PAPER

REGIONAL ECONOMIC POLICY IN SUPPORT OF THE BUSINESS CLIMATE AND INVESTMENT DISTRICT IN HULU SUNGAI TENGAH REGIONAL DISTRICT BANUA ANAM.

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Abstract

Ahmad Yunani, **Regional Economic Policy in Support of the Business Climate and Investment District in Hulu Sungai Tengah Regional District Banua Anam.**

In line with the implementation of regional autonomy and decentralization, local government (local government) have an increasingly important role in influencing the performance of the regional economy. Business climate is one of the prerequisites to the implementation of a dynamic economy. Created by government regulation to encourage or otherwise impede the creation of a conducive business climate. Regional Economic Policy Research Business and Investment Climate in Hulu Sungai Tengah is a study to look at linkages, economic conditions, investment climate and a thriving business in the district of Hulu Sungai Tengah that maintains Natural Resources. This study is an attempt to map and analyze the Business Climate and Investment areas related to business and investment in the District of Hulu Sungai Tengah without having to exploit the condition of natural resources. Textually, this study uses aspects of the condition of facilities and infrastructure to support investment and business climate, economic conditions in regions with regional Banua Anam was supported by a discussion of substance, and the principle as a reference in analyzing local problems regulations and the potential impact on the world of business and investment. Regional economic policy in a development without having to destroy and exploit natural resources, but can increase the welfare of the community in a sustainable manner. This study concluded the practice of the implementation of some local regulations in relation to the business and investment climate in the areas of business services, trade in agricultural products and food, and industrial processing and regulation of various sectors of the regional economy. Investment climate in the district of Hulu Sungai Tengah is quite conducive and adequate infrastructure so that investment in this area is quite attractive in sectors that do not exploit the natural resources thus the region's autonomy will be more focus on green GDP that does not rely on the mining sector which can damage environmental sustainability. This is consistent with the vision of regional development mission that emphasize sustainable development.

Key words: business climate, investment. Regulation
A. Preliminary

Creating a conducive investment climate is actually a condition sine qua non for Indonesia in the face of prolonged economic crisis since July 11, 1997 in the era of globalization, where there is a traffic flow of goods, services, capital, intellectual property rights (Science and Technology) free entry without a hitch. In the era of regional autonomy, the responsibility for managing the development of the greater. Government should be able to do the planning, implementation and development control independently. Among the most important thing is to encourage the implementation area is conducive to investment activities. Investment activity is needed in order to grow the economy as well as develop all the potential that exists.

Patterns of implementation and the right investment direction will ultimately determine the performance of development in accordance with the results and hope that aspired. As developing countries are experiencing economic crisis continues we need the "umbrella" legislation - laws / regulations that guarantee the occurrence of strong macroeconomic fundamentals. Towards the Economic Crisis July 11, 1997, the month of April 1997 the World Bank has given "warning" (warning) is quite hard (World Bank Report on Indonesia) in the form of economic policy recommendations. Both of the Act which passed the House each year (Budget Act) / Fiscal Policy, and Law related to Monetary Policy, which is many times accompanied by regulations issued by the Government as implementation guidelines / or circular from Bank Indonesia, the Central Bank / Monetary Authority, in Monetary Policy.

How to create a climate conducive to investment flows to flow back into Indonesia; either investing their foreign direct investment (FDI) and domestic capital parked abroad the government adopted a policy package are: Strengthening of institutional investment services, restructuring of Customs and Excise, Settlement Tax return, Restructure Employment, Small,

At the same time the District's economy also faces Hulu Sungai Tengah the climate is changing at a rapid pace of globalization. This requires the ability of high competitiveness to attract entrepreneurs. In exploring the potential and existing investment opportunities employer requires the existence of a conducive environment and promotion, legal certainty and efficiency of the procedure. For this reason there is need for the review and evaluation of the condition and development investment or investments in the region. It is very necessary as a basis for policy decisions more appropriate and expected to answer factual challenges in the field. According KPPOD in Widodo (2006: 154) explains that the influence of investment in the area are institutional factors, social factors political, economic facto regional, and labor factor productivity and infrastructure factors. Hulu Sungai Tengah District's economy is supported by the potential of the regions such as food crops, plantations, mining and forestry that require a large investment to make it a contributing factor to the economic welfare of the community. Study of Regional Economic Policy in support of the Business and Investment Climate in the Upper River District in the Central Region Banua Anam need to be analyzed to look deeper linkages with local economic policies in support of business and investment climate.

2. Research Methods

Methods of research conducted in this study is to analyze the share shift analysis of the regional economy and descriptive analysis to analyze the business and investment climate. This study is also equipped with survey method and the number of samples taken by the business units by 71 large, medium and small. SWOT analysis to assess the government's policy of regional development.
3. Research

A. For Economic Policy Analysis in the Field of Business and Investment Climate

One common characteristic of underdeveloped countries is the scarcity of capital. The primary reason is the scarcity of capital, or more precisely his small savings to lack of investment in production facilities are capable of raising the level of economic growth. So when compared to Indonesia, the situation is exactly what happened today, it can be seen from a number of facts such as delays in the government's desire to build a number of infrastructure due to lack of funds owned by the government, the level of productivity and the ability of individual communities is also low, public reliance on government assistance, and the lack of production facilities owned by public and private sector. The result is a degree of economic, health and high unemployment.

These circumstances could be reduced if the government can build and create the means of production earlier. Development and creation of production facilities is to build the infrastructure that supports the program. The problem is insufficient funds to make it happen. In this case the real domestic private sector has a strategic role is to assist the government in collecting the funds. But the condition private sector can not afford to bear that responsibility. Thus the need for provision of funds from outside the top choice of economic development policy. The policy realities simply because the government no longer has a choice in favor. therefore, the government by all means try to assert it in a policy, which one of them by issuing the Presidential Instruction No. 3 of 2006 on improving the investment climate policy package. besides a number of bilateral and multilateral meetings also have been conducted, one with the Infrastructure Summit held for Indonesia, coupled with a series of promotions to the various state investor.

In this case, the government should maximize the role and position as a determinant of where the direction of economic development directed by the authority regulatorynya and facilitation. and business climate conducive to investment is the most important factor in conducting business activities. As Jhingan, that is the responsibility of states to make the most profitable investment community. Optimum pattern of investment is largely dependent on the available investment climate in the country and the social marginal productivity of different types of investments. so any kind of investment that comes in must refer to the planning and policies that have been made, and as much as possible directed towards job creation and improvement of production facilities.

Several months ago the previous government also has set at least three investment pillars improvements are: the investment climate policy package; completion of several high profile projects to give effect snow ball, and pressing the cost of financing. The third pillar is the improvement should be carried out partially, but not simultaneously and comprehensively. Therefore, every action and policy of the government's operational focus enough to all three.

