

# Research Article

# Strategic Design of Indigenous Community Economic Development in North Toraja Regency in Accelerating National Development

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Abstract: Indigenous peoples are essential agents of change to achieve sustainable economic development. However, they remain part of the most disadvantaged and marginalized groups, untouched by the outside world. This encourages the government to focus economic development planning on indigenous peoples so that they can empower the community's economy in various rural areas. This research was conducted to provide recommendations to local governments regarding the economic development of indigenous peoples in the North Toraja region so that they can be realized soon. The results of this study then conclude that there is strong cooperation between the Regional Government of North Toraja Regency and local customs (Tongkonan or To Parenge), recruitment of more experts to provide education and counseling to indigenous peoples in their respective customary territories, and regional development in strategic areas and better spatial planning to support the distribution and promotion of products developed by local indigenous peoples are solutions that can be considered by the Regional Government of North Toraja Regency in accelerating national development.

Keywords: Strategy Design, Indigenous Peoples Community, SWOT.

#### A. INTRODUCTION

Indigenous peoples are essential agents of change to achieve sustainable economic development. However, they continue to be part of the most disadvantaged and marginalized groups living in rural areas. This happens in almost various countries worldwide, where many indigenous peoples are still economically left behind due to being untouched by the central government's intervention (Puttaraja & Heggade, 2012; Lukhele-Olorunju, 2012). The increasing demands for technology in all fields also put the traditional livelihoods of indigenous peoples under pressure, considering that the economic activities of indigenous peoples have a unique relationship with their land and natural resources (Chang et al., 2019).

Indonesia is estimated to have as many as 365 sub-ethnics with a total population of around 250 million. Most indigenous peoples depend on the land and natural resources for their livelihood and food security. For example, they rely on the forest to meet their subsistence needs (Hosen et al., 2020). Indigenous peoples in rural areas are involved in agriculture, hunting, animal husbandry, fishing, and the production of traditional handicrafts and goods. Indigenous peoples are very diverse but have a unique relationship with traditional lands and natural resources in developing their culture and way of life (Bappenas, 2013).

This situation results in poverty, increased social, economic and environmental vulnerabilities, and food insecurity, especially when struck by natural disasters. At the same time, indigenous peoples also face obstacles in accessing decent work opportunities, given the lack of access to training and skills, as well as ongoing discrimination (Hsiao, 2018). In addition, they are vulnerable to exploitation and rights violations in the economy, both formally and informally (United Nations, 2009). This is why indigenous peoples have historically suffered from injustice, and the ongoing discrimination against them continues to be a



fundamental factor in the exclusion of indigenous peoples so that all communities in various parts of Indonesia can gain greater respect for their rights, culture, and identity (Mulyadi, 2013). Although significant development projects and programs are located in rural areas, indigenous peoples often do not benefit adequately from enhanced opportunities (Bappenas, 2013).

The main problems facing indigenous peoples in the rural economy include land tenure insecurity, negative impacts of climate change, neglect of fundamental rights, soft skills and training, weak market relations, and poor access to social protection, financial services, and opportunities in the formal economy. In addition, the increasing over-exploitation of their lands by extractive activities or deforestation has also accelerated the environmental degradation of indigenous lands (ILO, 2016). Therefore, a particular focus is needed on indigenous peoples in accelerating the economy in rural areas. It also requires the consultation and participation of indigenous peoples so that the sharing of benefits related to the development process and the targeted implementation and monitoring of rural development strategies, plans, and programs can also be carried out correctly (Wallbott & Florian-Rivero, 2018).

The beginning of 2021 has become an essential momentum for indigenous peoples in North Toraja since the ratification of North Toraja Regent Regulation No. 1 of 2019 concerning the Recognition and Protection of Indigenous Peoples' Rights. Based on the regulation, the 12 Indigenous Peoples Communities (KMA) in North Toraja are officially recognized by the Indonesian government so that they become part of the planning for sustainable national economic development. KMA registered in North Toraja based on the regulation consists of:

- 1. Kesu' Indigenous Community
- 2. Buntao Indigenous Peoples' Community
- 3. Rantebua Indigenous Community
- 4. Tondon Indigenous Community
- 5. Nanggala Indigenous Community
- 6. Balusu Indigenous Community
- 7. Sa'dan Indigenous Community
- 8. Tikala Indigenous Community
- 9. Pangala's Indigenous Community
- 10. Dende's Indigenous Community
- 11. Piongan Indigenous Community;
- 12. Madandan Indigenous Community.

The KMA Regional Regulation not only recognizes each customary territory, location, area, and territorial boundaries of the twelve indigenous communities; but also encourages local governments to develop regional management based on local wisdom continuously and develop quality education for residents, including involving indigenous peoples in regional development deliberations that will be carried out by local governments (Proulx et al., 2021).

