

EXECUTIVE SUMMARY:

DEVELOPMENT PERSPECTIVE OF SOPPENG REGENCY TOWARD THE SUCCESSFUL REGIONAL AUTONOMY

A. INTRODUCTION

In an attempt to contribute strategic ideas about Regional Development for local autonomous government, particularly regarding alternatives for intensifying the development of strategic potentials of Soppeng Region within the context of regional autonomy and the approaching The Free Market Era, the Soppeng Community members who are currently resided and work in Bandung consider the urgency to undertake a series of discussions with the relevant parties concerned with the Development of Soppeng Regency – Particularly for discussing the uphill struggle to make use of the available resources potentials. The outcomes of this discussion are considered to be the manifestation of concerns and commitment of the community members of the Soppeng Region who are currently resided in Bandung, West Java. These contributions are in the form of strategic ideas on the development alternatives for enhancing the prosperity of Soppeng Region within the Era of Regional Autonomy. The contributions of strategic ideas in this context are based on cumulative skills, knowledge, and experiences obtained by individuals during their works in the outer region of Soppeng Region – with a series of adjustments to meet the locally specific circumstances after some observations from experiences in the outer areas of Soppeng.

The Soppeng Regency has a long history of regional development in the context of social, cultural, religious, education, economic, agro-industry, agricultural, and tourism activities. However, from the perspective of “comparative advantage”, the Soppeng Region has yet categorized into a potential development area in comparison with other local autonomous regions in South Sulawesi Province. Therefore, in order to have adequate potential for survival or for pursuing competitiveness, The Soppeng Region must generate special competence for developing the strategic resources

potentials of the Region toward a highly competitive products -- which subsequently need to be sorted out such that the products would have adequate added values to be able to meet or to compete with the highly competitive market demands.

To meet the competitiveness competence, at least six interlinked approaches are advocated: **First**, the planned production for balancing of production and marketing; **Second**, comprehensive planning for land allocation and utilization; **Third**, application of Agriculture Technology; **Fourth**, management of agriculture business; **Fifth**, forestalling of pollution in agriculture to maintain the production environment; and **Sixth**, conservation of natural resources. Taking into consideration of these approaches together with appropriate linkages with the strategic resources potentials, the seminar has been planned and implemented for uncovering alternatives of strategic breakthroughs, which are worth developing in Soppeng Region, and yet still meeting the demands of new paradigm, global competitiveness, free market, democratization, transparency, and regional autonomy which are currently become the burning issues.

Considering the many similarities between Bandung and Soppeng (*Bandoeng van Celebes*) -- which had been granted by the Dutch Colonial Government, meanwhile, to meet the demand of the burning issues for implementation of Regional Autonomy policy, then the theme “**Development Perspective of Soppeng Region toward the Successful Regional Autonomy**”, has been determined as the focus of the seminar with some diversified sub-themes which are prepared in accordance with professional field of works of the authors who have had experiences working in the City of Paris van Java (Bandung), the twin sister city of Watan Soppeng, the capital of Soppeng Regency.

The series of seminar programs have been augmented by some special deliberations among others: The development perspectives of Human Resources in the Soppeng Regency, constraints, predicaments, and alternatives of the way forward; Regional Autonomy and its implications; Development and Management of Water Resources within the context of investment in Agri-business, Agro-Industry and

Natural (Eco-tourism), as well as the immediate prospect for entrepreneurs in water industry; Development potential of mineral resources and Geology Based Tourism for supporting Regional Development; Development of Information Technology and Telecommunication for enhancing the implementation of regional development within the Era of Regional Autonomy; A series of appropriate technologies on human settlement and regional infrastructures, agricultural activities, livestock development, natural/eco-tourism, agri-business; as well as special elaboration on the role of Industry in the enhancement of Regional Development.

