

Analysis of Regency and City Regional Development in Central Sulawesi Province, 2016-2020

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Abstract

This study aims to determine analysis of Regency and City Regional Development in Central Sulawesi Province from 2016 to 2020. The research location is determined in Central Sulawesi Province which includes 12 Regencies and 1 City, considering that the Regional Development in Central Sulawesi Province as seen from the economic performance indicators shows relatively high economic growth but is not followed by a reduction in the number of poor people and the number of unemployed as well as an increase in the human development index because this area will be a pillar in the transfer of the national capital. The data used in the study used panel data. Data analysis in this study used descriptive analysis. The results showed that the economic growth of Central Sulawesi Province in 2016 to 2020 showed a declining percentage with the highest growth occurring in 2018 of 20.20 percent and economic growth in 2020 of 4.86 percent. The expected length of schooling and the average length of schooling in Central Sulawesi Province increase every year. The trend of life expectancy from 2016 to 2020 in Central Sulawesi Province shows a positive development every year but is below the national life expectancy. In 2020, the per capita expenditure of the population in Central Sulawesi Province is around 9.335 thousand rupiah per year. This per capita expenditure figure did increase from 2016 to 2019. However, compared to 2020, this per capita expenditure experienced a significant decline.

Keywords

Expected Length of Schooling;
Average Length of Schooling;
Life Expectancy



I. Introduction

Regional development aims to increase regional competitiveness, increase economic growth, reduce inequality between regions, and advance people's lives. Strategic and quality regional development is the hope of every region in Indonesia. The development of the main indicators in regional development including economic growth, reducing unemployment, and reducing poverty can describe the achievement of regional development performance in general. Development is a systematic and continuous effort made to realize something that is aspired. Development is a change towards improvement. Changes towards improvement require the mobilization of all human resources and reason to realize what is aspired. In addition, development is also very dependent on the availability of natural resource wealth. The availability of natural resources is one of the keys to economic growth in an area. (Shah, M. et al. 2020)

The economic growth performance of districts and cities in Central Sulawesi Province from 2016 to 2020 showed a relatively good performance even though in 2020 several districts/cities showed a negative performance. Throughout 2016 to 2020, Central Sulawesi Province experienced the highest economic growth in 2018 to reach double digits, namely 20.60 percent, which brought Central Sulawesi Province to be the province

with the highest economic growth in Indonesia. In the following year, the economic growth of Central Sulawesi Province experienced a slowdown to 8.83 percent. Nevertheless, this growth rate is the highest economic growth rate of all provinces in Indonesia. Then in 2020, the economy of Central Sulawesi Province grew by 4.86 percent. According to districts and cities, Morowali Regency as the largest contributor to Central Sulawesi's economic growth in 2018 reached 112.20 percent and North Morowali Regency at 8.89 percent, which was supported by the mining and quarrying sector. However, in 2020 several districts and cities experienced negative growth except for Morowali Regency which achieved high economic growth of 28.93 percent. The slowing economic performance of districts and cities in Central Sulawesi Province in 2020 is inseparable from the impact of the COVID-19 Pandemic which caused the economic sector to experience a slowdown.

The description of the open unemployment rate indicator in Central Sulawesi Province in 2016 to 2020 fluctuated, recorded in 2016 of 3.46 percent then in 2017 the open unemployment rate decreased by 2.97 percent then the open unemployment rate increased again for 3 consecutive years in 2018, 2019, and 2020, which are 3.19 percent, 3.5 percent and 3.77 percent. Meanwhile, based on regencies and cities, the highest open unemployment rate is Palu City with a number reaching 8.32 percent in 2016 and decreasing from 2017 to 2019 in the range of 5 to 6 percent then at the end of 2020 reaching 8.38 percent. Looking at the economic growth rate of Central Sulawesi which is relatively high but has not had a significant impact on reducing the number of unemployed in Central Sulawesi Province, coupled with the COVID-19 Pandemic which has an impact on reducing the workforce so that the number of unemployed has increased.

