
OPTIMIZATION OF AGROPOLITAN OF EAST JAVA PROVINCE AS AN EFFORT TO RESTORE LOCAL ECONOMY DURING THE COVID 19 PANDEMIC

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Abstract: *Optimization of agropolitan as an economic recovery effort due to the impact of the Covid-19 pandemic is a strategic step taken by the East Java Provincial Government. Empowerment of agropolitan communities is an option given its position as the spearhead of agricultural commodities. The whole action must all be done through the development of an efficient system. This strategic step includes several things including the following; 1) Maximizing written regulations in strengthening institutions in the agropolitan sector, 2) Expanding cooperation between local governments, centers, financial institutions, SOEs, and all related groups, 3) Diversification of superior products, 4) Marketing Education, 5) Digitalization of marketing, 6) Ease of access to capital. Then the advice that can be given is that the government must be consistent in supporting and providing assistance to agropolitan communities in developing agropolitan areas for the sake of local economic recovery.*

INTRODUCTION

The Covid 19 pandemic for almost half a year has caused problems that have a direct impact on global and local economic stability. The Government of Indonesia both at the central, regional, and various relevant stakeholders have collaborated in terms of policy formulation to overcome the economic impact that during the pandemic experienced instability. Several steps have been taken by the central government including the following: 1.) The central government through the Ministry of Finance and other National Economic Institutions has established a number of policies to anticipate the economic impact caused by the covid 19 pandemic; 2.) A number of policies taken that have accommodated the business world, MSMEs, to communities with lower middle economic levels; 3.) Then the Local Government also handles economic instability due to the covid 19 pandemic by maximizing the procurement of food and basic needs to

maintain regional food security, providing incentives in the form of reduction and exemption of local tax burdens, suspending time with extension of tax obligations, extension of revolving payment obligations; 4.) lastly provides business capital strengthening stimulus to all MSMEs affected by the covid 19 pandemic.

Broadly speaking, the Government has made preventive efforts to prevent the economic impact caused and threaten the welfare of the community. If the technical impact regarding the prevention of the Covid-19 virus has not been resolved properly, it automatically has an impact on the economic impact that is not optimal in the selection mechanism. And the Government has other preventive measures as an alternative strategy, namely: 1.) Carrying out covid handler instructions consistently such as PSBB, implementing health protocols and the use of masks, 2.) Optimization of local resources including financing, facilities, and infrastructure using APBD, especially from health DAK in 2020 and Village Funds to overcome the Covid 19 outbreak. 3.) Optimization of local potential as an alternative to meeting basic needs in the community, 4.) Developing financial inclusion through increased community access to formal financial services for those on low incomes, 5.) Increase economic intervention by creating appropriate credit relaxation and capital assistance policies in the community, 6.) maximize collaboration with all actors including Government, Private Sector, NGOs, Universities and Communities as a medium of information exchange in policy formulation (Tjenreng, 2020).

The Government of East Java Province with a wide range of regional potential, especially in the agropolitan sector, allows to be able to prepare for food security in this pandemic period. In accordance with RPJMD in 2019-2024 with the vision of realizing East Java more prosperous, equitable, independent, competitive, and morals. Therefore, the development of agropolitan areas can be used as an economic and food defense as well as realizing the implementation of the mission achievement of the medium-term development of East Java Province, namely "Makin Sejahtera and Mandiri Bersama Wong Cilik" (East Java Provincial Government Writing Team, 2020).

