

## Community Economic Development of the Coastal Area in Gianyar Regency of Bali Province, Indonesia

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### Abstract

Bali Province is one of the islands in Indonesia which is famous with beautiful beaches and marine potentials. As efforts to accelerate the development, built a bypass road along the coastline through three districts, including coastal areas of Lebih Village in Gianyar Regency. Since the construction of the bypass, land conversion of agricultural land jumped by a massive along the road. The purpose of this study are: (1) to analyze the potential of the economic base and economic development of coastal communities after the construction of by pass road infrastructure named Ida Bagus Mantra Road in the Lebih Village; (2) to analyze the factors that support the economic development of coastal communities in the Lebih Village; and (3) to design government policies to optimize economic development of coastal communities in the Lebih Village. The results showed that: (1) agriculture (especially rice cultivation) is still the basis of the economic potential of coastal communities in Gianyar. Nevertheless, the current income of coastal communities is not only from agricultural products, (2) has started a movement or the economic development of coastal communities toward nonagricultural such a small industry and households, trade, services and workers, (3) the direction of the local economy coast to nonagricultural driven by two factors i.e. internal factors and external factors and (4) the civil society hope that the local government will formulate a policy in favor of the society, so that local people can still exist in the dynamics of development. Then, in connection with the results of the study suggest that it should be encouraged to grow an entrepreneurial spirit of young people to take advantage of the opportunities available as a result of the dynamics of development in various fields. In addition to young people who have been doing well in to his farm in the broadest sense, should be given an award by the government, so it can be a motivation for other young people. As a follow up of the study the government is expected to facilitate in enhancing the capabilities and skills of the younger generation to be able take advantage of business opportunities and employment opportunities available. The government is also expected to make similar regulations to inhibit or narrow the rate of conversion of agriculture, especially the productive land. Therefore over the function of uncontrolled land can affect the existence of culture, especially the agrarian-based culture. On the other hand, the government is also expected to formulate a policy that is driven motivate young people to work in agriculture, so agriculture still exist in line with the dynamics of development in other fields.

**Keywords:** coastal communities, infrastructure development, economic development

### 1. Introduction

Community of coastal areas in Gianyar Regency has a relatively different characteristics, when compared to coastal communities in general who live in coastal areas. In general, coastal communities are predominantly fishermen, but coastal communities in Gianyar regency only a small part of fishermen, which is about 16 groups with leght of the beach is not more than 18 km. From the group of fishermen, fishing became dominant because it is the work of generations. While the other fishermen, conduct fishing profession as much as a side job. It is because they still have farmland, mainly rice fields.

One of the physical changes as a result of development today is going over the agricultural land significantly, particularly in urban areas. The fact that almost occurred throughout the region, including in Gianyar. Construction of infrastructure such as roads and the like not only make a positive contribution to the life of society, but can also provide the excesses that are less profitable for some people, such as disrupted irrigation channels and conversion of agriculture can not be avoided. When the highway infrastructure in the wake of the specified areas, the agricultural land conversion happens so fast as it is propelled by the price increases. Even in some of the region with the opening of new roads, tend not inevitable disruption of water irrigation channels in the downstream area, so that the farmers in the downstream experiencing water shortage, especially during the dry season. Despite, recognized the economy that simultaneously with the construction of this infrastructure, the economic value of agricultural land owned by farmers has increased significantly.

Similarly, the increase in the value of agricultural land as a result of road infrastructure development has been taking place in Gianyar regency. Since the construction of arterial roads in the southern part that connects between Denpasar with the built Klungkung, then the value of agricultural land along the road jumped very massive. Even in the matter of an instant, land roadside inevitably from conversion. The purpose of this study are:

(1) to analyze the potential economic base and economic development of coastal communities after the construction of by pass road infrastructure named Ida Bagus Mantra Road in the Lebih Village; (2) to analyze the factors that drives the economic development of coastal communities in the Lebih Village; and (3) to design government policies to optimize economic development of coastal communities in the Lebih Village.



Figure 1. Map of By Pass Ida Bagus Mantra Road

## 2. Theoretical Review

Development synonymous with change and the change in that development is more dynamic rather than static. Development is a process improvement, both physical and non-physical improvement and aims to improve the welfare of society. Stark (1982) suggest that changes in the physical environment, usually followed by socio-cultural changes. Amendments to the socio-cultural, it can also affect the change order and the economic structure of society. Boskoff in Dasi Astawa (2010) revealed that the socio-cultural changes in society caused by two factors, namely internal and external factors. Meanwhile, Hendropuspito (1990) considers that the factors driving change is sourced from internal impulse and whim, whereas an external source such as education, population growth, political, and economic advancement of science and technology.

