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The role of economic in natural resources development in the City of Baubau.

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Abstract. Regional economic development is a process in which local governments and communities manage existing resources and form a partnership pattern between the government and the private sector to create new jobs or employment opportunities and stimulate economic growth. The purpose of the role of the Baubau City Economic and Natural Resource Development is to explain and inform the availability of data and information on the economic and natural resource development in the City of Baubau. The policy approach describes the vision and mission of the mayor so that the mayor has a very influential role in policymaking. Development policy in the City of Baubau is a non-radical continuing policy, more specifically the approach to be taken. Institutional procedures which are carried out with coordination and communication at high frequencies will significantly assist the smooth and successful planning and technical approach, studies of calculation criteria or methods to be used include natural resource balance and regional economic calculations.

1. Introduction

Economic development is part of national development, initially only oriented to growth issues. [1], [2], [3] The primary objective of economic development is not only to create the highest possible growth, but also to eliminate or reduce the level of poverty, income inequality, and unemployment or to create employment opportunities for the population. Employment opportunities allow people to get income for fulfilling their needs. [4], [5] Regional economic development is a process of the ability to utilize human and natural resources as effectively and efficiently as possible. Ability to use these resources. Therefore, inventory (quantitatively), the quality of resources (qualitatively), and the dimensions of its use must be formulated in a framework of quality, just, environmentally sound and compatible with sustainable regional economic development policies.

Natural resources must be managed as effectively and efficiently as possible. In an activity [6], [7] planning is in dire need of funds and accurate information, to formulate a holistic, measurable and well-targeted planning concept. Planning for Economic Development and Natural Resources in the



City of Baubau is a part that is not separate from the concept of planning in general so that the need for data and information becomes a fundamental or vital need in the process. Accurate planning, [9], [10] measured and precisely targeted, will significantly affect the strategies and policies that will be taken by the Regional Government, especially in the framework of regional development in all sectors. The Update and Management of Baubau City Economic and Natural Resources Data and Information Activities are part of the effort to present information needed in economic and natural resource development planning.

Baubau City lies in the coastal area of 306 km², with a population of 136,991 inhabitants and a density of 447.68 people/km². It is one of the tourism destination cities because of its natural beauty surrounded by oceans and beaches, hence thought to have considerable natural resource potential. Baubau City consists of 8 sub-districts (Betoambari District, Bungi, Kokalukuna, Murhum, Wolio/Sorowalio, Lea-Lea, Batu Puro and Wolio) consisting of 38 villages Geographically located in the south of the equator between 5.21 ° - 5.33 ° Latitude South and between 122.30 ° - 122.47 ° East Longitude or overall lies to the south of the Province of Southeast Sulawesi. The regional boundary of the city is: (a) North: Buton Selatan (b) East: Kapuntori District, Buton Regency (c) South: Pasarwajo District, Buton District (d) West: Kadatua Subdistrict, South Buton Regency.

The purpose of the Role of Baubau City's Economic and Natural Resources Development is to explain and inform the availability of data and information accuracy on economic and natural resource development in the City of Baubau. The results of the Update and Management of Data and Information on Economic Development and Natural Resources of the City of Baubau can be utilized both by the Regional Government and Stakeholders in the City of Baubau.

The law of the Republic of Indonesia No. 25 of 2004 stated that National Development is an effort carried out by all components of the nation in order to achieve the goal of statehood. Whereas [8] the National Development Planning System is a unified procedure for development planning to produce long-term, medium-term and annual development plans implemented by state and community administrators at the Central and Regional level. National Development Planning includes the implementation of the macro planning of all government functions covering all areas of life in an integrated manner within the Territory of the Republic of Indonesia. National Development Planning consists of planning an integrated development compiled by the Ministry/Agency and planning by local governments in accordance with the National Development authorities. Planning produces (1) Long-Term Development Plan, (2) medium-term development plan, and (3) Annual Development Plan. [9] National Development Planning includes the organization of macro planning in all government functions that cover all areas of life in an integrated manner within the Territory of the Republic of Indonesia. National Development Planning consists of development planning that is arranged in an integrated manner by the Ministry / Institution and development planning by the Regional Government in accordance with its authority.

