The Attainment of Indonesia's National Goals through Infrastructures, Space Arrangement Allocation and also Controlling Prices of Services

(The Relation between Space Structures and Spaces Patternes to Spread Out Wealth and Subsidizes in Indonesia)

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Abstract:- From the purchase value datas, sales value datas, and trades balances data are shows that development in Indonesia has not been fully successful; where the economy in Indonesia is no longer dependent on the island of Java with the improvement of economics on the Island of Kalimantan – Sulawesi, but has not succeeded in strengthening the role of Sumatera Island and Bali-Nusa Tenggara-Maluku-Papua in fourth.

Fluctuations of productivity of textiles and appareals industries can be explained as that're. Eventough there is still a dominancy of Java as many as 97,65 % - 99,59 %. The next rank of productivity are Followed by Bali and Nusa Tenggara as many as 0,21 % - 1,32%. Lied on the third is Sumatera by 0,09 5 - 1,33 %. The forth is Sulawesi by 0,02 % - 0,08 %. With percentages of 0,00 - 0,07 % became the lowest is Kalimantan.

From the morphology conditions from each Island / Islands as already explained, it can be seen that all Island / Islands are most consist of land. In Java as the lowest land with 20.036 villages. While Sumatera is at the second with 16.969 villages. Sulawesi with 7.676 is in the third. In other hand the forth and the fifth are Bali and Nusa Tenggara as many as 3.129 and 2.745.

Nationally, the cumulative domestic direct investment in 2009-2018 is still dominated by the industrial sector at 616 T, followed by agriculture at 144 T, and mining at 107 T. The DDI in agricultural sector is still dominated by Papua Island as much as 65.80%, Kalimantan Island as much as 43.32%, then Bali and Nusa Tenggara as much as 26.74%. While the last four are Sumatra, Sulawesi, Java, and Maluku respectively as much as 20.43%, 15.14%, 1.41% and 0.61%.

Methodologies are some variants of methods used to calculate and analyse to prove arguments and theories. In this research, the methods are : Econometric Analysis as quatitives calculation; as a start of this study description, this section relates to the literature study as stated in CHAPTER 2, that the choices of variables and methods refers to the results of the respective examination. Simple scoring (probit) calculation. To determine the direction of the investment locations in agricultural sector, it will be carried out by weighing the factors that influence the investment, namely: the field the availability of water sources. the area. unemployment, and the minimum wages are associated with the forest zones enactment policies. The

determination of this parameter is based on the availability of data at the Central Statistics Agency in the period of 2009–2018. And direct assumption as qualitative method.

In This research already tried to grouped the results and the policies recommendation, between infrastructures developments and the space arrangements. Maybe there were a correlation with the background, maybe it won't. The use of land can be approached from the use of forest for agriculture and mining, while the rest of land which are non forest land become industries and small and medium enterprises areas.

Based on Econometrics Analysis, there were some result as that are : valleys and slopes had negative but significant relations at alfa 1 % to productivity of Textiles and Appareal Industries. While nominal wages also showed the same result.

There are several variables one of which is the minimum wages which is a control variable that is affected by the foreign direct investment (FDI) inflows. On the other hand, the electricity variable, CPI, and dummy of island or islands spatial planningare variables affectsignificantly to the flow of FDI by industry in Sumatra, Java, and Sulawesi. At the same time, other variables, namely road and labor, do not significantly affect the flow of FDI by industry in those three islands.

In therm of arrangement policies related to permit and funding, the Central and Local Government have to make priorities based on significancies variables impacted productivity of Textiles and Appareal Industries. Which are: increasing nominal wages, reducing the industries locations on the valleys and slopes to control the fluctuation. In formulating licensing and funding policies, the central government and local governments need to scale up priorities according to the significance of the variables affecting FDI flows and should also prioritize increasing the amount of electricity distribution to industry and CPI to encourage FDI by industry inflows in Sumatra, Java, and Sulawesi. In addition, government should increase the minimum wages and limit the area of industrial area to control the flow of FDI by industrial sector in Java, Sumatra, and Sulawesi.

When it comes to forest zone enactment policy, the proposed policy recommendations are as follows:

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- Protecting forest zones in Papua Island according to the current conditions;
- Adding forest zones in Sumatera and Sulawesi;
- Reducing the forest zones in Java, Kalimantan, Bali and Nusa Tenggara, and also Maluku.

Keywords:- Regional Economic Activity : Growth Development, Environmental issues, and Changes, State and Local Government : Intergovernmental Relations, Wages, Compensation, and Labor Costs, Labor – Management Relations, Trade Union, and Collective Bargaining, and Development Planning and Policy.

