Local Economic Development Strategy through Scenario Planning Approach
(Study on the Development of Rural Agro-tourism Areas in Banyuwangi)

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Abstract
Local Economic Development (LED) is an appropriate development concept due to the related local or territorial circumstances like considering locality capacity, internal and external factors, and local economic growth so that it has been implemented in many countries. Then the existence of village autonomy and rural area development in Indonesia is such a form of LED implementation. Generally, LED implementation through rural area development has not been successful enough, but in some districts, it has not provided a big impact to improve the people’s prosperity. To succeed the LED implementation in developing rural areas, it requires strategies to tackle some problems and challenges and provides a vivid goal in the long term so that the development conducted can synergize each other. Scenario planning is one of the relevant approaches in this case since it accommodates the high complexity and uncertainty. Also, it is used in long-term planning formulation. Moreover, this scenario planning used the TAID method that is tracking, analyzing, imaging, and deciding. Data in this research are compiled by interview, secondary data, and observation to meet the tracking step. Then the output of this will be analyzed using cross-impact to create a scenario in the analyzing step, and the output will be an input for formulating visions and strategies in the imaging and deciding step. This article provides four alternative strategies for developing rural areas which are Dissemination, Optimization, Affirmation, and Reformation.

Keywords: local economic development, rural areas, scenario planning

INTRODUCTION
In order to accelerate national development and improve people prosperity, the best way for government to do based on Rodríguez-Pose and Tijmsstra [1] is the development with considering local potency so that society will be the leading factor in regional development. Talking about regional development, it is not only for economical sectors but for the function of economical, environmental, and natural resources also the following aspects which affect to the capacity of regional economy relating to natural resources, proficiency, political and administrative system supports, vitality, cultural power, and social cohesion. According [2] in Regional Development, there are some development policies which continuously evolve along the scientific progress or the fluctuative problems faced in which it is classified into 3 (three) groups, those are: 1) Top-down development policy, 2) Bottom-up development policy, and 3) Local Economic Development policy. Top-down development policy has a weakness because it can generate a gap to smaller regions due to the natural resource exploration from wider regions. Moreover, bottom-up development policy has a great concept but it is frequently feeble in implementation, as a result this policy tends to be utopian. As for it, the Local Economic Development can be considered as an alternative problem solution for to-down and bottom-up development policies.

Local Economic Development (LED) is based on local or regional condition associated by considering local capacity, internal and external factors, and local economic growth. According [3], Local Economic Development (LED) attempts to use local resources which are tangible, human, and institutional resources so that Local Economic Development (LED) is a development based on local ability which has more evolved (endogeneous development). Regarding [4], goals of Local Economic Development (LED) is advocating “pro-poor” and “pro-growth”
development. In “pro-poor” development perspective, LED aims to create jobs and social welfare safety net. Whereas in “pro-growth” development, LED aims to create a condition which supports for economic growth.

In regional autonomy era nowadays, Local Economic Development (LED) should have big opportunities in the progress for each region because of the decentralization from central government to the local authorities. Decentralization provides an opportunity for regions to be more innovative in developing local potencies freely. According to Bambang [5], explained that regional autonomy gives opportunities for programs and activities in Local Economic Development (LED) since government have authorities more and more.

The presence of regional autonomy by Law of the Republic of Indonesia No 6 of 2014 about Village [6] provides big opportunities for Local Economic Development (LED) growth because the economic development could be directly conducted in a small scope of society, that is villages which have each locality. From regional autonomy implementation, it could be said that village competitiveness issue is one of the problems faced by most of villages [7]. It can be seen from the percentage of poor people by region in 2015-2018 which revealed the percentage of poor people in the village are bigger than that in the city.

![Figure 1. The Percentage of Poor People by Region from 2015 to 2018 in Indonesia](image)

To face some issues and the government obstacles of rural development, it takes a new approach which is able to synergize between the rural development and the competitive improvement to empower local economy. One of the approaches to encounter this issue is through Local Economic Development (LED). In consequence, the framework of national development should be changed with locating rural areas as development factor and society as the subject which participates actively throughout the development aspects. Even villages provide surplus economy varieties which are needed to erect the industrial sector in urban areas.

