Mining Businesses of C Exvacation On The Real Regional Income In Improving Economic Security

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**Article Info**

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<td>Quarry Mining C; Retribution; Increasing original income; National Economic Resilience.</td>
<td>This research is conducted because of the fact that mining business of quarry mining C can increase the original income in order to strengthen national economic resilience. The objective of this research is to analyze the quarry mining C business in improving national economic resilience. This research uses qualitative method. Data obtained through interviews to informants and direct observation in the field, as well as literature study. The result of the research shows that the quarry mining C business in Pankajene dan Kepulauan (Pangkep) can contribute to the original income of the region because of the effective targets applied by the local government of Pangkep Regency in relation to the retribution of each mining miner C, the effectiveness of retribution is encouraged by the policy Issued by the local government of Pangkep district in the form of a regional regulation. This is indicated by the awareness of the quarry mining C business actors which is positively related to the smoothness of retribution payments to increase the original income in the framework of national economic resilience.</td>
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Introduction

Economic development is a priority due to the increasing economic conditions (Tejasari, 2008). However, the rate of economic growth as an indicator of the success of development today is no longer seen as the main goal of development. The emergence of a view as expressed by Seers, 1973 (in Todaro & Smith, 2006), that the main objectives of economic development efforts are pursued in the form of eliminating or reducing poverty, preventing income inequality, and providing employment in the context of a more developed economy. Thus, community-based economic development through the development of SMEs is preferred to support economic development objectives in addition to supporting regional economic growth. SMEs have an important role in employment growth, economic stability, and innovation (North & Smallbone 2006; OCED 2003; Smith 2006; Shields 2005; Jagoda, et.al., 2016), work and bonding communities (Morris & Brennan 2000; Riding & Orser 2007).

The government has an obligation to help solve three classical problems that often hit SMEs, namely market access, capital, and technology. Overall, there are several things that must be considered in developing the SME business unit,
such as working conditions, promotion of new business, access to information, access to finance, market access, product quality improvement and human resources, the availability of business development services, cluster development, network business, and competition (Raselawati, 2011).

This research was conducted in Pangkajene and Kepulauan Regency as one of the districts in Indonesia has experienced growth related to the increase of population. The economic development of Pangkajene and Kepulauan districts depends on how the increase in population is accompanied by an increase in economic activity in it, as stated by Todaro & Smith (2006: 93) that population growth and labor force (which occurs several years after population growth) will have a positive impact or negative for economic development efforts depends entirely on the ability of the respective economic system to absorb and productively utilize the workforce.

According to data from Central Bureau of Statistics (Indonesia: Badan Pusat Statistik (BPS)) Distric of Pangkajene and Kepuluan 2016, the mining sector is still the mainstay for Pangkajene and first region in order to increase the original regional income and expand the field of workforce by 21.40 percent. Other sectors which include excavation, electricity, gas and water, building, transportation, warehousing and communications, finance, insurance, building leasing, land and services company ranks second about 19.90 percent, while service sector ranks third 17.60 percent and other sectors such as agriculture, fisheries and others 39.10%.

Pangkajene and Kepulauan are known to have a large area, has human resources and the potential of natural resources is large enough. The large natural resource richness in the C quarry mining sector is able to increase the economy in Pangkajene and Kepulauan Islands especially C quarry mining such as, Limestone, Clay, Sand and marble.

According to Act of the Republic of Indonesia Number 4 of 2009 on Mining and Minerals that mining is part or all of the phases of activity in the framework of research, management and exploitation of
minerals or coal covering general investigation, exploration, feasibility study, construction, mining, processing and refining, transportation and sales, and post mining activities.

The mining sector in Indonesia is a sector that functions to get the largest foreign exchange, but the existence of mining activities and / or business in Indonesia is now widely questioned by various circles but in its implementation, the State often faced in dilemmatic condition between optimal utilization with environmental and social losses

Small and Medium Enterprises (SMEs) or Small Industries (Indonesia: Industri Kecil (IK)) have become an important part of the national economic system, which is to accelerate the equitable distribution of economic growth through the mission of providing employment, as well as contributing to the development and rape national economic structure (Partomo, 2004).

