Searching for a New Economic Model in Papua: What Things Should be Considered
Agus Sumule¹*, Amestina Matualage²
Universitas Papua
Corresponding Author: Agus Sumule agussumule@gmail.com

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ABSTRACT
A region's economic development typically follows the economic model of a different nation with nearly identical social and geographic circumstances. The purpose of this article is to offer some guidance to individuals who are currently searching for and creating a new economic model in Papua New Guinea. This research using mix method. Based on the analysis of data on development results in Indonesia, the following recommendations can be compiled: (1) The New Economic Model for Papua must be interpreted as an economic model that protects the environment and biodiversity of Papua and (2) The central and regional governments need to be more pro-active in protecting forest and land resources owned by indigenous Papuans.
INTRODUCTION

The term New Economic Model (NEM) is commonly used everywhere. There are NEs that are deliberately created to achieve certain goals that are better than those currently in place. Malaysia, under the leadership of Prime Minister Najib, for example, is driving the New Economics Model so that this country can join high-income countries, but with an inclusive and sustainable growth process. Schellekens Philip, (2010). There are a number of policy shifts that have been made. For example, rather than only orienting itself towards economic growth driven by quantitative factors (amount of capital, labor), Malaysia is shifting to growth driven by qualitative factors, namely improving the quality of human resources. Another thing is that it relies more on initiatives taken by the business world. Malaysia also deliberately chooses growth that does not need to be balanced between regions, because it turns out that economic growth is faster in certain regions.

How about in Indonesia? The concept of a new economy has been widely discussed. One of them is by adopting economic digitalization (Sugiarto, 2019), where the use of digital technology and information is a major factor in structuring systems, processes, and achieving future development targets. According to the White Paper on the National Strategy for the Development of Indonesia’s Digital Economy 2030, the digital economy is all economic activities that increase significantly through the use of technology, infrastructure, services, and digital data, which are applied to producers, consumers, and the government.

What about the Papua Region? Can the characteristics of the new economy in Indonesia as stated above also be viewed as a new economic model for Papua? According to the author, this is not quite right, even borrowing J. H. Boeke’s term, that what is currently happening is a dualistic economy between Papua and Jakarta. Professor Mohammad Sadli from the University of Indonesia summarizes the meaning of the term as follows: "Social dualism is the occurrence of a clash between an imported social system and an original/indigenous social system that is different from each other. Most imported social systems are very capitalistic, and can even be in the form of socialism or even communism, or a mixture of both." (Muhammad Sadli, 2008)

This article aims to provide some notes for those who are trying to find and develop a new economic model in Papua. First, I will discuss the economic shifts in Papua in the last 200 years, especially since the permanent presence of outside communities/institutions. I will use the Subsistence Affluence Theory, formerly known as Primitive Affluence – a concept first proposed by E.K. Fisk as a starting point.

Then the author will discuss the situation of the Papua Region today, especially the indigenous Papuans (OAP) - especially in terms of poverty and the ability to shop. Clearly, the perspective that I deliberately use in this section is to place the OAP who can no longer be separated from the influence of modernization, whether brought by the state, migrant traders, or even because of advances in telecommunications infrastructure, especially smartphones connected to the internet.
Finally, the author will try to put forward some suggestions about breakthroughs in economic development that should be considered. There are two characteristics of these economic breakthroughs (read: new economy) that I hope will happen. First, the economic activities that develop in Papua should still allow its people to live in an original and healthy environment; and second, these economic activities allow its people, especially the OAP, to be able to live prosperously because they can enjoy good education, quality health that reaches all, an economy that provides adequate income, and peace as a result of respect for human rights.

LITERATURE REVIEW

E.K. Fisk, a labor economist, introduced the concept of primitive affluence in the early 1960s. He began using the term after conducting a series of studies among indigenous people in Papua New Guinea (Conroy, 2012; Fisk, 1962). The following are some conclusions that can be drawn from Fisk's research results that are relevant to the situation in the region called Papua, Indonesia:

1. Tribal communities in Papua New Guinea live in conditions called primitive prosperity, which means that even though they are basically isolated from the outside world, use little money, and live economically, they can be considered truly prosperous because "... all residents have as much food as they want, get adequate housing according to their traditional standards, and have enough free time for parties, ceremonies, and other entertainment (Fisk, 1962)."