I. INTRODUCTIONS

Indonesia's development aims to realize national goals, namely: accelerate economic growth, increase equitable welfare, and continue the sustainable environment. As stated by the Deputy Minister of Public Works at konreg PU, 2013. Where each is projected PDRB value, poverty rate, and amount of carbon emissions. In our research, we focused only on contributing to the purchase value, sales value, and trade balance, while the poverty rate and fluctuations in carbon emissions were not the scope of the study. Taking into account the availability of data, the accuracy of the research, and the coverage of the regions we grouped based on the Islands cluster in Indonesia.

In general, the value of purchases in Indonesia increased, despite the change in order in 2017 and 2018.In 2017 the largest in Java Island in the first place, followed by Sumatra Island in second place. Third and fourth respectively Bali Island - Nusa Tenggara-Maluku- Papua and Kalimantan Island - Sulawesi. While in 2018 the order changed as follows: the first and second order respectively Kalimantan Island - Sulawesi and Java Island. While the island of Sumatra in third and the island of Bali - Nusa Tenggara - Maluku - Papua in fourth. (BPS, 2021).

Tahun	sumatera	Jawa	Kalimantan-Sulawesi	Bali-Nusa Tenggara-Maluku-Papua	Indonesia	
2017	124.548.474	1.427.999.463	44.288.889	120.835.070	1.717.671.896	
2018	209.056.372	671.033.719	4.758.051.753	69.710.927	5.707.852.771	
Table 1: Purchase Values						

Source: bps.go.id (45)



Chart 1: Purchase Values

Source: bps.go.id (45)

In general, the value of sales in Indonesia increased, despite changes in order in 2017 and 2018. In 2017 the largest in Java Island in the first place, followed by Sumatra Island in second place. Third and fourth respectively Bali Island - Nusa Tenggara-Maluku- Papua and Kalimantan Island - Sulawesi. While in 2018 the order changed as follows: the first and second order respectively Kalimantan Island - Sulawesi and Java Island. While the island of Sumatra in third and the island of Bali - Nusa Tenggara - Maluku - Papua in fourth. (BPS, 2021).

Tahun	Sumatera	Jawa	Kalimantan-Sulawesi	Bali-Nusa Tenggara-Maluku-Papua	Indonesia		
2017	139.380.292	1.870.125.934	50.680.976	91.752.165	2.151.939.367		
2018	182.174.480	1.143.882.629	6.870.604.152	12.412.225	8.209.073.486		
Table 2: Sales Values							

Source: bps.go.id (45)



Chart 2: Sales Values

Source: bps.go.id (45)

In general, the trade balance in Indonesia increased, despite changes in order in 2017 and 2018. In 2017 the largest in Java Island in the first place, followed by Sumatra Island in second place. Third and fourth respectively – Kalimantan Island – Sulawesi and Bali Island – Nusa Tenggara-Maluku - Papua. While in 2018 the order changed as follows: the first and second order respectively Kalimantan Island - Sulawesi and Java Island. While the island of Sumatra in third and the island of Bali - Nusa Tenggara - Maluku - Papua in fourth.

Tahun	sumatera	Jawa	Kalimantan-Sulawesi	Bali-Nusa Tenggara-Maluku-Papua	Indonesia		
2017	14.831.818	442.126.470	273.379	-43.413.906	413.817.761		
2018	-26.881.889	372.848.912	2.103.646.397	-57.398.701	2.392.214.719		
Table 3: Trades Balances							

Source: bps.go.id (45)



Chart 3: Trade Balances

Source: bps.go.id (45)

PULAU / KEPULAUAN	NILAI PRODUKSI
JAWA	311.664.831.064
SULAWESI	263.701.045
BALI - NUSA TENGGARA	1.510.012.534
SUMATERA	3.254.857.022
KALIMANTAN	233.244.008

Table 4: Production Amounts of each Island / Islands

Source: bps.go.id (45)

From the purchase value data, sales value data, and trade balance this shows that development in Indonesia has not been fully successful, it is said to be successful where the economy in Indonesia is no longer dependent on the island of Java with the improving economy on the island of Kalimantan - Sulawesi, but has not succeeded in strengthening the role of Sumatra Island and Bali-Nusa

Tenggara Maluku-Papua Island. So we need to know what factors affect the condition.

I try to look in depth on the usage of land, for the forest and non forest area, the infrastructures development, about road, electricity, fuel station, telecommunication and transportation (port and air port).



