

UDC 332

SUSTAINABLE AGRICULTURAL DEVELOPMENT TOWARDS NATIONAL FOOD SECURITY

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ABSTRACT

Regional economic development is the key to successful development on national level. Agricultural development cannot be separated from rural development. The purpose of this study is to find out the role of sustainable agricultural development in achieving national food security. The methodology is literature studies from previous research. The result shows that the agricultural sector plays an important role in the economy of Bali Province. Factors that accelerate the growth of the agricultural sector that is able to encourage the growth of the non-agricultural sector. The development of an ideal agricultural policy requires the support of various parties. The application of agro-industrial technology innovations in rural areas is sought to have credibility and adapt to the development of food crops. The implication of this research is that it can inspire work enthusiasm to move forward, and the conditions of each region (specific location) need to be considered and used as the basis for designing food security development in rural areas.

KEY WORDS

Agriculture, sustainable development, policy, agroindustry, technology, innovation.

Development is a planned change in all dimensions of life towards a better life order in the future. Economic development is one of the most important aspects of development both at the central and regional levels. Regional economic development is a process in which regional development and the community manage existing resources and form a partnership pattern between local governments and the private sector to create new jobs and stimulate economic development in the region (Arsyad, 1999). Bali is one of the provinces that have an important role in the Indonesian economy, with a contribution to the national GDP of 8.47 percent (BPS, 2008). This contribution mainly comes from the tourism sector, as it is well known that tourism in Bali is the leading national tourism. Therefore, the development of tourism in Bali is not only the responsibility of the Regional Government, but also needs to get the main attention of the Central Government.

Another important aspect that needs to be considered in economic development is income distribution. Structuralist thinkers argue that a more equitable distribution of income in developing countries cannot be secondary, because it is a condition that must be met in order to support economic growth. This is based on the premise that (Todaro, 2000): First, large inequality and widespread poverty have created conditions in such a way that the poor do not have access to credit, cannot afford to pay for their children's education and obtain good health services. Second, high-income people in developing countries cannot be fully expected to save and invest in the domestic economy. Third, the low income and standard of living of the poor, manifested in the form of poor health conditions, malnutrition and low education, actually reduces their productivity, resulting in low overall economic growth. Fourth, efforts to increase the income level of the poor will stimulate the demand for domestic products rather than the rich people who tend to spend their income on imported luxury goods. And fifth, the creation of a more equitable distribution of income through poverty alleviation efforts will provide many material and psychological incentives so as to accelerate economic progress.

Besides the tourism sector, the agricultural sector also plays an important role in the economy of the Province of Bali. Based on data from the Province of Bali in Figures in 2011, it can be revealed that the contribution of the agricultural sector to the GDP of the Province of

Bali in 2010 was 19 percent, a decrease of 1 percent compared to the previous year. The tourism sector contributed 33 percent to the GRDP of Bali Province in 2010, an increase of 1 percent compared to other sectors. The contribution of other sectors, which is a combination of various sectors, is quite high, at 48 percent for the last 3 years (2008-2010 period).

The conditions are relatively different on the sectoral contribution from the aspect of employment opportunities. The agricultural sector is the sector that provides the first largest contribution in terms of employment opportunities, while the tourism sector ranks second. In 2008, the contribution of the agricultural sector in absorbing labor was 36 percent, continuing to decline from year to year, to 25 percent in 2010. On the other hand, the contribution of the tourism sector and other sectors tends to increase from year to year.

Traditionally, the role of agriculture in economic development is seen as passive as a supporting element. Development economists have long realized that the agricultural sector has a large role in the economy, especially in the early stages of development (Lewis, 1954; Johnston and Mellor, 1961; Kuznets 1964). The agricultural sector that grows and produces a large surplus is a prerequisite for starting the process of economic transformation. In the early days of economic transformation, agriculture played an important role in several ways. The fast-growing agricultural sector will be able to increase the income and welfare of the population in rural areas which in turn can increase the demand for goods and services produced by the non-agricultural sector. The growing demand does not only occur for final consumption products, but also for non-agricultural sector products that are used by farmers as inputs for farming or for investment (Tomich et al., 1995).