The indigenous people of North Toraja have been very careful about their customs until now, so they have high potential in the tourism industry. On the other hand, most indigenous peoples in North Toraja work as farmers and breeders, thus limiting the possibility of other employment opportunities, given the lack of public understanding of different sectors that can be developed to support the regional economy (Amala et al., 2021). In general, at least five potential industrial sectors can be developed in the North Toraja region. The trade sector ranks first with an average annual GDP value of Rp. 822 billion. Second, agriculture, forestry, and fisheries amounting to Rp. 718 billion/year. Third, the construction sector with a value of Rp 542 billion/year. Fourth, education services with a value of Rp. 269 billion/year, and the processing industry with a value of Rp. 245 billion/year (BPS Toraja Utara, 2020).

Furthermore, this research was conducted to provide recommendations to local governments regarding the economic development of indigenous peoples in the North Toraja

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region so that the Indonesian government's plan to accelerate national economic development is expected to touch various layers of indigenous peoples in Indonesia.

#### B. METHOD

An ethnographic approach, also known as cultural anthropology, was then used as a method in this research. The ethnographic method deals with the discovery and description of the culture of a group, so it becomes part of qualitative research. The position of researchers in the ethnographic method is to observe and interact directly with the target population so that researchers play an essential role in obtaining the required cultural information. This is why ethnographic research is known as cultural ethnography or cultural anthropology (Bogdan, 2016). Observation is the primary data collection technique in the ethnographic method. Observations were used to collect various information related to cultural features such as language, marriage, family life, parenting practices, social relations, rules of behavior, religious beliefs, and practices in carrying out economic activities related to this research (Koul, 2019). Furthermore, the ethnographic characteristics studied in this study are the North Toraja Indigenous Masrayakat group with its distinctive culture, which is entirely different from other indigenous peoples in Indonesia.

#### C. RESULT AND DISCUSSION

# 1. Regional Characteristics of North Toraja Regency

Total area : 1,151.47 km2.
District : 12 District

Population : 247,157 people, with a ratio of 103.59% between men and

women.

Labor Force : 108,035 people Unemployment : 3,200 people (3%)

SD : 140 Middle School : 72 High School : 15 SMK : 17 College : 8

Profession : Farmer, sailor, and rancher

Agricultural products: Chili, galangal, ginger, ginger, turmeric, and kencur

Fishery : Goldfish

Livestock : Pigs and Native Chickens

# 2. Facilities and Infrastructure

Economic development requires the support of facilities and infrastructure so indigenous peoples can use them to support financial or other daily activities. Some essential aspects related to existing facilities and infrastructure in the North Toraja region (Bappeda, 2015) include the following.

#### a. Irrigation Facilities

Rice fields are irrigated with three types of irrigation systems, namely: PU irrigation, non-PU irrigation, and rainwater, depending on the type of land irrigation, where nearly 70% of rice fields in North Toraja are irrigated with rainwater.

## b. Electricity

The electrical energy transmission system in South Sulawesi covers the supply area in North Toraja Regency. The transmission system from South Sulawesi is because North Toraja does not yet have its generator (Yulianto et al., 2021). The transmission system

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from South Sulawesi consists of PLTD Suppa in Parepare with the capacity of 62 MW, PLTG Sengkang with a capacity of 135 MW, PLTG Sengkang with a capacity of 135 MW, PLTA Bakaru with a capacity of 126 MW, PLTD Palopo with a capacity of 13 MW, and PLTD Makale with a capacity of 4.94 MW. The electricity supply in North Toraja is also supplied through a separate hydroelectric power plant, but still on a small scale. This hydropower plant is located on the Maiting River, which supplies several areas around Rindingallo District.

#### c. Economic Facilities

In terms of regional and sub-regional service scales, trading facilities are also owned by North Toraja Regency. For the regional scale, the trading facilities owned are the animal market and the terminal in Tallunglipu District (Bolu Market). Bolu Market is the center of marketing for agricultural products and other merchandise because it is easy to reach from all regions. Meanwhile, shops and banks on the main street of Rantepao City are also fairly active. Other institutions, such as cooperatives, namely non-KUD cooperatives, have 89 units, and KUD, ten units help the service system in the community because it is easy to reach.

## d. Transportation Facilities

Land facilities are the main transportation owned by the North Toraja Regency. The availability of landlines that are held is  $\pm 1.167.78$  km long. With 319.43 km of asphalt road, 448.45 km of pavement, and 399.90 km of dirt road. The asphalt road is an axis road that connects the North Toraja Regency area with other cities such as Palopo and Makale. Meanwhile, another asphalt road connects Rantepao City with sub-district centers. Pavement roads and dirt roads functionally connect the sub-district center with the lembang and then connect it to residential areas.