High economic growth will of course also have an impact on reducing the number of poverties in Central Sulawesi Province. In 2016 to 2020 the percentage of poor people decreased from 14.09 percent in 2016 to 12.92 percent in 2020. The district with the highest percentage of poor people was Donggala Regency at 17.39 percent in 2020 or only decreased by 1.20 percent from 2016 (18.59 percent), then Tojo Una-Una Regency by 16.39 percent, and Parigi Moutong Regency by 15.85 percent. Meanwhile, Palu City is in the lowest position with the percentage of poor people at 6.80 percent. The high percentage of poor people in Central Sulawesi Province shows that economic development has not been evenly distributed throughout the Central Sulawesi region.

Another indicator that measures regional development is the human development index. The human development index is a component that measures the quality of human life based on three components, namely life expectancy, expected length of schooling, and average length of schooling, as well as per capita expenditure. The progress made by the Province of Central Sulawesi in human development continues to increase every year. The human development index of Central Sulawesi Province has increased from 67.47 in 2016 to 69.55 in 2020. This figure is in the medium category. When compared to other provinces in Indonesia, in 2020 the human development index of Central Sulawesi Province is ranked 25. When viewed by component, the life expectancy of Central Sulawesi Province in 2020 reaches 68.69 years, the expected length of schooling is 13.17 years, the average length of schooling is 8.83 years, and the per capita expenditure is adjusted Rp9.34 million. This data has increased compared to previous years. Based on regencies and cities in 2020, Palu City is in the highest position of the human development index of 81.47 and the lowest human development index is Tojo Una-Una Regency of 64.59. The increase in the human development index of Central Sulawesi Province during 2016 to 2020 does not necessarily affect the increase in the human development index in all districts and cities.

The economic performance of Central Sulawesi Province during 2016 to 2020 showed a relatively good performance. However, improvements in several economic indicators, both in terms of economic growth, gross regional domestic product, employment, health, education, and other indicators have not had an impact on reducing regional inequality, poverty and advancing people's lives in accordance with the objectives of regional development that are competitive and sustainable.

This study aims to determine analysis of Regency and City Regional Development in Central Sulawesi Province from 2016 to 2020.

II. Research Method

The research location is the place where the study process used to obtain research problem solving takes place (Jibril et al., 2022; Pandiangan et al., 2018; Pandiangan, 2022). The research location is determined in Central Sulawesi Province which includes 12 Regencies and 1 City, considering that the Regional Development in Central Sulawesi Province as seen from the economic performance indicators shows relatively high economic growth but is not followed by a reduction in the number of poor people and the number of unemployed as well as an increase in the human development index because this area will be a pillar in the transfer of the national capital.

The data used in the study used panel data. Panel data is a combination of time series data and cross section data. There are several advantages to using panel data estimation (Pandiangan et al., 2022; Tobing et al., 2018). First, increasing the number of observations (samples), and second, obtaining variations between different units according to space and variations according to time (Octiva et al., 2021; Pandiangan et al., 2021; Pandia et al., 2018).

Data analysis in this study used descriptive analysis. Descriptive analysis is a statistical analysis used to analyze data by describing or describing the data that has been collected as it is without intending to make conclusions that apply to the public (Octiva et al., 2018; Pandiangan, 2018). More specifically, descriptive analysis in this study was carried out by providing an overview and exposure through tables or graphs (Asyraini et al., 2022; Octiva, 2018; Pandiangan, 2015).

