



ECONOMIC FACTS OF SUMATRA AND KALIMANTAN ISLANDS FOR 10 YEARS

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Abstract

Background: The formulation of this scientific research problem is what are the scientific facts that can be obtained, for 10 years on the island of Sumatra and Kalimantan.

Research purposes: The purpose of this study is identifying scientific facts the direction and pattern of economic growth that occurs on the islands of Sumatra and Kalimantan.

Research methods: The researcher applied quantitative approach, along with descriptive quantitative techniques.

Research results: The results of this research are, there are 2 patterns of economic growth on the islands of Sumatra and Kalimantan during these 10 years. The trend towards growth on these two islands is, has a fluctuating tendency and has indications of a downward trend over the past 10 years. Some special findings are: (1) Aceh Province is quite risky, because over the past 10 years has historical economic growth movements that form the depth of the valley (can be indicated recession), (2) East Kalimantan as many as 4 times over the last 10 years, experiencing negative economic growth, (3) The plantation sector, through CPO exports is able to have its own impact, on the economy of South Kalimantan in 2020. Specifically for economic growth in 2020, it is a special record because of the overall economic growth of 10 provinces on the island of Sumatra and 5 provinces on the island of Kalimantan with negative growth performance.

Conclusion: For Sumatra Island there are 2 different forms of patterns between provinces, pattern 1: Aceh, Riau and Riau Islands. For the case of Aceh province is quite risky because for the past 10 years, it has historical economic growth movements that can indicate recession.

Keywords: *Economic Growth, Economic Facts, Sumatra Island, Kalimantan Island*

Abstrak

Latar belakang: Rumusan masalah penelitian ilmiah inilah yang menjadi fakta ilmiah yang dapat diperoleh, selama 10 tahun di Pulau Sumatera dan Kalimantan.

Tujuan penelitian: Tujuan dari penelitian ini adalah mengidentifikasi fakta ilmiah arah dan pola pertumbuhan ekonomi yang terjadi di pulau Sumatera dan Kalimantan.

Metode penelitian: Peneliti menerapkan pendekatan kuantitatif, bersama dengan teknik kuantitatif deskriptif.

Hasil penelitian: Hasil penelitian ini adalah, ada 2 pola pertumbuhan ekonomi di Pulau Sumatera dan Kalimantan selama 10 tahun ini. Tren pertumbuhan di kedua pulau ini adalah, memiliki kecenderungan berfluktuasi dan memiliki indikasi tren penurunan selama 10 tahun terakhir. Beberapa temuan khusus adalah: (1) Provinsi Aceh cukup berisiko, karena selama 10 tahun terakhir memiliki pergerakan pertumbuhan ekonomi historis yang membentuk kedalaman lembah (dapat diindikasikan resesi), (2) Kalimantan Timur sebanyak 4 kali selama 10 tahun terakhir, mengalami pertumbuhan ekonomi negatif, (3) Sektor perkebunan, melalui ekspor CPO mampu memiliki dampak tersendiri, perekonomian Kalimantan Selatan tahun 2020. Khusus untuk pertumbuhan ekonomi pada tahun 2020, merupakan catatan khusus karena pertumbuhan ekonomi secara keseluruhan dari 10 provinsi di Pulau Sumatera dan 5 provinsi di Pulau Kalimantan dengan kinerja pertumbuhan negatif.

Kesimpulan: Untuk Pulau Sumatera ada 2 bentuk pola yang berbeda antar provinsi, pola 1: Aceh, Riau dan Kepulauan Riau. Untuk kasus provinsi Aceh cukup berisiko karena selama 10 tahun terakhir, memiliki pergerakan pertumbuhan ekonomi historis yang dapat mengindikasikan resesi.

Kata kunci: *Pertumbuhan Ekonomi, Fakta Ekonomi, Pulau Sumatera, Pulau Kalimantan*

Accepted: 24-10-2021; Revised: 29-10-2021; Approved: 14-11-2021

INTRODUCTION

Economic growth is one of the macro indicators (Indayani & Hartono, 2020) which can reveal the extent to which economic activity works in an area (Hellen et al., 2018). In addition to the island of Java, there are 2 islands namely Sumatra and Kalimantan (Rosmeli & Nurhayani, 2014). It has a considerable role in our national economy (Kristiyanti, 2012). (Darmawan, 2020) noted that territorially, the foundations of national economy based on the roles and contributions are firstly, Java Island (Sardini, 2011), while the second and third are the islands of Sumatra and Kalimantan (Nasruddin, 2013), followed by the island of Sulawesi, then the island of Bali, Nusa Tenggara, Maluku and lastly Papua.