Based on the Directorate General of Urban and Rural Governance in 2005, the Agropolitan Program has an understanding of the development of a certain area based on the agricultural sector. Agropolitan is a city or agricultural district that grows and develops and is able to spur the growth of the agribusiness system so that it can then serve, encourage, attract agricultural sector development activities in the surrounding area without being determined by a government administrative limit but by the scale of existing economic needs. So, in order to improve services to the community, the government needs to monitor the performance of agencies that directly serve the community in carrying out their duties and functions. (Taufiq, Widodo & Hartono, 2019:1116)

East Java Province at the beginning of 2020 with the Agropolitan area development movement was recorded still followed by 25 regencies / cities and 2 regencies that are still in the process of being designated as Agropolitan areas, namely Magetan Regency. Then from the twenty-five who already have agropolitan area includes Batu City,

Mojokerto Regency, Ngawi, Banyuwangi, Lumajang, Bangkalan, Tulungagung, Trenggalek, Pamekasan, Pasuruan, Madiun, Lamongann, Tuban, Bondowoso, Bojonegoro, Jombang, Sumenep, Sampang, Sidoarjo, Situbondo (Jatimprov.go.id).

In the agropolitan concept there is a district agropolitan system, where a rural area with a service radius of 5-10 km with a population of about 50-150 thousand people and a density area of at least 200 people / km². Then the services and services provided are adjusted based on the level of economic and socio-cultural development around. Agropolitan districts must have local autonomy that provides an order for the establishment of service centers in rural areas. The service center has special characteristics with some for rural community service. Agropolitan is also defined as a system that includes elements of pre-harvest, harvest, post-harvest and marketing activities and cannot be separated from each other because they must be fused and related. The potential of agrarian resources that are spread unevenly in every area of East Java Province then in the development mechanism it needs to be related to the development of local and national areas and then guided by the National Regional Spatial Plan (RTRWP) and the Provincial Spatial Plan (RTRWP) which has been identified as a mainstay area sector and priorities to support development that has the potential to increase (Regional Native Income) PAD.

The purpose of the development of agropolitan area in East Java Province is essentially to develop areas that have the potential to become agropolitan areas. By utilizing the empowerment of agribusiness communities as a spearhead in order to be able to increase the amount of production, productivity of agricultural commodities, and various other agricultural processed products, the whole action is all done through the development of an efficient agribusiness system. Strengthening in the institutional sector of farmers, processing of agricultural products, expansion of marketing with the development of its marketing system, integrated extension of farmers, development of a conducive climate for business or investment, and the improvement of PAD based on the agricultural and other multi-sector sectors (Rachman, 2011).

The significant impact of the Covid 19 Pandemic over the past few months has made the order of life of the world community, especially East Java Province in terms of economic activity experiencing a drastic decline in production and income. This condition makes local governments must be able to optimize the potential of reliable regions, especially the food needs sector, namely agropolitan to be maximized. Utilization of the potential of agropolitan areas as one way in the recovery of the local economy in the pandemic period is a strategic step that can be pursued by the Regional Government, especially East Java Province. Tambunan (2020) defines that local economic development through agropolitan is "a choice of changes in economic structure by creating economic growth based on high employment with measures of poverty reduction achievement and labor creation by building centers of economic growth potential in the region".

METHOD

This paper uses literature study research methods by compiling data, then conducting data analysis, and finally drawing conclusions from the data obtained so as to get conclusions in the form of literature study analysis models. Literature study research is a study that is categorized as scientific work because in data collection there is a strategy in the form of research methodology. In the study of the literature of variable data is not standard, from the data obtained analyzed in depth to then poured in several sub-chapters so as to be able to answer the research formulation (Bungin, 2011). For this research literature data, the data source obtained was obtained from the manuscript of internet policy documents, content, seminars, e books, and various other written sources on the issue of agropolitan development during the Covid-19 pandemic as a local economic recovery in East Java Province.

FINDINGS AND DISCUSSION

Finding

Optimization of the local economy through the development of the agropolitan sector in East Java Province is a strategic step taken by the East Java Provincial Government in the recovery of the local economy during the Covid 19 pandemic. East Java with various agropolitan potential in addition to being a strategic step can also be maximized as an alternative step where in this sector has the advantages of agropolitan products that have been recognized for quality. Then based on the regulations of the central and regional governments, the significant prospects of local economic development in the agropolitan sector are very good when viewed from the development process that has been achieved, especially in regional areas.