III. Result and Discussion

3.1 Development of Economic Growth

The economic growth of Central Sulawesi Province in 2016 to 2020 showed a declining percentage with the highest growth occurring in 2018 of 20.20 percent and economic growth in 2020 of 4.86 percent. The COVID-19 pandemic that occurred and began to spread to Indonesia in early 2019 was no exception for the Central Sulawesi Province, which also contributed to the slowing down of economic growth during 2019 to 2020 and even had an impact on districts and cities. The years 2016 to 2018 showed a fairly good economic growth performance then in 2019 to 2020 showed a declining performance but still at a positive number but still above the national economic growth of -2.07 percent although some districts to cities experienced negative growth. The economic performance of Central Sulawesi Province by district and city in 2016 to 2020 based on the growth rate of gross regional domestic product at current prices 2010 is shown in Figure 1:



Source: Badan Pusat Statistik Provinsi Sulawesi Tengah (2021)

Figure 1. Growth Rate of Gross Regional Domestic Product at Current Prices 2010 Central Sulawesi Province by District and City in 2016 to 2020 (Percent)

The growth rate of the Regency and City of Central Sulawesi Province from 2016 to 2019 showed an increase from year to year (positive trend). In 2020, economic growth at the district and city levels of Central Sulawesi Province shows a size that is quite varied from -4.92 percent to 28.93 percent. The district with the highest economic growth was Morowali Regency with 28.93 percent, followed by North Morowali Regency at -0.22 percent, and the smallest was Parigi Moutong Regency with -4.92 percent growth. The high economic growth in Morowali Regency in 2020 was supported by high growth in the processing industry business field of 35.72 percent, while in North Morowali Regency it was supported by high growth in the mining and quarrying business field of 1.69 percent. Overall, several economic sectors that contribute to the economy of this region are the mining and quarrying sector, the manufacturing sector, the agricultural sector, and the construction sector.

One of the economic indicators to see the level of welfare of the population of an area usually uses per capita expenditure, but it can also use the gross regional domestic product per capita approach which is calculated by dividing the value of the gross regional domestic product of an area by the number of people living in the area.