Empirically, many factors causing the change. Changes in the physical environment, such as infrastructure development, can be a driver of change in another order. Development of road infrastructure in certain regions, can directly affect and even encourage the acceleration of change in other areas. Even with the construction of roads, public accessibility easier to get to and from various directions. People are increasingly dynamic perform various forms of interaction, both social interaction, cultural and economic.

The evidence suggests that the pace of infrastructure development in some areas of Bali, has taken part in changing the face of Bali, both physical and nonphysical mainly related to the social, cultural and economic. The island of Bali with a relatively small area, which is an area of 5.636,66 km<sup>2</sup> or 0.29% of the Indonesian archipelago (Bali in Figures, 2011) and has become an "icon" of Indonesia in the field of tourism, of course any development, including infrastructure development has "domino effect" outstanding.

Realistically seen that, when the arterial road infrastructure development in the region of South Bali is designed to immediately get up, then the change is most prominent and sensational leap increase in land prices occurred significantly. Why did it happen? Due to the sale value of Bali very "sexy" and distinctively as well on the other side of the land area in Bali is very limited.

As the implications of a jump in land prices due to infrastructure development as has happened in Gianyar regency, especially in coastal areas, then slowly and surely over the function agricultural land can not be avoided. Conversion of agricultural land under the pretext and the goal of building public facilities and also satisfy personal interests such as settlement and investors for a variety of businesses, has been proven (in some areas) are real may trigger shifts the potential of the economic foundations of society, including the possibility of community economic development in the region them.

In addition to encouraging a shift or community economic development potential in micro, agricultural land conversion can also push the changes in macro economic potential. Contribution of the primary sector-agriculture in the broad sense to the GDP Bali is slowly declining, on the other hand the contribution of the tertiary sector, especially trade, hotels and restaurants to the GDP is very dominant and continues to increase. Share of the trade, only hotels and restaurant tax in 2010 amounted to 30.33 percent increase compared with the previous year, which is only 30 percent. While the primary sector declined, the year 2010 was 17.78 percent and decreased compared with 2009, which is 18.21 percent (Bali in Figures, 2011). The decline in the contribution of guessed, one of the causes is the area of agricultural land is getting day, diminishing, while on the other hand has not been

offset by the use of technology in agriculture.

Agricultural land on the wane, as well as because over the function, the opening of new land in the agricultural sector in Bali almost nothing. Unlike the other islands by a wide area, thus still allowing opportunities for new agricultural land from opening. Even in view of Nice (1996) revealed that the dominant development with only concentrate on one sector alone, especially in infrastructure development in the sector is relatively "greedy" to spend for land, the issue of transfer functions may not be avoided.

### 3. Research Methods

Based on the background of the problem and review of the literature, the conceptual framework of this study is shown in Figure 2.

This is a qualitative descriptive study took place in Gianyar with a focus on coastal communities in the village more as an area through which the by pass Ida Bagus Mantra Road. This study covers the entire coastal population in Gianyar aged between 20-60 years, or residents who have married later used as informants. The number of informants is determined as many as 30 people, consisting of 13 economists, 11 community leaders, and the 6 village.