There are several important issues are the focus of government work related to the planned future investment program, including: institutional, regulatory, customs, taxes, labor, and SMEs. Package policies and government-run program can be seen in the table below. In addition to the Program, the government also lowered in the form of action points that will be realized. Of all the programs then there are about 85 actions to be taken to encourage investment success.

Some programs include revisions to existing regulations, make regulations again, evaluation of local government authority as an autonomous region, coordination and supervision and control. Indonesia Investment Policy Package

In addition Inpres. 3 of 2006, Indonesia also already has a real special rules governing the investment or capital investment, both foreign and domestic. even the current government and parliament are discussing the draft Investment Law Investment Law in lieu of the old. Investment law now in effect
is the Act No. 1 of 1967 on foreign investment which was amended by Act 11 of 1970 and Law No. 6 of 1968 on domestic investment which is then converted also by Act No. 12 of 1970. In addition, many of the regulations implementing the Act as well as sectoral laws governing matters relating to investments.

Currently both the perceived lack of relevant laws again in the development of national economy, regional and global. Therefore, the Parliament and the government are discussing the new law (Bill investment) to replace the two previous laws. The new law can be felt later and represent the will of the government's interest in regulating the management of investment both from outside and within the country. So there will be unification of both the substance of the old law into new law later.

The cause of irrelevance of the old investment law is the existence of some important issues that emerged during recent years and the democratic reform process so far. Some important issues are in the economic field (regional and global), the emergence of Act 22 of 1999 and Act 25 of 1999 which was later replaced by Law 32 of 2004 and the U 33 of 2004, an increase in public welfare and poverty reduction, increasing competitiveness and local economy (local), environment (sustainable environment), the discourse of Corporate Social Responsibility, and most importantly, national and regional economic development. That means the new law is expected to adjust to the new regulations, and represent important issues other contemporary.

In the Government Work Plan (RKP) in 2007, the investment policy package also one of the important substance. The policy set out in regulation 19 of 2006, the measures will be planned by the government in kaitanya investment policy, especially for improving the investment climate is a) Development and improvement of legislation for capital investment, which is expected to be enacted in 2006; b) Simplification of procedures and increased investment services both at national and regional levels; c) Improvement of integrated investment promotion at home and abroad; d) Increased facilitation of the establishment of foreign and domestic investment cooperation with SMEs (match-making); e) Handling of violations of Law. 5 Year 1999 concerning Prohibition of Monopolistic Practices and Unfair Business Competition (law enforcement and cooperation with relevant agencies); f) Preparation of draft amendments to Law no. 5, 1999; g) Initiate and coordinate the development of industrial estates.

In addition a number of other policies also have been rolled out by the government in terms of ‘rapid response’ improvement investment. In this case, the policy of the government, among others, Presidential Decree No. 3 of 2006 on the national team increased exports and increased investment, and Presidential Decree No. 29 of 2004 on the implementation of capital investment over a one-stop system, as well as other regulations that are relevant. Still, some problems occur and eventually mengahambat process improvement investment. issued regulations that are not able to cope with the problems.

Emergence of a policy is basically to tackle and launch any future government actions. But the bottom line is that policy should be a part of comprehensive planning, means that before the policy was actually implemented by the government already has a ‘planning map’ to guide managerially. Economic development is definitely comprehensive, although implementation is carried out freely and gradually, flexibility means that the government needs to give a little freedom to the region in formulating the things that most priority in building area and carried out gradually and continuously.

The package is a small part of a government role in spurring economic growth. Therefore, the good will of government in all areas is indispensable for the development of its comprehensive though executed in stages. some of these are changes to the institutional framework, organizational change, social and economic development overhead (social and economic infrastructure), agricultural development to support the availability of food in the country, spurring development of the industry, monetary and fiscal policy, and an increase in foreign trade
B. Some Problems in the Investment Policy In Relation With Regional

There are a number of factors that are influential in whether or not good investment climate in Indonesia. Such factors not only about political and social stability, but also economic stability, the condition of basic infrastructure (electricity, telecommunications and infrastructure, roads and ports), the functioning of financial sector and the labor market (including labor issues), regulation and taxation, bureaucracy (in time and cost that is created), the issue of good governance, including corruption, consistency and certainty in government policies that directly or indirectly affect the net profit at the expense of long-term risks of investing activities, and property from the ground up to the contract. In this case the problem is viewed in context with the area.

It should be recognized that the planning and implementation of investment policies has not demonstrated results. Although the government has done some concrete measures to attract investment into Indonesia. Some problems concerning the readiness of the government in this case the quality of human resources, institutional capacity in management of local development, and regulation / deregulation.

But in relation to local context, it is necessary to look at the issue more specifically, although this is part of the overall problem. one trigger for why the existence of regions becomes increasingly important in solving this problem is the quality and speed of service in the area of investments. besides other important role is also because the assets and development potential actually exists in the local area. so that local interests could not be ignored.

Institutional Strengthening of the Central Government and Local Public

There are three reasons for saying that a policy is successful, the first policy is effective both in substantive and technical, the "operating board" was a good, meaning that their performance is conducted in an efficient, effective, planned and managed. Third, policies and implementing agencies is good. of the above at least a minimum of two important parts of running a policy that the policy itself and the institutions that run it. Accordingly, at least three conditions are simply describing what factors actually underlying a policy can succeed.

This is relevant when associated with the investment policy of the government. Government as a policy initiator believes is required in carrying out any policy taken. The underlying belief of what will be done by the government in the midst of implementing its policies. Ability to implement policies effectively and efficiently requires a strong government institutions. Institutional strengthening is a must if the government wants to give up some or all authority to the implementing agencies to realize its policy.

The changes are not only carried on the institutions that support direct investment policy, but also to the overall institutional system of government. But the government needs to make a priority in implementing it. Investment policy involves two levels of government ie national and local governments. Coordination is placed on the central government through the Department of Technical and BKPM. Deployment of some powers and responsibilities given to local implementation. In this case the local governments are given the flexibility to innovate in order to attract a number of local investors.

Freedom is given to the area in order to promote regional asset and a potential area to investors. Regional economic growth is expected to build on their own potential. That trust is supposed to make the building initiatives and innovation and economic governance in the success of the investment policy. But the problem is national and local governments are adequately prepared in the institutions
and instruments? Development and improvement of capacity (capacity building) needs to be done because it is so the success of the policy. As Jhingan that economic development requires an appropriate administrative system to implement the plan set out in legislation (Jhingan, 2003:56).

These issues must be addressed immediately through concrete and effective policies. Investment policy of the government will not run without a barrage of other policies that support. Besides solving problems in the license, trade, and conflict of interest between the government and investors require immediate settlement. Institutional weaknesses of our courts in prosecuting cases of trafficking needs to be addressed. As a result of what happens is a slow and certainty of completion of the legal rules that are used are also diverse. While the investment or business need instructions precisely predictable and certain.

