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COLLABORATIVE PATTERN OF VILLAGE FUND USE AND OVOP MODEL FOR 'VILLAGE-POLITAN' DEVELOPMENT IN TIDAL LAND: PROSPECTS IN BARITO KUALA REGENCY, SOUTH KALIMANTAN

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Abstract

The Government's policy of allocating Village Funds since 2015 is intended to build village infrastructure and the welfare of its people. However, field research reports tend not to show the fact that the target of the Village Fund policy has been achieved in accordance with the scenario. From a number of success stories that the Village Fund succeeded in building a large number of village infrastructure, it turned out that the Village Fund in general had not been used for the welfare of rural communities. The Village Fund can be directed as an extraordinary basic capital to develop the economic potential of the village. The OVOP (One Village One Product) Model is a strategic model for optimizing environmental resources, so as to produce better added value, for example by relying on a superior product in an area as large as a village. This model would be better if mated with the development of 'village-politan', ie an integrated village development strategy based on agricultural products. It is assumed that the Village Fund should be used to develop village-based polices based on the OVOP model, and the intended development is thought to be very prospective in Barito Kuala Regency.

Keywords: village funds, superior products, OVOP models, village-politan

1. INTRODUCTION

Barito Kuala Regency has an area of 311 thousand hectares, dominated by tidal land covering 300 hectares and swampy land area of 11 thousand hectares. Of the tidal land area, around 130 thousand hectares of which have been reclaimed into productive land. From the area of land that has been reclaimed, around 77 thousand hectares of them have already been able to be planted with rice (BPS 2015).

From the results of rice farming, Barito Kuala is known as one of the rice barns in South Kalimantan. From the planting area in Tabunganen sub-district, Anjir Pasar, Rantau Badauh, Anjir Muara, Tamban, Barambai, Mekarsari, Cerbon, Tabukan, Balawang, Marabahan, Alalak, Mandastana, Bakumpai, Wanaraya, and Jejangkit, the paddy produced by the regency reached 330,687 tons, or an average of 3.8 tons of dry grain per ha. From the rice production, Barito Kuala district contributes around 17.83% of South Kalimantan rice production (BPS 2016).

From horticulture activities, from Barito Kuala produced citrus fruits (types of siamese) and pineapple. Siamese orange producing areas include Mandastana, Belawang, Cernon, Marabahan, and Rantau Badauh Districts. Oranges from this district contribute 64.79% of the total citrus of South Kalimantan (BPS 2015). The famous siamese oranges are siamese oranges from Sungai Kambat Village, Cerbon District (Handayani et.al. 2011). In general, siamese citrus plants are planted with surjan along with rice plants. The surjan system is typical of swamp land management, which is characterized by differences in the surface height of the planting field on a land called '*guludan*' and '*tabukan*'. *Guludan* is a high area of land, but *tabukan* is a low part of the soil. Horticulture plants are usually planted in the fields of *guludan*.

The question is, can comparative advantage based on local resources in Barito Kuala regency be increased to a competitive advantage? The following article tries to review it and relates it to the existence of Government policies regarding the Village Fund, and the existence of a model for developing local potential products called OVOP.

2. VILLAGE FUND POLICY

The government, since 2015, has a commitment to give special attention in the form of Village Fund policies to finance infrastructure development and village community empowerment activities. Political considerations for providing village funds are based on Law No. 6 of 2014 concerning Villages, and Government Regulation number 60 of 2014 concerning Village Funds. The number of villages in

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Indonesia is 74,958. Village funds intended to finance village development come from the state budget. By the Ministry of Finance, the Village Fund allocation in 2015 was set at IDR 20.76 trillion. This means that each village receives a funding allocation of around IDR 628 million per year. In 2016, the Village Fund allocation in the Draft State Budget increased to IDR 46.98 trillion, then to IDR 60 trillion in fiscal year 2017, with an allocation of around IDR 1 billion per village. The realization of the Village Fund budget for the 2015-2017 period was recorded at IDR 127 trillion, the actual funds were not small for the capital to build the village.

A number of success stories about the use of Village Funds in various regions are displayed by the Government. The Ministry of Village claims that for three years since 2015 it has succeeded in improving the condition of 15,000 disadvantaged villages from the original number of 20,000 villages (*Daily Kompas* 07-17/2018). Other Government data states that the use of Village Funds has been used, including the construction of around 124 thousand kilometers of village roads, 791 kilometers of bridges, and access to 38.3 thousand units of clean water. In addition, around 3,000 boat mooring units, 18.2 thousand PAUD (Early Childhood Education Programs) units, 5,400 Polindes (village maternity huts) units, 6,600 village market units, 28.8 thousand irrigation units, 11.6 thousand Posyandu (Maternal and Child Health Service) units and around 2,000 reservoir units (*CNN Indonesia* (16/08/2018), quoting the President when delivering the Financial Note for the 2019 RAPBN in front of the DPR RI Plenary Session).