Fig. 4: Output Amount in 2014

Source: bps.go.id (45)



Fig. 5: Output Amount Percentages in 2014

Source: bps.go.id (45)

the highest contribution of The output amount of textiles and appareals industries is Jva. The second is Sumatera. Followed by Bali and Nusa Tenggara are the third. While Sulawesi and Kalimantan are on the fourth and fifth. With the details are as follow:

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ISLAND /	PERCENTAGES									
ISLANDS	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
JAWA	99,59%	98,99%	99,11%	98,56%	98,76%	98,36%	98,60%	97,65%	98,97%	98,34%
SULAWESI	0,02%	0,08%	0,06%	0,06%	0,03%	0,03%	0,04%	0,05%	0,07%	0,08%
BALI - NUSA	0,29%	0,35%	0,28%	0,30%	0,27%	0,26%	0,21%	1,32%	0,15%	0,48%
TENGGARA										
SUMATERA	0,09%	0,58%	0,54%	1,07%	0,92%	1,33%	1,12%	0,96%	0,80%	1,03%
KALIMANTAN	0,01%	0,00%	0,01%	0,01%	0,02%	0,02%	0,02%	0,02%	0,02%	0,07%
Table 5: Islands / Island Contribution of Textile and Appareal Productivity										

Sources: Ministry of Industry, 2017

The fluctuations of productivity of textiles and appareals industries can be explaines as that're. Eventough there is still a domainancy of Java as many as 97,65 % - 99,59 %. Followed by Bali and Nusa Tenggara as many as 0,21 % - 1,32%. Lied on the third is Sumatera by 0,09 5 - 1,33 %. The forth rank is Sulawesi by 0,02 % - 0,08 %. With percentages of 0,00 - 0,07 % is Kalimantan.

	VALLEYS	SLOPES	LANDS		
т	100	4770	20026		
Jawa	490	4772	20036		
Sulawesi	624	2108	7676		
Bali – Nusa Tenggara	327	1671	3129		
Sumatera	1103	3315	16969		
Kalimantan	64	225	2745		

Table 6: The Morfologies of each Island / Islands

Source: bps.go.id (45)

From the morphology conditions from each Island / Islands as showed on the table 6.,it can see that all Island / Islands are most consist of land. In Java as the lowest land with 20.036 villages. While Sumatera is at the second with 16.969 villages. Sulawesi with 7.676 is in the third. In other

hand the forth and the fifth are Bali and Nusa Tenggara as many as 3.129 and 2.745.

The use of land can be approached from the use of forest for agriculture and mining, while the rest of land which are non forest land become industries and small and medium enterprises areas.



source: nswi.bkpm.go.id, 2019 (46)

In general, the DDI of the agricultural sector in the period 2009–2018 increased. The decrease was only in 2013.

DOMESTIC DIDECT INVESTMENT (DDI)

DOMESTIC DIRECT INVES		Dowles the Direct investment (DDI)							
island/archinelago	Investment value	total							
istand, aremperazo	agriculture	mining	Industry	total					
Sumatera	35.631.305,60	12.815.117,70	125.965.483,60	174.411.906,90					
Jawa	5.919.166,20	18.102.312,20	394.551.834,80	418.573.313,20					
Bali dan Nusa Tenggara	3.294.250,80	6.045.892,00	2.981.143,50	12.321.286,30					
Kalimantan	89.191.516,10	63.249.857,70	53.448.400,70	205.889.774,50					
Sulawesi	7.313.352,50	7588706,4	33410143,9	48.312.202,80					
Maluku	27.634,10	0:00:00	4.513.042,90	4.540.677,00					
Papua	3.329.032,20	0.599	1.669.412,50	5.059.043,80					
National	144.706.257,50	107.862.485,10	616.539.461,90	869.108.204,50					

Table 8: The contribution of DDI in each island/archipelago during 2009-2018

source: nswi.bkpm.go.id, 2019 (46)

Nationally, the cumulative domestic direct investment in 2009-2018 is still dominated by the industrial sector at 616 T, followed by agriculture at 144 T, and mining at 107 T.



Picture 7. The contribution of DDI in agriculture in each island/archipelago

1.41% and 0.61%.