2. However, when there is contact between subsistence units and the modern sector where tribal communities are exposed to goods and services that are not produced in their system, they will be interested in getting money to buy these goods and services. However, efforts to generate money at various levels proved to be very limited and did not mean much participation in the monetized economy. In the words of (Fisk, 1966) "... for the majority of the indigenous peoples of the region, the use of money remained an irregular and peripheral factor". (Fisk, 1962) noted cases where some people recruited tribal workers on peanut plantations only to work for no more than five pounds before returning to their home villages, despite the opportunity to earn more money.

3. Fisk concluded that when the value of money still exceeded the efforts of the community, the demand for money/goods still occurred. But if the goods/goods had the same or less value, then stagnation would occur.

The description put forward by Fisk above shows that the people of Papua in the 1960s were still very much dominated by a subsistence affluence situation. Nature provided everything they needed. Sixty years later, of course, important changes have occurred. Modern life is already easy to find in cities on the island of Papua - both the Papua Region in Indonesia and in Papua New Guinea. But the question is: has this change allowed the indigenous Papuans to enjoy affluence, prosperity, as in the situation of sufficiency experienced by their parents and ancestors in the 1960s and thousands of years before?
METHODOLOGY
The research method used in this paper is a quantitative method supported by a qualitative method with a literature study method to obtain data. Furthermore, the data is analyzed descriptively quantitatively.

RESULTS AND DISCUSSION
Supiori Regency is the first new regency formed after Papua Province was designated as a Special Autonomous Region through the ratification of Law Number 21 of 2001 concerning Special Autonomy for Papua Province. In Law Number 35 of 2003 concerning the Establishment of Supiori Regency in Papua Province, it is stated in the consideration section that with the establishment of Supiori Regency, "... will be able to encourage increased services in the fields of government, development, and society, as well as provide opportunities to utilize and develop regional potential."

Here is a picture of the situation in Supiori after 21 years of its formation:
• Life Expectancy 66.06 years (Papua Province: 69.53 years);
• Expected Years of Schooling 13 years (Papua Province: 11.11 years);
• Average Length of Schooling for residents aged 25 years and over 8.87 years (Papua Province: 6.76 years);
• Per capita expenditure IDR 5,708,000 per year (Papua Province: IDR 6,955,000 per capita per year);
• Human Development Index: 62.72 (Papua Province: 66.96)
• Human Development Index Growth: 0.27 per year
• Human Development Index reaches 70 (high): 19.68 years ahead
• Human Development Index reaches 80 (very high): 44 years ahead.
• Total Transfer Funds from the Central Government: More than IDR 679 billion (2023 budget year).

What about the poverty rate in Supiori? As seen from Table 1, although the population in Supiori Regency is the lowest of all regencies in Papua Province, the poverty rate is the highest (37.91%). Compare this with the national poverty rate in Indonesia in the same year, which was already 1 (one) digit. In addition, it is also apparent that the highest poverty rate is evenly distributed among OAP, because around 96% of the population of Supiori Regency are OAP (results of the 2010 Population Census).
The conditions mentioned above are actually a reflection of the achievement of SDGs (Sustainable Development Goals) at the village level which is still far from expectations. There are 38 villages in Supiori Regency. Table 2 contains a description of the average achievement of SDGs in these villages.