Macro portrait of economic growth on the island of Sumatra in 2011 was within an average of 6.33 percent (Jayanti, 2017), but in 2020 it contracted quite strongly to -1.25 percent (Nugroho & Muhyiddin, 2021). With the same pattern for the economic growth of the island of Kalimantan (Fathurahman, 2019), in 2011 it was able to create growth in the economic activity of 6.49 percent (Prasetyo, 2011). However, with the Covid-19 pandemic outbreak in early 2020 (Indayani & Hartono, 2020), it had a real impact on the economic structure of Kalimantan Island to -1.79 percent.

This condition seems to be experienced by other islands and also, in general, the Indonesian economy (Radar Bali, 2021). The current economic conditions, in which Bali province is quite comfortable with economic growth, Bali is only able to grow -5.76 percent. (Gallyn, 2020). Informed that the conditions in 2020 will not be the same as the previous year, when various domestic parties and International Institutions predicted that the Indonesian economy in 2020 will experience a slowdown. Dhea et al., 2021, found empirical facts in 2020, that Indonesia's economic growth was slowing down. One of the causes is the limited international trade activity. Of course, slow economic growth will have a broad impact on the financial aspects of the country. (Kekry, 2021) said that regional economic growth is the essence of creating a source of regional income. Other studies found that regional economic movements have a fairly strong relationship with fiscal capacity.

Researchers are interested in uncovering what a portrait of growth looks like in 10 provinces on the island of Sumatra and 5 provinces on the island of Kalimantan. With various factual expressions and empirical findings, the formulation of the problems raised in this scientific research is what scientific facts can be obtained, based on the historical economic conditions for 10 years on the islands of Sumatra and Kalimantan. This research generally aims to identify scientific facts of the direction and pattern of economic growth that occurred on the islands of Sumatra and Kalimantan throughout 2011-2020. This research pays attention to several theoretical frameworks, in the book *Microeconomic Theory* (Wilson, 2007) economic variable relationships are important to be found. Past phenomena can be used as a foothold in correcting mistakes and efforts to stabilize future growth rates (Sadono, 2008). Economic growth reflects the movement of economic activity, Then the movement should have an influence on income, welfare in a certain period of time. (Todaro, 1998) states that the country's economic growth is illustrated by the provision of goods for the people, by strengthening the ideological, technological and institutional aspects.

RESEARCH METHODS

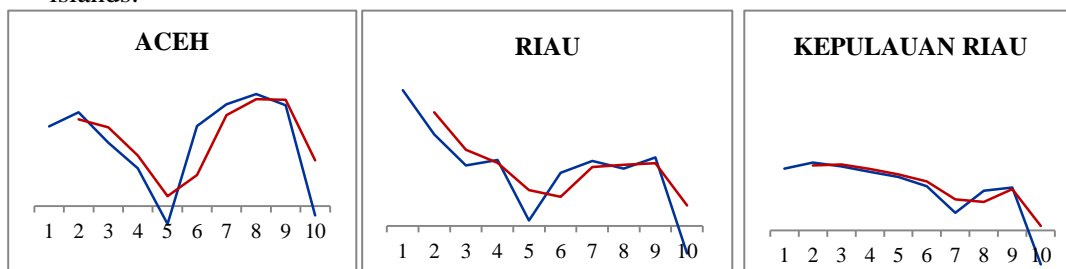
The research focused on economic growth, with loci on the islands of Sumatra and Kalimantan. Principally, this research was designed using quantitative approaches. In the

book (Hardani dkk, 2020) Quantitative approaches actually emphasize views, characteristics, and processes on variables and reveal patterns and relationships of the observed objects. The main type of data needed was quantitative data with secondary data sources. The dominant method of data collection applied in this study was the literature study while the data analysis method used was a descriptive quantitative, According to Willy et al. (2020), the process of data collection includes testing, and withdrawal of issues. (Hardani et al. (2020) clarified that the process of finding symptoms, facts, and phenomena will lead to the formulation of tables or figures that contain numerical data.

