

MANAGEMENT OF THE COUNTRY BORDER THROUGH THE EXPORT DEVELOPMENT OF AGRIBUSINESS COMMODITIES IN THE INDONESIAN BORDER

Alya Elita Sjoen¹, Pandu Adi Cakranegara², Zet Ena³ Miftahorrozi Miftahorrozi⁴ Eko Sutrisno⁵

¹University Kristen Arta Wacana Kupang, Indonesia

²President University, Cikarang, Indonesia

³University Kristen Arta Wacana Kupang, Indonesia

⁴Istanbul Sabahattin Zaim University, Turkey

⁵ University Islam Majapahit

ARTICLE INFO

Keywords:

*Border Management,
Agribusiness Commodity Export
Development*

E-mail:

Alya.es@ukaw.ac.id

ABSTRACT

The management of border areas in Indonesia has faced strategic issues, namely the issue of managing state boundaries and the problem of managing border areas. The purpose of this study is to organize the management of national borders through the development of Agribusiness commodity exports in the Indonesia-Malaysia PLBN on the growth of the economic sector. This research method is qualitative with the type of case study research. The location of this research is Aruk Sambas, Indonesia-Malaysia. Primary data sources are experts and the development of state border areas in Sambas Regency. Data analysis proceeds as follows: First, the researcher rereads the data as a whole to provide an understanding of the overall narrative generated by the interviews. The results of this study indicate that there is a need for collaborative border management based on institutions and the international community for cooperation in achieving goals.

Copyright © 2022 Economic Journal. All rights reserved.

is Licensed under a [Creative Commons Attribution-NonCommercial 4.0 International License \(CC BY-NC 4.0\)](https://creativecommons.org/licenses/by-nc/4.0/)

1. INTRODUCTION

Cross-border management is becoming increasingly important as the sheer increase in global travel puts border management systems under constant stress. The number of international tourist arrivals worldwide jumped from 69.3 million in 1960 to 687 million in 2000. The International Organization for Migration (IOM) estimates that in 2012, there were about 200 million emigrants from around the world and most emigrants migrated through cross-border crossings. invalid limit [1]. According to Hermon dan Mayer [2], Border management integrated with the policy problems of traditional democracies is challenging to solve. In the case of crime, directing action and delivering policy outcomes are consistent with many societal interests. So the policy requires broad negotiations, political compromise, and willingness by individual stakeholders to balance the advantages and disadvantages of business at the border. Even as international travel has increased exponentially, border management systems, especially at land border checkpoints, have faced many risks, such as mass causality terrorist attacks; increasing illegal immigration and human trafficking has exposed weaknesses in states' ability to manage their borders effectively. Improved security has slowed the flow of goods and people, increasing frustration for businesses and tourists alike. Such conflicts will threaten and damage economic opportunities in the border areas. As a result, in the last decade, governments have had a substantial investment to implement new border management frameworks and collaborate across borders to achieve several competing goals: facilitation of lawful travel and trade, prevention of terrorism and transnational crime, and reduction in the flow of illegal migration[1].

Management Of The Country Border Through The Export Development Of Agricultural Commodities In The Indonesian Border- Alya Elita Sjoen, Pandu Adi Cakranegara, Zet Ena, Miftahorrozi Miftahorrozi, Eko Sutrisno

In addition, the management of border areas in Indonesia has faced strategic issues, namely the issue of managing state boundaries and the subject of managing border areas. The not-yet-optimal development, potential utilization, and the lack of basic facilities/infrastructure in border areas are common problems that occur and are faced in almost all border areas of the Indonesian state. This causes border areas to be left behind and isolated, the level of community welfare is low, and accessibility is lacking, especially access to border areas with government centers, public service centers, or other relatively more advanced sites. On the other hand, the Malaysian border area has improved its cultural, recreational, and green open space (RTH) infrastructure so that the economy is growing and can increase revenue from the tourism sector.[3]