Source: nswi.bkpm.go.id, 2019 (46)

The DDI in agricultural sector is still dominated by Papua Island as much as 65.80%, Kalimantan Island as much as 43.32%, then Bali and Nusa Tenggara as much as

Island/Archipelago	Forest Area			
Sumatera	22.918.163,10			
Jawa	3.313.547,97			
Bali dan Nusa Tenggara	2.920.044,01			
Kalimantan	36.722.401,65			
Sulawesi	13.512.845,00			
Maluku	12.228.357,00			
Papua	40.100.636,00			
Table 9: Forest Area in each Is	sland/Archipelago			

source: BPS, 2019 (45)

Based on the forest zones enactment policy, it can be seen that Papua Island has the largest forest area with 40 million hectares. This is followed by the island of Kalimantan with 36 million hectares. In the third place is Sumatra with 22 million hectares. Sulawesi is in the fourth place with 13 million hectares. The last three are Maluku,

26.74%. While the last four are Sumatra, Sulawesi, Java,

and Maluku respectively as much as 20.43%, 15.14%,

Java, and Bali and Nusa Tenggara respectively with 12

million hectares, 3 million hectares, and 2 million hectares.

Sektor/KelompokBarang IHPB	2017			2018			2019			
	Desember	Desember			•		Oktober			
	percentage and differences on Big Trade Price Indexes			percentag on Big Tr	percentage and differences on Big Trade Price Indexes			percentage and differences on Big Trade Price Indexes		
	IHPB	The Changes compare d to a month before (%)	The Share s of IHPB (%)	IHPB	The Chang es compar ed to a month before (%)	The Shares of IHPB (%)	IHPB	The Changes compare d to a month before (%)	The Shares of IHPB (%)	
I. Bahan Baku	138.82	0.50	0.50	143.58	0.15	0.15	144.78	0.09	0.09	
1.1 Pertanian	284.01	1.28	0.23	285.14	0.48	0.09	288.34	-0.34	-0.06	
1.2 Pertambangan dan										
Penggalian	122.54	-0.01	0.00	129.36	-0.35	-0.02	132.21	0.06	0.00	
1.3 Industri	136.57	0.41	0.22	141.66	0.16	0.08	142.74	0.21	0.11	
Impor	104.58	0.25	0.05	109.30	0.02	0.00	109.79	0.16	0.04	
II. BarangKonsumsi	195.00	0.75	0.75	199.22	0.37	0.37	201.29	0.02	0.02	
1.1 Pertanian	523.47	1.28	0.42	524.13	0.56	0.18	526.19	-0.71	-0.23	
1.2 Pertambangan dan										
Penggalian	170.78	0.20	0.00	170.25	0.32	0.00	173.91	0.12	0.00	
1.3 Industri	148.36	0.51	0.32	152.81	0.29	0.19	154.91	0.38	0.25	
Impor	155.96	0.11	0.01	166.52	0.00	0.00	168.04	0.10	0.00	
III. Barang Modal	122.75	0.10	0.10	126.98	0.40	0.40	128.24	0.29	0.29	
1.1 Pertanian	205.91	1.08	0.02	179.33	-2.05	-0.03	194.57	0.18	0.01	
1.2 Pertambangan dan										
Penggalian	93.07	-0.24	0.00	104.36	-1.02	-0.01	106.73	0.00	0.00	
1.3 Industri	118.93	0.06	0.05	123.76	0.61	0.48	125.14	0.33	0.26	
Impor	135.93	0.18	0.03	139.11	-0.22	-0.04	138.92	0.12	0.02	

Source: bps.go.id (45)

Table 10: The percentage and differences on Big Trade Price Indexes



Chart 4: Investment Realization by Sectors

sumber : nswi.bkpm.go.id, 2019 (46)

