusters*; 2) Consulting, training and guidance services for *clusters*; 3) Business contact services (as a marketer for *the cluster*); 4) Services in expanding the market; 5) Services in technology development; 6) Financing services.

While the advantages of the existence of this LPB are: 1) As a *cluster* in marketing activities, where the role of this LPB is as a collector of products produced by *the cluster*. With the existence of this LPB, it is hoped that the bargaining power of the community in the village (*cluster*) can be stronger;partner *cluster* in improving the

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quality of products produced through training and guidance and mentoring activities; 3) Provide opportunities for young workers to engage in professional activities in the development of micro, small and medium enterprises.

### **BUMDes Program Based on Leading Village Products**

The establishment of BUMDes is based on Law no. 32 of 2004 concerning Regional Government and Government Regulation No. 72 of 2005 concerning Villages. UU no. 32 of 2004 concerning Regional Government; Article 213 paragraph (1) "Villages can establish village-owned enterprises according to the needs and potential of the village." Furthermore, PP No. 72 of 2005 concerning Villages: Article 78 states that: 1) In increasing the income of the community and village, the Village Government may establish a Village-Owned Enterprise in accordance with the needs and potential of the Village; 2) The establishment of a Village-Owned Enterprise as referred to in paragraph (1) shall be stipulated by a Village Regulation

### **CONCLUSIONS**

Based on the result of the study, it can be concluded: 1) Poverty and socio-economic disparities in border areas in West Kalimantan with communities in neighboring Malaysia are the most conspicuous issues. This condition is caused by the accumulation of various factors, such as the lack of supporting infrastructure, the low quality of human resources (HR) and the low productivity of the community so that the impact on the

guided by the statutory regulations; 3) The form of Village-Owned Enterprises as referred to in paragraph (1) must be a legal entity.

### **Border Tourism: MSME Big House Tourism**

The PALSA area, especially in Paloh District, has a lot of tourism potential. Although it has tourism potential, this potential has not been managed optimally. Infrastructure and transportation constraints are the main obstacles in developing the tourism potential.

Therefore, a creative effort is needed, one of which is to bring up various stories of the uniqueness and beauty of tourist sites in the border area by utilizing social media networks. To do this, it is necessary to involve the younger generation who are relatively very familiar with the use of social media networks. In addition, it is also necessary to support the involvement of environmentally concerned communities in order to preserve the environment which is the object of ecotourism.

utilization of natural resources in the border area is not optimal. 2) However, on the other hand, the border area has very rich natural resources but has not been utilized/exploited optimally. Potential natural resources owned by border areas include the potential for agriculture and plantations, mining and tourism. 3) The border area of Paloh District and Sajingan Besar District (PALSA) which is located in Sambas Regency is a strategic area. The position of these two border districts, especially Temajok in Paloh District and Aruk in Sajingan Besar District, is a very

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potential and prospective area to be used as an economic development area (KPE). The delineation of the PALSA area to be used as an economic development area is quite original, considering that Temajok has links with Telok Melano (Sarawak) and Aruk has links with Biawak (Sarawak). 4) The strategic external environment of Telok Melano-Biawak in the perspective of realizing the Temajok-Aruk KPE, needs to be supported by increasing the development of socio-economic infrastructure and facilities as well as appropriate economic empowerment programs and policies. 5) Actually, at this time there have been many economic empowerment programs that have been carried out by the government, educational institutions and the business world (both BUMN/BUMD and BUMS). However, a synergy of economic empowerment programs is needed in managing the various potentials of existing natural resources so that it has an impact on improving the welfare of the people of the Indonesia-Malaysia land border area in West Kalimantan. 6) Some of the proposed programs that are synergistic with the economic empowerment program include: a) Entrepreneurship program for prospective new entrepreneurs; b) Business incubator establishment program in each university; c) Village incubator program based on village superior products; d) Business development service program (village/sub-district); e) BUMdesa program based on village innovation and f) Leverage program: MSME big house tourism.

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