# Exploring The Potential Of Coastal Areas In An Effort To Use And Empower Regional Results And Evaluate The Economy Of The Community In The Village Sei Pegantungan Panai Hilir District Labuhanbatu Regency

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#### Abstract.

This study aims to explain about exploring the potential of the Labuhanbatu Regency area in coastal areas as an improvement and development of the results of coastal areas to be empowered and marketed in the labuhanbatu area itself and at the national level conducted by several academics, namely lecturers of the Faculty of economics to the village government and the community of SEI Pegantungan Village Panai Hilir district. Where in this study also explains the impact of the potential empowerment of coastal areas on the income of village communities, as well as other supporting factors. The method is qualitative descriptive research that is by collecting data through observation, interviews, and documentation of the object of research. Data analysis technique is to use descriptive analysis. The results of this research in Sei Pegantungan village show that first, the increase and development of rice crops as a staple food of the community itself and can also be marketed to other regions as input of local revenue to the government conducted by a lecturer at the Faculty of Economics and Business, University of Labuhanbatu through the establishment of a farming group. Second, the increase in the income of people who participate in farming groups. Third, internal and external factors that support the development carried out by lecturers of the Faculty of Economics and Business, University of Labuhanbatu, village government, and also the SEI Pegantungan Village Community, Panai Hilir district in Labuhanbatu Regency.

**Keywords:** The potential of coastal areas, utilization and empowerment of results, and evaluation of the community economy.

## I. INTRODUCTION

During the covid-19 pandemic in 2020 yesterday, it did not hinder the spirit of the University of Labuhanbatu, especially the Faculty of Economics and business, in participating to contribute their knowledge to the SEI Pegantungan Village community which seeks to advance the local community village economy in terms of exploring the potential of coastal areas. The parties involved in community service in Sei Pegantungan Village are lecturers, village government and also the community. Sei Pegantungan village is one of 7 villages in the District. Panai Downstream. In general, the coastal area is located in the eastern part of labuhanbatu Regency and is at the coordinates 990 52' 07" - 1000 20" 05" northern latitude and 010 48' 51" - 020 44' 33" east longitude. Sei Pegantungan village has an area of 67.30 ha (19.65 %). Sei Pegantungan village climate, as other villages in Indonesia have a dry and rainy climate, it has a direct influence on the health of the community in the village of SEI Pegantungan District. Panai Downstream.In community service is about improving the creative economy. As we already know that Sei Pegantungan village itself is located in the coastal area, namely in Panai Hilir district, Labuhanbatu Regency where there is a lot of economic potential that we can explore. Basically, the labuhanbatu area of its own economic sector is supported by oil palm plantations, and some rural communities make it a livelihood. For this reason, we from the academics strive to contribute some of the knowledge we have gained in order to improve the economy of the village community apart from the oil palm plantations.

Extracting the potential of the region and empowering the results of coastal areas is an economic era that has entered the fourth economic wave. Where the first economic development is the development of agricultural economy, especially in coastal areas, the second is the development of results and marketing of coastal areas, and the third is the development of information economy. Extracting the potential of the region is also referred to as an effort or effort to develop regional results, especially in coastal areas to other areas as

revenue, especially district results as the development of regional economic values and based on science that is utilized. Based on several sources, it is said that extracting regional potential is an effort or effort to generate and increase regional potential in the new economic period that Spurs and accelerates information and creativity by using existing ideas, knowledge, talents, resources. The need for knowledge about the ability and ability of self-potential, the culture of the local environment, of each village community as a source of life and residence.

According to Siregar (2010) in his research shows that the potential of the area owned by the Nunukan Regency is agro industry, marine, tourism, and mining as well as the condition of the social culture of the community is heterogeneous. In research Yomalinda (2014), based on the Circular Letter of the Minister of Home Affairs:  $500/1404 \ / \ V \ / \ BANGDA \ / \ 09$  regional superior products have the following characteristics or indicators:

## 1. Owned and controlled area.

This indicator gives kana as expressed by Prahalad and Hamel that the product produced is very difficult to imitate by competitors because it has its own peculiarities, in this case it can take the form; resources, both in the form of raw materials used and produced by themselves, and or have skilled human resources that process production with specific skills that are rooted for generations or have become part of the culture of local community life.

## 2. Has Economic Value.

In this case the products produced are the work of the local community and amsih has a value of benefits for consumers both functional and that is to give influence prestige or commonly called a product that has a certain goodwill.

# 3. Highly competitive

Competitive keywords characterized above, compared price [roduk competitors., the uniqueness of the product or known as differenciated product.

## 4. High Labor Uptake.

Absorption of Labor gives meaning that the existence of superior products able to memebri regions and open jobs, because it has a unique and in accordance with the needs and wants of the market, then sustainability and product growth is possible.

## 5. Produced and technical feasibility (raw materials and markets).

Local yet global is one of the references in various countries in building a local product into a world class product, therefore, if a product wants to exist in the world market, then like it or not, and inevitably have to find out and get the use of technology that is better and more efficient than before.