	-	
NO	PROVINSI	NAMA KAWASAN ANDALAN
	Nanggroe Aceh Darussalam	Kawasan Banda Aceh dsk
		Kawasan Lhokseumawedsk
	Sumatera Utara	Kawasan Perkotaan Metropolitan Medan – Binjai – Deli
		Serdang – Karo
		Kawasan PematangSiantardsk
		Kawasan Rantau Pranat – Kisaran
		Kawasan Tananulidek
		Kawasan Tapanunusk Kawasan Niasdek
	Sumatora Barat	Kawasan Tuasusk Kawasan Dadang Dariamandak
	Sumatera Darat	Kawasan Lauang Fanananusk
		Kawasan Agam – Bukhunggi
	D'	Kawasan Mentawai disk
	Riau	Kawasan Pekanbarudsk
		Kawasan Duri – Dumaidsk
		Kawasan Rengat – Kuala Enok – Taluk Kuantan –
		PangkalanKerinci
		Kawasan Ujung Batu – Bagan Batu
	Kepulauan Riau	Kawasan Zona Batam – Tanjung Pinang dsk
	Jambi	Kawasan Muara Bulian Timur Jambi dsk
	Sumatera Selatan	Kawasan Muara Enimdsk
		Kawasan LubukLingaudsk
		Kawasan Palembang dsk
	Bengkulu	Kawasan Bengkulu dsk
	Denghana	Kawasan Manna dsk
	Bangka Belitung	Kawasan Bangka
	Dangka Dentung	Kawasan Balitung
	Lampung	Kawasan Bender Lempung Metro
	Lampung	Kawasan Danuar Lampung – Metro
		Kawasan Mesuji usk
	Daeran Knususibukota Jakarta – Jawa Barat – Banten	Kawasan Perkotaan Jakarta
	Banten	Kawasan Bojonegaram- Merak–Cilegon
	Jawa Barat	Kawasan Bogor – Puncak – Cianjur
		Kawasan Purwakarta – Subang – Karawang
		Kawasan Cekungan Bandung
		Kawasan Cirebon – Indramayu – Majalengka – Kuningan
		Kawasan Priangan Timur –Pangandaran
	Jawa Tengah	Kawasan Surakarta, Boyolali, Sukoharjo, Karanganyar,
		Wonogiri, Sragen, Klaten
		Kawasan Kendal, Demak, Ungaran, Salatiga, Semarang,
		Purwodadi
		Kawasan Bregas
		Kawasan Juwana, Jepara, Kudus, Pati, Rembang, Blora
		Kawasan Purwokerto, Kebumen, Cilacapdsk
	Daerah Istimewa Yogyakarta	Kawasan Yogyakarta dsk
	Jawa Timur	Kawasan Gresik, Bangkalan, Mojokerto, Surabaya, Sidoario,
		Lamongan
		Kawasan Malang dsk
		Kawasan Probolinggo – Pasuruan – Lumajang
		Kawasan Tuban – Bojonegoro
		Kawasan Kediri – Tulung Agung – Blitar
		Kawasan Kulin – Tulung Agung – Dilai Kawasan Situbondo – Bondowoso – Jambar
		Kawasan Shubondo – Dondowoso – Jember
		Kawasan Madura dan kanulayan
	Dali	Kawasan Iviauura uan Kepulauan Kawasan Dannagan Illud Kintanggi
	Dall New Transie Deut	Kawasan Denpasar – Ubuu – Kintamani
	Nusa Tenggara Barat	Kawasan Lombok dsk
		Kawasan Bima
		Kawasan Sumbawa dsk
	Nusa Tenggara Timur	Kawasan Kupangdsk
		Kawasan Meumere – Ende
		Kawasan Komodo dsk
	Kalimantan Barat	Kawasan Pontianak dsk
		Kawasan Singkawangdsk

	Kawasan Ketapang dsk
Kalimantan Tengah	Kawasan Sampit – Pangkalan Bun
Kalimantan Selatan	Kawasan Banjarmasin Raya dsk
	Kawasan Batulicin
Kalimantan Timur	Kawasan TanjungRedebdsk
	Kawasan Sangkuriang, Sangata, dan Muara Wahau
	Kawasaan Tarakan, Tanjung Salas, Nunukan, PulauBunyu,
	dan Malinaudsk
	Kawasan Bontang – Samarinda – Tenggarong, Balikpapan
	Penajamdsk
Sulawesi Utara	Kawasan Manado dsk
Sulawesi Tengah	Kawasan Posodsk
	Kawasan Kolonedaledsk
	Kawasan Paludsks
Sulawesi Selatan	Kawasan Mamminasatadsk
	Kawasan Bulukumba – watampone
	Kawasan Pare paredsk
Sulawesi Barat	Kawasan Mamujudsk
Sulawesi Tenggara	Kawasan Asesolo / Kendari
	Kawasan Mawedong / Kolaka
Maluku	Kawasan Kei – Aru – PulauWetar – Pulau Tanimbar
Maluku Utara	Kawasan Ternate, Tidore, Sidangoli, Sofifi, Wedadsk
	Kawasan Kepulauan Sula
Papua Barat	Kawasan Fak – Fak dsk
	Kawasan Sorongdsk
Papua	Kawasan Timika dsk
	Kawasan Biak
	Kawasan Merauke dsk

Table 11: The Flag Ship Areas In Indonesia (2008)

Source :PP No 26 year 2008 about Indonesia's National Spatial Planning, 2008 (47)