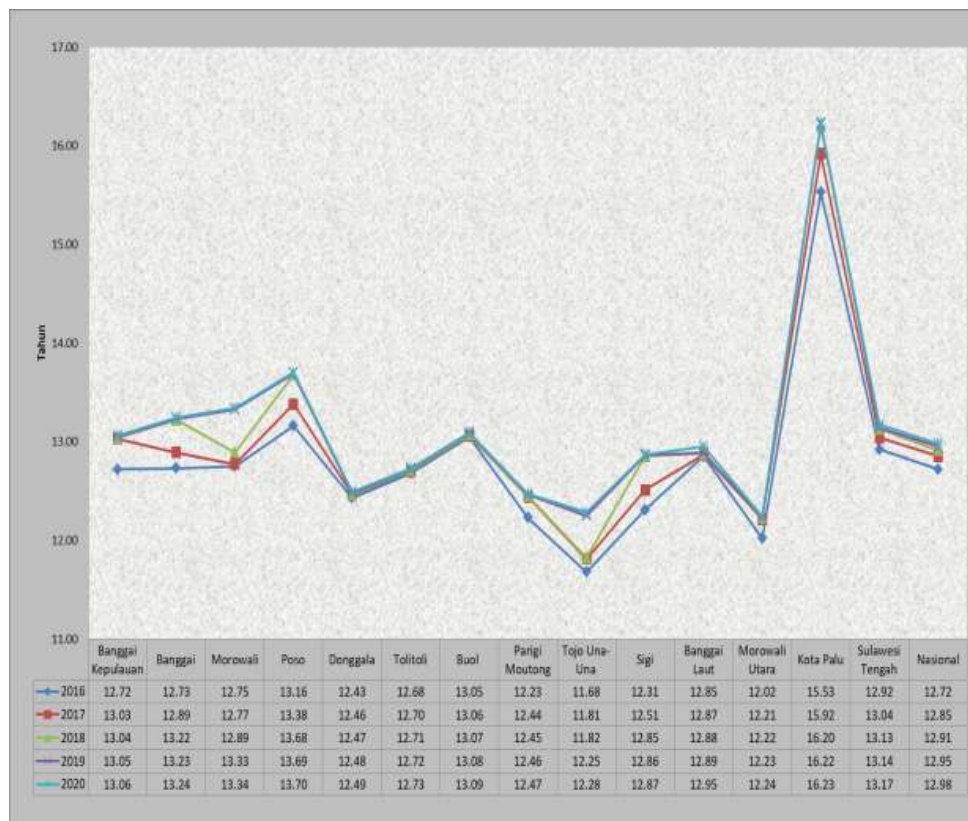
3.2 Development of Economic Development

a. Knowledge Dimension

The dimension of knowledge is measured by indicators of expected years of schooling and average length of schooling which reflect the community's ability to access quality education (Sumarsono, 2009). Expectations of years of schooling describe the community's opportunity to take formal education, while the average length of schooling describes the stock of human capital in an area (Adisasmita, 2013).

Long school expectations describe the education that is expected to be taken by 7 year old children who start school. Meanwhile, the average length of schooling describes the average length of education that has been taken by the population aged 25 years and

over. In general, the expected length of schooling and the average length of schooling in Central Sulawesi Province increase every year. Judging from the magnitude, it is noted that the expected length of schooling is higher than the average length of schooling. This becomes natural, considering that from year to year the quality of education continues to be improved and updated, especially in the basic education group. This effort also increases the school participation of residents aged 7 years and over. The higher the school participation of the population aged 7 years and over, the longer the expected length of schooling. As it is known that the affordability of education in the past was not as easy as it is today. This has resulted in low school participation in those years, so that the average length of schooling that has been taken by the population aged 25 years is still relatively low.



Source: Badan Pusat Statistik Provinsi Sulawesi Tengah (2021)

Figure 2. Conditions of Expected Years of Schooling Central Sulawesi Province by District and City in 2016 to 2020 (Years)

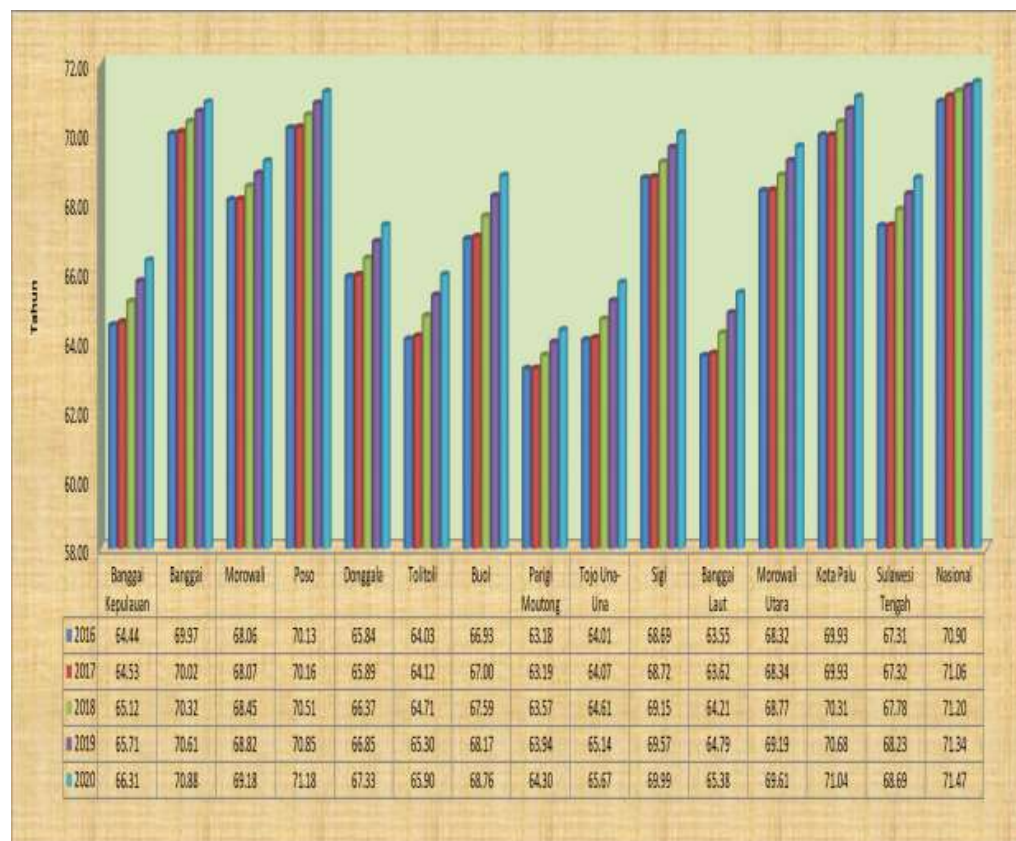
Overall, the level of education in Central Sulawesi Province is starting to develop, when compared to the level of education in several provinces in Indonesia. The indicators of expected length of schooling and average length of schooling in Central Sulawesi Province are above the national level with the achievement of expected length of schooling during 2016 to 2020 of 12.92 to 13.17 years and nationally of 12.72 to 12.98 years. Meanwhile, the average length of schooling in Central Sulawesi Province is 8.12 to 8.83 years and the national average is 7.95 to 8.48 years.