RESULTS AND DISCUSSIONS

This is an effort to enrich the findings of scientific facts about the economy on the island of Sumatra with its 10 provinces and the island of Kalimantan with its 5 provinces. In general, the average PDRB value of Sumatra Island since 2011-2020 was around Rp.196,363,618 trillion, while for the island of Kalimantan reaches an average value of around Rp.16,795,762 trillion. In addition to the economic performance of the two islands, the fact that the general public needs to know is that the islands of Sumatra and Kalimantan play a big role in the national economy of both Java islands. The statement is in line with the (BAPPENAS, 2020) Conveying growth and composition is still dominated by the islands of Sumatra and Kalimantan, (BPS, 2020) The role of the island in the formation of GDP is Kalimantan and sumatra. The islands of Sumatra and Kalimantan have a fairly important role for the performance of the national economy. Historically recorded in the period of 2011-2015, the role of the two islands amounted to 22.25 percent and 9.31 percent, respectively. Similarly, in the period 2016-2020, performance based on the island's contribution to the economy is still maintained, sumatra island with a role value reaches 21.21 percent and Kalimantan island reaches a value of 8.31 percent. That is a description of the economic performance of the two islands, over the past 10 years. This is where the researchers are very interested, specifically in what is happening to the two islands and what kind of scientific facts have a significant effect on the national economy. It is expected to be useful for other islands such as Bali and Nusa Tenggara, Maluku Papua, and Sulawesi.

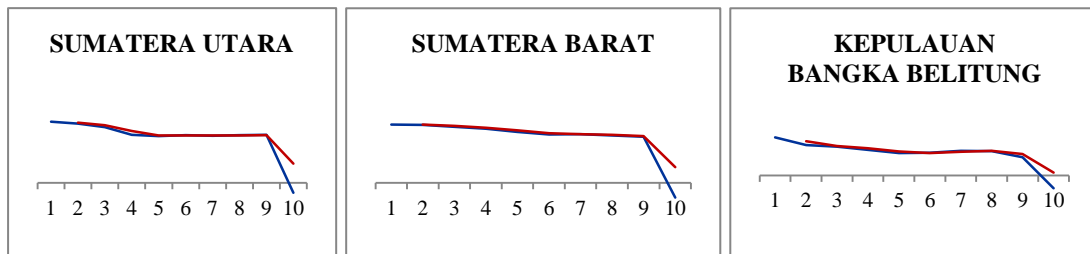
Based on the average performance of the PDRB of Sumatra island in 2011-2021 as much as Rp.196,363,618 trillion and Kalimantan island reached Rp.16,795,762 Trillion, researchers are trying to find patterns of economic growth in each province on both islands.



Picture 1. Economic Growth Pattern of Aceh, Riau, and Kep.Riau Provinces 2011-2020. Description: Blue Line (Actual Economic Growth), Red Line (Moving Average). Source: Processed Data, Researchers 2021.

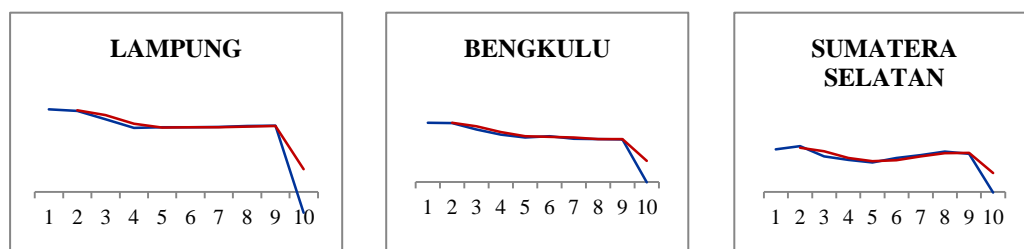
These three provinces have a similar pattern of economic growth, compared to other provinces on the island of Sumatra. Aceh province experienced 2 times negative

economic growth over 10 years, in addition to 2011-2014 consecutively formed an economic valley, in 2015 it was the deepest valley -0.73 percent. Riau province in 2015 experienced economic sluggishness to reach 0.22 percent and throughout the period 2016-2020 tried to make an economic recovery but a little slow, until 2020 when they created the deepest valley -1.12 percent. As for Riau Islands Province, in 2011-2016 it was quite stable in maintaining economic activity, but in 2017 experienced a slight correction of growth movements of about 1.98 percent and in 2020 it was enough to reach -3.80 percent when compared to the average movement. This condition made Riau Islands Province entitled with the largest negative economic growth for 10 years in Sumatra. This condition is in line with empirical results. Justyanita et al. (2021) stated that the decline in economic performance was caused by the Covid-19 pandemic outbreak that has a real impact on the economic structure and the city of Batam becomes a fairly central leverage in its role in the economy of Riau Province.