NO	PROVINSI	2010	2011	2012	2013	2014
1.	Nanggroe Aceh Darussalam					
2.	Sumatera Utara					
3.	Sumatera Barat					
4.	Riau					
5.	Kepulauan Riau					
6.	Jambi					
7.	Sumatera Selatan					
8.	Bengkulu					
9.	Bangka Belitung					
10.	Lampung					
11.	Daerah KhususIbukota Jakarta – Jawa Barat - Banten					
12.	Banten					
13.	Jawa Barat					

14.	Jawa Tengah			
15.	Daerah Istimewa Yogyakarta			
16.	Jawa Timur			
17.	Bali			
18.	Nusa Tenggara Barat			
10				
19.	Nusa Tenggara Timur			
20.	Kalimantan Barat			
21.	Kalimantan Tengah			
22.	Kalimantan Selatan			
23.	Kalimantan Timur			
24.	Sulawesi Utara			
25.	Sulawesi Tengah			
26.	Sulawesi Selatan			
27.	Sulawesi Barat			
28.	Sulawesi Tenggara			
29.	Maluku			
30.	Maluku Utara			
31.	Papua Barat			
32.	Papua			
33.	Gorontalo			
34.	Kalimantan Utara			

Table 12: The Productivity of Textile and Appareal Industries in each Province

Source: bps.go.id, 2016 (45)

II. LITERATURES REVIEWS

From my previous study related to the impact of geographical location to industry output, released conclucion that the located of industry in slopes and valleys have correlation with productivity. While another variables, which nominal wages also showed the same relation.

According to the theoretical analysis in chapter 4, the changes in FDI flows are influenced by the setting of regional minimum wages, gross regional domestic revenue, and infrastructure development. The setting of regional minimum wages above or below the average of regional minimum wages in each province Java affects the amount of the FDI inflows by industrial sector (this is in linewith the theory of Sichei (2012) and Marcelia) (41) .On the other hand, the increase in regional minimum wages in each province in Java Island affects the reduction in employment in the industrial sector there, and causes a decrease in the FDI inflowsbyindustry sector. The increase or decrease in gross regional domestic revenue is also influenced by the amount of regional minimum wages. In addition, the infrastructure developmenthas a positive influence on the increase of FDI by industry inflows in Java.

The elucidation of the data and the results of the study show findings that are in line with the details of the theoretical analysis shown by the theories that have been

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previously stated. The details of theoretical analysis are shown from at least 1 province results that are in line with theory 1 (Sichei, 2012) and theory 4 (Marcelia) which explain the influence of high labor costs on low FDI flows. We found that the results for DKI Jakarta Province were compatiblebut for Banten Province were not. For theory 2 (Yogatama, 2012) and theory 5 (Mankiw, 2003) (23), low labor costs promoting high FDI. This is compatible for provinces in Central Java and DIYogyakarta.

Theory 3 (Frederica and Juwita, 2010) describes that the increase in wages promotes the FDI decrease. It showsa compatible result for all industries FDIin West Java Province, FDI of labor-intensive industries in Banten Province, and FDI of capital-intensive industries in East Java Province. On the other hand, other provinces show incompatible results. Theories 6 and 9, both of which are put forward by Makiw in 2003, explain that if there is an increase in wages, the income of the company and the productivity of workers will also increase.It showsa compatible result for provinces of DKI Jakarta and Banten. Theory 7 (Aschaeur, 2010) explains that if wages are high, the number of workers decreases-showing compatible result for DKI Jakarta but the other way around for Banten province. Another case is related to theory 10 (Jayne, 2010).If transportation infrastructure increases, FDI then increases.It shows a compatible result for all provinces. Furthermore, there is a theory that is impossible to prove, namely theory 8 (theory 3 Mankiw, (2003) of the third wage efficiency theory) due to the absence of expected policies or conditions. For example, in theory 8 wages are decreased, so the number of workers changes. Therefore, it cannot be proven because in Java there was no decreased in wages in the industrial sector.

Value Addesresponsed negative and significant to total Factors Production (Ilyas, et.al, 2010) (15) by 5 %. While the FDI and market share showed the positive and significant by 1 %, too.

III. METHODOLOGIE

Methodologies are some variants of methods used to calculate and analyse to prove arguments and theories.