# 3. Strategic Area

North Toraja Regency has several strategic areas that become priorities in urban spatial planning, which are divided into economic, socio-cultural, and environmental development areas of each region, including:

## a. Rantepao City

The city is a center of trade and commercial services. Banks, restaurants, lodging, transportation services, cooperatives, supermarkets, wholesale shops, and shops selling retail goods have increased.

#### b. Market Area and Bolu Terminal Terminal

The Bolu Market has an essential role in the service coverage of the district, with a land transportation terminal located in an area that is physically delineated through a network of roads and rivers.

#### c. Cultural Tourism Area

North Toraja Regency is an international tourist destination (DTW) where one of the attractions of North Toraja tourism products for tourists is cultural tourism objects, both in the form of attractions and buildings with high cultural values with typical Toraja architectural styles, along with the meanings contained in these buildings, which include:

- 1) Home industry activities in the Sa'dan To'barana area produce woven fabrics typical of Toraja and traditional houses (Tongkonan).
- 2) The Sa'dan Sangkombong area has an industrial center for traditional Toraja woven fabrics from Sa'dan District.



- 3) In the Londa area, there is a naturally formed cave, which functions as a cemetery (liang lo'ko). The cemetery location in this cave has a length of up to 1 Ha, and there is also a fort known as Tarangenge.
- 4) In the Penanian area, a traditional house (Tongkonan) is still standing tall. This area is also used as a conservation location for endangered bat species.
- 5) In the Palawa area, there are several Tongkonan or traditional houses of the Sesean people.

# 4. Institutional Structure of Indigenous Peoples

Tongkonan is a community or institution led by a traditional leader, To Parenge. Tongkonan is the territory of the Customary Law Community with the structure and apparatus of traditional institutions. The highest leaders of the Tongkonan are Lumika and Pao with their Traditional Stakeholders, namely To Dua, a Dwi Tunggal. Tongkonan powers include Sang Nanggalaan, Na Lili, and Mass Banana. As for Tongkona Petulak or so-called supports, each is found in Karopi, which To Parenge leads.

The Toraja tribe is not nomadic, so its cultural customs are influenced by social relations with the surrounding natural environment. These social relations also affect a democratic community and uphold togetherness. The Toraja tribe has the highest institution, the Kombongan, which accommodates deliberation. In addition to deliberation, history and genealogy also resolve conflicts. Therefore, the relationship between the Tongkonan Parege institution and the community is in the context of:

- a. If there is a dispute between residents in the Karopi area, then it is the duty of Tongkonan and To Parenge to settle it through a peace settlement meeting held in Tongkonan.
- b. Toparenge is responsible for carrying out traditional ceremonies held by community members in the Karopi area. Meanwhile, people who have an intention or ceremony only provide materials. The deployment of manpower and implementation procedures are the responsibility of To Parenge and other Customary Stakeholders. So, if there are things that are not pleasing to happen, it is the responsibility of To Parenge.
- c. Customary Peace is a forum for resolving customary violations that can harm the community.
- d. Inheritance concerning customary land is also Tongkonan Parenge's obligation to regulate and resolve it.

#### 5. Land Use

Below is a table containing the ratio of the percentage of land use in the North Toraja region:

Table 1. Land Use in North Toraja Region

No	Land	Area Size (ha)	%
1	Forest	53,161.1	46.16
2	Ricefield	10,960	9.52
3	Settlement	9,865	8.56
4	Farm	14,620	12.71
_ 5	Other	26,540.9	23.05
Total		115,147	100

Various activities in the North Toraja Regency area, such as protection and cultivation activities, are fulfilled by the land resources owned in this region. Administratively, North Toraja Regency has an area of 1,151.47 km2 which consists of land because the North Toraja region does not have a sea area. The entire administrative area of North Toraja is divided into



47,900.6 ha of protected forest area (41.60% of the total area of North Toraja), 5,260.5 ha is community forest (4.57% of the total area of North Toraja), 10,960.0 ha is a rice field farming area (9.52% of the total area of North Toraja), 9,865.0 ha are settlements (8.56% of the total area of North Toraja), 14,620.0 ha is plantation area (12.70% of the total area of North Toraja), and 26,540.9 ha for other uses (23.05% of the total area of North Toraja).

#### 6. Indigenous Community Economic Development Strategy

The economic development strategy focuses on developing the potential of indigenous peoples to align with the goal of accelerating national development. In this case, the design of an economic development strategy requires identifying the potential possessed by indigenous peoples. This potential is beneficial in determining indigenous peoples' strengths, weaknesses, opportunities, and threats in North Toraja Regency so that an appropriate strategy can accelerate national development. To find out the indigenous community's strengths, weaknesses, opportunities, and threats, a focus group discussion (FGD) was conducted with several indigenous community leaders to obtain realistic information as a guide for development strategies.