Technological advances in the agricultural sector which are manifested in increasing labor productivity have become a relatively inexpensive sector for the non-agricultural sector (Timmer, 1988). In addition, the growth of the agricultural sector followed by an increase in the income of the rural population will increase savings. These savings are a source of capital to finance the growth of the non-agricultural sector (Mellor, 1973). The fast-growing agricultural sector can be a source of foreign exchange earnings. The contribution of agricultural foreign exchange was obtained through increased exports and increased import substitution of agricultural products. Foreign exchange from agriculture is a strategic tool for industrialization in a country. Most farmers in Indonesia are categorized as smallholders, with minimal control over productive assets and far from adequate for a viable business to fulfill family income. From this situation, it is reflected that improving the welfare of farmers will not be achieved if they only rely on the results of their farming. Efforts to increase farmers' income from farming that is cultivated need to be added to the income that can be obtained from business or work outside the farm or outside the agricultural sector. Agricultural development cannot be separated from rural development in a broad sense. Economic opportunities in rural areas need to be more diversified and not only depend on the farming economy.

According to Suprpto (1999), the development of an ideal agricultural policy requires the support of the following: (1) consistent macro policies, (2) mastery of technology; (3) Support facilities and infrastructure; (4) Human resource support; and (5) Institutional support. Conceptually, the demand for decentralized development has a strong foundation. Decentralization is expected to increase regional independence and budget efficiency (Oates 1993, 1999). The granting of flexibility to local governments in making policies on programs and budget management will also increase the effectiveness of providing public services to the community (Bjornestad, 2009). Fiscal decentralization will also improve financing efficiency, accountability for budget use, and can provide more space for the public to be involved in policy formulation, as well as improve public services. Furthermore, the fiscal decentralization policy is also expected to be able to reduce poverty through more effective pro-poor programs.

Fundamental changes to development management occurred when Law No. 22 of 1999 concerning regional autonomy was enacted and Law No. 25 of 1999 concerning the balance of central and regional finances, starting in 2000. That was the stepping stone for the end of the era of centralized development management and the commencement of decentralization policies. We have seen various successes in agricultural development in the

era of decentralization, of course, with various notes of shortcomings. Centralized management of agricultural development facilitates the establishment of programs and coordination (commands) of implementation in the field. The success of achieving self-sufficiency in rice in 1984 was the result of various agricultural development programs that were carefully designed and implemented consistently with strict supervision at various levels of government. Local governments cannot implement programs other than those that have been decided and outlined by the central government. The decision on budget allocation for these programs is also decided by the central government.

Input and output subsidy policies, setting priorities for developed commodities and production targets, escort and mentoring programs such as the Bimas, Insus and Supra Insus programs are designed and monitored intensively. Even the investment in dams and irrigation facilities as well as other infrastructure such as farm roads and markets is decided by the government. This was in line with the budget management policy at the time, where programs and budgets were almost completely controlled by the central government. Local governments, starting from the Province (Level I Region at that time), Regency (Level II Region), District and Village more played a role as implementing central government policies. The authority to manage the budget is limited to that given by the central government.

The mandatory affairs of the provincial and district/city governments are mainly related to aspects of public services and efforts to improve the quality of people's lives. There are 24 obligatory affairs for local governments, including: basic services such as education, health, social facilities and proper public facilities as well as developing a social security system. Meanwhile, for elective affairs and affairs which are handled in certain sections or fields that can be carried out jointly between the central government and regional governments or between regional governments. These optional affairs generally include economic development, such as: (a) Agriculture, (b) Forestry, (c) Energy and Mineral Resources, (d) Tourism, (e) Marine and Fisheries, (f) Trade, (g) Industry, and (h) Transmigration.