It is used three kinds of Methodologies, which are :

a) Econometric Analysis as quatitives calculation; As a start of this study description, this section relates to the literature study as stated in CHAPTER 2, that the choices of variables and methods refers to the results of the respective examination. In this study, researcher uses panel data of foreign direct investment (FDI) by industry from 10 (ten) provinces of Sumatra Island, 6 (six) provinces of Java Island,

and 6 (six) provinces of Sulawesi Island from 2009 to 2018. The number of observations is $10 \ge 22 = 220$. Analysis of the data in this study uses regression of 22 provinces cross section panel data approach and time series of the last 10 years (2009-2018). In this case, panel data regression will be applied to the secondary data since it is bound by the realization of the total foreign direct investment (FDI) by industry. Those 22 provinces specifically are Aceh, North Sumatra, West Sumatra, Riau Islands, Riau, Jambi, Bengkulu, South Sumatra, Lampung, Banten, DKI Jakarta, West Java, Central Java, DI Yogyakarta, East Java, North Sulawesi, Gorontalo, Central Sulawesi, West Sulawesi, South Sulawesi, and Southeast Sulawesi. The method employed is panel regarding to the minimum regulation of 220 observations. Relies on the data availability, time series cannot be applied with respect to the data availability from 2009 to 2018. The observation period is 10 years.

b) Simple scoring(probit) calculation;

To determine the direction of the investment locations in agricultural sector, it will be carried out by weighing the factors that influence the investment, namely: the field area, the availability of water sources, the unemployment, and the minimum wages are associated with the forest zones enactment policies. The determination of this parameter is based on the availability of data at the Central Statistics Agency in the period of 2009–2018.

c) And direct assumption as qualitative method.

It is already grouped the results and the policies recommendation, between infrastructures developments and the space arrangements. Maybe there were a correlation with the background, maybe it won't.

IV. RESULT AND DISCUSSIONS

Result and Discussions are the beginning of analysis from the variables which are predicted affected the use of land the infrastructures development.

From Productivity of Textiles and Appareals Industries, the number of valleys, slopes, and lands in Java are still the biggest in number. The same condition are happened in Bali and Nusa Tenggara and Kalimantan. The reverse condition are in Sulawesi and Sumatera, in condition that the number of valleys, slopes, and lands in Java are still are more than Bali and Nusa Tenggara and Kalimantan, but the productivity of Textiles and Appareals Industries are less. International Journal of Innovative Science and Research Technology

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Island/Archipelago	Average minimum wages	Scoring		
Sumatera	1.982.696	4		
Jawa	1.672.083	6		
Bali dan Nusa Tenggara	1.571.850	7		
Kalimantan	2.043.720,2	2		
Sulawesi	1.984.833	3		
Maluku	1.728.133	5		
Papua	2.336.000	1		
Table 12: Average Minimum Wages in Each Island/Archinelage during 2000 2018				

Table 13: Average Minimum Wages in Each Island/Archipelago during 2009-2018

Source: BPS, 2019 (45)

Based on the average minimum wages in each island/archipelago, the scoring is done by giving the highest score for the island/archipelago with the lowest minimum wages and the lowest score for the island/archipelago with the highest minimum wages.

Island/Archipelago	Clean water production capacity	Scoring
Sumatera	47924	6
Jawa	105295	7
Bali dan Nusa Tenggara	23444	5
Kalimantan	21866	4
Sulawesi	20221	3
Maluku	2339	2
Papua	1983	1

Table 14: Clean water production capacity in each island/archipelago during 2009-2018

Source: BPS, 2019 (45)

From the amount of clean water production in each island/archipelago, the scoring is done by giving the highest score for the island/archipelago with the highest amount of clean water production while the lowest score is for the island/archipelago with the least amount of clean water production.

Island/Archipelago	Unemployment	Scoring
Sumatera	5,01	5
Jawa	5,80	6
Bali dan Nusa Tenggara	2,70	1
Kalimantan	4,92	4
Sulawesi	4,35	2
Maluku	6,02	7
Papua	4,75	3

Table 15: Unemployment percentage in each island/archipelago during 2009-2018

Source: BPS, 2019 (45)

from the percentage of unemployment in each island/archipelago, scoring is done by giving the highest score for the island/archipelago with the highest percentage of unemployment while the lowest score is for the island/archipelago with the least percentage of unemployment.

Island/Archipelago	Field area	Scoring
Sumatera	2.200.950	6
Jawa	3.223.523	7
Bali dan Nusa Tenggara	517.826	3
Kalimantan	1.055.877	5
Sulawesi	1.009.453	4
Maluku	25.196	1
Papua	54.588	2

Table 16: Field area in each island/archipelago during 2009-2018

Source: BPS, 2019

From the number of field areas in each island/archipelago, the scoring is done by giving the highest

score for the island/archipelago with the highest amount of field area while the lowest score is for the island/archipelago with the least percentage of field area.