Business world are in need of investment, especially the economic climate is conducive. Of course in this case the central government's role is very important, because the macro level of government responsible to keep the economy does not decline the position. The policy can be viewed in the context of fiscal and monetary policies. Act 32 of 2004 does not give authority to the local authority because it is entirely held by the authority of the central government. Therefore, the Government should ensure that investors will not be harmed when the money flowed.

Management of the investment climate requires managerial skills in maintaining the climate remains conducive. These capabilities include the ability to maintain harmonious relations with local government as part of internal coordination; ability 'rapid response' to the problems that need quick resolution: the ability to complete the physical realization of the program is funded from an investment in a timely manner; keep stabilitas fiscal and monetary remain subdued, and the ability to make a breakthrough or innovation that effectively attract investors.

Based on this, one needs to be done is a breakthrough in the field of service. Service in any case, particularly with respect to licensing, the facility incentives, and various other conveniences. But still, it does not harm and provide damapk a bad back. One innovation that made the concept of one-stop service. The aim is that central and local governments can provide services to investors quickly, so that the span of time to take care of not permitting a long and tortuous. But the fact is, it does not quite have a significant influence, because of bribery persist even though the service system has been changed.

For the local government level there are some things that need to be addressed:

a. Regional Infrastructure
One of the major shortcomings in the process of economic development of Indonesia lies in the lack of infrastructure to support the process. Infrastructure is not just in the economic sphere but also the overhead of social overhead. It is therefore very difficult to expect the area to accommodate and manage investment funds that come in, because in terms of facilities is not possible. Besides the construction of necessary infrastructure as well absorb large amounts of funds, so logically if the funds are owned by the more widely used to provide these facilities.

But not all regions have them. There 'conditional gap' in every area of the natural resources and human resources. This also occurs in the provision of infrastructure. Areas in Java tend to be ready in terms of natural resources and human resources and infrastructure, in contrast to areas of eastern Indonesia, a very superior in natural resources but poor in human resources and infrastructure capacity. But in reality, it is not a problem because the area meant starting to realize that innovation and creativity in managing the potential area is the key.

In addition to the provision of infrastructure, other issues are the provision of land or land that deserves to be an investment project. One reason is the central government can not let go entirely to the local authority. Regional Spatial Plan should still have its main office in the National Spatial Plan. The Land Law also deals with the status of land constraints, such as communal land or customary
land. Constraints are causing the government can not claim that the lands within the area the mastery
coverage area. Therefore, land reform needs to be done while respecting the status of indigenous
lands.

Another problem is the availability of local markets. Absolute market should be available in the area,
because that's where a process of bidding and buying. Broad scope of the market or 'market range' also
needs to be built. Area should be able to provide market connectivity in the region with markets in
other regions, both nationally, regionally and internationally. Regional competitiveness and
differentiation of products / services from the area could occur if the market is quite broad and could
affect the business climate in the area of creativity. Therefore, one of the builders and the buffer
capacity factor is the availability of market economy and social infrastructure.

b. Synchronize Regulatory and 'Infrastructure' Regulation

Given authority and freedom to the region to improve regional economic and social conditions invite a
number of issues. One is the overlap between the central regulation with local regulations, especially
in the economic field. Department of the Interior and KPPOD stated that there are hundreds of
regulations that are not in sync with the rules on it. Problematic regulation violates the principle of
legislation is materially. Unsynchronized causes a number of central rule has no effect, contrary to
regulations issued by the region is seen as a single regulatory region.

In this case, the task of Home Affairs as the institutions authorized to cancel the troubled local
regulations. To oversee the emergence of such local regulations, then the government needs to involve
a number of independent agencies or community associations / employers. In fact it should, it needs to
involve such organizations to create a policy, because the implications are the result directly to the
local economy and market stability.

But that does not mean governments should not run wewenangya as a regulator of the local economy.
Regulatory functions are absolutely certain in the hands of local governments. Because the authority is
closely related to the premises of government responsibility to the achievement of government
objectives for public keseahteraan and competitiveness. Local governments need to create a blueprint
for economic policy and regional planning and development the next few years. So that all policies
and programs that will be built tailored to the blue print. So that regional economic development is
clear direction and purpose.

Actually, the central government has to realize this vision through Act 25 of 2004 on National
Development Planning System. The law says that the Region through Bappeda (Development and
Regional Planning Board) shall prepare the Annual Development Plan as outlined in the Regional
Local Government Work Plan for a period of one year. Therefore, the Act requires the development of
an integrated system so it is fitting when the co-regulation and perdanya adjust the above regulations.
Local governments should not view the economic improvement is apparent with a single indicator,
namely an increase in revenue, by issuing a variety of taxes and levies. There are approximately 500
regional regulations on taxes and levies that are assessed the Department of Finance. Of that number
there are 40 regulations that have been canceled. Than 40 regulations was, in essence, establish fees
that are unnecessary and a violation of the provisions of the legislation on it. Often there is a mistake
in applying the principles of the birth of these regulations, by using the principle of lex generalis lex
specialist derogat - special provisions mengensampingkan general provisions. Yet that principle
should be used on an equal terms. This means that if the law would disimpani with the principle of
lex specialist, must by law anymore. (PR, Monday, March 20, 2006)

As part of the development process, a regulatory role in regulating the economy is definitely very
influential. Seen from some of the obstacles that occur in the relationship between central and local
government as described above. There are three conditions under which the regulation to be one factor
determining the economic recovery. First, regulation may be the 'entrance' for investment into the
area. This occurs when the regulation is to set a number of facilities and services provided by local or
protection to the investor. There are rules of the game world is a clear effort (fair) and it does not
contain conflicts / problems in the future good relations with society and with government. This means that there is no guarantee of certainty and convenience of trying. Second, regulation is used as a means of diplomacy with the interests of the investor. Actually, through this type of regulation such as the economic interests of local government to the presence of investors in the area depicted, whether purely for economic improvement, or even used as a source of PAD excavations. Through this regulation may include the issue of local government CSR (Corporate Social Responsibility) such as education, social, welfare, community participation and other areas that support the improvement of human resources. With the provisions of local government needs to provide a 'ladder of time' and the provision of business ready software to realize this. The role of 'invites' and 'invited' to show good faith and professional.

Third, regulation can be used as a media build-minded business professionals. A good relationship between local governments and investors need to be built.