Strengthening rural development in the National Medium-term Development Plan (RPJMN) for 2015-2019 [8] stated that the comprehensive development of villages and rural areas is a crucial factor for developing regions, eradicating poverty, and reducing gap amongst districts included in the third development agenda called “NAWACITA”, which focuses on “Developing Indonesia from border areas by strengthening regions and villages”. Other than that, it is supported by amendments of Government Regulation (PP) No 43 of 2014 concerning the Implementation Regulation of Law No 6 of 2014 [9], becoming Government Regulation (PP) No 47 of 2015 concerning Amendments to Government Regulation (PP) No 43 of 2014 concerning Implementation Regulation of Law No. 6 of 2014. From the amendments, there was a minister decision by Ministry of Village, Development of Disanvantaged Regions and Transmigration No. 5 of 2016 concerning Rural Area Development [10]. This is a combination of development among villages which have been implemented in order to accelerate and improve the quality of service, growth, and rural community empowerment through participatory development approaches. Actually the development of rural areas has the same concept with Local Economic Development (LED) which is sectoral, territorial, and participatory supported by partnerships amongst stakeholders to build economic cluster and partnership forums.

The success of developing rural areas can be seen from the final evaluation report of RPJMN 2015-2019 in which the number of underdeveloped villages decreased into 6,518 villages exceeding the national target that was 5,000 villages. Meanwhile, the number of independent villages was increased from the national target by 2,000 villages and became 2,665 villages in the realization. For the development effort of rural areas, it has reached 40 central areas of growth (Ministry of Village, Development of Disanvantaged Regions and Transmigration, 2020). Even from Rural Development Index measured by Ministry of Village in 2019 based on the Decree of the Director General of Rural Area Development No. 4/Dpkp/Sk/04/2018 concerning Rural Area Development Index [11], the index was 0,42 and
categorized in the consolidation stage of rural areas. This category was marked with institutional clusters starting to run, superior commodities starting to develop, infrastructures which have been built, but it has not supported by vocational education.

Regarding to the achievement of developing rural areas, the National Medium-term Development Plan (RPJMN) period 2020-2024 has targetted an increase in the Rural Area Development Index by 0.52 to gain as an independent category of rural areas. It means the village has been developing and producing superior commodities, also they have been distributed and promoted, even using cultural products to evolve them. On the other hand, the development of superior commodities has not been integrated with any other sectors. In the independent stage it can be assumed that rural institutions are fine, production system having been formed, also having marketing and partnership connections including the rural area development in order that steps taken and the development can run smoothly. Accordingly, the Ministry of Village, Development of Disanvantaged Regions and Transmigration targetted 227 rural areas to create master plan for their regions during RPJMN period 2020-2014 (Kholisdinuka, 2020). The concept is literally interpreted as Master Plan and consists of the comprehensive, integrative, and anticipative development plannings toward possibilities in order to carry out the future uncertainties because of development so that the time limit for master plan is from 15 to 20 years or called a long-term plan.

Banyuwangi is one of the districts in Indonesia which became national priority for the development of rural areas and it has been implemented in Banyuwangi since 2017. However, many villages have not had master plan for the rural area since there is no legal protection, also it did not covered in the existence of regulation from the Minister of Villages, Development of Disanvantaged Areas, and Transmigration No. 5 of 2016 concerning the Development of Rural Areas [10]. Based on Village Building Index (IDM) in 2017 and 2018, three sub-districts in Banyuwangi were included as Agro-tourism rural areas which are Licin, Glagah, and Kalipuro Sub-districts, but there have no significant improvements especially in Licin and Glagah Sub-districts.