Talents and institutions of local communities (human resources, technology, infrastructure support, local socio-cultural conditions). This means that people who produce products develop their capacity and capabilities by utilizing and developing technology. In Wibowo's Research, Alfarisy (2020) ideally, the economic activities of village communities are carried out in the form of institutions or business entities that are managed professionally (Abidin 2015, Zainuddin 2016), but still rely on the original potential of the village. This can make community efforts more productive and effective (attar,et al,2013, Sidik 2015, Zulkarnaen 2016). The village as a government that clearly understands the potential of both natural resources and Human Resources is expected to be economically independent. Empowerment of farmer groups in coastal areas and government efforts are expected to play a role in the economy of a country, especially in generating income (income generation), creating jobs (job creation), increasing export earnings (export earnings), utilization of Technology (technology development), adding intellectual property (intellectual property), and others. Therefore, extracting the potential of areas, especially coastal areas, is seen as a driver of the economic growth rate of a country.

Based on the explanation of the potential excavation of coastal areas above, there must be action or real action carried out by the academics as lecturers to be able to realize the potential excavation of the area, improvement and utilization of the results of coastal areas in the village of SEI Pegantungan. The thing that is done is to conduct visits, observations and questions and answers with the coastal farmers group Sei Pegantungan Village Panai Hilir district. By doing this activity, farmer groups are expected to improve the

economy and income of the SEI Pegantungan Village Community. In addition, it can also provide higher regional income results and open jobs for coastal communities.

#### II. RESULT AND DISCUSSION

In community service that carries the theme of exploring the potential of coastal areas, especially rice crops and the results for the community of SEI Pegantungan Village, Panai Hilir district, there are several activities carried out by lecturers to the community, namely as follows:



**Fig 1.** Conducting interviews and questions and answers to farmer groups related to extracting the potential of coastal areas of rice and Kencur crops in Sei Pegantungan Village, Panai Hilir district

On December 23, 2020, we conducted visits, observations and direct interviews to village heads, farmer groups and communities related to extracting the potential of coastal areas, especially rice crops in Sei Pegantungan village with direct speakers from academics, one of the lecturers of the Faculty of Economics and Business, University of Labuhanbatu, Novrihan Leily Nasution, SE.M.Si, Muhammad Ali Al Ihsan, SE.M.Si dan Budi Pebriani, S.Pd.M.Pd.

The purpose of this service can provide understanding and contribution to the community of SEI Pegantungan village about the potential utilization of coastal areas and the utilization of regional results and marketing of coastal areas results, so as to help the local community economy and the economy better and move forward in the future. Especially in the District Panai Hilir potential developed is rice crops and also kencur. The discovery of the potential of rice plants in the village of SEI Pegantungan which is an area of 6000 Ha is very large results, where the management is done together with farmer groups and the village government, but the rice crop after harvesting is purchased by small farmers who come from their own area and then sent to areas outside Sei Pegantung which is to Ledong, Asahan area to be produced so that it becomes rice, essentially the rice crop after harvesting is not produced in the village of SEI Pegantungan due to the rice refinery for the rice production process is not found in the village of Sei pegantungan.

**Fig 2.**Provide education on extracting the potential of coastal areas and rice and kencur crops for village heads and farmer groups

Regional Development and development must be in accordance with the conditions and aspirations of the growing and developing community. If the implementation of regional development priorities is not in accordance with the potential possessed by each region, especially the development of coastal areas, then the utilization of existing resources will be less optimal, so it can lead to slow economic growth in coastal areas. Regional economic growth is a benchmark that can be used to see the success of development in the region, especially coastal areas of various economic sectors that indirectly describe the level of economic change. In this case, we as academics can provide inputs for coastal areas in terms of how to make this coastal area as a producer of growing rice crops in terms of harvest and production through the village government and farmer groups especially in Sei Pegantungan Village.In connection with the problems found that the crops of rice and kencur in Panai Hilir district after being harvested are not produced directly in this village, because the refinery or factory for the production of rice and kencur products is not in this district. So we from academics provide input to the government in order to give attention to the coastal areas that have the potential for regional results in the District of Panai Hilir by completing the existing facilities and infrastructure in coastal areas.





**Fig 3.** Conducting educational activities in the evaluation of the Labuhanbatu economy (Labuhanbatu Economic Outlook) as a follow-up to the government's efforts in improving the potential results of coastal areas, especially Labuhanbatu Regency.

On Thursday, January 07, 2021, not long after conducting a visit to the SEI Pegantungan Village location in the coastal area of Panai Hilir district, then we held a meeting with the Labuhanbatu Regional Government, namely the head of Bappeda, the head of BPS, academics and one of the entrepreneurs (HIPMI) in Labuhanbatu. Varied economic education activities encourage each district to develop its economic potential. Regional development is a process of local government and communities managing existing resources in the form of a partnership pattern, between local government, community and private sector, to develop existing potential by utilizing all existing potential. The purpose of this activity is that the Local Government of Labuhanbatu can contribute to the coastal areas in terms of improving regional facilities and infrastructure to promote revenue and yield potential of the peisisr area, especially the SEI Pegantungan Village, Panai Hilir district.









## III. CONCLUSION

The implementation of the community service program in Sei Pegantungan village received full support from the village, namely the village apparatus and local communities because it was the first time the academics as lecturers participated in exploring and advancing the economy of the village community. Where the service program carried out is extracting the potential of the region and the results of coastal areas and follow-up attention of the labuhanbatu regional government in the development of potential and results of the Labuhanbatu region. The findings obtained that rice and kencur crops in the District of Panai Hilir are not directly produced in their own area, because the refinery or factory for the production process does not exist so that the results of this area are sent to other areas. With this program can make the center of attention of the government in terms of contributing to complement the facilities and infrastructure in coastal areas. We as a team of Management lecturers from the Faculty of Economics and business, Labuhan batu University hope that in the future we can carry out similar activities to help the village community in improving the economy of the village community

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