B. REGIONAL RESOURCES POTENCY

1. General Condition

The Soppeng Regency is located in the vicinity of WalanaE River Basin Area marked with rolling highland plain and mountainous territories. The total land area of this category is about $\pm 700 \text{ km}^2$ with an average altitude of about $\pm 60.00 \text{ m}$ above the mean sea level (MSL). The mountainous area on the other hand has an estimated area of about $\pm 800 \text{ km}^2$ located at an average altitude of about $\pm 200 \text{ m}$ above MSL. The capital town of Soppeng Regency is Watan Soppeng, located at about 120 m above MSL.

In general, the Soppeng Regency, as the general condition of most regions in South Sulawesi, has a relatively large number of long terms comparative advantage of natural resources potentials, which are predominantly endowed by agricultural sector. One of other most important resources of Soppeng is the highly promising Human Resources Development Potential. This gives a logical argument that through industrialization and modernization on agricultural sector, economic development with appropriate policy implementation, would be able to convey the Soppeng Region toward development prosperity within not too distant future.

With a number of evidences mentioned above, despite the necessity to have appropriate management improvement, development of agri-business in Indonesia has a huge prospect. Not only because of the beauty and attractiveness of its natural resources but also, because of its strategic geographic location, which is easily accessible at the center of transportation networks. Being the case, agricultural development sector in Soppeng is highly potential for promotion of investment, both for local and expatriate investors.

2. Population and Work Forces

The Soppeng Region is populated by about 235,000 people (2001). It consists of six Districts' Administration, 21 villages, 45 Sub-villages, 42 Sub-reigions (*Lingkungan*), 104 hamlets, having a total of 394 community groups (*Rukun Kampung*) or about 1,282 household groups (*Rukun Tetangga*). The average population density of Soppeng Region is about 146.60 people per km². About 4.77% of the population employed in industrial sector; About 0.98% in building and construction industries; About 12.86% in trading sector, restaurant and hotel business; About 2.83% of the population worked on inland transportation and communication; Some 12.10% of the population worked on social and public services as well as entertainment business; and the majority or about 66.23% of its population worked on Agricultural Sector.

3. Natural Resources Potency

By and large, the area of Soppeng Region, which is dominated by the rolling hilly and mountainous topography, with occasionally marked with high mountains, has a huge natural resources potencies with distinct comparative advantage on agricultural sector in the long term perspective. Beside these, one of the distinct prospects (opportunity) for Regional Development is on the human resources that have been familiar with, even by large, already prepared to develop and manage the available natural resources. This concludes that the upcoming development potency of Soppeng Region is closely attached to industrialization and modernization of agricultural practices. It is not an exaggeration to say that the objective of regional development, with such an approach would become materialized within not too long.

The natural resources potencies, which are the pride of Soppeng Regency, have to be developed as appropriate and sensible as possible, in particular, on agricultural sector while still consistently consider the natural resources conservation for sustainable future. The total land area of Soppeng Regency is 150,000 Ha consists of: (1) Paddy field at 24,925 Ha; (2) House yard (building and land) at 2,955 Ha; (3) Upland agriculture (garden and orchard) at 25,111 Ha; (4) Hilly land at 2,445 Ha; (5) Cattle grazing/Grass land at 1,120 Ha; (6) Lake area at 3,000 Ha; (7) Dry land, temporarily fallow at 1,471 Ha; (8) Dry land for timber production/community owned forest at 21,475 Ha; (9) State owned forest at 39,317 Ha; (10) Government owned plantation at 7,878 Ha; and (11) Other categories at about 22,418 Ha.

Water Resources: Water resources potency of Soppeng from rain is estimated at a range between 1,500 and 2,000 mm/annually. This magnitude is quite adequate for supporting agricultural activities, particularly for supporting food production. Surface water generally flows through rivers with quite significant for supporting water demands of the Soppeng Regency. It is estimated that the overall surface water potential in this region is about 13 billion m³, which is currently being utilized at about 20%. There are a number of river basins in the Soppeng Regency, but the WalanaE-CenranaE is the most dominant basin. Besides, among the surface water sources, Soppeng Regency also has lake area, which is the Tempe Lake, shared with Wajo Regency in the East. The overall water resources potency of Soppeng is considered potentially adequate for a number of purposes including the utilization for supporting the human life and environment. Ground water potecy for the region has also been identified, however the exact volume is now being studied. The general characteristic of river in Soppeng is mostly of highland river category with pebbles and boulder-based river channels, except some rivers that are flowing at the lowland plain.