The limited budget for agricultural development in the regions is caused by the prioritization of budget allocations in the APBD that is not in favor of the agricultural sector. Local governments also still expect more financing for agricultural development from the central government budget. The complexity of agricultural development policies is even greater when it involves aspects of changes in the external environment that directly or indirectly affect the agricultural sector, such as free trade, the common market of ASEAN and China and the dynamics of world food and energy prices. On the other hand, with regional autonomy, the central government has difficulty in ensuring the effectiveness of the national agricultural development program because it does not have the authority to reach the implementation stage in the regions. The government's role in agricultural development is manifested in the government's budget allocation for the agricultural sector. Within the framework of fiscal decentralization, budget allocation for the agricultural sector can be realized through: (a) local government budgets (APBD), (b) central budget allocations through deconcentration funds, (c) special allocation funds for the agricultural sector, and (d) implementation of central programs. In terms of allocation, the government budget is allocated to various sub-sectors, food crops, horticulture, livestock, and plantations.

METHODS OF RESEARCH

This research is descriptive research. The object of this research is the factors that affect the welfare of farmers. This study uses an empirical approach from the results of previous studies in conducting the discussion.

RESULTS AND DISCUSSION

Food security

Food security which is a translation of food security covers many aspects and is broad so that everyone tries to translate it according to the purpose and availability of data. As revealed by Reutlinger (1987) that food security is interpreted in many ways. Braun et al.

(1992) also revealed that the use of the term food security can lead to debate and many confusing issues because the aspects of food security are broad and many but are one of the most important concepts for many people around the world. Furthermore, it is also revealed that the definition of food security changes from one time period to another. In the 1970s, food security was more concerned with global and national food availability than at the household level. Meanwhile, in the 1980s food security shifted to food access at the household and individual levels.

At first food security was still around the question "can the world produce enough food?", then the question was sharpened again by the International Food Policy Research Institute (IFPRI) to: "can the world produce enough food at a price that is reasonable and affordable for the poor?". However, since the early 1990s the question has become much completer and more complex, namely: "can the world produce enough food at a price that is reasonable and affordable for the poor and does not damage the environment?". Broadly speaking, food security is defined as ensuring access to food for all households and individuals at all times so that they can work and live healthy lives (Braun et al., 1992; Suhardjo, 1996; Soetrisno, 1997).

Dynamics of Food Development

Discussing food security basically also discusses things that cause people to not have their food needs fulfilled. These include the availability of food, employment and income. These three things determine whether a household has food security, meaning that it can meet the food and nutritional needs of each family member (Sumarwan and Sukandar, 1998).

Soekirman (1996) revealed that whether or not sufficient food supply in the market affects food prices. The increase in food prices for families who do not work or who work but whose income is not sufficient can threaten their nutritional needs, which means that their family's food security is threatened. On the other hand, sufficient supplies, stable prices but many residents without work and without income, meaning without bell power, also causes food supplies to be ineffective. Therefore, the development of Human Resources (HR) will regulate the balance and harmony between food system policies (production, distribution, marketing, and consumption) and policies in social fields such as poverty alleviation, education, health, nutrition and others.

The FAO Conference in 1984, as stated by Soetrisno (1995) sparked the basics of food security which essentially guarantees sufficient food availability for human beings and guarantees every individual to be able to obtain food. The definition of food security was refined at the time of the International Congress of Nutrition (ICN) which was held in Rome in 1992 in Suhardjo (1996) as follows: household food security is the ability of a household to meet the food sufficiency of its members from time to time in order to live a healthy and healthy life. able to perform daily activities. However, in the 1995 session of the Committee on Work Food Security in Soetrisno (1997) the above definition was expanded by adding the requirement that it be accepted by the local culture. This definition was reaffirmed in the Rome Declaration on World Food Security and the 1996 World Food Summit Follow-up Plan to make food security possible if all people, at all times, have physical and economic access to sufficient, safe and nutritious food. to meet his needs according to his taste for an active and healthy life.

The concept of food security can be applied to state the food situation at several levels, namely the global, national, regional (regional), and household and individual levels (Soehardjo, 1996). Meanwhile Simatupang (1999) states that food security at global, national, regional, local communities, households and individuals is a series of hierarchical systems. In this case, household food security is not enough to guarantee individual food security. The relationship between individual and household food security is determined by the allocation and processing of food in the household, the health status of household members, health conditions and the cleanliness of the local environment. In addition, the education level of husband and wife, local culture and infrastructure also greatly determines individual/household food security. Furthermore, Simatupang (1999) reveals that food

security at the local community level is a mandatory requirement but is not sufficient to guarantee food security for all households. Furthermore, food security at the regional level is a mandatory requirement for food security at the local community level but is not sufficient to guarantee the food security of the local community. In the end, food security at the national level is not enough to guarantee the realization of food security for everyone, at all times so that they can meet their food needs in order to live a healthy and productive life.