According to the Ministry of Cooperatives (Small and Medium Enterprises) including Micro Enterprises are entities businesses having a net worth of Rp 200,000,000, excluding land and building of business premises, and having annual sales of at most Rp 1,000,000,000. Meanwhile, Medium Enterprises is a business entity owned by Indonesian citizens who have more net worth large from Rp 200,000,000 s.d. Rp 10,000,000,000, excluding land and buildings.

According to Act of the Republic of Indonesia Number 11 of 2008 on Micro, Small and Medium Enterprises (MSMEs): First, Micro Enterprises are productive businesses owned by natural persons and or individual entities that meet the criteria of Micro Enterprises as stipulated in this Law. Secondly, Small-scale Business is a stand-alone productive economic enterprise, conducted by an individual or business entity that is neither a subsidiary nor a branch of a company owned, controlled, or becomes part of either a direct or indirect business of a medium-sized or large- criteria for small-scaled businesses as referred to in this Law and Third Medium Enterprises are stand-alone productive economic enterprises, carried out by individuals or business
entities that are not subsidiaries or branches of corporations owned, controlled, or otherwise part of either directly or indirectly directly with a Small Business or a large business with a net worth or an annual sale as stipulated in this Law.

In general, SMEs in the national economy have the following roles: (1) as major actors in economic activities, (2) the largest employers, (3) important players in local economic development and community empowerment, (4) creators of new markets and sources of innovation, and (5) its contribution to the balance of payments. (Department of Cooperatives, 2008). Therefore, its empowerment should be done in a structured and sustainable manner, with the direction of increasing productivity and competitiveness, and cultivate a new, tough entrepreneur.

In Todaro's Economic Development Book (Zuhal, 2010) argues that the success of post-crisis economic development in Indonesia depends heavily on the ability to realize "truly people-oriented development". SMEs or cooperatives are chosen as a representation of the people's economy because in addition to absorbing labor about 90 percent, also because of buying value added about 56 percent in which the agricultural sector plays a very large role (about 70 percent).

The source of such finance comes from the Locally-generated revenue (Indonesia: Pendapatan Asli Daerah (PAD)). If the PAD increases then the funds owned by the Regional Government will be higher and the level of regional independence will increase as well, so as to encourage the economy and development of the region, which in turn can increase public income in general. Efforts to increase local revenue by increasing PAD. To optimize the PAD some PAD posts must be increased, among others, local taxes and levies.

The Law on Regional Government establishes local taxes and levies to be a source of revenue derived from within the region and can be developed according to the conditions of each region and each region is given wider authority to explore, manage and use natural resources as well as other potentials in their respective regions so as to increase PAD, considering the
importance of local taxes and levies as a source of PAD, the Pangkep Regional Government must try to achieve the target of local tax revenues and increase the efficiency of local tax collection to increase PAD which is used to finance its own household affairs.

The form of economic resilience is reflected in the living conditions of the nation's economy, which contains the ability to maintain healthy and dynamic economic stability and the ability to create national economic independence with high competitiveness and realize a just and equitable prosperity of the people.

The aim is to ensure that the prosperity of society is always preferred. Therefore, the state should be able to integrate the national economy adaptively and dynamically to obtain optimal results for national interests and national goals.

**Method**

This research uses a qualitative approach (Cresswell, 2013; Noor, 2011; Sugiyono, 2011) because the approach is considered appropriate to observe the phenomenon of SMEs development in the field of mining business of excavation of C in Pangkajene and Kepulauan Islands concerning mining of excavation of C which is considered able to increase PAD in the framework of strengthening Economic Resilience. The subjects in this study are Mining Service, Cooperatives and SMEs, Banking, Business Actors in Pangkajene and Kepulauan Islands related to the mining business of excavating C on the Original Income in the Framework of Increasing Economic Resilience.