Mineral Resources: The mineral resources of Soppeng Regency has now being under study, but it has yet discovered in an exact quantity as well as location. However, for building and construction materials there have been made the most of them. These include: (1) Sand and boulders which are available in almost all of the

rivers; and (2) Stone, materials for tile, and lime stone and other such local mining have been managed by private sector in variety of local entrepreneurships.

The strategic resources potencies are waiting for effective exploration and sustainable utilization for supporting the development implementation of the region under the era of regional autonomy. However, the resources utilization should always maintain the optimum bearing capacity of the land resources, adjustment with climate, technology and locally available skills compounded with the consistent natural and environmental conservation.

C. TOWARD THE FREE COMPETITIVE ERA

1. Free Trade Era

With the rapid social and economic growth within the last few years, particularly on the activities associated with free trade entity, has made the agricultural sector increasingly downscaling. This in fact, is the major economic backbone of the community. With this evidence, agricultural development, must be specially scrutinized and take all the necessary efforts for adjusting their efforts with production policy, technology and production mechanism, as well as land and human resources potencies toward the full capacity to compete at the local as well as regional markets. Being the case, the economic mechanism and networks would be developed dynamically, and eventually would empower the community participation and hence competition in the approaching globalization with its free competitive entity.

2. Future Demands

In connection with the development strategy that has been an urgency for future demand, and for adjustment with the dynamic process of regional productivity standard, the agricultural development in this region in particular and in Indonesia in general, must be implemented in line with at least four interrelated characteristics: (1) To be based on arts; (2) To be based on business; (3) To be based on science and technology; and (4) Adapted to regionalization/Internalization.

Holistic Approach: Following the interrelated principles the subsequent approach needs to put special consideration on holistic approach through interrelated measures as follows: (1) Production planning with appropriate balance between products and market; (2) Comprehensive and integrated planning with special emphasis on land use and balanced resources allocation; (3) Application of water resources technology, including consistent irrigated agriculture technology; (4) Application of entrepreneurship for agricultural production management; (5) Pollution protection and implementation of appropriate production environment; and (6) Implementation of integrated and sustainable natural resources conservation, including water resources.

Strategic Endeavor: Further to the above matters, it is also important to undertake integrated strategic endeavors for achieving the objectives, which are: (1) Adjustment of category of agricultural business with topographical characteristics and demands; (2) Determination of development implementation through systematical decision alternatives; (3) Management of products and services through market orientation, particularly regional market demands; (4) Application of capital intensive approach and/or technology intensive approach where appropriate; (5) Appropriation of business opportunities from the masses of people; (6) Farms managed by business enterprises by means of Cooperative or corporative type of implementation; (7) Implementation of farming in diversified or specialized ways; (8) Promotion of high quality agriculture; (9) Compound agriculture; (10) Products' grading and packaging; (11) Good Agriculture Product (*quality agriculture*); and (12) Low inputs but with financially feasible product.

3. Regionalization of Agricultural Development

From the facts of the underlying agricultural practices with small land holding condition, the effort for diversification of agricultural production would always be problematic, and hence the degree of productivity would never be competitive significantly with the market demand. This matter would also entail with inadequate household farming income. Similarly, for agricultural production cycle, the smaller the production scale, the higher the costs and the less market competitive will be.