<table>
<thead>
<tr>
<th>N O</th>
<th>Kecamatan</th>
<th>2017</th>
<th>Status</th>
<th>2018</th>
<th>Status</th>
</tr>
</thead>
<tbody>
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<td>1</td>
<td>GLAGAH</td>
<td>0.7822</td>
<td>Maju</td>
<td>0.76</td>
<td>Maju</td>
</tr>
<tr>
<td>2</td>
<td>KALIPURO</td>
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<td>Mandiri</td>
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<tr>
<td>3</td>
<td>LICIN</td>
<td>0.7606</td>
<td>Maju</td>
<td>0.782</td>
<td>Maju</td>
</tr>
</tbody>
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Resource: Village Building Index of Banyuwangi in 2019

From those three sub-districts, Licin was the most potential district for agro-tourism because most livelihood of the society was in agriculture with several sectors of superior commodities. Despite having more potency in agriculture and supported by legalisation of the agro-tourism rural area, Licin still has a high percentage of poverty in Banyuwangi so that the agriculture sector which was supported by development of rural areas could not still increase the society welfare. Based on the agriculture productivity in Licin, Kalipuro, and Glagah Sub-districts, they were included in low category comparing to other sub-districts in Banyuwangi. The matrix below revealed the percentages of poverty and agricultural productivity as follows:

To conclude due to the matrix, agro-tourism rural areas have not provided an increase of agricultural productivity in the three sub-districts and could not affect to the improvement of society welfare as well.

According to an empirical problem about the advantages of developing rural areas, it can be assumed that the development of rural areas is not able to give impacts yet as which it became the purpose of Local Economic Development (LED) implementation that is “pro-poor” and
“pro-growth” development. The development of “pro-poor” in LED concept aims to create job vacancies and social welfare safety net. Whereas, the development of “pro-growth” prespective prefers to create surroundings that supports to economic growth.

The unsuccessful development of rural areas to achieve the purpose of Local economic Development (LED) can be assumed that there are problems and challenges in implementation of developing rural areas which have not been finished so that it needs an observation and evaluation from each step in Local Economic Development (LED) implementation. According [2], steps for Local Economic Development (LED) implementation are socializing LED partnership, selecting LED actors, developing clusters, creating partnership to develop local economy in the district level, research, empowering producer organization, facilitating technical aids, publishing market information, policy and planning advices, resource mobilization, marketing, creating ProPELD (Developing Local Economic Partnership in Province Level), and institutionalizing KPEL.

Talking about variable complexity as well as high uncertainty level faced in developing rural areas which can be seen by each step from the Local Economic Development (LED) implementation and the urgency of Rural Area Development Planning (RPKP) from 15 to 20 periods which is able to face issues or challenges in the future also rapid environmental changes, it seems truly relevant when tools used in formulating planning to make master plan of the rural area development are scenario planning. Referring to the scenario planning by Gill Ringgland [12] stated that scenario planning is useful for analyzing uncertainty and complexity levels which continuously evolve in coastal regions and it is difficult to accommodate with conventional planning approach such as strategic planning for managing tools and technology to set future uncertainties. Besides, according to Peter Schwartz (1991) cited by Mats Lindgren & Hans Bandhold [13] stated that scenario planning approach makes a planner possible to make 4 (four) development scenarios in which there are possible issues in each step, also which step has been taken. However, it should still hold in one vision as a development goal so that the four scenarios can be anticipated tools for the uncertainty of the condition as well as enviromental issues going on.

Local Economic Development (LED) Concept in Developing Rural Areas

Local Economic Development (LED) according to Nel (2001) in Mandisvika [14] is an area development which utilizes community participation, socio-cultural circumstances and local resource availability. Moreover, the role of central government is giving support in policies or related regulations, financial capacities, and promoting products from local areas.

The function of Local Economic Development (LED) according to Mayer [4] is supporting “pro-poor” and “pro-growth” development. Generally, “pro-poor” development prespective in LED concept will go for creating job vacancies and social welfare safety net. While “pro-growth” development prespective in LED concept focusses to create a condition which supports to the economic growth.

Steps which have been taken in Local Economic Development (LED) implementation according [2] are socializing LED partnership, selecting LED actors, developing clusters, creating partnership to develop local economy in the district level, research, empowering producer organization, facilitating technical aids, publishing market information, policy and planning advices, resource mobilization, marketing, creating ProPELD (Developing Local Economic Partnership in Province Level), and institutionalizing KPEL.