According to KPwBI Kalbar [4], Entering the first quarter of 2019, the economy of West Kalimantan is projected to slow down. West Kalimantan's economic growth in the first quarter of 2019 is estimated to grow 4.8-5.2% (YoY). This slowdown is predicted to stem from the declining performance of household consumption as the component with the largest share of West Kalimantan's GRDP after the National Religious Holiday (HBKN) and year-end holidays. In addition, the forecast is that the limited performance of foreign exports in essential commodities will also impact the slowdown in economic growth. Thus according to Akaha dan Vassilieva [5], Changes in the condition of relations at the border cause the movement of human flows between countries. This is an essential concern in international relations because migration in border areas is driven by the motive of increasing economic opportunities between companies and individuals. These conditions impact the expansion of social networks between different countries, thus forming transnational communities with the same ethnic characteristics and cultural heritage, but living in other countries. As for border management, it is necessary to have collaborative border management based on international institutions and communities for cooperation in achieving goals. This model suggests that border management agencies can increase control while providing more efficient services, and they can do so while maintaining their mandate and organizational integrity. In virtual collaborative border management, the border covers the entire transportation and supply chain, assessing goods and passengers for acceptance and clearance before arriving at the physical boundary [6]. While the opinion of the Boston Consulting Group [7] stakeholders rely heavily on intermediaries as trusted brokers to verify, record, and coordinate transactions in border areas by taking shortcuts, and they are a common cause of not increasing border economic transactions.

According to FKPR [8], Border areas have various uniqueness and problems, both economically, socially, and politically and security, including (a) underdevelopment of infrastructure and accessibility of information; (b) strategically, territorially, and sensitively in terms of geopolitics, sovereignty and the integrity of the Unitary Republic of Indonesia; (c) generally are remote or remote areas but have potential in terms of biophysics (agro-ecosystem area and diversity); and (d) require "special" and "thematic" innovation (technology) and policy support. Coordinated Border Management (CBM) is an approach to managing borders that involves public service agencies working across portfolio boundaries in a coordinated manner to achieve a common goal of providing a cohesive government response to border management challenges. CBM can be termed as a logical way to manage border operations to ensure efficient and effective processes and procedures are used by all regulatory agencies involved in border security and regulatory requirements that apply to travelers, goods, and conveyances crossing international and national borders. The goal of a coordinated border management system is to facilitate the trade and clearance of tourists at the same time ensuring safe borders [9]. In addition, in optimizing border export trade according to [10], the need for coordination between individual border agencies (intra-agency), between multiple border agencies (between agencies), and internationally (with colleagues across borders and EU trading partners). The economic condition of the Economic Development area in Kalimantan-Sarawak Sabah, which is generally still very weak, has caused this area to be designated as a Disadvantaged Area. This backwardness has a vast impact, especially in terms of the economic gap between Indonesian citizens and Malaysian citizens with all its adverse effects, such as illegal logging, illegal Indonesian migrant workers, and others, so an appropriate development strategy is needed to overcome the problem of inequality. the economy Edyanto, Teknologi, Lahan, & Bencana, 2007). Aside from that (Purnamasari, Mohd., Sabri, & Amiruddin, 2016) the economic analysis of the Sambas Regency results shows that the rapid development of infrastructure in the Indonesia-Malaysia

*Management Of The Country Border Through The Export Development Of Agricultural Commodities
In The Indonesian Border- Alya Elita Sjiion, Pandu Adi Cakranegara, Zet Ena, Miftahorrozi
Miftahorrozi, Eko Sutrisno*

border area in Sambas has, in fact, not been able to prosper the border communities themselves. This is evidenced by the regional typology showing that Sambas Regency is a relatively underdeveloped area (low growth and low income), with an average economic growth lower than the average economic growth of West Kalimantan Province, with an average sectoral contribution of only 5, 37 percent. The potential sectors in Sambas Regency are agriculture, forestry, and fisheries. Meanwhile, one of the developing sectors that must be considered is the sector of providing accommodation and eating and drinking. To develop the export of agribusiness commodities in PLBN Aruk, Sambas Regency, several agricultural and plantation products exported are pineapple (1000 kg), oranges (550 kg), dragon fruit (2200 kg), petai (300 kg), taro/taro (200 kg). kg, coconut (2000 kg), and Sweet Corn (1437 kg). Overall the price of agricultural and plantation products is Rp. 77,196,000 - to encourage economic growth and create jobs for border communities [13].

With the above background, this paper aims to look at the organization in managing national borders through the development of Agribusiness commodity exports in the Indonesia-Malaysia PLBN on the growth of the economic sector.