Comparative Advantage: In connection with regionalization of agricultural production, as demanded for diversification and enhancement of market competitiveness, the Soppeng Regency with a total land area of 1,500 km², and with a total scattered irrigated lands of 24,846 ha – is considered highly realistic for the region to pursue independent economic development. Nevertheless, this aspect should be thoroughly addressed and directed toward optimization of comparative advantage both for short-term and medium-term, as well as for long-term programs. Another positive aspects are the degree of variations of topography and land types, which enable diversification of agricultural enterprises. With a wide range of opportunities for implementing diversification of agricultural production, the development of optimum local resources also have high prospect for development of comparative advantage of the region toward the highly competitive economic entity.

Local Resources: From the perspective of land potential, water resources, development resources, technology and overall human resources development, the Soppeng Region has a distinct capacity to integrate all the available resources complementarily. Meanwhile, with the well-planned water resources development for supporting agri-business, agro-tourism, environmental conservation and natural or eco-tourism, it is obvious that the strategic enterprise will become a vital economic generator for the entire Soppeng Regency. The Water resources development and management program in the context of investment on agri-business, Agro-Industry, Agro-Tourism and environmental conservation must be addressed from the suitability with regionalization program as well with land topography and demand for environmental sustainability, by utilizing the largest local resources as possible.

Strategic Commodity: In line with the scope of local autonomous government of Soppeng Regency, all the efforts towards regional development will be concentrated on “strategic commodity” which is water resources development within a number of integrated contexts, scrutinizing all the constraints and problems associated with each related region. The structural mechanism of water resources development is further incorporated and adjusted with the demands of sectoral development for creating competitive domestic, regional, as well as international market opportunities.

4. Problems, Constraints and Anticipative Measures

The underlying agricultural development in Soppeng Region is currently dominated by conventional agricultural practices focusing traditional small land holding agricultural pattern. As a result, the currently low agricultural income, will continuously the case, without any special breakthrough, which is the contrary with the general income tendency of most economic development sector. In practice, however, some constraints are continuously hindering the development efforts including the most significant ones, which is the poor market competitiveness of agricultural production at the regional, what more at the international level. Another case, the utilization of water resources for supporting domestic as well as industrial demands is still dependent upon the old paradigm with its “Business as Usual Scenario”. Being so, the achievement of high competitiveness on regional as well as inter-regional markets would have never been effective. This is particularly obvious because of the problems and constraints on the effective implementation of integrated approach amongst the related sectors, stakeholders, private sectors, enterprises, and the community members, which have never been fully resolved.

In an attempt to enhance the prosperity of the farmers and community as a whole, it is imperative to put into operation some special breakthrough which must be in line with the demands for new paradigm, demands for free market competition, democratization, transparency, free trade, and Regional Autonomy which are currently demanding for actual implementation.

Having the fact that the present condition and existence of limited natural resources potency as well as development condition of Soppeng Regency as compared to other regencies in South Slaws Province, it is quite unrealistic to pursue direct competition either in terms of comparative advantage or competitive advantage with other more potential regions. For this purpose, it will be necessary to implement development strategy with special focus on “strategic commodity” such as natural resources, development resources, human resources development, technology, investment resources, and the underlying enterprise management in Soppeng Regency. Subsequently, development of the strategic sectors must be implemented

judiciously and consistently by virtue of competitive enterprises approach, and yet without disregarding other development sectors. The discussion materials presented in a series of papers in this proceeding are addressing some burning issues and subsequently recommending suggested alternatives for developing strategic commodity of Soppeng Regency, which are conducive to Globalization, Free Trade, Democratization and Regional Autonomy. These are water resources development and management in the context of investment on Agri-business, Agro-Industry, Agro-Tourism and environmental conservation, as well as some integrated supports from a number of relevant development sectors, such as telecommunication, transportation, tourism industry and applications of a number of appropriate technologies.