Researchers conducted interviews to informants namely Business Actors, Mining Offices, Banking, and the Office of Cooperatives and SMEs, Regional People's Representative Assembly. The aspects asked in the interview refers to the theory chosen in relation to the Mining C Business of the Original Income in the Framework of Economic Resilience. The theory or concept referred to is the concept of Mining Business C-C on the Original Income in the Framework of Economic Resilience.
Result and Discussion

Distric of Pangkajene and Kepulauan has 13 subdistricts. The furthest subdistrict of the Regency Capital is Liukang Tangaya Subdistrict, which is 291.29 Km. Pangkajene and Kepulauan islands consist of 13 districts, 65 villages and 38 urban villages. Industrial sectors, especially large and medium industries, play a big role in encouraging economic growth. The nature of this industry that tends to be capital and technology intensive opportunity to form a large added value with high growth as well.

Based on Gross Regional Domestic Product (Indonesia: Produk Domestik Regional Bruto (PDRB)) calculation based on 2000 constant prices, Pangkajene and Kepulauan Island economy in 2012 grew by about 9.61 percent, increasing with growth in the previous year which reached 9.18 percent. Of all the sectors covered, the mining and quarrying sectors show a substantial decline in growth compared to 2011, from 9.91 percent to 2.40 percent in 2012. In addition to mining and quarrying sectors, other sectors experiencing declining growth are the sectors agriculture (from 5.87 in 2011 to 2.36 in 2012).

C quarry mining business on local revenue in improving economic resilience in Pangkajene and Kepulauan

SMEs (Small and Medium Enterprises) plays a very big role in advancing the Indonesian economy. Currently, SMEs have contributed substantially to the revenue of Pangkajene and Kepulauan, especially Indonesian state revenues.

SMEs are a form of small business community whose establishment is based on one's initiative. Most people think that SMEs only benefit certain parties only. In fact, SMEs are very instrumental in reducing the unemployment rate in Indonesia especially in Pangkajene and Kepulauan. SMEs in Pangakajene can absorb many workers who are still unemployed. In addition, SMEs have contributed substantially to local revenue.

Results of interview with Head of Regional Financial Management Office 2017 Hasma Rappung, May 19, 2017 about the
mining of excavation C, stated that the exploration of sand mining in Pangkep regency, sand commodities, mountain stone and marble continues to be developed while currently managed by Pangkep District Government are Batu Gunung, Marble, Pasir, the Lime Stone mine, the Split Stone / Gravel mine, the Galian C / Land Timbunan mine, River’s (Padalampe) stone, and the Clay mine. In addition C commodity excavation C according to the information of the regional financial management that the mining industry is a primadona industry that can be a potential source of local revenue. From tax revenues in connection with the mining business in Pangkep Regency earns a total of 77 billion rupiah.

Especially for mine class C Pangkep District Government get revenue of 55 billion rupiah Sand miners are required to pay a levy at the checkpoint post. According to the information of this potential revenue is maximal, but still can be maximized again its acceptance rate if there are efforts to increase supervision in the field is improved.

C's mining business to increase local revenue in order to finance increased government activity, through the utilization of the sources of income already allocated to it, without causing any adverse effects on the economic activities of the community. For example the imposition of excessive taxes or levies will reduce the incentives of the community to try, although on the other hand the local government withdraws more funds. Pangkep District Government, South Sulawesi (South Sulawesi) wide open investment opportunities in the mining sector, because there is still a lot of potential that has not been managed.

Potential Source of Original Income of Regency of Pangkep Salah One is in mining sector which consist of:
1. Marble with production of 79,092 cubic meters, broad distribution of 12,625,000 Ha.
2. Silica Sand / Quartz Sand with production 109,632 cubic meters, wide distribution 28,500,000 Ha located in Baring Village, Tonbasan, Tabo-Tabo and Lanne.
3. Quartz Crystal 600,000 cubic meters located in Tondong Kura
4. Type of excavation class "A" ie Coal with a reserve of 13,500,000 M3 located in the Village Tompobulu, Bantimala and Baring.
5. Type of excavation class "B" consists of Chromic and Radioactive Minerals with a broad distribution of 10,000,000 cubic meters located Bulu Erasa Mangilu Village.