2. METHOD

2.1 Jenis and Data Source

This form of research uses qualitative research with a case study approach. According to Robert C. Bogdan and S. K. Biklen [14], this type of qualitative research can be used to uncover and understand something behind a phenomenon that is not at all known in the field. Meanwhile, [15] describes qualitative methods and instruments for studying human activities in terms of seeing, hearing, reading, and the like. This study discusses the Optimization of State Border Management through the Development of Agribusiness Commodity Exports at PLBN Aruk, Sambas Regency. The place in this study is the Aruk PLBN, Sambas Regency, West Kalimantan, which is located at Sebunga, Sajingan Besar, Sambas Regency, West Kalimantan, Indonesia. At the same time, the time in the study will be carried out for two months. This study conducted an in-depth analysis of the performance of the Border Management Section of the Regional Secretariat of Sambas Regency. Then temporary conclusions will be developed as material for further observations. Primary data sources are experts or people directly involved in managing and developing the state border area in Sambas Regency. Data analysis proceeds as follows: First, the researcher rereads the data as a whole to provide an understanding of the overall narrative generated by the interviews. Next, the researchers scrutinized each question by reading the answers provided by the 24 interviewees and then coded each solution according to the emerging themes in viewing the performance of state border management through the development of Agribusiness Commodity Exports. The initial data required in this research proposal are primary and secondary data from various agencies and a representative sample of the population, each data and source of acquisition.

2.2 Analysis Method

This study conducted an in-depth analysis of the performance of the Border Management Section of the Regional Secretariat of Sambas Regency. Then temporary conclusions will be developed as material for further observations. Primary data sources are experts or people directly involved in managing and developing the state border area in Sambas Regency. Data analysis proceeds as follows: First, the researcher rereads the data as a whole to provide an understanding of the overall narrative generated by the interviews. Next, the researchers scrutinized each question by reading the text answers provided by 24 interviewees and then coded each solution according to the themes that emerged in optimization to see the performance of State border management through the development of Agribusiness Commodity Exports.

3. RELUST AND DISCUSSION

3.1 Management of National Borders Through Export Development of Agribusiness Commodities at Indonesian Borders

Development of border areas is carried out by developing growth centers according to local potential, increasing the function of protected areas and conservation areas, improving service facilities and infrastructure to support investment and production systems, establishing a transportation system for smooth traffic between countries, and establishing state gates. Agreed upon by the two countries,

Management Of The Country Border Through The Export Development Of Agricultural Commodities In The Indonesian Border- Alya Elita Sjian, Pandu Adi Cakranegara, Zet Ena, Miftahorrozi Miftahorrozi, Eko Sutrisno

improve the quality of customs and immigration services and facilities, build incentives and disincentives, improve the quality of human resources, reinforce the boundaries of the State's territory and guarantee legal certainty in the implementation of border area development activities and increase the allocation of funds for border area development. The strategy for improving people's welfare is through reducing inequality by accelerating the development of education and health, increasing the accessibility of areas and public facilities at the border, conducting foreign cooperation in trade, economy, and investment at the edge, enforcing the law and border security, organizing institutional arrangements and authority at the wall in a balanced manner Effective [12].

According to Suryo Sakti [16], borders can be divided into two parts: boundaries and frontiers. These two definitions have different meanings and meanings even though they are complementary and have strategic value for the sovereignty of the State's territory. The border is called a frontier because of its position in front of the front of a country, while the term boundary is used because its function is to bind or limit (bound or limit) a political unit, in this case, the State. According to Suryanto, B 17], agribusiness or agribusiness is an agricultural business in a broad sense covering all activities ranging from procurement and distribution of production facilities to farming production cultivation activities, processing activities, and marketing activities. Agribusiness activities as a whole include: (1) upstream agribusiness subsystems, namely economic activities that produce and distribute production facilities; (2) subsystem of on-farm agribusiness, namely economic activities that use inputs for production of primary production; (3) downstream agribusiness subsystem (downstream agribusiness), namely economic activities that process primary agricultural products into processed products that are ready for consumption; (4) marketing subsystem (marketing agribusiness) activities to market primary agricultural products and their processed products.

In supply chain management of global food and agricultural products, which is currently increasingly stringent, the US Council of Supply Chain Management [18], recommends elements that must be considered, namely customer service, accurate demand forecasting, distribution communication, inventory control, handling materials, order processing, power and service support, site analysis for commodity or product storage warehouses, purchasing, packaging, handling of rejected commodities or products, salvage, and utilization of waste or damaged parts of items or products, traffic, and transportation management and warehousing management. The above elements are essential to master, considering that the cost of supply chain management in the United States can reach 23 percent of the total cost of manufacturing (production). In contrast, in Canada, the price is much higher, which is 32 percent of the manufacturing cost (production).