b. Health Dimension

The dimensions of longevity and healthy life are measured by life expectancy indicators at birth. The importance of life expectancy lies in the common belief that

longevity is precious. Life expectancy at birth is the estimated average length of time (in years) a person has lived during his or her life. This indicator reflects the health status in an area, both in terms of infrastructure, access, and health quality.

In 2020, the life expectancy of Central Sulawesi Province will reach 68.69 years. This means that newborns are expected to survive until the age of 68.69 years. The trend of life expectancy from 2016 to 2020 in Central Sulawesi Province shows a positive development every year but is below the national life expectancy. This condition shows that live newborns are expected to live longer due to the improving public health status. This is due to advances in technology in the health sector, improvements in health facilities, and increased knowledge and public awareness of a healthy lifestyle.



Source: Badan Pusat Statistik Provinsi Sulawesi Tengah (2021)

Figure 3. Life Expectancy at Birth Central Sulawesi Province by District and City in 2016 to 2020 (Years)

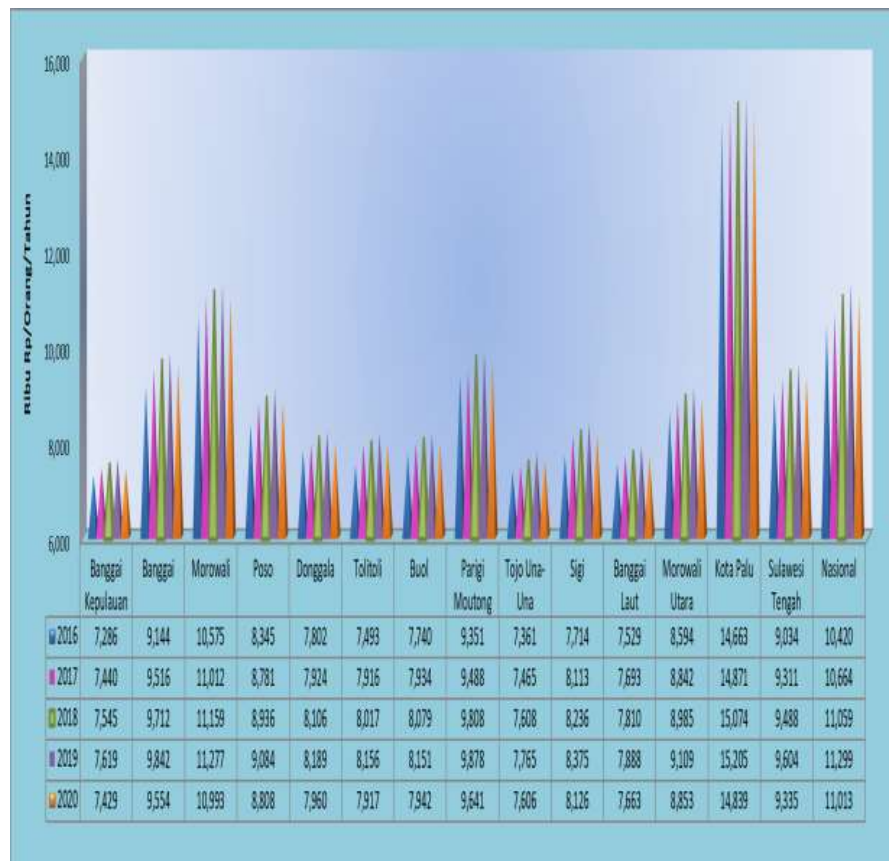
During 2016 to 2020, Poso Regency has the highest life expectancy at birth of 71.18 years. Meanwhile, Parigi Moutong Regency was recorded to have the lowest life expectancy at birth of 64.30 years. Regencies and cities that experienced an increase of more than 1 percent were Banggai Islands, Morowali, Donggala, Banggai Laut, and Palu City. This illustrates that there has been a more intensive improvement in the level of public health in the past year.