Its realization could not be done without involving the business community and the public (one-sided from the government). So there is no longer the term 'change the policy change leaders' impact is uncertain because the 'rules of the game' in the area. Built instead of a policy based on the desire and the personification of leadership that are partial, but the policies are summarized in the policy system of business leaders and anyone else the system remain. Therefore, the regulations issued need to be prepared properly, and substantial in terms of formal legal and business community participation and involvement of local communities.

c. Reforms in the Region
Other important issues concerning the implementation of investment policy is the role and functions of local bureaucracy. Bureaucracy has a strong influence in determining the climate and culture of working areas. It is of course very good contact with all aspects of internal and external. In the external environment and the business community is the party who felt the direct bureaucratic behavior and policy. Because the building consists of HR bureaucratic institutions, powers and responsibilities, as well as structure and culture of its own. It is as disclosed Toha bahawa Miftah is a form of bureaucratic institutions and arrangements that contain the structure and culture. The structure presents the composition of an order, and the culture contains values (values), systems, and custom made by the principals that reflect the behavior of its human resources. Therefore, institutional reform of the bureaucratic reform includes the composition of a government bureaucracy, and reform values, governance systems and procedures of the behavior of its human resources. (Mitfah Toha; 2002)

The economic context, it is only logical if the reform of the bureaucracy needs to be done. We can no longer rely on the system and work culture is slow, unresponsive, closed or 'taboo' against the competition, and thought that traditional. Also can no longer turn a blind eye that local governments are in a fast-paced competition and need at increasing capacity and changes in the new strategy. Governments need to think smart and open to change. Osborne and Gabler in his book menggagaskan bekembang form of government during the industrial era, with a slow and centralized bureaucracy, compliance with rules and regulations, as well as the chain of command, no longer run properly. Therefore, it requires flexibility, rapid change, responsiveness to customers, and directing extensive services to customers.

In this case David Osborne and Ted Gaebler also suggest a new paradigm of bureaucracy, among others: (a) Catalytic government: steering rather than rowing. Government as a catalyst, driving better than rowing. Government and its bureaucracy are advised to remove or areas in which the work can already be done by the people themselves; (b) Community-owned government: empowering rather than serving. Government belongs to the people: it is better to empower than to serve. Representative government elected by the people, hence belong to the public. The Government will act better, if one gives empowerment to the people to take care of the problem independently, rather than making the community dependent on the government; (c) Competitive government: injecting competition into service delivery. Competitive government is a government that includes the spirit of competition
within the bureaucracy. Government needs to make the bureaucracy of competing, inter part in providing assistance and the provision of regulation and public goods.

One of the ways the government to restructure the government bureaucracy in terms of investment policy is to support the issuance of Presidential Decree No. 29 of 2004 on the implementation of investments in foreign investment and domestic investment through a system of one-stop service. The objectives are to improve effectiveness in attracting investors to invest in Indonesia, so it is necessary to simplify the implementation of the investment service system with the above method. But actually there are other problems with the decree relating to local authority in the Act 32 of 2004. Licensing authority by the BKPM issues when viewed from the context of Act 22 of 1999 jo Law. 32 of 2004, a regional authority. Article 13 and Article 14 of Law no. 32 suggests, investment administration service is obligatory for the province of the provincial scale, and is an obligatory county / city for the scale of district / city. Given the Presidential Decree stretcher, BKPM spearhead the licensing of investment in Indonesia, so it is felt there is an investment license from the local recentralisation to BKPM.

Yet the government's determination will shorten the maintenance of business licensing should receive technical support or sectoral institutions that issued the permit. In the implementation of investment licenses as contained in the ordinance guidelines issued by the BKPM to invest there are types of permits that must be taken care of, namely 1) permits issued by BKPM as many as seven types of licenses, which consists of a limited importer license identification number, permanent business license / permit extension, plan the use of foreign labor, visa recommendation for the use of foreign labor, the extension of permission to hire foreign workers who work more than one province, facility exemption / relief duty on import of goods, capital, or raw / auxiliary materials and other fiscal facilities ; 2) permit issued by the appropriate provincial authority, either an extension of work permits to employ foreign workers to foreign workers working in the district / city in 1 (a) the province; 3) Permits issued by the municipality / district, namely in the form of license location, land rights certificates, building permits (IMB), the law permits interference (HO). The problem, in addition to the permit, can still be found in a particular area, for example, there is a sidewalk use permits, permit the use of culverts, etc.. As a result, the investment license or business activities of more than 11 types of licenses earlier. The number of permits is costly and time, ultimately it is the transaction cost and high-cost economy and even a rational number of permits is not relevant to the operation of investment in the region.

There are three categories of institutions and the role of one-stop service based on best practices in the area. These three categories are first, the service unit have its main office in an existing local government institutions, such as the secretariat of the regional economy, information and communication services, and so forth. However, the task of the unit in any area is always different. Second, one-stop service is handled by a special office headed echelon III. However, the function of the applied every area is different. There is a limited function as front office, as happened in Gianyar, Bali Province.

However, there is a one-stop service office which serves to receive a file request and coordinate with related agencies. The office is also a licensing issue. Third, there are areas that every single window of service provision across all agencies attached to the public. Areas such as District Parepare, South Sulawesi, enforce rules transparently. Direct investors are given complete certainty how many days the processing of documents plus the cost to be paid with proof of receipt of official documents.

When viewed as a whole, the implementation of one-stop service system has not been done by most of the area. This is about the readiness of human resources and commitment of local government itself. Not all regions capable of realizing such an institutional policy. Especially for the expansion areas are still relatively new and require a long adjustment. Therefore, it was the duty of the central government to provide technical assistance and advocacy on such areas. Areas require a guide to explore and develop the potential of the region as well as assistance from the central government to promote it. In this case the managerial skills gap can be overcome so that a mutually supportive relationship built
between central and local government and local government with other governments. The reforms carried out not only in the institutional field / function, the HR / managerial, work culture and behavior but also the bureaucracy within the scope of a broader government relations as part of system administration Homeland.

Supports Regional Economic Business and Investment Climate in the District of HST Development of economic sectors is an important indicator to know the results of development that has been achieved, as well as to determine the direction and future development goals. The socioeconomic aspects related to the presented economic growth, economic structure and the Gross Regional Domestic Product (GDP) per capita.

Economic Structure
Structure and economic activity Hulu regency Middle River can be observed from the figure the contribution of each sector to total GDP. During the years 2007-2009, GDP growth contribution Hulu Sungai Tengah is still dominated by three sectors, namely agriculture, service sector, as well as trade, hotels and restaurants. These three sectors accounted for approximately 74% than the GDP created in the district of the Hulu Sungai Tengah.

Until 2009, no visible shift in economic structure fundamentally - is still dominated by the Agricultural Sector (40.49%), Services Sector (19.42%), and Trade Sector, Hotel and Restaurant (14.15%). However, based on the development contribution (dominant sector) during the years 2007-2009, in the coming years there is a trend shift. During that period, the contribution of agriculture sector decreased gradually, while the service sector and banking sector / financial institutions showed a significant increase. On the other hand in the next 5 years, appears to other sectors - in addition to the above three sectors - has not been significant enough to shift the role of the above three sectors in GDP creation in the district of the Hulu Sungai Tengah. From these results, it can be said that these three sectors (agriculture; services, as well as trade, hotels, and restaurants) are forming the structure of the most powerful economic influence.

Economic Growth
Development, as well as to provide an indication of the extent to which economic activity occurs in a particular period has generated additional income for the population. Hulu Sungai Regency economic growth during the years 2007-2009 Middle indicated by GDP based on constant 2000 prices fluctuated. Economic growth in the Hulu Sungai Tengah decreased by 0.10% (in 2009).