Based on [7], a policy synergy of Local Economic Development (LED) and developing rural areas is in the efforts to increase village competitiveness and it implements the partnership concept with two strategies of LED, namely economic and forum clusters. Economic clusters mean creating clusters in the certain areas which aim to synergize inter-community groups in order to increase the regional economy, such as the provision of raw materials, product processing, market development, marketing, and product diversification. According [2], a partnership forum is a means of establishing a responsible relationship between government, private sectors (companies, financial institutions, traders, and producers), and community (community members, NGOs, and other supporting institutions) in the forum to have elements of common perceptions, commitments, collective decisions, and synergy of activities.

Based on the concept of the policy synergy of Local Economic Development (LED) and the development of rural areas, which are the
economic cluster strategy and partnership forums by considering the guidelines for developing rural areas, the researchers conclude that it is divided into 5 dimensions as follows:

1. Dimensions of Potential Resources
   - Condition of human resources
   - Financial resources
   - Agricultural production material and processing resources
   - Socio-cultural community of the area

2. Dimensions of Management, Utilization and Control
   - Agricultural production management
   - Agricultural product processing management
   - Tourism management
   - Agro-tourism marketing
   - Product diversification

3. Dimensions of infrastructure
   - Infrastructure to support the access of agro-tourism
   - Infrastructure to support agro-tourism

4. The territorial Dimension
   - Economic clusters in rural areas
   - Connectivity inter-economic clusters

5. Institutional Dimensions
   - Establishment of an organizational structure in the management of rural areas
   - Coordination and synchronization of all rural area officers (Team of district rural areas, village institutions/government, regional communities)
   - Community and private involvement
   - Partnership undertaken
   - Condition of policies or programs of district governments or ministries related to rural areas.
   - Implementation of development monitoring and evaluation.

MATERIAL AND METHOD

This research is descriptive qualitative in which the method of analysis in scenario planning used is the TAIDA (Tracking, Analysis, Imaging, Deciding and Acting). This method was originally developed by Lindgren and Bandhold in 2003 then refined in 2009.

Tracking is a stage related to efforts to find trends, drivers and uncertainties that need to be considered as long as they affect the future of focal questions [13]. This used by researchers in the tracking stage is media scanning, which is tracing information through media such as newspapers, government documents, and data information on websites or print media. The next tracking method is conducting interviews with interviewees who are directly involved in the development of rural areas based on the framework and outline of the main points compiled by the researcher. Moreover, the method of selecting interviewees is using the snowball sampling method. Then the last tracking method is focus group discussion, which carries the discussion concept, and participants do not have to be experts, but those who have a strategic role. Above all, the discussion context should be more specific.

The analyzing stage according [13] is to identify the driver force and the linkage of trends which are following selection from the previous stage, tracking. The analysis used in the first step is analyzing interrelation cross-trends, building scenario, and the effectiveness of scenario communication. In the interrelation analysis between trends, it used cross-impact analysis and causal-loop diagram that will result the strongest dependent and strongest driver. Then it will be described in a timeline scenario of environmental conditions in the planning period. The next step is to set a scenario based on two driving uncertainties which will then become a scenario cross. From a scenario cross, it will produce four scenarios. Furthermore, the final step is the effectiveness of scenario communication, which is delivering scenario very descriptive, thematic or using a title that is easy to remember and a good sequence of stories to tell.

The imaging stage according [13] is closely related to decisional making for future, or it is called a vision. Collins and Porras in [13] divided the vision into two parts, namely an audacious 10 to 30 year goal (vision target from 10 to 30 years) and a vivid description (real description) which usually discusses what will be done when the goal has been reached.

The deciding stage is the formulating step for each strategy of the formulated scenarios. the formulation of the strategy should consider the results of the previous stages, which are tracking, analyzing, and imaging. There are several methods such as WUS (Want, Utilize, Should) Analysis, Cross-impact Analysis, and Causal Loop Diagram. In this study, the researcher preferred to use WUS analysis to evaluate the strategy recommendations that have been formulated.