Strategically, in low-cost market segments, many agri-food producers follow differentiation strategies that target specific market segments such as organic foods. This study has identified that stakeholders such as consumers, retailers, suppliers, and regulators are influential forces that drive companies to regard the environmental aspects of their businesses with financial performance. This has led many agri-food industries to adopt sustainable tools such as pollution prevention, local sourcing, reuse, recycling, and eco-friendly purchasing [19]. Border management is a fundamental component of a country's customary and modernizing border control strategy. It consists of streamlining processes and similar technologies, enabling various government agencies to work together effectively on border issues. By implementing CBM strategies at both domestic and international levels, countries can reduce internal costs and inefficiencies, increase security, and increase their ability to facilitate trade and generate revenue at borders[20]. Social and economic changes are changes in people's livelihoods. The phenomena in society in the economic field include "speedy economic growth" and "a shift from agrarian production to industry"[21].

International trade is widely recognized as one of the most critical drivers of economic growth. More integrated markets facilitate the free flow of goods and cross-border factors that allow countries to benefit from a better reallocation of resources. Access to more customers will enable exporters to exploit economies of scale. More open markets encourage competition, innovation, and productivity and expand choices for consumers and inputs for producers [21].

International trade is widely recognized as one of the most critical drivers of economic growth. More integrated markets facilitate the free flow of goods and cross-border factors that allow countries to

*Management Of The Country Border Through The Export Development Of Agricultural Commodities
In The Indonesian Border- Alya Elita Sjiun, Pandu Adi Cakranegara, Zet Ena, Miftahorrozi
Miftahorrozi, Eko Sutrisno*

benefit from a better reallocation of resources. Access to more customers will enable exporters to exploit economies of scale. More open markets encourage competition, innovation, and productivity and expand choices for consumers and inputs for producers [20].

The research was written by [16], the traditional Immigration Cross-Border Post has a significant and strategic role in supporting the development of border areas, namely providing services and supervising population traffic around the borderline. According to Law Number 6 of 2011 concerning Immigration, it is stated that immigration officials carry out the immigration function at cross-border posts. The problem in this research is how to implement the immigration function at the traditional cross-border position at the Class II Entikong Immigration Office. This research is a descriptive analysis and uses a qualitative approach. Based on the study's results, implementing the immigration function of the traditional Cross-border Post at Kanim Entikong has not been carried out optimally. This is due to several obstacles, including institutional, limited human resources, and lack of supporting infrastructure. Institutional strengthening is needed to optimize the traditional Cross-Border Post in the implementation of the immigration function, increasing the number of immigration officials and the competence of conventional Cross-Border Post officers as well as the fulfillment of supporting facilities and infrastructure. In addition, in writing [3], it describes the impact of the social and economic sectors and the supporting and inhibiting factors for developing the Aruk Cross-Border Post (PLBN) in Sebunga Village, Sambas Regency, West Kalimantan Province. The renewal of the Aruk PLBN operation in Sebunga Village, which is currently a cross-country gateway, in addition to guarding the border area, of course, Aruk PLBN can have an impact on the community in various sectors such as the social and economic sectors. This study uses a descriptive quantitative approach that is supported by field data in the form of public opinion on the impact of the Aruk PLBN development. Secondary data is obtained directly from institutions related to documents related to the construction of the Aruk PLBN. The sample collection technique used a random sample selection. Based on the study's results, the structure of the Aruk PLBN in Sebunga Village had a positive impact on the social and economic fields. The social effects that the community can feel are the ease of accessibility and distribution of public facilities and infrastructure such as educational facilities, worship facilities, and transportation facilities. In addition, the means of sending goods, both postal and cargo, are more accessible and cheaper. In the economic sector, it is more accessible and more affordable for the community to access market commodities such as necessities and have easier access to buying and selling so that it has an impact on high community competitiveness and job opportunities both in the formal and informal sectors.

According to D. Kurniadi [5], many approaches exist to developing border areas. Still, there are three critical factors about further regional development: development preceded by planning and infrastructure development (before economic development activities), investment development in the private sector, and policy program development.

4. CONCLUSION

The economic growth at the Indonesia-Malaysia border has not encouraged the development of a border area with its economic potential. However, several essential elements in developing a border area are already owned by Aruk Sambas Indonesia. The resulting strategy provides a solution perspective for problems that arise in the development of border areas. An important aspect that needs to be considered is the condition of the border area that allows for market distortions and the phenomenon of osmosis in the flow of the economy. In terms of market distortion, it collides with policies that limit trade so that market coverage is not optimal.