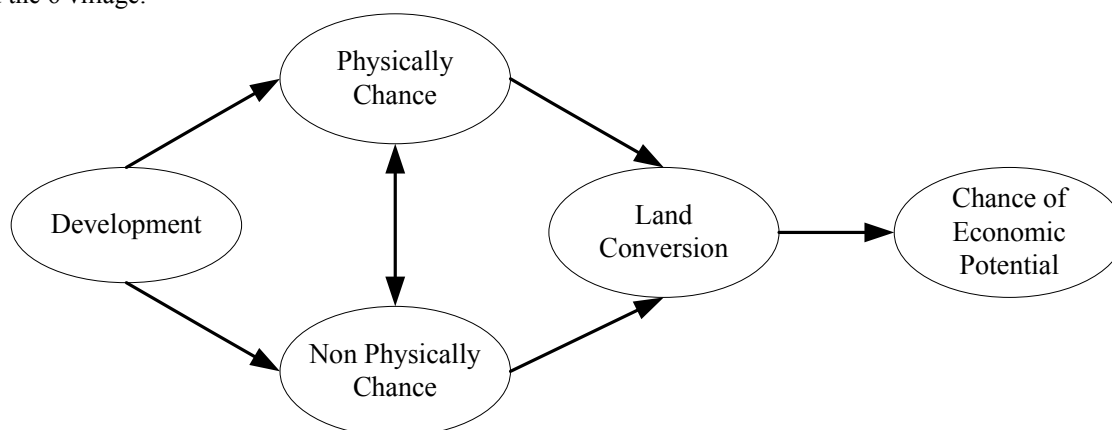


Figure 2. Framework Research

### 4. Data Analysis and Discussion

#### 4.1 Existence of Community Based Economics Potention

In line with the development progress of physical and non-physical as well as economic growth in Bali by motorcycle driving the tourism industry, the agricultural land conversion slowly in the region of South Bali can not be avoided. On average per year of agricultural land in Bali has decreased by 0.06% (Bali in Figures, 2011). The transformation of the land is used to meet various needs such as infrastructure, public facilities, trade centers and residential areas.

As the implications of the above conditions, then most people in the region of South Bali, especially Badung Regency, Denpasar City including Gianyar Regency potential economic base of communities to have movement and gradual development. Movement and community economic development leads to various fields such as small industry and households, medium industry, commerce and various services.

If more specifically look at the potential economic base of coastal communities in Gianyar, certainly relatively different from the economy of coastal communities in other regions in generally. Economy of coastal communities in several other areas usually dominated by utilization or marine products, while the potential economic base of coastal communities in Gianyar region is still predominantly agricultural, especially wet or agricultural fields. Although a small portion of the people in this region, there has profession as fishermen for generations, like the fishermen in the Lebih Village and partly, fishing groups believe that their profession as fishermen just a side job. Some of the potential economic base of communities coastal region is the existence of agriculture wet -ricefield, the existence of sea-fishing fisheries, inland fisheries existence, and the existence of farms.

#### 4.2 Trend of Economic Movement

As the pattern of livelihood in coastal communities and farmers in general, that the dominance of livelihoods rely on the natural potential. The natural potentials include the potential for land and marine potential. Similarly, the pattern of life of coastal communities in Gianyar. There harness the potential of the sea as a fisherman, and others harness the potential of the land as farmers, especially farmers wet-ricefields or fields.

In line with the changes in various areas from development, both physical development and nonphysical, then what is the dominance of livelihoods in advance for coastal communities Gianyar regency most experienced

dynamic. It is undeniable that the potential of natural resources, both marine and terrestrial limited presence. These limitations encourage the use of other resources such as human resources.

The moves, in addition driven by limited natural resources, is also caused by an increase in human resources, in terms of quantity and quality. Increased visits from a quality perspective due to the success of education, including education in Gianyar.

The success of education and development growth in other areas, have contributed to trigger the movement trends and economic development of coastal communities in Gianyar. In general direction of trend movement of economic development moving from agriculture to the four (4) potential options, namely small industry and households, trade, services, and informal sector workers.

Based on the research that the more open accessibility of coastal communities, so that the coastal areas become more open to interact, then it began to grow and grow several varieties of small industries and households. Some small industry and home industry began to develop in coastal areas include; craft, culinary, food industry housing, and building materials industry.

Most of the younger generation are not interested in trying their own (self-employed), either in the field of small industry and households, trade and services due to various limitations, they chose the profession as a worker. As for the choice of their profession is largely choose jobs in the informal sector, among others builder.

#### ***4.3 The Supporting Factor to the Tendency of Economic Development***

At first glance it appears that the potential economic basis of society in this region still dominant in the agricultural sector. But after scrutiny and observed in detail by directly down in the community, it is no longer the dominant farm generating income. There are several factors may be identified why agriculture is not the predominant source of income community environment of the coast, the limited land ownership, public perception, uncertainties, investors, professionals, and opportunities.

Some people say that the limited agricultural land caused them no longer mengadalkan entirely income from agriculture. Some even say cultivate farmland with a limited area, such as the 10- 25 acre. Sometimes bigger effort and cost, especially the price of inputs (production facilities) is now uncertain and likely to increase. Seed is expensive, expensive fertilizers, sometimes the water needed is not like it used to be. So in managing agricultural land, production costs can be higher than income. For agricultural commodities are particularly vulnerable. Most do not last long and prices fluctuated very high and is changing rapidly.

There are still some people view that as farmers less provide assurance to meet the needs of decent living, especially farmers with limited land. So that their perception or view of this kind, according to some informants have contributed to some of the younger generation has not or lack of interest, even reluctant to become farmers. There is even a story that was submitted by the informant that a landowner from outside Bali give / offer their farmland that is managed or used for any plant in accordance with the will. Provided that the tenants and the surrounding community is presented that the land is still used for a long time. But the fact no one responds. Symptoms of this sort is not only happening in this region. Some areas in Bali experiencing similar problems. Most of the younger generation is less interested in becoming farmers.