The acting stage is the implementation step of the scenarios and strategies developed. Based on Lindgren and Bandhold [13], this stage is
monitoring environmental changes, determining processes for sustainable environmental scanning, scenario planning, and evaluating. In this study, it did not reach the acting stage because of the limited capacity and time of the researcher at the research location.

RESULT AND DISCUSSION

According to the theory about scenario planning, it is stated that formal step to set the scenario planning based on Lindergrend and Bandhold is Tracking, Analyzing, Imaging, Deciding, and Acting. Regarding to the five steps, the strategy to develop rural areas in Banyuwangi can be created by the theory of scenario planning from Lindgren and Bandhold [13]. In the first step, Tracking will identify trends, driving force, uncertainties, and strategic issues in the development of agro-tourism rural areas in Banyuwangi which are:

1. Active participation from community in the development of rural areas
2. Agricultural and natural potencies
3. Local custom and cultural potencies
4. "BUMDes Bersama" capital
5. Rural area institution has been created
6. Coordination and synchronization of all rural area stakeholders
7. Community and private involvement
8. Rural area development planning
9. Support from governmental and institutional village (BUMDes)
10. Doing monitoring and evaluation
11. Agro-tourism rural areas are national and regional development priorities
12. Assistance for production and processing machines from government
13. The development of economic cluster
14. Connectivity between clusters and "BUMDes Bersama" business units
15. Increase in tourism destinations and brands of the new processed products
16. Village head replacement (A new village head)
17. Decreasing number of tourists
18. The development of appropriate technology
19. the improvement of road infrastructure in good condition
20. Increasing the availability of production, tourism, and marketing infrastructure
21. Political Stability
22. Government policy
23. The Covid-19 pandemic
24. Market competition
25. Most of village heads have not fully understood about the development of rural areas
26. Limited capacity human resources of "BUMDes Bersama" in marketing rural area products
27. There is a self-centred sense from villages about the priorities of developing rural areas.
28. The roles of villages/BUMDes in developing tourism have not been optimal
29. The roles of technical regional working unit have not been optimal
30. Marketing management of products in rural areas has not been optimal
31. Fishery and tourism village clusters and homestay have not been managed optimally
32. There are no processing and packaging machines for fishery products

After the trends, driving force, uncertainties, and strategic issues are identified, it is followed by analyzing stage which consists of 3 steps; first, analyzing interrelation amongst trends (for overall findings) and strengthened with Causal-Loop Diagram so that it will result Strongest Driver and Strongest Dependence. Second, setting scenario based on the result analysis of interrelation amongst the findings and understanding system of each finding. Third, describing scenario which has been created. Regarding to the list of findings, then it will be analyzed by cross-impact analysis which interrelates 32 items or findings with weighting of qualitative scale values from -2 to 2 which reveals the correlation strength. Afterwards, it is then analyzed with Causal-Loop Diagram to see how many items can affect and get affected. From this, it brings about the Strongest Driver and Strongest Dependence. Furthermore, the result of the strongest driver and dependence is coordination and synchronization for all Officers of rural areas, and the increase of tourism destinations and the brand of new processed products.

Actually coordination and synchronization for all Officers of rural areas have a big impact and influence many items (Strongest Driver). It affects to 19 items and the overall impact strength is 31. While the increase of tourism destinations and the brand of new processed products are the most impacted item, also having the biggest strength of impact (Strongest Dependence). In the increase of tourism destinations and the
brand of new processed products, it is affected by 19 items and overall strength affecting the item is 35.

After the strongest driver and strongest dependence has been detected, then the scenario cross is ready to set for building 4 (four) scenarios with condition faced in the future. There are 4 scenarios including: synergism, less synergy, additive, and antagonist. The 4 scenarios have their own characteristic which can be seen from this picture 3 below:

business process in each side. Even though this view has

According to the figure 3, these followings will explain about 4 conditions of them:

1. Synergism condition (Systemized in the area comprehensively)

It is an ideal condition in the development of rural areas in which coordination and synchronisation for all officers of rural areas have been running well and provided a big impact to increase the tourism destinations and the brand of new processed products. In this step, it can create integration, obvious roles, and clear business process in each side and result an output in the increase of tourism destinations and the brand of new processed products.