The results of the focus group discussions obtained information on the strengths, weaknesses, opportunities, and threats to the indigenous community of North Toraja Regency by utilizing SWOT analysis. By using SWOT, the researcher analyzes the economic development strategy based on the alternative results of SO (a strategy of using all strengths by looking at opportunities), alternative WO (strategy for exploiting weaknesses by looking at current opportunities), alternative ST (strength utilization strategy by looking at threats), and alternative WT (weakness exploiting strategy by looking at existing threats), which are explained as follows:

# a. Strengths

The strengths of the indigenous community of North Toraja include:

- 1) The number of workers is significant.
- 2) The land is fertile, making it suitable for agriculture.
- 3) Adequate facilities and infrastructure to support traditional and modern market distribution channels.
- 4) Uniqueness and cultural heritage is a source of tourism potential.
- 5) The State has legally recognized Indigenous peoples.

#### b. Weaknesses

- 1) Many indigenous peoples still work for hereditary reasons, not looking for job opportunities or developing the business they are involved in.
- 2) Lack of ability to market the product.
- 3) The use of modern technology is still not widely used.
- 4) Do not have local trademarks.

#### c. Opportunities

- 1) There are many conveniences in obtaining capital from private and government loans.
- 2) Potential development of agricultural, fishery, and handicraft products that are packaged creatively for national and international purposes.
- 3) High support from the central and local governments to support the economy of indigenous peoples.
- 4) Procurement of expos in strategic areas to introduce agricultural, fishery, and handicraft products managed by members or local indigenous community groups.



#### d. Threats

- 1) The low desire of the community to join economic groups (e.g., farmer groups).
- 2) Indigenous peoples tend to underestimate the importance of the quality of the final product, especially in the agricultural sector.
- 3) The difficulty of obtaining superior raw materials for the handicraft sector.
- 4) Many young people migrate to urban areas.

Based on the results of the SWOT analysis, the recommended strategies to develop the economy of indigenous communities in North Toraja Regency are:

- a. SO strategy, by utilizing all strengths based on existing opportunities, namely by:
  - 1) Creating an economic community consisting of 5-10 members of the local indigenous community so that the economic empowerment of the community is more targeted;
  - 2) Using experts appointed by the local government to plan, train, and support business development driven by the economic community;
  - 3) Planning an expo program in strategic areas to promote the products of the economic community.
- b. WO strategy, by exploiting weaknesses based on existing opportunities, by:
  - 1) Encouraging community participation to participate in the economic community by involving Tongkonan or To Parenge;
  - 2) Using experts appointed by the regional government to conduct branding skills training for the economic community in their respective customary territories;
  - 3) Cooperating with the heads of surrounding regions and the central government in increasing the reach of economies of scale.
- c. ST strategy, by utilizing strengths based on existing threats, by:
  - 1) Increasing the participation of Tongkonan or To Parenge in conducting discussions with local indigenous peoples for the success of accelerating national development;
  - 2) Using experts appointed by the regional government to provide quality control training on products produced by the economic community according to the characteristics of market demand;
  - 3) Increasing the participation of cooperatives to provide superior raw materials for developing the handicraft sector.
- d. WT strategy, by exploiting weaknesses based on existing threats, by:
  - 1) Cooperating with Tongkonan or To Parenge to screen potential young workers based on their respective expertise;
  - 2) Using horticultural experts appointed by the regional government to develop the quality of agricultural products produced by members of the economic community;
  - 3) Using marketing experts appointed by the regional government to develop the marketing capabilities of members of the economic community;
  - 4) Facilitating access to business capital to expand distribution networks and product promotions for members of the economic community.

# D. CONCLUSION

Based on the study's results, several things can be concluded as follows. First, the main strengths of indigenous peoples in North Toraja Regency include having a lot of labor, fertile land, adequate facilities and infrastructure, uniqueness, and cultural heritage, and the State has legally recognized the indigenous community. Second, the weaknesses of indigenous peoples in North Toraja Regency include a lack of innovation to develop businesses, low marketing capabilities, minimal use of modern technology, and not having local trademarks. Third, the opportunities possessed by indigenous peoples in North Toraja Regency include ease of

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obtaining capital, development of packaging for the agricultural, fishery, and handicraft products, high support from the central and regional governments, and holding expos in strategic areas to introduce products from local indigenous groups. Furthermore, threats that hinder the smooth acceleration of the economic development of indigenous peoples in North Toraja Regency include the low desire of the community to join economic groups, and indigenous peoples tend to underestimate the importance of product quality, the difficulty of obtaining superior raw materials for the handicraft sector and many young people migrate to urban areas.

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