But the results of the macro achievements of the use of the Village Fund turned out to have other nuances at the micro level. From various field research reports, information was obtained that the main obstacles to the use of the Village Fund were related to three things: (1) the inability of the apparatus to plan activities in accordance with the procedures for using the Village Fund; (2) in some regions, there are indications that there has been misappropriation of funds due to the pattern of Fund management that is not transparent by the implementing apparatus, and (3) the inability of the program implementing officers to engineer the use of the Village Fund for productive economic purposes in order to improve the economic competitiveness of the village.

Regarding the procedure error, the use of the Village Fund is probably not solely located in the executing apparatus. The fact shows that the administrative procedures for managing the Village Fund actually tend to be complicated. There are at least five government regulations under the Act, plus 13 ministerial-level rules (ministerial regulations) as the legal umbrella for implementing village fund management. For village communities, including village officials, it is not easy to understand how to properly implement Village Fund governance. The results of the study in the field show that the implementing apparatus in the village government, program assistance officers, and even program supervisors in the district are actually not too prepared to use the Village Fund accountably in accordance with project management rules (Utama 2017; Syakriah 2017; Sekarsita 2017; Sarman 2017; Sarman and Purwanto 2017; Sarman and Wahid 2017; Mushalli 2017; Yoseph 2018). It seems to provide a justification of the facts presented by various news in the mass media, that all parties seem to see the Village Fund as only a "project" and each person wants to take advantage of the "project". Even though what is meant by the "project" of the Village Fund is actually the basic capital to create an independent village community. Namely advanced and empowered village communities.

In some cases, in some regions, the use of the Village Fund can indeed create business opportunities that benefit the local community. For example what was done by residents of Ciawigajah, Beber District, Cirebon Regency, West Java. The villagers use the Village Fund to treat clean water from the spring to bottled water. Marketing is carried out by BUMDes (VOE/Village-Owned Enterprises). According to the Village Head Ciawigajah, if it goes according to plan, the village income can be IDR 1.2 billion per year from the bottled water business. Even though the Village Government also uses the Village Fund to develop the village into a sweet potato center, with production of 200 tons - 300 tons of sweet potatoes per year (*Kompas Daily* 03/28/2018).

In other words, the achievement of the use of the Village Fund may be macro enough to be proud of. However, in certain cases, the use of the Village Fund depends on many things. One of the most basic things is whether the local community is able to explore potential sources of themselves and their village environment so as to have a maximum impact on their welfare.

3. OVOP MODEL FOR DEVELOPING VILLAGE FEATURED PRODUCTS

The OVOP (One Village One Product) concept is not new in Indonesia. In the 2000s, the Government tried to implement this model, but it was called

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'Village Featured Products' (Produk Unggulan Desa' / PUD). Nevertheless, the PUD program does not show significant success, due to several inhibiting factors such as: (1) OVOPs that seek to add value to the superior products of certain villages or regions basically depend on the culture of the local community, and cultural factors cannot always be changed and developed, and (2) with regard to coaching authority, PUD / OVOP development agencies in Indonesia often overlap roles, so it is not only confusing, but also can turn off the creativity and motivation of the community to pursue the business being developed.

Even though it has been realized for a long time, that the economic activities of rural communities should be oriented towards featured products that are marketable and guaranteed to be sustainable in their production. It is this pattern of developing featured commodities from a community that underlies the OVOP (One Village One Product) concept. This concept has been successful in Japan with the term *Isson Ippin Undo*. The OVOP model was first initiated by Morihiko Hiramatsu, when he became Governor of the Oita Prefecture in 1979 (Schumann, 2016). According to Morihiko, OVOP has three main principles. First, Global Local yet, which means producing products or services that are locally valuable and globally acceptable, implemented by improving product quality through a process of technical training to improve production and design quality. Second, self-reliance and creativity, which means utilizing creatively owned potential with independent businesses. Third, human resource development, which has the meaning of developing the capacity and competence of the community to have the spirit to be creative and be able to face various challenges of the times.