Development of investment from 2004-2006 showed that there was a significant decline compared to the amount of investment in South Kalimantan Province. This can be interpreted that the challenges in the Hulu Sungai Tengah attract investors increasingly difficult because the area is not a destination for investors who want to invest in the region of South Kalimantan Province.

Revenue Per Capita
Revenue / GDP per capita can provide the level of welfare of the population in a region. GDP per capita can be seen from two sides, namely GDP per capita at current prices and GDP per capita at constant prices. The growth rate of real GDP per capita is usually based on constant price that is generally used as a tool to measure people's economy as a whole in a broader sense, that is how much of real goods and services produced for consumption and investment needs of the population. The development of GDP per capita of the Hulu Sungai Tengah at current prices during the period 2007 to 2009, showed significant improvement in each year is the year 2007 of Rp.5,823,860, 2008 of Rp.6,743,030, while for 2009 Rp.7,981,870 for. If viewed from the GDP per capita on the basis of constant prices, GDP per capita of the Hulu Sungai Tengah also shows a rising trend pattern, even in 2009 the increase is large enough to reach 4.58%. Thus, it can be concluded that for 5 (five) years in the district of Hulu Sungai Tengah there is a process improvement and economic progress. Nevertheless GDP per capita figures are not yet able to describe the spread of incomes in every economic strata.
Status, Role and Function in the Context of Regional District Banua Anam

Geographically, the City as a center of growth in the District Hulu Sungai Tengah, has the advantage of being relatively central position to the Pahuluan / Banua Anam and is at a crossroads of regional and regional-scale transport facilities. This position provides an opportunity for the City Barabai a city transit (transit city) for movement in the region Pahuluan / Banua Anam in particular and South Kalimantan in general. This strategic location has a major role and function of the wheel determines the growth and development of the region's economy.

In line with this, the National Spatial Plan (RTRWN), Barabai City is positioned to be one of the Regional Activity Center (FGM) as a primary care center, including the determination of Barabai City as a center of local government administration services; as well as regional service centers for industrial, trade and services for the City Overseas, Kandangan, Amuntai, Paringin and the Cape. In addition, the City as a center for the development of directed Barabai Development Region (WP) II Pahuluan / Banua Anam - HST, HSS, HSU, Tabalong and Balangan - replace Kandangan City. This condition can spur the growth of trade in other districts in the Hulu Sungai Tengah, also can improve the distribution of agricultural production and processing industry.

In addition, the City Barabai be one small industrial center of traditional cosmetics. At first, traditional cosmetics are only used for traditional ceremonies handed down from generation to generation this. But with the entry of commercial Malay culture, traditional cosmetics production is shifted into a home business that is able to encourage an increase in family income. Other small industries are getting serious attention from the local government is a traditional herbal medicine business and industry cap. Market two products are not only famous in the country, but is now reaching overseas markets. Cap, for example, was able to penetrate the markets of Africa and the Middle East. While in the country, has circulated cap on the wholesale market as Tanah Abang, Jakarta.

Aspects of the Facilities and Infrastructure Business and Investment Climate

Arrangement of buildings and environmental conditions presented include the intensity of land use, physical condition, the composition of the skyline (skyline) buildings, buildings of architectural expression.

4. The building height

In general, the number of floors in the planning area range from 1-3 floor building with a height of 3-5 meters from ground level, measured from center to the floor. Pattern of uniform height in the City Center that is almost the same between the buildings, such as Brigadier General H. Hasan Basry Street, Trikesuma Road, P. M. Noor Road, Ulama Road. Whereas in other regions have diverse patterns of building height. The number of two-story building is generally located at each intersection and junction, which is in the junction region hornbill, Sabli Imansyah Road intersection, intersection of Pioneer Road, Independence, and most of the Markets I, II and Market Market III.

5. Status of Land Ownership / Land

Outside of the land / public land (roads, pedestrian way, open spaces), land in the plan area consists of 2 (two) groups, namely: the right of ownership by the government / state, and the right of ownership by the community and the private individual. Overall, the status of land ownership in the planning area is dominated society and the private individual property rights, especially in the corridors of Hevea Road, Trikesuma Road, and the second layer Hasan Basry Road. Rights of private individual ownership by the community and consists of: land which is property (Certificate of Ownership / SHM), and soil the right to use and other rights (Broking Certificate / HGB, leasehold certificates / HGU, custom seals, letters selling).

Distribution of land ownership by the government is more concentrated in the area office Regent (around Dwi Dharma Road and Bhakti Road - Corridor Hasan Basry Road). There is some land in the planning area status is unclear ownership / land disputes, because the overlapping claims of land ownership between the government and the public - caused a major fire in downtown Barabai 1999,
document / records state / governmental district Hulu Sungai Tengah (including the ownership certificate ground) a lot of damaged or missing.

Physical Condition of Building
The physical condition of buildings include: the condition of buildings, density of buildings, construction and architectural expression. According to the results of the analysis can be concluded:

1. Building condition
Condition of the building in the plan are very diverse, whether viewed from a physical condition (good, fair, poor) and type of structures (permanent, semi permanent, temporary). The condition of the building for retail, trade and services is relatively good, especially the life of the building is relatively new and there are left and right along the road corridor H. Hasan Basry. Unless the village settlements in Arab Region, Region Hevea, Kadi and Mualimin Village area, as well as the banks of the River neighborhoods Barabai Trikusuma Road (intersection Perintis Kemerdekaan Road – Trikusuma Road – Hevea Road) has a bad condition and / or temporary structure, so that the necessary restructuring / renewal (redevelopment).

2. Building Construction
This type of building construction in the plan are very diverse, whether viewed from the type and building materials systems and structures. The spread of the buildings constructed of wood are still entrenched include: banks of the River Barabai and the old roads such as the Sacred Way, Pioneer Road, Independence, Hevea Road, Trikusuma Road. Meanwhile, modern constructed buildings spread throughout the city Barabai, including: Road H. Hasan Basry, Ganesha Road, P. M. Noor Road, Officer Road, Bhakti Road and major roads in the City Barabai. Old buildings and traditional buildings; most uses of wood materials with a construction system that is still traditional and conventional;

The new building and the modern use of concrete construction and modern structure of the system. Government buildings such as the Office of the Regent, the Grand Mosque and is applying Barabai Stadium sukrut a modern system.

3. Building density
Review the density of buildings in the planning area are classified into 3 (three) categories: high, medium and low. Considered high when the number of buildings per ha ≥ 40 buildings, moderate (20-40 buildings / ha) and low ≤ 20 buildings / Ha.