**Table 2. Achievement of SDGs by Village/Hamlet in Supiori Regency, 2023**

<table>
<thead>
<tr>
<th>Region</th>
<th>% OAP (SP-2010)</th>
<th>Tingkat Kemiskinan 2021 (%)</th>
<th>% PAD Regarding Income 2018</th>
<th>% PAD Regarding Income 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua Province</td>
<td>70.60</td>
<td>26.86</td>
<td>7.45</td>
<td>11.96%</td>
</tr>
<tr>
<td>Kab. Biak Numfor</td>
<td>73.68</td>
<td>24.45</td>
<td>3.69</td>
<td>5.47</td>
</tr>
<tr>
<td>Kab. Jayapura</td>
<td>60.99</td>
<td>12.13</td>
<td>8.08</td>
<td>10.28</td>
</tr>
<tr>
<td>Kab. Kepulauan Yapen</td>
<td>77.55</td>
<td>26.09</td>
<td>6.59</td>
<td>5.06</td>
</tr>
<tr>
<td>Kota Jayapura</td>
<td>34.97</td>
<td>11.19</td>
<td>14.12</td>
<td>19.63</td>
</tr>
<tr>
<td>Kab. Sarimi</td>
<td>69.56</td>
<td>13.54</td>
<td>1.00</td>
<td>1.52</td>
</tr>
<tr>
<td>Kab. Keerom</td>
<td>40.58</td>
<td>16</td>
<td>2.36</td>
<td>2.52</td>
</tr>
<tr>
<td>Kab. Waropen</td>
<td>82.27</td>
<td>29.85</td>
<td>1.36</td>
<td>0.72</td>
</tr>
<tr>
<td>Kab. Supiori</td>
<td>96.37</td>
<td>37.91</td>
<td>3.62</td>
<td>1.74</td>
</tr>
<tr>
<td>Kab. Memberamo Raya</td>
<td>99.47</td>
<td>28.78</td>
<td>0.59</td>
<td>0.50</td>
</tr>
<tr>
<td>INDONESIA</td>
<td>9.71</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Processed from BPS data

Note: The yellow mark indicates the achievement of the target that is above 50%

Data Source: Ministry of Villages 2023
Table 2 shows that there are still many aspects that must be improved by the government and people of Supiori Regency in order to achieve sustainable development goals of 100% for each aspect by 2030. Almost all villages are still categorized as poor. More than 50% of the population in the villages do not have enough to eat.

Health services, although they have covered more than 50% of the villages, are still around 45% that have not been served properly. The quality of education services in the villages only reaches approximately 12% which is categorized as good. The availability of electricity in almost all villages has not been able to contribute to poverty alleviation.

There are still many villages in Supiori whose economy is not growing well, there is no innovation to improve the situation, the gap between the poor and the well-off is still very large, and so on. The point is that the district government and the people of Supiori must work smarter, more focused, and harder. This situation can be explained using the following continuum of economic development:

Figure 1. Continuum of Economic

Most families in Supiori live from gathering, especially those who work as fishermen. If they also farm, then most of them are still at the shifting cultivation stage, or even if they settle, most of the products produced from their farming activities are used to meet family needs. It will still take a long time, especially if not accompanied by assistance, for farmers/fishermen in Supiori Regency to reach the commercial stage, even carrying out export activities (E) based on the use of information technology (IT) and the use of machines (M) to ensure the quality of local agricultural/fishery products.

What is the picture of poverty for all of Papua? Look at Table 3 below.
Table 3. Population, Percentage of Indigenous Papuans, and Poverty Rates in Provinces, Regencies/Cities Throughout Papua, 2021

<table>
<thead>
<tr>
<th>Region</th>
<th>Population (people)</th>
<th>% OAP (SP-2010)</th>
<th>Poverty (%)</th>
<th>Region</th>
<th>Population (2021)</th>
<th>% OAP (SP-2010)</th>
<th>Poverty (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua</td>
<td>1,008,086</td>
<td>70.60</td>
<td>26.86</td>
<td>Papua Selatan</td>
<td>513,817</td>
<td>70.59</td>
<td>20.24</td>
</tr>
<tr>
<td>Biak Numfor</td>
<td>134,650</td>
<td>73.68</td>
<td>24.45</td>
<td>Merauke</td>
<td>230,952</td>
<td>37.21</td>
<td>10.16</td>
</tr>
<tr>
<td>Jayapura</td>
<td>166,171</td>
<td>60.99</td>
<td>12.13</td>
<td>Boven Dripel</td>
<td>64,283</td>
<td>66.89</td>
<td>19.9</td>
</tr>
<tr>
<td>Kep. Yapen</td>
<td>112,676</td>
<td>77.55</td>
<td>26.09</td>
<td>Mappi</td>
<td>108,295</td>
<td>68.66</td>
<td>26.03</td>
</tr>
<tr>
<td>Kota Jayapura</td>
<td>396,478</td>
<td>34.97</td>
<td>11.19</td>
<td>Asmat</td>
<td>110,105</td>
<td>89.60</td>
<td>24.83</td>
</tr>
<tr>
<td>Sarmi</td>
<td>41,515</td>
<td>69.58</td>
<td>13.84</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keerom</td>
<td>61,623</td>
<td>40.58</td>
<td>16</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Inf: SP 2010: Population Census 2010
There are several important conclusions that can be drawn from the data in Table 3.