Because of the existence of three OVOP principles that must be met, it is assumed that rural communities in Indonesia cannot actually implement the OVOP model as required by Morihiko Hiramatsu. Indeed, what is meant by "products" in the OVOP model is not limited to agriculture, but rather what products are the advantages of a village area. Even if the village's potential is in the field of tourism, what is "sold" is tourism objects and souvenir items. But to produce products or services that are locally valuable and globally acceptable (local yet global), of course, you must choose the type of commodity that is in accordance with the wishes of consumers. This may be somewhat impossible for the village community to produce that is low in education and ignores the quality aspects of the products produced.

4. DISCUSSION

As typically ideal, in this article we want to discuss the importance of conditioning a 'village-politan'. The concept of ‘desa-politan’ is actually not a new concept in the repertoire of the term village development in Indonesia. This concept is a modification of the concept of 'agropolitan', which presupposes an agricultural village as if it were an 'independent city' which is capable of developing economically local resources (Sarman 2009). However, a number of parties often reduce the concept, so that similar terms emerge, such as ‘*mina-politan’*, to show that a (rural) area has been developed as a center for fishery products. Whereas when referring to Friedmann and Douglass (1975), as the initiators of the agropolitan concept, the concept is operationally actually to show a condition in which a vast agricultural area has provided infrastructure that enables the implementation of agricultural industrialization from upstream to downstream. Such a concept, given the objective conditions, is somewhat impossible to realize in Indonesia.

Therefore, the concept of "village-politan" must not be imagined as an agropolitan concept version of Friedmann and Douglass. What was done by the people in the villages of Jomboran, Jimbung, and Krakitan in Klaten Subdistrict, Central Java, might be used as an example. With the help of thinking from a Professor at Gadjah Mada University, they can develop the "village-politan" area, and become a best practice for the use of Village Funds to advance the village economy (*Kompas Daily*, 04/11/2018). The villages in Klaten may be an example of the most likely modification of the agropolitan concept.

The 'village-politan' development in Klaten is based on the superiority of each village's resources. Jomboran Village, for example, because the resources that can be developed are rice farming, the commodities featured developed are entirely products related to agriculture. For the village of Krakitan, because the existing environmental resources are in the form of a rocky mountain area, the potential developed in the village of Krakitan is a village nature tour that displays panoramic views of the hills to take pictures and sports locations for rock climbing. As for the village of Jimbung, the commodity is packaged in the form of a tourist village of springs, featuring a turtle bathhouse.

Assuming that 'village-politan ’can be conditioned in sub-districts that are producing oranges in Barito Kuala Regency, perhaps it is not

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excessive. First, because the initial capital, in the form of comparative advantage, already exists. Second, the next capital is the existence of the Village Fund, through the revitalization of BUMDes, it should be directed to support the development of featured village products.

Nevertheless, the prospect of 'village-politan' in Barito Kuala is believed to be not without obstacles. First, in the current conditions, the quality of Barito Kuasa oranges is not too superior compared to outside products. Second, if the purpose of product development is to improve quality so that a competitive advantage level can be achieved, it seems that there are still many steps to be taken. Therefore it is necessary to look for another strategy to support the presence of 'village-politan' in Barito Kuala. One strategy that might be offered is to integrate the OVOP model with 'village-politan' development.

The scenarios that can be offered are as follows. Districts that have certain featured economic resources are directed to develop a product that has competitive advantage. The Village Fund, should be used to develop and revitalize the role of BUMDes. District and provincial governments, through APBD (Regional Development Budget) funds, help support the development of OVOP. Whereas the banking sector, for example Bank of BPD South Kalimantan, provides capital to expand the 'village-politan' target and target of development that implemented OVOP. On the other hand, Lambung Mangkurat University, as a higher education institution, should mobilize its academics who have certain expertise to assist the community in developing featured products. The private sector, with its managerial superiority, can play a role in ensuring product quality and providing access to product marketing. In other words, the village community should not be left alone to develop themselves and their village potential.

If such a scenario can work, the prospect of 'village-politan' development in Barito Kuala is not only based on citrus plants, but also other commodities, such as pineapple, vegetables and fish. In fact, for example, superior products are combined with ecotourism programs, because the ecology of swamps and tidal land is actually unique. The problem remains with all parties who have the power, whether they want to be involved in the project.

5. CONCLUSION

Village funds should be capitalized into basic capital to finance the development of village economic potential. The Village Fund Capitalization for example can be realized by conditioning the presence of 'village-politan'. The presence of 'village-politan' will be more meaningful if its existence is combined with productive economic activities to realize the OVOP model. But the implementation of the OVOP model is only possible if it is carried out by involving all parties who have power, such as the private sector and university academics, including the Regional Government of Barito Kuala Regency itself. ***

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