2. Methods

2.1. Policy Approach

This study required several basic data related to the Update and Management of Data and Information on the Economic and Natural Resource Development of the City of Baubau. They are the RPJP of the City of Baubau, the RPJMD of the City of Baubau, the Strategic Plan of the SKPD related to Economic Activities in the City Government of Baubau, the PDRB of the City of Baubau, SIPD of Southeast Sulawesi Province. These all documents were reviewed to get the policy in the city of Baubau for the management of data and information on economic development and natural resources. Additionally, several Legal References help in studying the Update and Management of Data and Information on the Economic and Natural Resource Development of the City of Baubau. These references such as Law Number 25 of 2004 concerning the National Development Planning System, Law of the Republic of Indonesia Number 23 of 2014 concerning Regional Government, Regional Regulation of the City of Baubau Number 1 of 2013 concerning the Baubau City Regional Medium

Term Development Plan for 2013-2018. The Policy is a description of the mayor's vision and mission so that the mayor has a very influential role in policymaking. Development policy in the City of Baubau is a non-radical continuing policy with more specific approaches.

Legislation underlying the Preparation of Regional Spatial Natural Resources, Information needs of natural resources for development in the region and nationally required an accurate data language. The natural resource balance agrees with four components of natural resources, namely land resources, forests, water, and mineral resources. The implementation of the regional spatial natural resources balance sheet based on the needs of regional land resource data through central and regional sectoral technical coordination, coordination meeting on the preparation of regional NSASD in the Ministry of Home Affairs on January 19, 1991. It was later strengthened in the Ministry of Home Affairs Number 39 of 1995, based on the main duties and functions of the National Survey and Mapping Coordinating Board, and Presidential Decree No. 27 of 1975 as the Secretariat of the Natural Wealth Committee.

2.2. *Institutional Approach*

In carrying out this work, the consultant will actively coordinate and establish close cooperation with the Task Giver Technical Team and other agencies related to this project. The implementation of the institutional approach in this activity is indispensable due to several considerations. Firstly, the time for the execution of this work is sufficient, namely 3 (three) months, but still requires good cooperation and coordination from the parties related to this work especially those who can help provide data needed. Secondly, activities for the preparation of updating and processing data and information on economic development and natural resources of the City of Baubau are closely related to other agencies, thus this activity can be used as a program socialization and enhance comprehensive collaboration in processing data and information on economic development and resources nature in the study area. Thirdly, it is estimated that relevant agencies in the regions have plans and programs for managing data and information on economic development and natural resources. Thus this activity is expected to be a strengthening of programs or complementing existing local programs.

Concerning this institutional approach, the consultant will collaborate and coordinate with the Task Giver / Project Leader, Technical Team, and officials in the area, so that regional needs and aspirations are all accommodated. Coordination and communication in high frequency will significantly help the smooth and successful planning of this plan, and any problems that arise will be resolved immediately.

By often coordinating and communicating with the Central and regional parties, it will expedite and accelerate in resolving problems that might occur. A field survey should be able to identify issues in processing data and information on economic and natural resource development. Overall, some things need good coordination. (1) Equalizing the interpretation of tasks, obligations, and responsibilities of each party involved in carrying out this work. (2) Discussion on the work plan and implementation schedule, especially the field survey work. (3) Planning a productive and organized communication system between the Consultant and the Assignor / Technical Team as well as all relevant agencies (4) Procedures and permits required from the Assignment Giver.

2.3. *Technical Approach*

The technical approach is a study of the criteria or calculation methods to be used including the natural resource balance and regional economic calculations.

2.3.1. Natural Resources. One of the alternative ways is through the preparation of a balance of natural resources. As before, the natural resource balance consists of four components (land, forest, water and mineral resources). In the balance sheet of natural resources, there is information about the size of the resources/reserves of each type of mineral, the number of exploited minerals and the remaining reserves (balance) and the amount of financing for environmental recovery inside the implementation of exploitation (utilization). All of which are convertible into Indonesian currency (IDR) values according to the latest prices applicable

from time to time in line with the district budget year (APBD). In addition to this information, the other important thing is the existence of spatial information on the distribution of the location of natural resources in an area.

2.3.2. The Balance Sheet of Natural Resources. The balance of natural resources is agreed upon in four components of natural resources, namely land, forest, water, and mineral resources. Information needs of land resources for development in the region and nationally required an accurate data language.

2.3.3. Natural Resource Management. the general principle in economics is how to meet the needs of humanity which tends to be unlimited with the availability of limited or scarce resources.

It is important to note that discovery of new deposits and the presence of new technologies will minimize the increasing costs of natural resource extraction. [10] classifying natural resources into three groups, among others: (1) Unrenewable natural resources, (2) Renewable natural resources, (3) Perpetual natural resources.

Historically, natural resource management will cause various concerns and problems around several issues. First of all, the depletion of natural resources which result in economic anxiety. Secondly, Effects of the use of natural resources on the environment. In addition to concerns about the scarcity of natural resources, some people worry about the consequences of natural resources such as waste and waste that will pollute the environment.