Potential of Food Crops Agriculture

Leading commodities are commodities that are able to contribute to the income of the region concerned. According to Widayanto (2000), leading commodities are commodities that are able to contribute to income for the region concerned. The criteria for the superiority of commodities in a region are; a) widely known by the local community, widely managed and developed by the local community, b) having a significant contribution to the local community's economy, being able to compete with other business commodities, c) having conformity with agroecological aspects, especially regarding the development location, d) having potential and market orientation, both domestic and export, e) getting support from government policies, especially market support and the availability of supporting factors such as; institutions, technology, capital, facilities and infrastructure as well as human resources (Nainggolan, 2011).

The development of harvested area and production of food crops experienced plus and minus growth. Likewise, with its productivity, based on this it is found that the productivity of these food commodities also experiences a varied growth trend. There are six main food crop commodities, namely, lowland rice, upland rice, corn, cassava, yams, soybeans, and peanuts. Agriculture of food crops, especially rice, is expected to achieve food self-sufficiency. Rice is a leading commodity, the decrease in paddy fields is due to the conversion of paddy fields into dry land/moor, housing/buildings, roads and other infrastructure which is not balanced with the opening of new rice fields. Apart from being a producer of added value and a source of community income, the agricultural sector is also the backbone and driver of the regional economy in the context of the development process.

The comparative superior food crop commodities in Jembrana Regency include soybeans, green beans and rice. Tabanan Regency includes rice, soybeans and corn. Badung Regency includes soybeans, rice, sweet potatoes, soybeans and peanuts. Gianyar Regency includes rice, soybeans and sweet potatoes. Klungkung Regency includes peanuts, soybeans, cassava and corn. Bangli Regency includes sweet potatoes, corn, peanuts and cassava. Karangasem Regency includes cassava, green beans, peanuts, sweet potatoes, corn and rice. Buleleng Regency includes corn, green beans, rice, peanuts, green beans and cassava. The city of Denpasar does not have superior commodities. The regional growth of food crop commodities in three regencies/cities, namely Jembrana, Gianyar and Denpasar, has shown an increase. All regencies/cities have food crop commodities that experience a proportionally rapid growth. All districts/cities also have commodities with competitive advantages and have commodities that are progressing in net growth; the potential of food crop commodities with the spatial approach of districts/cities in Bali Province shows that all districts/cities have superior food crop commodities, both classified as superior (comparative or competitive) and very superior (comparative and competitive). The exception is Denpasar City, which only has superior food crop commodities.

1. Potential of Rice Commodity Area

Based on what is stated in the regional map for superior and very superior commodities, rice is a very superior commodity in Jembrana, Gianyar, Karangasem Tabanan, Badung and Buleleng regencies.

2. Potential of Corn Commodity Area

Based on what is stated in the regional map for superior and very superior commodities, it shows that the potential for maize commodities in Bali Province is found in Karangasem, Tabanan, Bangli, Klungkung and Buleleng regencies.

3. Potential of Soybean Commodity Area

Based on what is stated in the regional map for superior and very superior commodities, it shows that the potential for soybean commodities in Bali Province is in the Regencies of Buleleng, Tabanan, Bangli, Gianyar, Denpasar.

4. Potential of Cassava Commodity Area

Based on what is stated in the regional map for superior and very superior commodities, it shows that the potential for cassava commodities in Bali Province is in the Regencies of Buleleng, Bangli, Klungkung and Karangasem.

5. Potential Area of Sweet Potato Commodity

Based on what is stated in the regional map for superior and very superior commodities, showing the potential for sweet potato commodities in Bali Province is in Bangli, Karangasem, Gianyar, Badung and Tabanan regencies.