Port Land Tonasa cement industry. PT Semen Tonasa is the largest cement producer in Eastern Indonesia which occupies 715 hectares of land in Biringere Village, Bungoro Subdistrict, Pangkep Regency, about 68 kilometers from Makassar city. The reserves of cement raw materials in Kab.Pangkep is estimated to reach 20 billion tons, in addition to cement, Pangkep is also known as the marble industry in South Sulawesi which has been operating 3 companies with 1,200,000 square meters of marble production per year and about 22 business licenses in out Pemda Pangkep 10 of them have issued exploration and exploitation of marble stones.

Based on the results of the interviews that the mining of excavation of C in the community of Pangkajene and Kepulauan Regency has contributed greatly to the local government this is evident in every year the increase in local revenue in terms of mining continues to grow. Therefore, the C quarry mining business should be developed in the business world by taking into account the impact that will be generated in order to increase the income of the local region in order to strengthen the national economic resilience.

In another interview with the director of Bank BRI Branch of Pangkep and Kepulauan May 19, 2017 Budi Setia Nusa mentioned that the Bank has been assisting C's operational activities because the business turnover rate is smooth. The Provincial Regional Financial Services Authority's office has the authority to check banks that allegedly disburse funds for businesses that violate the rules.

According to the society's view it is clear that C quarry material is capable of lifting the community's economy in terms of increasing community income. Browsing the
income of the community because it is supported also the involvement of local governments in regulating the mining optimally. Galian C mining material is one of the largest revenue share of local government in improving people's welfare.

On the other hand, according to the Business Actor's perspective dated 19 May 2017, it is clear that the miner of excavation of C is owned by the community itself is also private. What kind of mining miner C and what is the purpose for what but the name C mining minerals are good for improving the economy of the community. We as business actors in this case the public that we simply pay the name of retribution to the local government because every location there are mining posts made for retribution.

According to the businessmen's view, it is clear that C quarry material is able to improve the economy of the community in this case increase the local revenue for national economic resilience. The involvement of the government in assisting business actors in facilitating business actors in running the Galian C pertamabangan business so that the impact on the sympathy of the community to participate in running mining mining business C. Government support is also supported by government policies that are considered able to accommodate the aspirations of the lower community so as to increase community welfare, especially in Pangkajene and Kepulauan Islands.

Based on some opinions it can be seen that the intent and purpose of Galain C mining business in Pangkajene and island districts play a huge role in advancing the pankajene economy and the framework of increasing PAD for National Economic Resilience. In addition to being one of the alternatives of new employment, C also plays a role in encouraging the economic growth rate of Pangkajene and island districts. Currently, SMEs have contributed substantially to local revenues and are able to promote the welfare of communities in the districts of Pangkajene and the islands.

Most people think that C quarry material only benefits certain parties only. Whereas the actual mining miner C is very instrumental
in reducing the unemployment rate in Pangkajene district and kepulauan. Mining mining business C can absorb a lot of manpower in Pangkajene and surrounding areas are still unemployed. In addition, SMEs have contributed substantially to local revenue

Meanwhile, according to Muh. Asyaf Operational Head of CV Taruna Abadi interview on August 15 explained that the current regional development framework is based on local economic development and community empowerment. One way of developing the local economy by optimizing taxes and levies. Implementation of CV development. Abadi Taruan in Pankajene and Kepulauan Islands is implemented by the Department of Industry, Trade, Cooperatives and MSMEs and related institutions. The pattern that our company built is to pay retribution on tonasa in order to improve the regional economy. The obstacles that affect the implementation of our business in Pankajene District and the exclusions can come from internal or business actors. This means that as long as the loaders are able to perform the task with the maximum, the business is also large, such as the target of 90 tons that must be achieved if it can be smoothly if it will not reduce the company's revenue, of course, the retribution is also reduced.