There are many innovations in the addition of superior programs and products that then become new markets in the community both locally, nationally, and internationally. The state of the covid 19 pandemic period is certainly one of the obstacles is in the marketing sector that is limited by health protocols such as the decrease in the number of direct transactions in the market due to the PSBB Policy and other health protocols. Therefore, by maximizing the development of information technology through online marketing through social media, television, print, and various other platforms that have been circulating in the community, it is expected to be an alternative solution for the smooth marketing process, especially for superior product products produced from agropolitan regional products in East Java Province today.

Table 1. Agropolitan Region Potential Table in East Java

| No | City/Regency | Agropolitan potential |
|----|--------------|---|
| 1. | Lamongan | Agropolitan potential in Lamongan Regency in the south that must be developed so that it can have a strategic impact on the region; |
| 2. | Magetan | Plaosan, Panekan and parts of Poncol as horticultural agropolitan areas, BETASUKA Area (Bendo District, Takeran, Sukomoro, Kawedanan) as plantation agropolitan area. As for areas that have potential as agricultural development, including: Cultivation of rice crops in Takeran, Ngariboyo, Bendo, Karas, and Kartoharjo districts; Cultivation of corn crops found in Lembeyan, Plaosan and Sukomoro districts; Cultivation of yam plants found in Poncol, Parang, and Plaosan districts; Cultivation of peanut plants found in Lembeyan and Takeran districts; Cultivation of green bean plants found in Poncol, Parang, and Plaosan districts; Cultivation of peanut plants found in Lembeyan and Takeran districts; Cultivation of green bean plants found in Maospati Subdistrict. |
| 3. | Ponorogo | Agropolitan activities also continue to be developed, Ngebel District is projected to become the center of agropolitan Ponorogo Regency, of course, with the establishment of Ngebel District as the center of the agropolitan there are several improvements carried out by the local government, including the development of existing agro sub-terminals, the development of increasingly diverse crop varieties is also one of the innovations carried out by Ponorogo Regency. |
| 4. | Tulungagung | Karangrejo Urban PKlp (Karangrejo, Sendang, Pagerwojo, Ngantru) with agropolitan and industrial service functions. In KAS the superior products of cloves, and fruit, wilis area, with the potential of coffee, tobacco, sugarcane, cocoa and coconut; and cloves. Sendang Subdistrict has the Main Superior Potential of Dairy Cattle Ranch and the superior potential of supporting mangosteen vegetable fruit, durian, rambutan, carrot, mustard, chickpeas, garlic, long beans. |

Source : Research Data Processed

Discussion

From the data obtained it turns out that there are still many areas in East Java Province that have agribusiness potential but still have not been developed into agropolitan areas such as Magetan, Ponorogo, Tulungagung, Lamongan, and also various other regions. There are a number of strategic steps that can be done in the process of developing the agropolitan sector to maximize the potential of the region in East Java including the following:

- a. Maximize written regulation in institutional strengthening in the Agropolitan sector

As stated in The Governor's Decree No. 188/40/KPTS/013/2015 dated January 20, 2015 on the Working Group (POJKA) on The Development of Agropolitan and Minapolitan Areas of East Java Province 2015 has been explained where agropolitan is a central government policy that uses an integrated approach from several departments of economics for development in rural agriculture areas with the step of complementing infrastructure. and expand access to farmers' business credit to encourage the growth of the agropolitan sector in increasing the added value of the agricultural sector. In the covid 19 pandemic many targets and goals are planned to be constrained by health protocols so that alternative safe and effective activities are needed such as, if in fruit and vegetable plantations can transfer to hydroponics, aeroponics, fruit crops in pots, combining various integrated agricultural systems (Integrated Bio Cycle Farming) and other agricultural systems that do not need special land. Based on this, the government should have the ability to provide policy conformity by referring to changes that will occur in the present and future so that the desired goals can be achieved (Larasati, Ria & Kusnan, 2021: 9).