6. Potential Area of Peanut Commodity

Based on what is stated in the regional map for superior and very superior commodities, it shows that the potential for peanut commodities in Bali Province is in the Regencies of Buleleng, Bangli, Karangasem, Badung, Gianyar, Jembrana, Klungkung and Tabanan.

7. Potential of Green Bean Commodity Area

Based on what is stated in the regional map for superior and very superior commodities, it shows that the potential for mung bean commodities in Bali Province is found in Buleleng, Karangasem and Jembrana Regencies.

Leading commodities are mainstay commodities that have a strategic position to be developed in an area (Hidayah, 2010). According to Masniadi, Suman, & Sasongko (2012), the commodity with the highest LQ value indicates that the commodity is comparatively superior to other commodities. The superiority of a commodity also needs to be evaluated for its competitive level based on the results of the SSA.

Based on the LQ value, the leading commodities of food crops in Bali Province are rice, corn, soybeans, cassava, sweet potatoes, peanuts and green beans. Apart from being the staple food of the community, these 7 commodities are superior in 9 regencies/cities due to the influence of land and are supported by a good irrigation/irrigation system. Commodities that have advantages also have financial efficiency (Yustian, Sudadi, & Ardiansyah, 2016). Ningsih (2010) argues that the analysis and determination of regional superior commodities is one of the keys to targeted economic development. The development of food crops is strongly influenced by several factors: Natural disasters, variability of rainfall, and loss of production.

Agricultural Sector Institutions

Institutions contain norms, values, regulations, knowledge, and others. Become a guide in the behavior of actors (individuals or organizations). Institutions are matters relating to or related to institutions (Syahyuti, 2011). Agricultural institutions are norms or habits that are structured and patterned and practiced continuously to meet the needs of community members who are closely related to the livelihoods of agriculture in rural areas. In the life of the farming community, the position and function of farmer institutions are part of social institutions that facilitate social interaction or social interplay in a community. Agricultural institutions are divided into 3 (three) parts, namely:

1. Farmer institutions are part of social institutions that facilitate social interaction in driving the agribusiness system in rural areas in the form of farmer groups, farmer groups and cooperatives (Suradisastira, 2008).
2. Agricultural government institutions are those owned by the state at the national, district or city, sub-district and village or kelurahan levels in the form of extension, training, research and capital institutions.
3. A private agricultural institution is a business enterprise owned by a non-governmental organization. Activities undertaken to assist farmers in farming include the procurement of production and marketing facilities (anonymous, 2001).

To formulate alternatives for farming development through farmer groups, it is necessary to strengthen farmer groups, through the following operational steps (Purwanto, 2006), Build active group membership, among others by:

1. Understanding the concept of self-help groups, namely groups that know the concepts used in helping groups and members voluntarily.
2. Setting group goals, namely the strategy that will be used in the group for the activities carried out.
3. Selecting and assigning group administrators, namely determining the chairman who can bring the farmer group to a better place, which is chosen by the members.
4. Develop group rules, namely rules made in structured groups to deal with violations committed.
5. Designing group meetings, namely developing a galam strategy to determine meeting times between group members and administrators to discuss matters related to farming.
6. Building a shared fund, namely saving guidance for good directions given to farmers that group savings is something very important as a first step towards independence. Good administrative guidance (recording) is given to farmer groups to record outgoing funds in each activity obtained from the farmers themselves or funds obtained from outside (syahyuti, 2011).
7. Building a profitable business with the guidance of preparing a business plan, providing direction for the business to be carried out in meeting the needs of farmer groups. Knowing the source of capital is knowing the source of capital in the business to be run such as cooperatives, banks and others. The management of joint funds is that the funds owned by each group member are collected to the group administrator to be used in joint ventures.
8. Building cooperative relationships between cross-business groups. Groups that have developed their businesses are facilitated to learn to cooperate with other groups in developing their businesses in their respective activities. To obtain a wider market network, obtain information and technology that suits their needs, open cross-business networks, groups are facilitated to be able to interact with other institutions or agencies.
9. Build self-assessment ability. In its development, groups are assisted so that one day they are able to regularly assess their own progress. Thus, the group will be able to find out its weaknesses and shortcomings as material for improvement plans (Purwanto, 2006).

