# ECONOMICAL GROWTH AND SOCIAL FACTORS ON SATELLITE CITY IN SAMARINDA CITY EAST KALIMANTAN

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**Abstract**: City of Samarinda, that held the position as the capital of East Kalimantan province has the potential to be the centre of economical growth, which consequences as the center of commerce, government and social services on a regional scale of the long-term development plan for 25 years (2005-2025). The mix methods conducted between the Delphi SWOT analysis and inferential hypothesis testing with structural equation model approach. There were five public focus identified for the priority attention on the importance of sustainable satellite city and the theme that prioritized and was got the highest value of the theme of potential on satellite city development that held 84,60% of the votes. Thus, hypothesis test results known that there were several factor that becomes the influence of social and economic factors on satellite town formation. Analysis results was obtained witht value = - 3.18, and 2.25 there were social and economic factors that influenced on satellite city. Nevertheless, from hypothesis concluded that there were various factors such as, social, political, economic, land, and culture that influence for a satellite city, with the  $R^2 = 0.425$ . The superior dimension of variable has influenced include the economical invest and good water for people at large, with  $r_{value} = .254$ .

Keywords: economic and social factors, sustainable satellite city

### INTRODUCTION

As the provincial capital city of samarinda east Kalimantan having broad land area around 718 sq. km divided into six sub-districts i.e., sub-districts Palaran, Ilir of Samarinda, Samarinda Ulu, Kunjang river, Samarinda Seberang and North Samarinda than village in the city of samarinda have 53 village. All municipalities Samarinda bordering directly with district Kutai Kartanegara. The population in Samarinda city had 727.500 people, `maketh largest city of Samarinda as the city of around East Kalimantan. In line with long-term development plan 25 years (2005-2025) with aspiration make Samarinda services city, as a city industry trading and settlement environmental and development in the rapid Samarinda development only the downtown, concentrated so city becomes increase more rapid.

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In accordance with the city of samarinda as the capital city, it required support from the surrounding the bases of development of the city such as sub-district of Samarinda across sub-district and Palaran. Therefore, needed scientific study in conducted the city and eligibility for satellite as a support to the city of Samarinda. Those four sub-districts widened results include in the town, Kecamatan Samarinda Kota, Kecamatan Loa Janan Ilir, Kecamatan Sambutan, Kecamatan Sungai Pinang. According to the description above then required in Kecamatan Samarinda Seberang, Loa JananIlir dan Palaran be a satellite city. Furthermore the factors that can be major consideration in the development of a satellite city, in building industry that can attract investment and the power of business is economic factor which includes sustainable; the needs of people, growth and the intensity of capital market, while factor political considerations social; regulation covering the satellite city government, community support in the city and ethics that develops community (Pearce and Robinson, 2013). According to Besser (2008); need reck economic fluctuation in a small town on the quality of life and social capital the occurrence of a sudden economic fluctuation cause a significant impact on the local economy. Crisis consensus would be followed by increases social capital and quality, from a small town life found that economic turbulence not associated with decreased or resources social quality of life.

The problems formulation, this research has never done and become important considering that the Samarinda city having the main function as the center of the provincial capital and the center of trade and services, with a increase more rapid. The research question in this research study, pertain: what factors necessary to establish the satellite city administratively, population and economic potential ?

An objectives, based on the issue of over, the study aims to find out the feasibility of wilayah Kecamatan Samarinda Seberang, Loa JananIlir andPalaranto become satellite city for the provincial capital of east Kalimantan namely Samarinda. To achieve this aim, pertains: 1) Identify the existing conditions in the opposite side of Samarinda Seberang, Loa JananIlirdan Palaranpopulation and covering the aspects, the economic potential, the availability of public facilities and social, facilities and infrastructure, the ability of financing, in order to land management. 2) Identify the needs of the future for the district of kecamatan Samarinda Seberang, Loa JananIlir dan as satellite city.

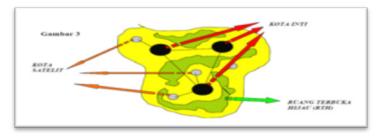
### LITERATURE REVIEW

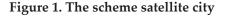
This section looks at the various definitions of role pay attention to the bases of development of the city, the sustainability of nature and culture of engineering have established a reliable waking up with the results of engineering stressed the limit physically, between occupancy and the natural surroundings on sustainable satellite city, that was have the purpose of sustainable life.