First, there are no districts/cities/provinces throughout the Papua Region whose poverty rate is lower than the Indonesian average (9.54%). In fact, there are still 17 districts in the Papua Region whose poverty rate is still at 30% and above, or has not moved far from the average poverty rate in the Papua region of 41.80% when the Special Autonomy policy was implemented in the Papua Region.

Second, cities/regencies with relatively low poverty rates (Merauke, Jayapura, Jayapura City, Sorong City) are dominated by non-OAP residents. As if this phenomenon means that only if an area is dominated by non-OAP/migrant residents can poverty rates be eradicated more quickly.

Third, areas where there are investment activities that manage natural resources, especially mining, have not shown significant progress in terms of poverty alleviation. For example, Mimika Regency where giant gold and copper mining companies have been operating for more than 50 years, Teluk Bintuni Regency where natural gas mining has been present for more than 20 years, or Sorong Regency which has been home to petroleum mining since 1935.

Fourth, the availability of cheap land transportation from the interior to the coast shows a major influence on poverty alleviation. Regencies in the Papua Mountains Province and in the Central Papua Province show this.

Fifth, when the opportunities available are very limited for local residents (OAP) to market their agricultural products, then high levels of poverty are difficult to eradicate.
CONCLUSIONS AND RECOMMENDATIONS

What Lessons Can Be Learned in Creating a New Economic Model for Papua?

(1) Secondary data available at BPS, the Ministry of Villages, and various Ministries and Institutions at the Center (including Dapodik at the Ministry of Education, Culture, Research and Technology, or the level of fund absorption by regions at the Ministry of Finance) are very important sources of information for parties to create a new economic model for the Papua Region.

(2) The socio-economic situation of migrant residents must be carefully observed when we conduct analysis. We can easily be fooled and assume that the economic situation of OAP in a region is better, when in fact what is happening is that the lives of migrants are changing, while poverty among OAP is more or less the same.

(3) The New Economic Model for Papua must be interpreted as an economic model that protects the environment and biodiversity of Papua. This kind of economic model must also be seen as an economic model that is deliberately designed to eradicate acute poverty among OAP. For this reason, investment in the economic sector alone is far from sufficient to eradicate poverty. Efforts to improve OAP human resources through education and health development must receive adequate portions and be implemented seriously based on breakthrough efforts that have proven successful in Papua. Some examples are the All-Day School (SSH) developed and tested by the University of Papua in remote villages in South Sorong and Maybrat Regencies; or the Lentera Harapan schools held in remote villages; the flying doctor program; and others. When public education and health are good, they themselves will try to free themselves from the shackles of poverty.

(4) The central and regional governments need to be more proactive in protecting forest and land resources owned by indigenous Papuans. Forests (including water areas) and land are where the majority of OAP depend on for their livelihoods. Every economic effort made, including investment in agriculture/plantations, must enable the customary law community that owns these resources to obtain long-term benefits. The method is through leasing (not selling/clearing) land, and implementing an Endowment Fund from the results of the utilization of these natural resources for the welfare of future generations of OAP.

FURTHER STUDY

This research still has limitations, so it is necessary to carry out further research related to the topic of Searching for a New Economic Model in Papua: What Things Should be Considered in order to improve this research and add insight to readers.
REFERENCES