REFERENCES

- [1] P. Boriboonrat, "Collaborative Border Management in Thailand and Neighboring Countries: Needs, Challenges and Issues," *Int. J. Crim. Justice Sci.*, vol. 8, no. 1, p. 1, 2013.
- [2] O. Marenin, *Challenges for Integrated Border Management in the European Union*. 2010.
- [3] F. Firdaus, "Dampak kebijakan pembangunan Pos Lintas Batas Negara (PLBN) Aruk di Desa Sebunga Kabupaten Sambas, Kalimantan Barat," *J. Ilm. Ilmu Pemerintah.*, vol. 3, no. 2, p. 109, 2019.
- [4] KPwBI Kalbar, *Kajian Ekonomi dan Keuangan Regional Provinsi Kalimantan Barat Triwulan I 2015*.

Management Of The Country Border Through The Export Development Of Agricultural Commodities In The Indonesian Border- Alya Elita Sjion, Pandu Adi Cakranegara, Zet Ena, Miftahorrozi Miftahorrozi, Eko Sutrisno

- Kalimantan Barat: Kantor Perwakilan Bank Indonesia, 2015.
- [5] D. Kurniadi, "Strategi Pengembangan Wilayah Perbatasan Antarneegara: Memacu Pertumbuhan Ekonomi di Entikong Kabupaten Sanggau Provinsi Kalimantan Barat," 2009.
- [6] G. Mclinden, E. Fanta, D. Widdowson, and T. Doyle, *Border Management Modernization*. Washington DC: The World Bank, 2011.
- [7] Y. Chang, E. Iakovou, and W. Shi, "Blockchain in global supply chains and cross border trade: a critical synthesis of the state-of-the-art, challenges and opportunities," *Int. J. Prod. Res.*, vol. 7543, 2019.
- [8] A. A. Sulaiman, I. Las, K. Subagyono, T. Alihmsyah, and Hermanto, *Membangun Lumbung Pangan di Wilayah Perbatasan; Sinergitas Merintis Ekspor Pangan di Wilayah Perbatasan NKRI*. Jakarta: IAARD PRESS, 2017.
- [9] S. Aniszewski, "Coordinated Border Management – a concept paper," *World Cust. Organ. J.*, no. 2, 2009.
- [10] A. Grainger and J. Hintsa, *Facilitating external trade via border management*. Brusel: Directorate-General For External Policies, 2017.
- [11] C. B. H. Edyanto, P. Teknologi, S. Lahan, and M. Bencana, "Pengembangan Kawasan Perbatasan Negara di Kalimantan Barat," *J. Sains dan Teknol. Indones.*, vol. 9, no. 3, pp. 120–129, 2007.
- [12] W. Purnamasari, M. H. K. Mohd., A. Mohd. Sabri, and K. Amiruddin, "Perkembangan Pembangunan Ekonomi Kawasan Perbatasan Negara Indonesia Malaysia di Sambas," *J. Diskurs. Islam*, vol. 04, no. 02, pp. 217–247, 2016.
- [13] Humas BNPP, "Ekspor Produk Pertanian dan Perkebunan Kabupaten Sambas Lewat PLBN Aruk," *Badan Nasional Pengelola Perbatasan RI*, Sambas, Dec-2019.
- [14] Robert C. Bogdan and S. K. Biklen, *Qualitative Research For Education: An Introduction to Theory and Methods*. Boston: Allyn and Bacon, Inc, 1998.
- [15] Y. S. L. Guba, *Naturalistic Inquiry*. London, New Delhi: SAGE Publications, 1983.
- [16] I. Firdaus, "Optimalisasi Pos Lintas Batas Tradisional dalam Pelaksanaan Fungsi Keimigrasian Studi Kasus Imigrasi Entikong," *J. Ilm. Kebijak. Huk.*, vol. 12, no. 1, p. 57, 2018.
- [17] N. I. Wulandari, "Penentuan agribisnis unggulan komoditi pertanian berdasarkan nilai produksi di kabupaten grobogan tesis," UNIVERSITAS DIPONEGORO SEMARANG, 2010.
- [18] E. G. Sa'id, "Manajemen Rantai Pasok Global dan Antisipasi Peningkatan Manajemen Rantai Pasok Pangan di Perusahaan Umum BULOG," *J. Pangan*, vol. 19, no. 1, pp. 51–58, 2010.
- [19] R. S. Mor, S. Singh, A. Bhardwaj, and L. Singh, "Technological Implications of Supply Chain Practices in Agri-Food Sector-A Review," *Int. J. Supply Oper. Manag. Int J Supply Oper Manag.*, vol. 2, no. 2, pp. 720–747, 2015.
- [20] E. Author, *Interoperability At The Border Coordinated Border Management Best Practices & Case Studies*, no. December. Amerika: Inter-American Development Bank, 2010.
- [21] E. Rosana, "Modernisasi dan perubahan sosial," *Tapis*, vol. 7, no. 1, 2011.