Economic development [10] is an activity carried out by a State to develop economic activities and the standard of living of its people. With this limitation, economic development generally defined as a process that causes the per capita income of a country's population to increase in the long run. Economic Development Goals aim to build national identity or national personality. The way to achieve this goal is greatly influenced by the nation's view of life to increase national output and people's income. [11]. [12] defines economic development as an effort to improve the standard of living of a nation which is measured by the high level of per capita income. So the economic development goals besides increasing real national income, also increase productivity [13].

3. Results and Discussion

3.1. Discussion of the relationship between Natural Resources and Economic Development

The role of economics in relation to natural resources and the environment is about decision making in the use of scarce natural resources. The use of natural resources for the future is a balance between population and natural resources. Natural resources are anything that is under or above the earth and has not been utilized in the production process. Natural resource goods are natural resources that have been taken from the earth and used as production factors. Rapid economic growth requires a lot of resources but can reduce natural resources on earth. Economic theory used in economic growth related to natural resources is a production function. There are eight critical issues related to natural resources, namely inventories for human needs, inventory locations, shifting availability of natural resources, use policies, the role of natural and environmental resources, quality, environmental damage and market mechanisms.

Environmentally sound development is an effort to realize an increase in community welfare/affluent society by paying attention and maintaining natural resources or planet earth so that in the future there will be no ecological deterioration, soil depletion and the preparation of non-renewable natural resources. The problem for developing countries, like Indonesia is how to improve the fulfillment of the needs of poor people through economic development activities while maintaining environmental sustainability. The policy of management, utilization, development, and preservation of natural resources in carrying out sustainable development, [14] must at least fulfill several principles.

First of all, it has to respect and maintain the community of life. Secondly, it should improve the quality of human life. Thirdly, it preserves the life force and diversity of the earth. Fourthly, it should avoid waste of resources non-renewable power, by trying not to exceed the carrying capacity of the earth. And lastly, it should contribute to changing people's attitudes and lifestyles and supporting the creativity of the community to maintain their environment.

3.2. The Role of Natural Resources in Economic Development

In economic development role perspectives, history records that society can achieve prosperity because it successfully utilizes the natural resources it possesses. Until now there are still people who say that one of the factors contributes to a country's poverty is because they do not have enough natural resources. Natural resources and the environment play a role in economic activities. The needs of both households and companies are all ascertained to be obtained from nature, where companies will increase the economic value (Added-Values) of natural resources and the exploited environment by producing them. From the results of production, there will be two products: firstly by consumption products and secondly by residual products (residues). And from the rest of the economic activity, it finally returns to nature in solid, liquid and gas.

The more specified roles of natural resources in economic are (1) Acting as a fulfillment of the demands of human life by increasing the economic value of natural resources with processing and production. (2) Acting as the raw material in the production process so that it is useful in supporting national income to improve economic growth. (3) Serving as a stock of raw materials for the production process to meet human needs in the future. (4) Natural resources act as a balancing factor for the environmental ecosystem. (5) Working as a resource that can be used forever or will never run out like air. (6) To play a role in encouraging tourism aspects in attracting tourists through existing sources of environmental aesthetic values, thereby increasing the country's foreign exchange and providing contributions to economic development. (7) Acting as a valuable asset in a country that is as a separate wealth that can be processed and managed in a country that will have a lot of influence on development, especially economic development

Environment and nature have three functions [15], [16] which is the first to function as a raw material supply, where households and companies depend on the natural environment, including air, water and other necessities such as minerals and energy. After a review, the decline in environmental quality and natural resources is a result of two factors, namely the increase in economic requirements and the failure of the policies implemented (policy failure). Unlimited increases in demand often create high pressure on the environment and existing resources. For example: the need for wood availability which forces us to over-deforest and the occurrence of illegal logging (illegal logging), the need for transportation for mobility and support the rate of the economy too often cause an impact on environmental damage such as air pollution, and sea events where due to economic necessity force fishermen to do over fishing activities. Therefore, the acceleration of economic development should be accompanied by the availability of resources and a sustainable environment [17].

4. Conclusions

In planning, activity is in need of funds and accurate information, to formulate a holistic, measurable and well-targeted planning concept. Planning for Economic Development and Natural Resources in the City of Baubau is a part that is not separate from the concept of planning in general, so the need for data and information becomes a fundamental or vital need in the process. The forms of the approach used to make it happen are the policy approach both in the form of laws, and the mayor's policy is very influential for the development in Baubau City. In addition, the institutional approach of the consultant will collaborate and coordinate with the Task Giver / Project Leader, Technical Team, and officials in the area, so that regional needs and aspirations can be accommodated. The last is a technical approach with the calculation method including the natural resource balance and regional economic calculation.

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