Food Crops Sector Institutions

The role of institutions in building and developing the agricultural sector in Indonesia is mainly seen in agricultural activities for food crops such as rice, corn, soybeans, cassava, sweet potatoes, peanuts and green beans. At the national macro level, the role of agricultural development institutions is very prominent in programs and projects for the intensification and improvement of food production. If an agricultural development initiative is implemented by an institution or organization, where individuals who have an organizational spirit combine their knowledge in the planning and implementation stages of the initiative, the chances of successful agricultural development will increase (De los Reyes and Jopillo 1986; USAID 1987; Kottak 1991); Uphoff 1992a; Cernea 1993; Bunch and Lopez 1994 in Suradisastra, 2011). According to Dimiyati (2007), the problems that are still attached to the figure of farmers and farmer institutions in Indonesia are:

1. There is still a lack of insight and knowledge of farmers on production management issues and marketing networks.
2. Not fully involved farmers in agribusiness activities. Farmers' activities are still focused on production activities (on farm).
3. The role and function of farmer institutions as a forum for farmer organizations has not been running optimally.

To overcome the problems above, it is necessary to make efforts to develop, empower, and strengthen farmer institutions (such as farmer groups, labor institutions, input provider institutions, output institutions, extension institutions, and capital institutions) and are expected to protect the bargaining position of farmers. Protective measures in favor of these farmers, both as producers and connoisseurs of the results of their farming efforts, are mainly realized through a decent and profitable output price level for farmers. Thus, strengthening and empowering these institutions is also to produce the achievement of sustainability and sustainability of the carrying capacity of natural resources and various efforts to support and support agricultural development activities in rural areas.

The basic problem for the majority of Indonesian farmers is the inability to negotiate the price of their products. The bargaining position of farmers at this time is generally weak, this is one of the obstacles in increasing farmers' income. According to Branson and Douglas (1983), the weak bargaining position of farmers is generally caused by the lack of access to markets, market information and inadequate capital. Farmers have difficulty selling their crops because they do not have their own marketing channels, as a result, farmers use the slash and sell system. With this system as much as 40% of the sales of the harvest belongs to middlemen.

Increasing agricultural productivity is no longer a guarantee that it will provide decent profits for farmers without equal income between farmers engaged in the on-farm sub-system and agribusiness actors in the upstream and downstream sub-sectors. Income equality can only be achieved by increasing the bargaining position of farmers. This can be done if the farmers do not walk alone, but gather strength in an institution that is truly capable of channeling their aspirations. Therefore, agricultural extension should be more focused on efforts to build institutions. This institution can only play an optimal role if its growth and development is fully controlled by farmers so that farmers must become subjects in the process (Jamal, 2008). Increasing the bargaining position of farmers can increase the access of rural communities in fair economic activities, so that the forms of inequality and losses experienced by farmers can be avoided.

According to Akhmad (2007), efforts that must be made by farmers to increase the bargaining position of farmers are by:

1. Consolidation of farmers in one container to unite the economic movement in every agricultural chain, from pre-production to marketing.
2. Production collectivization, namely collective production planning to determine the pattern, type, quantity and production cycle collectively.
3. Collectivization in the marketing of agricultural products.

Farmers if they farm individually continue to be on the weak side because individual farmers will manage farming businesses with small and scattered arable areas and low capital ownership. Thus, the government needs to pay attention to institutional strengthening through farmer groups because in groups the farmers will be stronger, both in terms of institutions and capital.

Farmers' institutions in the village generally do not run well due to (Zuraida and Rizal, 1993; Agustian, et al, 2003; Syahyuti, 2003; Purwanto, et al, 2007):

1. Farmer groups are generally formed based on technical interests to facilitate coordination if there are government activities or programs, so that they are more program orientation, and do not guarantee group independence and group sustainability.
2. The participation and cohesiveness of group members in group activities is still relatively low, this is reflected in the low level of attendance of members in group meetings (only reaching 50%).
3. The management of productive activities of group members is individual.
4. The establishment and development of institutions does not use the local social capital base with the principle of local independence, which is achieved through the principles of autonomy and empowerment.
5. Institutional formation and development based on a uniform blueprint approach.