D. PROSPECTS OF INTER-SECTORAL INVESTMENT

1. Development Alternatives

Considering the underlying resources potencies that are available in Soppeng Regency, there is a number of complementary alternatives for strategic development, which are conducive to the market competitiveness in the Era of Globalization, and yet still supportive to democratization, transparency, and regional autonomy policy. The most potential one is: “Development and Management of Water Resources within the context of investment in agri-business, agro-industry, agro-tourism and environmental conservation. With the considerable supports from a number of development sectors, transportation, communication, tourism industry, and highly competitive market, Soppeng Regency has significant potential for manifesting the optimum land development as interconnected chains of production as well as postproduction processes. Eventually, but not least important is the productive support of water resources-based agricultural enterprises through application of quality agriculture on one side, and leisure agriculture on the other.

Other alternatives of quality agriculture with high potential for development are associated with direct agricultural enterprises including livestock, fishery, and other related production enterprises. A number of strategic enterprises are also having

significant contribution in terms of upstream material production followed by downstream production, which responsible for post production manufacturing, packaging, storage, and marketing, and most importantly, is competitive research and development enterprises.

Other varieties of water based agricultural enterprises with potential for application in Soppeng Regency are through agro tourism approach. This category consists of some activities or enterprises within interconnected production chains such as inland fishery pond, water pond recreation, artificial aquatic ecosystem, fruit plantation, vegetables, herbal medicine, flower, mountain recreation, forestry based tourism, rural based tourism, resort development, agro-tourism, traditional villages, and other such natural-based tourism industries. Those alternatives must be implemented with integrated approach supported with manufacture industry, and other products that have high market competitive potential. Other distinct manufacture that is not directly linked with agro-industry but has a high potential development in Soppeng Regency is drinking water manufacturing industry.

By and large, it is apparent that identification of preliminary source of business enterprises and their related prospects are quite obvious. The water-related agricultural enterprises and their supporting sectors that are having numerous potential to develop in accordance with regional and topographical categories of Soppeng Regency. These categories are: the low-lying area, flat, roiling, hilly and mountainous. Each category has its own characteristic for development of strategic commodity, despite that their feasibilities are still subject to further detailed and specific studies, considering the community involvement and participation throughout the decision making process, by means of participatory, democratic and transparency principles.

From a series of information and evidence stated previously, it is not an exaggeration to conclude that the water-based agricultural enterprises in Soppeng Regency together with the supporting sectors are favorably potential for development together with the active support of community participation toward competitive products and commodities. Eventually, the enterprise development with some value

added measures and with quality and attractive trade packaging together with competitive marketing, compounded with effective support from transportation, telecommunication, and varying level of technologies, ones may see before too long, the economy of Soppeng Regency would become one of the most competitive in the Eastern Region of Indonesia, and yet still consistently meeting the provision and demands for fair and justice Regional Autonomy implementation.

E. RECOMMENDATION

Democratization: Considering the demands of regional autonomy implementation applying for the principles of democratization, transparency, participatory and awareness of environmental sustainability, the implementation of regional development must be mutually committed to the entire citizens including: government, private sector, community, education sector, enterprises, professional associations, legislative, executive as well as judicative, without exception.

Participatory Approach: The implementation of participatory approach in principle must be geared toward mutual commitment in terms of series of chains of activities that are complementary, integrative, systematic, and compounded with all phases of development implementation, from planning, preparation, implementation, operation, resource utilization, and conservation. These all have to be undertaken consistently by means of participatory approach involving all parties concerned, and in accordance with democratization, and transparency principles and yet consistently meeting the competence of each concerned parties.

The Role of Local Government: The fact that the new paradigm has already shifted the role of the government from Ruler to *Empowerer*, hence, one of the most strategic and basic principle, the fist in line that must be addressed by the government is the “Establishment of Visionary Development Strategy”, followed by mutual commitment and participation of the entire community members to promote, establish and encourage the community awareness, commitment and support to make the strategy happens on integrated basis.

Shared Vision: All the community members without exception have their respective obligations to establish mutual commitment in terms of shared vision toward materialization of water resources and environmental conservation through an efficient management, storage and efficient use on the one side and protection of environment against degradation and pollution on the other.