Picture 2. Economic Growth Pattern of North Sumatra Province, West Sumatra, and Bangka Belitung Islands in 2011-2020. Description: Blue Line (Actual Economic Growth), Red Line (Moving Average). Source: Processed Data, Researchers 2021.

Quite different from the pattern of economic growth in figure 1, In which the economy of North Sumatra Province was quite maintained throughout 2011-2019, the condition was the same as the West Sumatra. These two provinces experienced negative economic growth in 2020, in which North Sumatra with a figure of -1.07 percent while West Sumatra reached -1.60 percent. They had a pattern that tends to be similar, but different from economic facts in Bangka Belitung in 2018-2019 that consistently experienced sluggish economic activity until in 2020 reached a negative establishment rate of -2.30 percent. This condition made the province of Bangka Belitung islands have the second largest negative economic growth after the Riau Islands for 10 years on the island of Sumatra. This fact is reinforced by the results of research by Shodiqin (2019) which stated that there are 3 business fields that have a major role in the PDRB of Bangka Belitung. However, in 2020, with the COVID-19 outbreak, only 2 sectors had a negative growth impact. This is what impacted on the economic growth conditions of the Bangka Belitung in 2020.

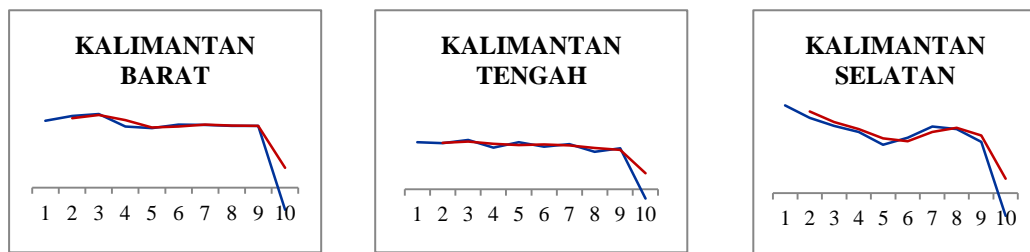


Picture 3. Economic Growth Pattern of Lampung, Bengkulu, and South Sumatra Provinces in 2011-2020. Description: Blue Line (Actual Economic Growth), Red Line (Moving Average). Source: Processed Data, Researchers 2021.

Economic growth patterns in Lampung, Bengkulu and South Sumatra provinces in 2011-2020 appear to have the same tendency as the pattern in Figure 2. The economic fact of Lampung and Bengkulu provinces throughout 2011-2019 looks quite stable even though there were certain years of decline of several points, both only experiencing negative growth in 2020. Lampung Province reached -1.67 percent, while Bengkulu province only -0.02 percent. Thus, Bengkulu was able to maintain its economic growth performance compared to other provinces.

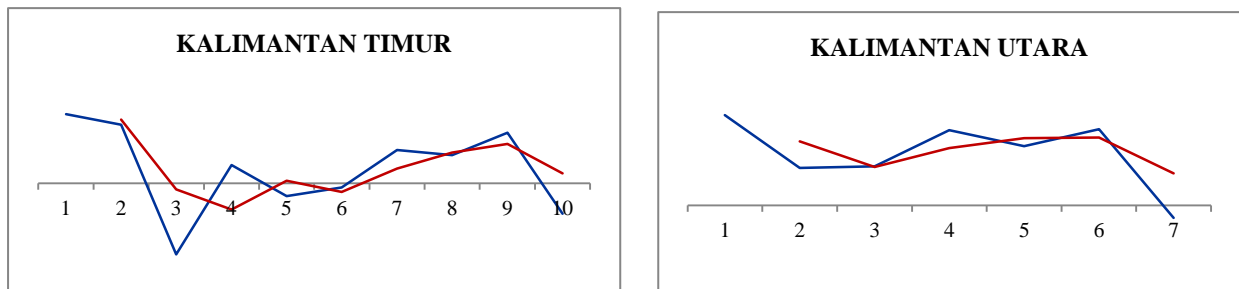
In Sumatra, the mentioned condition is strengthened by (Bank Indonesia, 2021), Although there was a decline in the economy in all sectors, there was a role that is still growing positively, namely in terms of government consumption and LNPRRT consumption. Based on this, it can be indicated that the economic performance of Bengkulu was strengthened in terms of consumption GDP.