c. Decent Living Standard Dimension

The third dimension of human development is the fulfillment of a decent standard of living as measured by an adjusted indicator of real per capita expenditure, which reflects indicators of people's income and describes the level of welfare enjoyed by the population

as an output of an improving economy (Boediono, 1999). The adjusted average real expenditure per capita is calculated based on the results of the national socio-economic survey of the consumption module, the consumer price index, and the prices of non-food commodities resulting from the consumer price survey.

Adjusted per capita expenditure is expenditure per capita with a base year 2012 that has been adjusted between regions. In 2020, the per capita expenditure of the population in Central Sulawesi Province is around 9,335 thousand rupiah per year. This per capita expenditure figure did increase from 2016 to 2019. However, compared to 2020, this per capita expenditure experienced a significant decline.



Source: Badan Pusat Statistik Provinsi Sulawesi Tengah (2021)

Figure 4. Expenditure Conditions per Capita Adjusted (Thousand Rupiah/Person/Year) Central Sulawesi Province by District and City in 2016 to 2020 (Years)

Palu City has the highest per capita expenditure, followed by Morowali Regency. The value of expenditure per capita for these two regions is 15,839 thousand rupiah per year and 10,993 thousand rupiah per year, respectively, while other districts are still below 10,000 thousand rupiah per year. The district with the lowest per capita expenditure is Banggai Islands Regency. Per capita expenditure in all regions in Central Sulawesi Province showed a significant development during 2016 to 2019 with the growth rate of most districts and cities above one percent. However, in 2020 all districts and cities experienced a decline due to the impact of the COVID-19 pandemic.

IV. Conclusion

The results showed that the economic growth of Central Sulawesi Province in 2016 to 2020 showed a declining percentage with the highest growth occurring in 2018 of 20.20 percent and economic growth in 2020 of 4.86 percent. The expected length of schooling and the average length of schooling in Central Sulawesi Province increase every year. The trend of life expectancy from 2016 to 2020 in Central Sulawesi Province shows a positive development every year but is below the national life expectancy. In 2020, the per capita expenditure of the population in Central Sulawesi Province is around 9.335 thousand rupiah per year. This per capita expenditure figure did increase from 2016 to 2019. However, compared to 2020, this per capita expenditure experienced a significant decline.

Research suggestions are:

1. Efforts are needed to maximize the performance of the economic sector so as to spur economic growth in all districts and cities of Central Sulawesi Province.
2. In addition to spurring economic growth performance, efforts are also needed to develop productive sectors and economic activities to absorb labor so as to reduce unemployment and poverty in all districts and cities of Central Sulawesi Province.
3. The performance of public services such as education and health need to be optimized. In addition, the increase in people's purchasing power needs to be increased through the creation of job opportunities and improvement in the level of workers' wages.
4. The limitations of this study do not cover the overall evaluation of regional development performance. For further researchers, it is necessary to study regional development based on leading sector development as well as equity and sustainable development.

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