The area plans that have high levels of building density, including the Old Market Area (Market parts I, II and Market Market III), Kampung Arab Region, Region Hevea, the village of Kadi and Mualimin Region, as well as a residential area on the banks of the River Road Barabai Trikusuma; planning area that has a moderate to low density of buildings in the area and government offices (H. Hasan Basry Road), Murakata Road, Sibli Imansyah Road, P. M. Noor Road, Ganesha Road.

C. Composition Sky Line Building / Skyline
The skyline of buildings in the area of the plan is relatively flat, there is little protrusion height. The skyline in the plan is not very significant, because the view from the street does not show a clear view of the river except that the line could see a row of buildings with very clear skies.

Expression Architecture
Architectural character of the building can be classified into several groups, namely the traditional architecture, local architecture (generally tropical), modern architecture and post modern architecture, colonial or post colonial architecture. Architecture Modern / Post Modern; covers most Barabai City area, especially in the city center, namely Road Ganesha, Road P. M. Noor, officers and Road Road Bhakti; Local Architecture (generally tropical); include Barabai City area, which is in Road H. Hasan Basry, Independence Pioneer Road, Road Trikusuma. Architecture Post Colonial or the Colonial; contained in the old commercial district Barabai City - formerly known as Zinc Market - where the
original building is still there Post Colonial-style architecture (known as the Seven Store Front). Traditional Architecture; very few in number, for example in the Independence Pioneer Road, Road Trikusuma, on the banks of the River Barabai and around the Old Market area (the area around Market I, II and Market III).

Housing Conditions
Areas of urban settlement area is the Capital District region, which is determined by the district regulations regarding the determination of Hulu Sungai Tengah city boundaries in the Middle River District neighborhood Hulu. Dominant activities to activities that are enabled and the orientation of the urban population movements that exist in the surrounding area.

While the rural residential area is an area for settlement in which the dominance of activity is agricultural land, moor, farm and vacant land as well as generally poor accessibility, the number of facilities and infrastructure are also limited or almost non-existent. Rural settlements can basically be used to improve household incomes through the utilization of the yard for planting fruits, vegetables or other crops that have economic value.

Condition of Water Supply Management
According to data MDG Drinking Water, water supply coverage in urban areas in the district of Hulu Sungai Tengah reached 71.58%, which includes the piping system as much as 69.58% and non-pipe systems are protected as much as 2%. It is estimated there are poor people in urban areas unserved by either water piping systems as well as non-pipe systems are protected as much as 6552 people (28.24%).

Drinking water coverage in rural areas in the district of Hulu Sungai Tengah only reaches 26% of the entire rural population, which includes 23% of piping systems and systems non-piped protected 3%. In the district of Hulu Sungai Tengah there are still prone to drinking water IKK IKK as many as 3, and rural water supply as many as 48 vulnerable villages.

Conditions of Wastewater Management

A. Management System
It is part of the sanitary waste water disposal system involving sewage from households, offices, hotels, shopping malls, (wastewater from toilets, washing water, and so on). Apart from households, waste water itself is basically derived from various sectors such as industry, agriculture, health, and others. The main source of domestic wastewater from the community is derived from residential and commercial areas. For certain regions, the amount of waste water can be measured directly.

1. Local Sanitation System (On Site Sanitation)
Disposal processes and wastewater treatment carried out simultaneously in a place that usually use cubluk or septic tank. Wastewater disposal systems in everyday practice can be seen in the following activities:
   a. Individually, the exhaust system through the toilet, peturasan done by each family in each house.
   b. Communal, that is through the toilet exhaust systems made jointly by several families who usually form the plural latrines, public toilets, or communal septic tank.

2. No local Sanitation System / Centralized (Off Site Sanitation)
Process waste water disposal or distribution of the wastewater that comes from homes and other facilities like the rest of the bathing water, water from the laundry, and so on as well as waste water originating from the remnants of an industrial process which is then passed through a piping network to the WWTP (Installation Wastewater Treatment) to be processed centrally. Waste management conditions in each district Hulu Sungai Tengah can be explained in the following table:
B. Levels of Public Health and Environment
Life Expectancy (AHH) Middle River Headwaters District residents is 62.2 years in 2005. In addition, the Health Complaints figures (AKK) District residents experienced Hulu Sungai Tengah, showed a relatively low rate that is equal to 18.7%. AKK showed low Hulu regency population health is relatively good Middle River, where a person's health is influenced by lifestyle, nutrition, environmental conditions, as well as many other things.

PDAM service has covered eight districts: Haruyan, LAS, LAU, Pandawan, Barabai, Batu Benawa, BAS and BAU. Looking ahead, the network is being developed and intake to reach other districts that have not been served. The current program continues to be gradual interconnection network between districts with coverage area of 16.67%. Raw water sources used in general water is surface water from the River Barabai, Pagat River and other rivers.

Condition of Infrastructure Systems and Waste Management Facilities
Waste management services in the district of Hulu Sungai Tengah is at 75.00 m3/day, is dominated by the garbage that comes on the market activity that is equal to 33.00 m3/day and the household of his 32.00 m3/day. While waste from the activity of the institution / office, and other public facilities are still relatively few.

Number of people served in the district of Hulu capable of Middle River is at 37,584 inhabitants or by 73.88% of the population in the district of the Hulu Sungai Tengah. Of the population is capable of solid waste in the district of Hulu underserved Middle River is as much as 37,584 people, then the category of small cities so that the standard volume of waste that is used is 2.5 liters / person / day. Thus the volume of waste generation is 93.96 m3/day (Calculation of Standard Public Works Department-DPU). The total area of service is an area of 26.49 km2 or 45.46% of the area of the Middle River District Hulu.

Drainage Facility and Infrastructure Conditions Barabai City
Drainage network located in the City Barabai a permanent and natural channel and channeling rainwater reservoir. Permanent channels that are composed of micro drainage networks of secondary and tertiary channels are mostly open channels U-shaped or square and closed channels are found along the road that is on both sides of the highway. In addition to the side of the highway, artificial drainage channels are also found in residential areas which are generally tertiary drainage channels.

Economic prospects for HST Region
Shift share analysis serves to illustrate the relationships that have a region to other regions, to determine the prospects for regional economic productivity compared to the larger economy of South Kalimantan Province. Analysis of the resulting data on:

1. Prospects for economic growth so that it can in the analysis of investment prospects in the region with a ratio value of 1.12 indicates that the growth of the economy can grow 12% in the GDP that is making the investment in this area is highly prospective and can absorb the growing labor force is even greater. Sector development is a very large trade, mining, financial institutions, construction, agriculture, industry and transportation all over growth in the province.

2. Which describe the proportional shift of economic growth in the Hulu Sungai Tengah compared with the growth of the ratio of the Province of South Kalimantan.