The following figures will display scientific images and facts originating from the island of Kalimantan.



Picture 4. Economic Growth Pattern of West Kalimantan Province, Central Kalimantan, South Kalimantan in 2011-2020. Description: Blue Line (Actual Economic Growth), Red Line (Moving Average). Source: Processed Data, Researchers 2021.

It turns out that the provinces of West Kalimantan, Central Kalimantan, and South Kalimantan have a tendency to form the same economic growth pattern as Figures 2 and 3 belonging to Sumatra. The fact that economic growth in West Kalimantan province, quite maintained throughout 2011-2019, only experienced negative growth in 2020 reaching -1.82 percent. As for Central Kalimantan, it had a similar pattern but also a high fluctuating tendency throughout 2011-2019. Meanwhile in 2020 the same experienced negative growth of -1.40 percent. This is the smallest compared to other provinces on the island of Kalimantan. This fact is supported by information from the island of Kalimantan (Lydia, 2020) Despite the economic sluggishness, it turns out that CPO exports are one of the saviors of economic structure in Central Kalimantan province. As for economic facts in the province of South Kalimantan, it had a trend pattern with Figure 1, especially in 2015, but not as deep as the valley that occurred in Sumatra. The recovery continued throughout 2016-2019, but with various challenges in 2020 experienced negative growth reaching -1.81 percent.



Picture 5. Economic Growth Pattern of East Kalimantan Province, North Kalimantan in 2011-2020. Description: Blue Line (Actual Economic Growth), Red Line (Moving Average). Source: Processed Data, Researchers 2021.

In contrast to the fact that economic growth in East Kalimantan as much as 4 times throughout 2011-2020, it experienced negative economic growth, in 2013 experienced negative growth of -6.62 percent. This formed a steep economic valley compared to other provinces. In addition, the economic strength of East Kalimantan province looks unable to create economic recovery throughout 2014-2019. Thus, in 2020, East Kalimantan was tested again, obtaining negative economic growth of -2.85 percent. This fact was made clear by empirical findings by Muhammad (2021) who stated that the economic turmoil that occurred in East Kalimantan province was caused by some fairly strong contraction in several major sectors, such as mining and processing. On the other hand, related to historical technical data, only 7 years (2014-2020), for data 2011-2013 is not available. This relates to the formation of North Kalimantan. The fact of North Kalimantan that can be obtained is that the economic movement is less stable throughout 2014-2019. Due to the burdensome conditions that in 2020, there was negative growth of -1.11 percent.

CONCLUSION

Focused on the formulation of the objectives of this research, to reveal scientific facts based on the direction and pattern of economic growth on the islands of Sumatra and Kalimantan. Some general conclusions that can be conveyed include (1) Sumatra Island: there are 2 different forms of patterns between provinces, (Pattern 1: Aceh, Riau, and Riau Islands), for the case of Aceh province, it is quite risky, because for 10 years recently has a history of economic growth movements that form a deep valley (may indicate a recession). Meanwhile, the Riau Islands received an award in 2020, with the largest negative economic growth in 10 years on the island of Sumatra. Overall, the province's economic growth (Pattern.1) has fluctuating characteristics, but in the event of economic recovery, it cannot last long and has a downward direction. (Pattern 2: North Sumatra, West Sumatra, Bangka Belitung Islands, Lampung, Bengkulu, and South Sumatra), the province as a whole has consistency in maintaining economic movement in 2011-2019, with developments in South Sumatra where there is a correction in economic growth in Indonesia. years 2011-2019 2015. In addition, Bengkulu province in 2020, was able to maintain its economic growth performance compared to other provinces on the island of Sumatra. All provinces (Pattern.2), have the characteristics of fairly stable economic growth, with some short-term fluctuations. (2) Kalimantan Island: For (Pattern.1 East Kalimantan, North Kalimantan), East Kalimantan 4 times during 2011-2020, experienced negative economic growth. (Pattern 2: West Kalimantan, Central Kalimantan, South Kalimantan), the case of Central Kalimantan, has a high fluctuating trend during 2011-2019, besides that there is a lesson that the plantation sector, through

CPO exports, can have its impact on the economy of South Kalimantan. 2020. Likewise, it has the characteristics of stable economic growth, with some short-term fluctuations.

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