2. Less Synergy Condition (Clearly unsystemized areas but having high human resources and economic potentials)

Coordination and synchronisation for all Officers of agro-tourism rural areas have not been optimal which led to have no integration, unclear role distribution, and an obscure not been realized, the high human and economic resources have been managed independently and limitedly by BUMDes Bersama and the capacity to manage agricultural and tourism products has increased so that the Tourist Destinations and New Processed Product Brands experienced an increase.

The sustainability of the Less Synergy condition in the long term will be prone to antagonistic conditions due to limited coordination and synchronization of all officers of agro-tourism rural areas. As a results, the institutions of rural areas do not develop, not have clear development goals in the future, limited access for developing resources, and the emergence of village-centric egos.

3. Additive Condition (Clearly systematic areas but low management of human resources and economic potentials)

Additive condition is clearly systemized areas, but the management of human and economic potentials is low. This can be seen in the
coordination and synchronization of all rural area officers which run well, but it does not have a significant effect in increasing tourist destinations and new brand of processed products. It is because the delay in the management of capturing opportunities or threats going on (opportunities for social trends of community, threats of pandemics, political stability, government policies, market competition, and appropriate technology) so that rural areas cannot compete or lead a decrease in tourists and purchases of BUMDes products.

4. Antagonistic Condition (Unclearly systematic areas and undeveloped human resources and economic potentials)

The lack of coordination and synchronization in all officers of rural areas has an effect on the unmanaged tourist destinations and the lack of brand development for processed products. In this condition, it is the opposite of the condition of synergism and a long term condition of Less Synergy if there are no further development strategies to overcome the challenges faced, especially the lack of coordination and synchronization of all rural area officers which have a negative impact on the development of resource capacity and the strength of products in market competition decreased increasingly.

After the four scenarios have been formulated and described, the next step is to take the imaging stage that is the preparation of a development vision for rural areas, namely “Realizing the Development of Rural Agro-tourism Areas that are Competitive, Sustainable and Creating Community Economic Independence”. This vision was formulated with the consideration of the objectives and principles of Local Economic Development, the condition of rural areas based on the results of the tracking and analyzing stages and the document review of the Rural Area Development Plan (RPKP).

At this stage, deciding means the decision to formulate a strategy based on trends or findings also the interactions, four condition scenarios that have been described, and a predetermined vision. In the strategy formulation in scenario planning, there is no fixed methods or approaches so that in this study the strategy formulation will use the SWOT analysis approach. The use of this method in strategy formulation is due to the quadrant character formed by the scenario cross representing the interaction produced by the matrix of SWOT analysis developed by Kearns (1992) in Zulfitri [15]. For the differences, the strength, weakness, opportunity and challenge variables formed by the scenario cross are derived from two variables with perceived optimistic and pessimistic assumptions (or contradictory). On the other hand, the SWOT analysis uses many variables of strengths, weaknesses, opportunities and challenges obtained through in-depth identification an organization [15]. The similarities in these characters can be seen in figure 4 below:

![Figure 1. The Similarity Illustration of Scenario Cross Characteristics Using SWOT Analysis](image-url)
Based on the picture above, the strategy formulation will collaborate 4 condition scenarios that have been formulated at the analyzing stage which is Synergism, Less Synergy, Additive, and Antagonist with 4 actions or strategies in the SWOT analysis by Kearns (1992) in [15], namely comparative advantage, divestment/investment, mobilization, and damage control. Then it produces 4 main strategies in dealing with 4 condition scenarios in the development of rural agro-tourism areas in Banyuwangi which are optimization, institutional reform, innovation, and survive and develop. The following is an overview of the main strategies going to face:

**Figure 5.** The main Strategies for Developing Rural Areas in Banyuwangi Based on 4 Condition Scenarios Faced.

Based on 4 main strategies in the development of rural areas in Banyuwangi that will be faced, the following are the elaboration of the 4 main strategies:

1. **Optimization Strategy**
   In the optimization strategy, adopting the SWOT strategy called Comparative advantage is to utilize and optimize of strengths and opportunities that are equally strong in order to increase their competitive position, thus enabling the organization to develop better and faster. In the development of rural areas in the synergism condition, the coordination and synchronization of all rural area officers is very crucial and the increase in tourism destinations and brand of new processed products should be strong so that the strategies implemented in any efforts to optimize the various strengths and opportunities that have been owned include:
   a. Optimizing regional, provincial and ministerial government programs related to the development of rural areas because it is one of the national development priorities.
   b. Optimizing coordination in Rural Areas institutions, such as the Rural Area Assistants from the Ministry of PDT (Development of Disadvantaged Areas), the Village Coordination Team of district or region (TPKP), the Inter-Village Coordination Board (BKAD), BUMDes Bersama, and village institutions such as BUMDes;
   c. Developing a synergy of partnerships between BUMDes Bersama; BUMDes; agricultural actors/farmers in coffee plantations, etawa goat milk, and fishery cultivation; community business actors, homestay business actors, financial institutions, and private parties who assist in the processing of products and marketing of tourist destinations and BUMDes Bersama products;
   d. Developing business of BUMDes Bersama as a joint holding. The concept of joint holding in rural areas is to put village communities and institutions as product producers and product
managers. Meanwhile, the role of BUMDes Bersama is to make product and tourism brands, then market them;
e. Building a business process in implementing rural areas so that it can increase the synergy of partnerships in rural areas;
f. Developing a planning, budgeting, monitoring and evaluation system for rural area development routinely;
g. Developing the capacity and range of marketing in order to increase competitiveness in existing market competition with marketing improvement through e-commerce and partnership with local governments and private parties in increasing product marketing;
h. Increasing collaboration with related institutions (by training, mentoring, training, etc) to improve the human resource capacity of BUMDes Bersama or between BUMDes and the community.
2. Institutional Reform Strategy
The Institutional Reform strategy adopts the SWOT strategy called Divestment/Investment, which is a condition in which organizations have great opportunities but the organization does not have the ability or strength to take advantage of these opportunities. As a result, it needs organizational improvement starting from consolidation, improvement, changing perspectives, and eliminating the causes of problems in the organization. This condition occurs in the Less Synergy condition scenario where the coordination and synchronization of all rural area officers are very weak but the management of the potentials for tourism destinations and the development of processed product brands have been carried out independently by BUMDes Bersama, BUMDes and villages even though they have limited resources. Based on these conditions, Institutional Reform can be a good strategy by reforming rural area institutions starting from consolidation, improvement, changing perspectives and eliminating the causes of problems in the institution. The followings are the strategies of Institutional Reform:
a. Strengthening relations and coordination within rural area management institution, like the Village Coordination Team of district or region (TPKP), the Inter-Village Coordination Board (BKAD), BUMDes Bersama, and village institutions such as BUMDes.
b. Building a business process in implementing rural areas so that it can increase the synergy of partnerships in rural areas;
c. Organizing regular partnership forums between agro-tourism management institutions with agricultural actors/farmers in coffee plantations, etawa goat milk, and fishery cultivation; community business actors, homestay business actors, financial institutions, and private parties who assist in the processing of products and marketing of tourist destinations and BUMDes Bersama products;
d. Building interactive, effective and efficient communication patterns to encourage active participation of the community and village institutions (village government and BUMDes), because villages and communities are the main drivers of the success of rural area development, in order that understanding related to rural area development can be understood by all village heads and elements of the community so that there is no egocentric in each village;
e. Develop a planning, budgeting, monitoring and evaluation system for rural area development routinely;
f. Building an adaptive and easy investment mechanism through regulation in order to attract the attention of investors to be interested in contributing to the development of an agro-tourism village area in Banyuwangi.
3. Innovation Strategy
In the Innovation strategy, adopting the SWOT strategy called Mobilization is a condition where the strength of the organization is high, but at the same time the challenges or threats of the organization are far greater than the opportunities that exist so that there is a need for efforts to mobilize organizational resources to weaken these external threats and then change the threat into an opportunity. This condition occurs in the additive condition scenario where the coordination and synchronization of all rural area
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area officers is very strong but they do not yet have management of the potential for tourist destinations and the development of the Processed Product Brand. Based on these conditions, the strategy that needs to be taken is Innovation. Innovation is a strategy to develop rural areas through the optimization of rural areas through innovation, diversification and optimization of management infrastructure, so it is able to turn the threat into an opportunity. The followings are the strategies in innovation:

a. Optimizing regional, provincial and ministerial government programs related to the development of rural areas because it is one of the national development priorities;

b. Building a business process in implementing rural areas so that it can increase the synergy of partnerships in rural areas;

c. Building interactive, effective and efficient communication patterns to encourage active participation of the community and village institutions (village government and BUMDes), because villages and communities are the main drivers of the success of rural area development, in order that understanding related to rural area development can be understood by all village heads and elements of the community so that there is no ego centric in each village;

d. Building partnership with the mainstream media to promote tourist destinations and products in rural areas;

e. Creating innovations in developing the potential of existing resources and managing potential into new products, product diversification, and developing tourist destinations that can attract tourists;

f. Improvement of infrastructure to support the management of rural areas such as supporting infrastructure for area access, tourism infrastructure, processing equipment and packaging for agricultural products (coffee, etawa goat milk, fisheries, and community business products), so it can provide support for village institutions (village governments and BUMDes) in developing new tourist destinations, and developing agricultural products that are superior in rural areas.

g. Building an adaptive and easy investment mechanism through regulation in order to attract the attention of investors to be interested in contributing to the development of an agro-tourism village area in Banyuwangi.

4. Survive and Develop Strategy

This adopting the SWOT strategy called Damage Control is a condition where it is a very unfavorable condition for the organization because of facing various internal threats and weaknesses so that it is necessary to fix the losses and existing resources. This condition occurs in the Antagonistic condition scenario in which the coordination and synchronization of all rural area officers are very weak and the management of the potential for tourism destinations and the development of Processed Product Brands has not been properly managed. Based on these conditions, the strategy that needs to be taken is Survive and Develop. This strategy reviews the management of rural areas that has been carried out, improves institutional and management policies as well as reformulates institutional and management processes. Here are the strategies in Survive and Develop:

a. Creating an evaluation and prevention team to evaluate the system or process of rural development starting from planning, production, coordination and partnership forums, processing, marketing to the implementation of previous monitoring. In addition, the evaluation and prevention team functions to reduce systemic negative impacts from the damage such as environmental damage, decrease in tourists, decrease in community trust, decrease in agricultural production, and discord among villages.

b. Carrying out research and development in the implementation of rural area development, so it can result institutional restructuring, Rural Area Development Plans (RPKP), partnerships, business processes, and development needs.

c. Strengthening policies such as regulations for the development of rural areas and the results of restructuring the development of rural areas.
CONCLUSION

Based on the results and discussion, it can be concluded that coordination and synchronization of all rural area officers have a great influence on the development of rural areas. Meanwhile, the increase in tourist destinations and new processed product brands have a very large dependence on other items. Regarding to these two items, after the scenario cross is described, four scenarios will be found, which are: Synergism Conditions (Systemized in the area comprehensively), Less Synergy Conditions (Clearly unsystemized areas but having high human resources and economic potentials), Additive Conditions (Clearly systematic areas but low management of human resources and economic potentials), and Antagonistic Conditions (Unclearly systematic areas and undeveloped human resources and economic potentials).

Moreover, from these 4 scenarios there are 4 strategies formulated in response to these conditions called Optimization strategy (optimizing conditions for Synergy), Institutional Reform Strategy (handling of Less Synergy conditions), Innovation Strategy (handling Additive conditions), and Survive and Develop Strategies (handling conditions Antagonist).

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