Befriending any profession, except civil servant, relatively fraught with risk. As traditional farmers are relatively very large element of uncertainty because a lot depends on natural conditions. If nature gives "partisanship" that yields a maximum, it is not necessarily provide happiness for farmers. Generally, if the harvest is successful or commonly called the harvest, the price of agricultural commodities tend to be low. Even farmers have difficulty market. Conversely, if the crop fails and the failure is local, so too will the fate of the farmers said one informant. Because the cost and the price fixed on the one hand very minimum yield. Examples season rice crop in this area failed because the season is less supportive/friendly, whereas in other areas of rice production increased, the grain prices tend to fall. So the farmer's income here was minimal, even the cost of production alone can not be covered.

The presence of infrastructure such as roads this artery can be said to "a dilemma". On the other hand, the construction of this road has been proven open access to the people here, so it's easier to move anywhere. On the other hand, the price of land has increased remarkable. The condition is inviting investors. Just look along the arterial road is too finished and partly-owned investors. Increasing the price of land significantly, helped encourage some owners of agricultural land to interested in selling their farmland. If you've switched ownership of agricultural land, so like it or not they will switch professions. There become permanent workers in the formal sector, there is also be a non-regular workers such as unskilled, even it was likely there were no jobs. Direct transfer of the profession has shifted the source of family income and with it also, the potential economic base of families helped shift.

Choosing to work in other sectors, have contributed to some people to not choose the profession as a farmer. Despite some of them have farms large enough or adequate. The fact is true for communities in coastal areas Gianyar. The more advanced education and quality of human resources in the community is increasing, certainly encourages occur over other professions that are considered better, appropriate and feasible. The

phenomenon is not only happening in this region, almost occurred in all regions. So it is no exaggeration when agricultural land is getting in, the less productive, even displaced alias stalled.

The construction of arterial roads has been recognized by the community significantly create various business opportunities and employment opportunities to the community. Exploiting business opportunities and employment opportunities directly increase people's income from non-agricultural sources. Even in societies that are focused pursue the business and so are working in non-agricultural sector full-time basis, the source of their income predominantly from nonagricultural.

#### **4.4 Government Policy in the Framework to Optimize Economic Development**

Development has always had positive and negative impact, including the construction of the road by pass Ida Bagus Mantra. The negative impact of development can be minimized by various measures and strategies. Facts show that the existence of the road by pass Ida Bagus Mantra has given the acceleration of the movement of goods and people from South Bali Bali towards the East and vice versa. Governments need to formulate some policies in favor of local communities in coastal areas and associated regulations, venture capital, education and training, as well as specific policies for fishing.

For some people who still pursue a job as a farmer, hopes that the government can issue legal rules, especially rules which lighten the burden on farmers, such as the rules on tax subsidies. In addition to such rules, the government is expected to firmly and consistently apply the rules, so that agricultural land conversion will not happen as in other urban areas, including strict in enforcing rules like the green area.

Some people, especially the younger generation turned out to have the desire to try. However, they are constrained by limited capital. Therefore, the government is expected to provide a solution to overcome the limitations of such capital. In order to build the entrepreneurial spirit, the government is expected to provide motivation through education and training patterns. The pattern of education and training is not only theoretically, but expected no practice or internship, so that can directly practice with a view of business that has developed.

Related specific policy for fishermen, the government is expected to be able to fix the fish market on the beach More so refresentatif, so can be market transit fish, especially fish that come from the eastern region. The fish market presence will facilitate a group of fishermen fish processors get the fish.

### **5. Conclusions and Implications**

After assessing the economic development of coastal communities in Gianyar, it can be concluded that agriculture, especially rice cultivation is still the basis of the economic potential of coastal communities in Gianyar, although the income of coastal communities is not entirely derived from agricultural products. When this has started a movement or the economic development of coastal communities towards non-farm as a small industry and households, trade, and services. There are internal factors and external factors that drive the direction of the economy of coastal communities to nonagricultural. The coastal communities very much hope that local governments can formulate a policy in favor of local communities, so that still exist in the dynamics of development.

The young generation in coastal areas should be encouraged to have an entrepreneurial spirit, so as to take advantage of opportunities that arise from the dynamics of development after the road by pass , The local government needs to give respect for the people, especially the younger generation, who still pursue agriculture. Local governments can also build a *rest area* around the Lebih Village, remember Lebih Village is located in the middle of the by pass Ida Bagus Mantra Road. *Rest area* can simultaneously function as a sales center of the typical culinary local areas by local communities.

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