Building of Awareness and Mutual Commitment: In order to be able to achieve the building of awareness and mutual commitment, it is imperative for the Local Government to take initiative on the preparation of detailed of implementation strategy including among others: Establishment of Board of management and Implementation; Identification of stakeholders; analysis of problems; study analysis on all the related aspects involving primary target groups which are prominently potential for promoting resources conservation awareness and commitment to community members.

The Role of Community: From the point of view of participatory role, the community must maintain an active role for supporting the awareness building as well as mutual commitment by means of bottom up approach from the grassroots level, by encouraging them to determine and making their own decision on problem solving alternatives through a consistent technical guidance from agencies and leaders during implementation.

Planning and Programming: In attempting to pursue an effective planning and programming, all the relevant information with business enterprises such as means of production, skill, technology, indigenous techniques and management that have been existed or rooted in the community must be considered at the first priority. Exception, however, with strategic technology or practices that has been tested under the actual implementation. For determination of business enterprises which are considered to be potential or suitable for implementation in Soppeng Regency – at least a number of records or information on traditional practices -- might be obtained from local leaders that are knowledgeable, with all the advantages and disadvantages, for supporting the planning and programming activities, as well as for implementation.

Further to these, the comprehensive and integrated programming are imperative to support with integrated analysis by considering all the resources

potencies, opportunities, problems and challenges toward a firm commitment and synergic implementation.

From a number of available alternatives, the Soppeng Regency has to consider soundly of the implementation of modern agricultural diversification alternatives together with the suitable farming business, which are conducive for developing the local resources into competitive enterprises. The choice on the alternatives should be based upon strategic alternatives as follows: a) Consideration from the context of enterprise activities; b) Consideration from the organizational patterns; c) Consideration from characteristic of farming business; and d) Consideration from scale of business enterprise.

Business Running Type: In order to expand the size and scope of farming business, rate of production, labor efficiency, intensity of cultivation, input-output ratio and capital efficiency, the agribusiness development based on Water Resources in Kabupaten Soppeng will have to open all the opportunities to the private sectors of either domestic or expatriate. The business running types, thus, are considered to be handled in either corporate or cooperative ways, and yet adjusted in accordance with the local condition, and always consider the community participation.

Integrated Study Analysis: Determination of programming followed by comprehensive and integrated approach, must be based on integrated analysis, incorporating all potencies, opportunities, problems and challenges toward mutual consensus on synergic implementation. The efforts to optimize the regional resources potencies, through either comparative advantage or competitive advantage, should be based on synergetic sectoral integration. Through judicious integrated planning, implementation and operation as well as conservation of functional and physical condition of the developed infrastructures, all of the regional resources potencies are together incorporated to form synergy for competitiveness in globalization era. In this particular context, the strategic sectoral potency would have great development prospect, with adequate support from sensible and appropriate outlook.

As the institution responsible for development implementation, the Local Government has to put the human resources development as the most important

aspect to put into actual practice. As the matter of fact, this aspect has long been implemented in Soppeng Regency. The remaining aspects that should be undertaken is the efforts to adjust the dynamic development condition with the future trend, considering the underlying constraints, problems, and strategic issues of Regional Autonomy as well as its related implications. Therefore, the available human resources together have a promising capacity to develop all the strategic development resources of the Regency.

Development and Management of Water Resources in the context of investment in agribusiness, agro-industry, and eco-tourism, as well as the highly prospective geology and mineral resources development and management must be supported complementarily with Information and Technology development, transportation and telecommunication as well as Tourism industry. All together are having concrete important synergies for supporting the implementation of Regional autonomy toward the approaching free market competition. For the Soppeng Regency, the effort for building competitiveness capacity can at least be initiated through a gradual application of a number of appropriate technologies in the field of agricultural business or enterprise, livestock, eco-tourism, agribusiness as well as agro-industry and food processing manufacturing that have already been identified through a concrete research and development activities.

Bandung, July 2003
The Editor