3. Shift Differential describing the competitiveness of economic sectors HST Regency in the economy of South Kalimantan Province. Industry Mix Growth Based on the analysis it can be concluded that the growing economic sectors can be positive and encouraging investors to invest in the District of Hulu Sungai Tengah because its prospects are also positive: Development of the services sector is in addition to government services, the most prominent perusahaan services in the real sector is the rapid services workshop and warehousing services in the district of the Hulu Sungai Tengah. The high
electricity, water, gas and supported by the development of trade and financial institutions is an indication of potential and investment prospects and the area is pretty good and growing because of the investment has occurred in an area there must be follow-up of economic sectors. Economic sectors to follow it is the services sector, electricity, water, gas, trade and financial institutions. This was due to an agglomeration of investment will lead to other economic activities. While the sector is less developed agricultural sector (-3.15) and the industrial sector (-2.71). Competitive sectors of the highest order is the trade, construction, mining, industry, agriculture, financial institutions, electricity, water and gas, as well as services.

Based on the results of these calculations turned out to sectors of the economy that has the highest rank is the trade, mining, LAG, financial institutions, construction, services, industry, agriculture and transportation. The ranking of the trade sector is supported by higher working capital loans are widely used by the public for trading. While the high value of the IMG that shows the highest positive growth in the services sector which is supported by the large value of 2.61 credit investment in the District of Hulu Sungai Tengah from 2006 to 2010 and monthly growth in 2011 from January to June 2011 (six months). Macro-economic conditions related to the economic base in the district of Hulu Sungai Tengah can be seen in the following table:

Economic base in the district of Hulu Sungai Tengah his located in the agricultural sector (39%), services (23%) and trade (14%), but the distribution of credit in favor of investment was the largest amount of trade credit sector (47, 25%), services (36.52%), and construction (5.17%) while only 3.43% agriculture. Low financing the agricultural sector is not an investment prospects are not the prospects in the sector investment is not good but because of the weak ability of farmers to access banking and banks are still not too trusting of the agricultural sector is still highly dependent on weather conditions in its production. But for the plantation sub-sector is quite promising.

The amount of credit on economic sectors of trade (47.25%) and services (36.52%) were supported by survey results that show turned out to test the potential for most types of businesses that are trading 62% and services 29.6%. These figures show that once most potential and prospects of this type of business in contributing to the regional economy. Further strategies and policy directions required to mend the sector is more developed and become the leading sector for HST District.

If the trade and services sector is the leading sector and it will absorb more labor because it is labor-intensive sectors. Employment with the larger society, welfare will be increased. Multiplier economic effect will be higher and prospective because this sector is a sustainable economic sector compared to other district economies that rely on natural resources such as mining are more severe impact on the environment and the exploitation of only a few years.

Assumptions can be justified is the amount of lending and financial sector development in this area then it shows this area to be prospective economic turnaround area and bankable. The use of credit disbursement is still quite dominant for working capital and general trading and services for temporary use for business investment is generally for the industry is still small. But from the use of working capital and investment are both activities that are all lending for investment in the sector of the economy. Development of a positive credit both for working capital and investment showed optimism and confidence of SME banking in the Middle River District Hulu, so that it can be assumed investment prospects and investment potential in the district of the Hulu Sungai Tengah. Credit will not happen if the business is not viable and bankable so that these developments provide hope that the business sector of the economy is growing quite well this can be seen from the improvement in income per capita of the population (see table 5.39).
Business and Investment Climate

In the municipality of HST

To analyze the investment potential of the riel, this study attempted to test the quotation on the dominant economic activity is growing in the district of Hulu Sungai Tengah with the successful respondent in the survey to 71 people engaged in various types of business activities (the attached data processing). Dominant type of business that still operates in the field of trade 62%, services 29.6%, industry 2.8%, while the type of agriculture, transportation, LAG, Finance 1.4% respectively.

Figure 1
Distribution of Business at the Pyramids district HST (Survey 2011)

- Hulu Sungai Tengah District economy without exploitation of natural resources
- Natural resources in the District of Hulu Sungai Tengah district is spread on the form
- Mineral resources such as stone quarrying c mountain, colar, sand, etc. are in the North District of Batang Alai, BAS, BAT, Batu Benawa, Haruyan.
- Mineral resources of coal in the Eastern District of Batang Alai and Haruyan.
- Agricultural activities spread evenly on all districts in the Hulu Sungai Tengah

However, the regional development of HST prefers to the agricultural sector in the broad sense and develop manufacturing, trade and services. Raw material sources of economic activities in the district of Hulu Sungai Tengah his still very dominant local raw materials (40.8%), 26.8% regional, national, 12.7%, import 1.4% and 4.8% other.

Resource potential is very important in economic activities for human resources as a business owner or if the labor is one of the most important production factor. As a labor (labor) required high labor productivity and quality, while the business (entrepreneur) is a potential factor that effectively encourage movement skills of economic activity. The survey results show the quality of human resources business in the District of HST is above average because their education has been very good. Dominant economic actors educational high school educated (59.2%), degree (15.5%). Junior high school (12.7%), Diploma (7%) and SD Graduated down only 5.6%. Business actors dominant males (81.7%) and females 19.3%. Business actors who are married 87.3%, with all ages (100%) between 24-66 years of age are still very productive. The average resident in HST stream of adequate education. Human resources in the district of Hulu Sungai Tengah has the skills and expertise in agriculture, trade and services.
Development of human resources have been obtained are:
- Support the development 9.9%
- Help banking 8.5%
- Help entrepreneurship 11.3%
- Assistance of production 12.7%
- Support business 4.2%
- Financial management assistance 5.6%
- Support Marketing 8.5%
- Support management 7%
- Support training computer / IT 7%

Based on the results of this survey it can be concluded that the development of businesses in the District of HST still needs to be improved because the average is still below 10% when the potential is adequate education and 14.1% stated that their results are very useful assistance and support of business improvement and better management production, marketing and service to consumers. Labor used in 1-5 business activities are still very dominant, reaching 80.3%, 7% of 5-10 people and 10 people upwards of 12.7%.

Potential Commodity Enterprises in the HST
Potential commodities in the district of Hulu Sungai Tengah in agriculture have a surplus that can supply the districts / cities in South Kalimantan, Central Kalimantan and even to the East. Commodities are sold to collectors in Agribusiness Sub Terminal Market to sell Sacred to many regions outside HST. Trade and services activities in the District of HST at the center and the entrance to the other areas so as Banua Anam become dynamic economic activities. Commodities such as food industry Apam Barabai, Lam Snacks, Nuts etc. rapidly growing foreign and domestic industrial commodities like-Haj has reached the cap into the international market with the sale to Malaysia, Brunei, Saudi Arabia and Africa. Plantation commodities which can also penetrate the international market is a natural rubber produk while others remain as agricultural commodities sold to local and regional markets. Commodity service sector thriving industry workshop at the center of development in the region Banua Anam.