The interview is clear that shows that business permit plays a role in business development especially for business partnerships as well as banking related affairs. Business licensing service by the Integrated Service Office (Indonesia: Kantor Pelayanan Terpadu (KPT)) is still running quite optimally. Optimizing the utilization of regional potentials into an effort to improve the resilience of regional economies. Production activities and distribution of goods become one of the mining mining business role C in the economic aspect. The role of excavated mining business C in the regional economy will affect other aspects of regional resilience. The development of excavated mining business C in social perspective contributes to the absorption of manpower, improving the welfare of the community. Basically, the development of the C quarry mining business is able to increase economic
resilience in the framework of national economic resilience

Inhibiting factors of the community in running the excavation mining business C in Pangkep and Kepulauan

The most prominent fundamental issue of small business involves providing business financing alias business capital. Capital needs are felt when someone wants to start a new business. As a result, usually when the motivation is strong, someone will still start a small business but with minimal capital.

Problems facing small businesses concerning the ability to access financing, market access and marketing, small business management governance and access to information. The difficulties of small businesses access capital resources because of limited information and ability to penetrate the source of capital. Though the choice of capital resources are numerous and varied.

The result of interview with the Head of Financial Management Agency of Pangkep 2017 on the constraints in C quarry mining business states that the Law which regulates charges for mining results of C since 2009 has been no longer applied, amended now based on the Law regulating Mineral Tax Not Metal. This subsequently becomes the basis for the issuance of Regional Regulation which regulates the levies of potential regional revenues from the C quarry mining business (levies tax). Mining business actors conducting business activities in Pangkep District are all investors from outside Pangkep regency. Investors from Jakarta who control mining business activities, both limestone mines, marble and clay.

The existing mining in Pangkep regency becomes a polemic for the government and society. Exploitation of natural resources in the karst mountains in Pangkep regency of South Sulawesi is not only for the sake of the local revenue but does not provide added value for the surrounding community and even cause environmental damage. Environmental Impacts that must be considered among others as follows;
1. Erosion, peeling topsoil and vegetation growing on it.
2. Hydrology, Decreased sources of water discharge, water quality, destruction of water systems contained in karst caves.

3. Changes in the landscape, which originally hilly and green to be bald.

Based on the results of interviews with the Head of Bank Branch Pankep Explains that the constraints of business actors in developing mining business excavation C is the activity of credit is the risk asset for the bank, because the bank's assets are controlled by the outsider bank is the debtor, but the credit given to the debtor is always there is a risk in the form of credit does not come back in time called problem loans.

Many credit disbursements have become problematic due to various reasons such as businesses financed with bankruptcy or declining sales turnover. Nonperforming loans always exist in bank credit activities, because banks are unlikely to avoid the existence of problem loans, banks are only trying to minimize the amount of non-performing loans so as not to exceed the provisions of Indonesian banks as banking supervisor.

PT. Bank Rakyat Indonesia Tbk. Pangkep Branch in the process of settlement of problem loans prefer to use non-Liquidation lane (Liquidasi). Certainly the banks have some considerations or certain reasons that make them choose to solve the problem of non-liquidity loans through non-Liquidation (Liquidation).

According to Muhammad Asyaf Head of operations of Cv. Taruna Abadi, dated 5 August 2017, explained that the existing constraints in increasing the C quarry mining business are from the internal actors themselves because the local regulations implemented in Pankajene and Kepulauan Islands are very good because there is a clear distribution of the results and fees that must be paid to the government and from the company itself does not object to the retribution. Why from the internal business actor menajdi one of the obstacles due to the target payload given is not optimal this can occur due to factors of slowness or operational problems are not adequate.
Discussion One form of protection undertaken by the local government of Pankajene Regency and the islands towards the development of SMEs is what is contained in the two Laws (UU) related to SMEs namely the Law on Small Enterprises. 9 of 1995 and the Business Competition Law of 1999. More interesting since the Business Competition Law came after Indonesia was hit by a crisis storm that became the arena of testing the toughness of each business scale.

Pangkep District Government, South Sulawesi province again rely on mining tax excavation C to PAD boost. The reason is, this miner mining tax is considered to be the biggest contributor to tax revenue since several years ago.