Based on Table about Indication Location of Prioritized Zones according to National Spatial Planning and The Table entitled Value Added Realization, still with theme of Industry of Textiles and Appareals in every provinces during period 2010 - 2014 showed that there were unsuitable condition of indication locations and that's realization.

From 32provinces, 27 of it are suitable (Aceh, Sumatera Utara, Sumatera Barat, Riau, Kepulauan Riau, Jambi, Sumatera Selatan, Bangka Belitung, Lampung, Daerah Ibukota Jakarta, Banten, Jawa Barat, Jawa Tengah, Daerah Ibukota Yogyakarta, Jawa Timur, Bali, Nusa Tenggara Barat, Nusa Tenggara Timur, Kalimantan Barat, Kalimantan Tengah, Kalimantan Selatan, Kalimantan Timur, Sulawesi Utara, Sulawesi Tengah, Sulawesi Selatan dan Sulawesi Barat),while 5 of them are not (Bengkulu, Maluku, Maluku Utara, Papua Barat, dan Papua). And another province had recorded it's realization eventough not listed yet in National Spatial Planning (Gorontalo).

If we looked more details, there are connection with survivability of business actors. If we compared with the business permit which are released during 2010 - 2014 there were a unconsistency of value added and also the enlargement of the scales of industries (textiles to appareals).

While compared with the regional development policies there were 7 provinces with run a bussines in two lines (circular provinces), while other 20 are not (linear Provices).

V. CONCLUSIONS AND POLICIES RECOMMENDATIONS

A. Conclusion

Conclusion are list of End Calculations from relevant datas and calculations.

Based on Econometrics Analysis, there were some result as that are : valleys and slopes had negative but significant relations at alfa 1 % to productivity of Textiles and Appareal Industries. While nominal wages also showed the same result.

There are several variables one of which is the minimum wages which is a control variable that is affected by the foreign direct investment (FDI) inflows. On the other hand, the electricity variable, CPI, and dummy of island or islands spatial planningare variables affects ignificantly to the flow of FDI by industry in Sumatra, Java, and Sulawesi. At the same time, other variables, namely road and labor, do not significantly affect the flow of FDI by industry in those three islands.

Analysis and results are obtained by sum up the scores of each variable as follows:

Island/Archipelago	Average Minimum Wages	Clean Water Production Capacity	Unemployment	Field Area	Total Scoring
Sumatera	4	6	5	6	21
Jawa	6	7	6	7	26
Bali dan Nusa Tenggara	7	5	1	3	16
Kalimantan	2	4	4	5	15
Sulawesi	3	3	2	4	12
Maluku	5	2	7	1	15
Papua	1	1	3	2	7

Table 17: The scoring results of each variable in each island/archipelago

Source: researcher's analysis, 2021

The calculation shows the following results: The highest score is Java Island with total score of 26. The second place is Sumatra island with total score of 21, Bali and Nusa Tenggara in the third place with total score of 16. Kalimantan and Maluku is 15 at the score, while in rank 6 and 7 are Sulawesi and Papua with total scores of 12 and 7, respectively.

Island/Archipelago	The need for non-forest zone	Forest zone	Changes
Sumatera	2	3	addition
Jawa	1	6	reduction
Bali dan Nusa Tenggara	3	7	reduction
Kalimantan	5	2	reduction
Sulawesi	6	4	Addition
Maluku	4	5	Reduction
Papua	7	1	unchanged

Table 18: The Comparison of the total scoring and the change in the number of forest zones

Source: researcher's analysis, 2021

B. Policies Recommendations

Policies Recommendation are aimed to address the gaps between current condition and future goals.

In therm of arrangement policies related to permit and funding, the Central and Local Government have to make priorities based on significancies variables impacted productivity of Textiles and Appareal Industries. Which are : increasing nominal wages, reducing the industries locations on the valleys and slopes to control the fluctuation.

In formulating licensing and funding policies, the central government and local governments need to scale up priorities according to the significance of the variables affecting FDI flows and should also prioritize increasing the amount of electricity distribution to industry and CPI to encourage FDI by industry inflows in Sumatra, Java, and Sulawesi. In addition, government should increase the minimum wages and limit the area of industrial area to control the flow of FDI by industrial sector in Java, Sumatra, and Sulawesi.

When it comes to forest zone enactment policy, the proposed policy recommendations are as follows:

- Protecting forest zones in Papua Island according to the current conditions;
- Adding forest zones in Sumatera and Sulawesi;
- Reducing the forest zones in Java, Kalimantan, Bali and Nusa Tenggara, and also Maluku.

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