Local governments do road building agricultural environment to support agricultural activities in the area. Economic facilities which also supports the existence of adequate market and wide as a new market Hallows, the old market and the market district that generally has been good enough as markets and Birayang Hambawang Coast. Road access to every township and village are quite good and so are adequate means of transportation reasonably available to the mobility of goods and services to be very smooth and supportive. Other business support is good enough to have the legality of existing businesses such as HO (25.4%), 73.2% SIUP, TDP of 7%, 28.2% TIN, such as the UN and local government permits (village head / headman) 8.4%. Current regulation by 14.1% of respondents
had supported the business, so that the respondents’ optimism that the economy improved to 12.7%, the rest are still feeling uncertain and difficult.

Figure 6
Business Licensing in the District of HST (Survey 2011)

Prospects and Potential Investment in the District of HST
Government investment spending has been running both direct and indirect development. While the empowerment program also encourages the development of the investment climate is the presence of the National Community Empowerment Program (PNPM) of PNPM - PISEW, PNPM - Urban, PNPM - Rural, etc. Distribution of KUR.

Excellent investment prospects in the Hulu Sungai Tengah agriculture in the form of rubber, rice and fruit while the results of a prospective business is trading and other services. Assets owned 1.4% 10-100 million, 100 million - 1 billion of 5.6%, over 1 billion, 5.6% and the rest below 10 million (87.4%). The sales turnover reaches over 100 million per week (100-500 million per week) to reach 7%, 65% 10-100 million per week, 1-10 million per week 28%. Production capacity of over 1 billion of 4.2%, 18.6% were 1-10 million production capacity of 10 million - 1 billion of 78.2%.

Figure 7
Business capacity in the District of HST (Survey 2011)

1-10% rate of return of 19.4%, 10-30% profit by 68% and profits above 30% was 12.6%. The technology used in modern production was 54.9%, 12.7% semi-modern and the traditional 2.4%. Demand is still the dominant market of 59.2% locally, regionally large enough that nationally 15.5% and 4.2% were able to demand from local, regional and national levels.
Support in the form of bank financial institutions, LKSP, Cooperative. Based on the results of the survey respondents were related to the banking of the bank's 8.5% as bank BRI, BNI and Mandiri. Equity owned by the respondents ranged from 11.4% to 1-10 million, 10-100 million by 69.8%, over 100 million - 1 billion 15.2% and over 1 billion of 5.6%. The amount of loan capital 1-10 million 2.8%, less than 1 billion (100 million - 1 billion) 1.4%, over 1 billion, 5.6% and the rest are not lending to banks. The existence of a revolving fund by 74.6% of respondents had enough, still less 11.3%, 5.6% more than adequate and did not get a revolving fund 8.5%.

Policy analysis based on SWOT Analysis

The basic concept and Investment Prospects Assessment District based on Hulu Sungai Tengah SWOT analysis of existing matrix. SWOT analysis is aimed at obtaining such a core strategy, such as: strategy that leverages existing strengths and opportunities are open.

Strategies that address the threats that exist, strategy to improve weaknesses.

Some aspects of the SWOT include aspects of power (S), weaknesses (W), opportunities (O) and threats (T).

1. Strength

Strength is the potential that comes from within the object or the region itself and can be developed in order to become more resilient so that it can survive in the market.

- Potential of adequate resources such as raw materials and human resources
- Carrying capacity investment dominant form of land use patterns and plantation agriculture and the potential of forest resources, all support the main livelihood and support systems-oriented regional agrarian economy. Carrying capacity of the investment is no less important is social capital, economic and cultural district in Hulu Sungai Tengah is very supportive because an educated population is inadequate because it did not pass the elementary school was only 7.5% of the remaining 9 years of education completed. The main job of the population as much as 238,028 people, the distribution of the work in the agricultural sector 23.71%, commerce 18.06%, 14.94% workers, service 13.69%, industry 11.38%, 10.43% government, construction 4.67% and 3.11% of transport.

Public facilities, roads, bridges, education, health and religious fairly evenly in each district with easy access to the community that strongly supports investment in this area. In terms of support sectors of the economy is still dominated by agriculture 40.94%, service 19.42% and 14.15% of trade with the average economic growth in 10 years at 6.89% and per capita income Rp.7, 9 million rupiah (2009) and Rp 8.7 million (2010). The location is very strategic and very good.
Weakness branch image (Weakness) is an aspect that is a problem or obstacle that comes from within the object or the region itself.
- Limited capital businesses
- The number of similar business
- The high cost of raw materials

2. Opportunities
Opportunities is an opportunity that comes from outside the region aatau object in question. Opportunities may arise as a result of government policy, regulatory and economic conditions globally. The opening of regional markets and national and even international for some commodities such as skullcap HST pilgrimage, nuts jaruk, workshop products, etc. HR district HST innovative and creative with an adequate education can work together with human resources coming from the outside so as to produce more competitive products.

3. Threat
Threat is derived from outside the object or area of study and can cause damage to the area or object to the object of study. Similar products produced by the region. The high willingness of consumers to obtain the highest quality products so that products of competitors into existing consumer choice. District HST as a very open area is a transit area to attract potential competitors facilitate the HST district.

Above four aspects are interrelated to one another. Given these linkages will be obtained some of the strategies or the development of basic concepts that can be used in the development of City Regions both physical and non physical. To see the potential of the rapidly growing commercial sector in the district of Hulu Sungai Tengah survey was done to test quotes on large traders, small and medium-scale sales to be the assumption commercial sector as a whole. Table 5.40 and Table 5.41 shows the assumptions for the calculation of the number of traders with total sales of 792 units per year to Rp 27,922,514,976 use consumer good products from PT. Unilever Food and so Garuda assuming 5 percent of their products that they sell the total turnover of sales of the overall total of Rp 2,931,864,072,480. Based on this calculation shows the prospects of the business world is the power of the regional economy perdangangan Hulu regency Middle River so that it can be a leading sector is the supplier for the area around such Balangan District, HSS, HSU and Tabalong. Barabai city a center of trade in Banua Anam a multiplier effect on the development of regional economy so that businesses and the public welfare can be increased without relying too much on exploitation of natural resources. Services sector and financial sector work together in pushing the trade sector to grow more rapidly again.

The structure of the trade sector SMEs can be seen in Table 5.40 wholesalers percentage of 3.9%, 51.1% for intermediate traders, and small pedagangr by 46%. This structure suggests that the potential trade sector has excellent prospects for 51.1% of the intermediate traders that can service the consumer as an agent for the spread of small traders in both the HST and the surrounding district. Table 11 Sales turnover Trade Sector in the District of HST

5. Cover
Business and investment climate is better supported by the Development policy in the region in favor of the business and investment-based development environment while maintaining the preservation of nature. Circulation of money in the District of HST has also increased thereby increasing the region's economy through public consumption so as to attract investors in up regency investment in HST. Investment climate in the district of Hulu Sungai Tengah is quite conducive and adequate infrastructure so that investment in this area is quite attractive in sectors that do not exploit the natural resources thus the region's autonomy will be more focus on green GDP that does not rely on the mining sector which can damage environmental sustainability. This is consistent with the vision of regional development mission that emphasize sustainable develop.