The Head of the Regional Revenue Service Pangkep, Andi Yahtrib Pare said that from this C quarry mine, the most income is coming from the Lime Stone sector, which is the main material of cement making. Every year, C quarry tax revenues always exceed the predetermined target. The high tax revenues of C quarry mining obtained so far has become one of the reasons Pangkep District Government plans to raise the target of this year's C quarry mining tax. This year, Pangkep District set PAD target of Rp160 billion. The revenues are from vehicle taxes, motor vehicle transfer fees, C quarry taxes, user charges, restaurant taxes, restaurant taxes, hotel taxes and public taxes. Meanwhile, from the tax sector of Dispenda Pangkep targets revenue of Rp75 billion, that number increased Rp2 billion from last year which only set Rp73 billion.

In addition, Dispenda is also confident to be able to reap Rp50 billion from mined mining tax C. Pangkep District Government is coordinating to the Provincial to increase tax rates from the mining industry. This is because the potential of mining in Pangkep area is very high. Related to the number of illegal mining miners C suspected to be illegal in the work area of Pangkep regency, some time ago. Now, the perpetrators of Mining Mine C, as if never a deterrent in doing the action, the article of the perpetrators of this illegal alleged mining, re-bloom in Pangkajene district and South Sulawesi Province Islands. From the observation found the perpetrators of
Mining Offices and law enforcement officers to proactively control and supervise the illegal mining activities. One of the most interesting locations is along the river that runs between Tabo-tabo, Taraweang and Tonasa II, Pangkep regency. Need to have a meeting with the Environment Agency (Indonesia: Badan Lingkungan Hidup (BLH)). The meetings were among others to find out the operational C excavation point and potential environmental damage from mining activities. From the data base of BLH, the total amount of C quarry mining that operates spread over a number of districts will be known. It will be known how many C digging points have permission pocket, and how many other points do not have permit as required in Government Regulation in Lieu of Law No. 2 of 2014 on Regional Government. In Government Decree of Number 2 of 2014 on Regional Government, all mining licenses must be submitted to the provincial government. As for district or city government, participate in supervising and cracking in accordance with provincial directives.
The existence of the C mining business gives a good contribution to the welfare of the community, especially in the effort to overcome the problems that often faced such as the high level of poverty, the amount of unemployment, the inequality of income distribution and all aspects that are not good. The role of mining enterprises in the districts of Pangkajene and the Islands can reduce the unemployment rate that increases from year to year, poverty alleviation by assisting the less fortunate and equitable opinions that can improve the lives of people with limited financial resources. So with the existence of excavation mining business C in Pangkajene and first districts considered to have been able to contribute to the Original Revenue and automatically can increase Economic Resilience

**Conclusion**

1. The C Exvacation Mining Business in Pangkajene and Kepulauan Regency is strategic and central because of its role in economic growth and employment absorption also play a role in improving the equality of development. C Mining Business is proven to contribute in increasing the Original Revenue in order to increase national economic resilience, especially in Pangkajene and Kepulauan Islands.

2. Human Resources from business actors in running their business less discipline and inadequate business capital so that it affects the decrease of income for business actor. In addition, from the government side can be seen at the level of supervision has not been too effective in terms of supervision of vehicles transporting mining products. Whereas Mining C has a great potential in improving PAD for economic resilience of the region so it needs to get a serious handling

**Recommendation**

The government needs to increase its role in empowering Mining C Mining business by seeking C Mining Business to grow and develop conducively, increasing its role in empowering SMEs, and improving the quality of its human
resources. Further research is needed in this case related to the mining business of excavation C in order to create new business actors that have kaitanya with mining business C mining.

Reference

Act of the Republic of Indonesia Number 11 of 2008 on Micro, Small and Medium Enterprises (MSMEs)

Act of the Republic of Indonesia Number 2 of 2014 on Regional Government.

Act of the Republic of Indonesia Number 4 of 2009 on Mining and Minerals


Government Decree of Number 2 of 2014 on Regional Government