6. The establishment and development of institutions based on a top-down approach, does not result in the growth of community participation.
7. The institutions that are built are limited to strengthening horizontal ties, not vertical ties.
8. Even though the institution has been established, the coaching that is carried out tends to be individual, namely only to the management.

Institutional development always uses a structural path, and is weak from the development of its cultural aspects.

The problems faced by farmers in general are weak in terms of capital. As a result, the level of use of production inputs is low, the scale of business is inefficient because the land is generally narrow, and because of financial problems, the bargaining position when the harvest is weak. In addition, the products produced by farmers are of relatively low quality, because generally the culture of farmers in rural areas in carrying out agricultural practices is still oriented to meeting family needs (subsistence), and not yet market oriented. In addition to the internal problems of farmers, the availability of supporting factors such as infrastructure, rural economic institutions, intensity of extension, and government policies are needed to encourage farming and increase farmers' access to markets (Saragih, 2002).

The awareness that needs to be built on the farmers is the awareness of the community/group that grows on the basis of need, not coercion and encouragement from certain projects. The objectives are (1) to organize the power of farmers in fighting for their rights, (2) obtain bargaining position and accurate market information, especially with regard to prices of agricultural products and (3) play a role in negotiating and determining the prices of agricultural products produced by its members (Masmulyadi, 2007).

There are four criteria so that farmer associations are strong and able to play an active role in fighting for their rights, namely: (1) the association must grow from the farmers themselves, (2) the administrators come from farmers and are elected regularly, (3) have formal institutional strength and (4) is participatory. With the awakening of awareness as above, it is hoped that farmers will be able to act as a strong and independent group, so that farmers can increase their income and have access to markets and banking access.

Institutions in rural areas were born to meet the social needs of the community. Its nature is not linear, but tends to be the individual needs of its members, in the form of: physical needs, security needs, social relationship needs, recognition, and recognition development. The main benefit of the institution is to accommodate the needs of one side of the social life of the community, and as social control, so that everyone can regulate their behavior according to the will of the community (Elizabeth and Darwis, 2003).

There are two principles that must be met by a farmer institution in order to exist and be sustainable, first, the principle of autonomy (local specific). Understanding the principle of autonomy here can be divided into two forms, namely:

1. Individual autonomy. At a low level, the meaning of the principle of autonomy is referring to the individual as the embodiment of the desire for freedom inherent in humans as one of the most precious gifts from the creator (Basri, 2005). This freedom allows individuals to be autonomous so that they can optimally actualize all the best potential that exists within them. These autonomous individuals will then form an autonomous young community, and finally an independent and superior nation (Syahyuti, 2007).
2. Village autonomy (local specific). Institutional development in rural areas is adjusted to the potential of the village itself (locally specific). Rural areas in Indonesia, besides being varied in the plurality of systems, values, and cultures; It also has a fairly long and varied historical background. Institutions, including organizations, and regulatory and legal instruments require adjustments so that opportunities for every member of the community to act as subjects in movement-based development can grow in all areas of their lives. In addition, it must also pay attention to the elements of the order that live in the village, both in the form of soft elements such as humans with their value systems, institutions, and technology, as well as hard elements such as the

natural environment and its resources. is a dynamic identity that always adapts or grows and develops (Syahyuti, 2007).