- b. Expansion of cooperation between Local Governments, Centers, Financial Institutions, SOEs, and all related groups

An integrated form of collaboration will make it easier for actors in the agropolitan sector to carry out their duties and activities to meet all the needs for smooth activities that have been formulated together. Local Governments, Centers, Financial Institutions, SOEs, and all related groups must sit together in a medium in which to formulate a strategic plan and accompanied by a joint commitment in efforts to develop the agropolitan sector in East Java Province as an optimization of strengthening the local economy.

- c. Product Diversification

As an effort to find and develop products and expand new markets and then in order to pursue growth, increased sales, profitability, flexibility, product diversification is a strategy to meet consumer tastes and needs by combining products to pursue growth, increase sales, profitability, flexibility by creating new products or services without relying on one type. product only. It is hoped that the

diversity of products in the agropolitan sector will be a special attraction for consumers.

In addition, with the diversification of products to will have a positive impact, namely increasing consumer interest in buying so that customers become satisfied. Satisfaction is a criterion of effectiveness that refers to the success of the program in meeting needs. Thus, the more quality the products and services provided; the satisfaction felt by customers is higher. (Sicily, Nurjanah & Tukiman, 2020:101)

d. Marketing Education

Many actors in the agropolitan sector still need to get special insights in terms of business in the agropolitan sector, including the increase in human resources in a product diversification because in the field there are still many farmers who use old technology that has not supported the development of current needs. Therefore, by collaborating between IT companies and related sectors, it is expected to be able to provide training to apply digital marketing mechanisms. The need for an online socialization as a testimonial and habituation by the government to the community and all related parties in realizing agropolitan product marketing education. This education contains about how to manage the agricultural system without or by using land and also a breakthrough agricultural system that supports where in accordance with health protocols.

e. Digitalization of Marketing

Digital marketing is an effort to promote various agropolitan sector products by reaching consumers in a measurable and targeted manner. Internet marketing activities generally include and relate to the manufacture of advertising products, search for prospects or consumers with persuasive methods that are verbal or non-verbal in a product quality promotion, especially in the agropolitan sector. For technical activities that must be done include web design creation activities , text running advertising, promotion on information search engines (search engines), affiliate marketing, marketing through mobile phone numbers that have been registered, interactive advertensi, and other online marketing models. This is in accordance with the statement "Digital marketing is in accordance with the expected enablement. Besides that, the public must also understand how to provide good service and good communication in marketing their products through social media or mobile marketing". (Rahayu & Kriswibowo. 2021:58) That digital marketing is part of the expected empowerment. In addition, with digital marketing people can understand how to provide good service and good communication in marketing their products through social media or mobile marketing.

f. Ease of Capital Access

So far, the ease of capital access is still a serious obstacle for capital

strengthening in the agropolitan sector. From various cases that occur some financial institutions are not easy to pour funds to farmers who want to apply for capital for the development of agribusiness. This is because farmers are less trusted by banks for reasons of high risk. But by looking at the business opportunities of the agropolitan sector which is very large and even becomes a basic consumption need in the community, especially in the current pandemic period, the solution for capital is very important. In addition, basically the existence and role of non-economic variables such as social capital institutions in society such as leadership, creativity, innovation that develops can also affect the results of activities (Swastuti & Pudjiarti, 2021: 35)

Furthermore, by utilizing agricultural fintech so that farmers can easily access capital online or through POKJA where it has been selected through the Governor's decree. The government can create a capital fintech platform with an integrated system so that it is expected that the business cycle in the agropolitan sector can run without obstacles and obstacles.

Conclusion

The solution of the research results entitled optimization of the agropolitan sector as an effort to recover the economy due to the impact of the Covid-19 pandemic is as follows; 1) Maximizing written regulations in strengthening institutions in the agropolitan sector, 2) Expanding cooperation between local governments, centers, financial institutions, SOEs, and all related groups, 3) Product diversification, 4) Product marketing education, 5) Digital Marketing, 6) Facilitating access to capital.

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