3. The principle of empowerment. Empowerment seeks how individuals, groups, or communities try to control their own lives and seek to shape the future according to their wishes. The main point of empowerment is the achievement of independence (Payne, 1997). Empowerment means preparing village communities to strengthen themselves and their groups in various ways, ranging from institutional, leadership, socio-economic, and political matters using their own cultural base (Taylor and Mckenzie, 1992). In the empowerment process, there are two basic principles that must be followed (Saptana, et al, 2003), namely: a) Creating space or opportunities for the community to develop themselves independently and according to the way they choose. b) Strive for the community to have the ability to take advantage of the space or opportunities created. This policy is translated, for example, in the economic field in the form of increasing public accessibility to production factors and markets, while in the socio-political field, in the form of providing various options for the community to channel their aspirations. Empowerment and institutional development in rural areas, including: a) Agricultural development patterns based on land area and intensification, expansion of employment and business opportunities that can expand income. b) Improvement and improvement of the limitations of social services (education, nutrition, health, and others). c) Program to strengthen institutional infrastructure and skills in managing rural needs. For its success, it requires cooperation between: local administration, local government, institutions/organizations consisting of local communities, business cooperation, services and private business (three institutional pillars) that can be integrated into local, regional and global markets (Uphoff, 1992). Institutional empowerment requires operational changes in the three institutional pillars (Elizabeth, 2007a): a) Traditional local institutions that live and exist in the community (voluntary sector). b) Market institutions (private sector) imbued with the ideology of an open economy. c) Institutional political system or decision making at the public level (public sector). The three pillars that support the life and institutions of the rural community need to reform themselves and synergize to suit the needs that are always developing. This is what is meant by institutional transformation as an effort to empower it, which is carried out not only internally, but also the relationship system of the entire institution. On the other hand, future institutional empowerment needs to be directed to be oriented to: a). The most profitable commodity (food/non-food) business, b). Economic scale of business and labor-intensive technology, c). Win-win mutually with a kolehial partnership, d). Upstream-downstream interdependence is created, e). Developing capital and institutionalized credit (banks, cooperatives, farmers), f). Cooperative, competitive and transparent through business information systems, g). Taking advantage of opportunities in each agribusiness subsystem, and h). Human resources support that is educated, rational, independent, informative, communicative, and participatory (innovative) (Elizabeth, 2007b). Some of the keys in institutional development for empowerment are: access to information, inclusiveness and participation, accountability, and local organizational development (Saptana, et al, 2003).

The second is the principle of local independence. The development approach through the perspective of local independence implies that all stages in the empowerment process must be carried out in a decentralized manner. Empowerment efforts based on a decentralized approach will foster autonomous conditions, where each component will continue to exist with the diversity it contains (Amien, 2005). One of the reasons for the failure to develop farmer institutions so far is that they ignore local institutions that live in rural areas, because they are considered not to have an adequate economic spirit. The institutional characteristics of traditional societies are where economic activity is attached to kinship and community institutions. Economic fulfillment is the responsibility of genealogical communal groups. The main characteristic of traditional institutions is that there are few

institutions, but many functions. This is different from the case in modern society which is characterized by the emergence of many institutions with specific and narrow functions (Saptana, et al, 2003). Local independence shows that development is more appropriate when viewed as a creative-adaptation process of a community order rather than as a series of mechanistic efforts that refer to a plan that is drawn up systematically. Local independence also emphasizes that the organization should be managed by prioritizing participation and dialogue rather than the spirit of strict control as has been practiced so far (Amien, 2005).

CONCLUSION

The agricultural sector plays an important role in the economy of Bali Province. The growth acceleration factor in the agricultural sector is a factor that is able to encourage the growth of the non-agricultural sector. The development of an ideal agricultural policy requires the support of the following: (1) consistent macro policies, (2) mastery of technology; (3) Support facilities and infrastructure; (4) Human resource support; and (5) Institutional support. Strengths in the agricultural sector that have the potential to be further developed. Economic development in a more advanced direction through industrialization can increase inter-sectoral linkages. The application of agro-industrial technology innovations in rural areas is strived to have credibility and adapt to food crop development plans, can inspire work spirit to move forward, and the conditions of each region (specific location) need to be considered and used as the basis for designing food security development in rural areas.

The success of implementing an agricultural institution is not solely measured by the added value of the economy, but must consider the role and function of socio-cultural values as a whole. Socio-cultural values reflect the diversity of customs and culture of the Indonesian people who uphold diversity within the framework of the Unitary State of the Republic of Indonesia. The development of agricultural institutions in the future should reflect the identity of the Indonesian nation by using the eyes of modernization as a means of justification and not merely prioritizing import institutions.

Government intervention in the development of agricultural institutions in the future is still needed. However, government intervention is not coercive in nature, but rather facilitating to encourage cohesive institutional growth. The rules that develop in local institutions should be leadership in nature with rules and laws related to existing institutions.

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