Sustainable satellite city, can have the purpose of sustainable life can be done with an emphasis on innovation that progressive with natural. As to the interests of the general public, under the jurisdiction of the environment and sustainable settlement, with the use of recycled materials, smart and thermal glass and glass with karaketristik the reduction of heat, a method of construction with energy efficiency, and use of solar cells and solar energy (Wines, 2000: 11). Furthermore in an engineering building should look up the environment by in nature according by Ando in Jenck and Kropf (2003), sensitivity to pay attention to the sustainability of nature and culture of engineering have established a reliable waking up with the results of engineering stressed the limit physically, between occupancy and the natural surroundings. Not having a clear demarcation between spatial outside and inside, but instead they each other.

The city of the satellite could be designed with the concept of sustainable megastructure, by using a large order the activities of community activity where a variety of functions would be integrated. There are three the main thing that can give great hope that includes: 1) Engineering on the environment and climate control system, 2) Having the structure of multi function, 3) Having systems investment in infrastructure. (Maki in Jenks, 2000: 227-228). Next to create sustainable according to the world according to Ryn and Cowan in Jenk (2000), said to transform the form of architecture, agriculture, through detailed engineering and technology with a deep understanding of ecology.

According to the scheme satellite city of Public work of Indonesian (2006: 3), can be seen from figure 1 below:





Satellite city could include of small towns are designed in the suburbs a nucleus city (of a city having capacity greater). The main objective of satellite city design this is to be able to divide the expense core city a result of the development of

cities which is very fast both from the aspect of population growth and economic investment growth that causes increase the level of the activity of city people the nucleus. Drafting of the satellite can be a an effective. Design a sustainable satellite city can make fair distribution area development, on satellite city that can give capacity to the city of the nucleus. According to Burnham in Gallion and Eisner (1992) plan in an urban development be great to create a beautiful city. In the development of a city said Gallion and Eisner (1992) should observance of some significance include: (1) City planning, trade, as the city, (2) Regard for conditions monumental area, (3) An arrangement of building regulation need for reliable; (4) City zonning system appearance. (5) Seek human environment in the city (6) Search the city scale with human environment (7) Function by reducing congestion density and land used planning. (8) A common vision, history, culture and social, spriritual and retained.

Satellite city and the basis of sustainable urban planning.

Basic city planning of satellite city pertain dimensions need to pay attention to sustainable urban planning that includes: (1) Urban hirarkie condition, (2) In the interests of the community with the function of considering the aspect of art and knowledge, (3) Planning effective against the earliest people living in the city, (4) Historical background, (5) The land used planning of the city, (6) The use of the authority of the maintenance of order, (7) Local zoning, thought and attention to good use, (8) Facilities management of the growth of the city, (9) City land reserve, (10) Change the interpretation of the law, (11) Zoning upward and downward as well as land ownership, (12) The act of adminisitrative and the law, (13) The public welfare, (14) The character of the environment, (15) Aesthetically consideration, (16) Regulations allow, (17) The transition period. Gallion and Eisner (1992).

The practice of environmental concern on the satellite sustainable city

The practice of environmental concern on the satellite sustainable city said Gallion and Eisner (1992), that attention to environmental aspects of agricultural land, open space, the form of plants, a city park, the condition of animals, it was not in spite of the social environment, the economy, political have an impact on the quality and the growth of the physical environment. The development of ecological aspects need to city analysis, in the city on satellite sustained interaction, against a residential area around the city settlements with system that is a natural supported. Planning to prevent impact, attention on the environment and research the impact of a whole, that factors were quite strong concern on a sustainable city satellite.

#### METHODS

The performance value of the city an area of the form of a problem, it is because of difficulties in developing as a reliable and valid, of Delphi the content is based on the method applied to some purpose, as in the development of the guidance of judgment, competence and an aim of this is to develop the potential for development in the use of new techniques Delphi modified in the formation of two new satellite city's simulation. (Can J Anaesth. 2007)

This model to test the most dominant variable impact on the formation of city satellite, either by the formation of independent variable satellite city, and by the core of the city with variable the indicator most dominant. This research was conducted a model of the equation of structural (SEM) Wijanto (2008), Susilo and Limakrisna (2012). From a model research can be conducted a test a hypothesis that can test the influence and the level of significance between endogenous variable variable exogenous with. Furthermore the greatest value of an indicator can be seen most better estimaate level, and see how fit the model formed. The influence of the city core and the existence of Samarindakecamatan (Samarinda Seberang, Loa JananIlir and Palaran) that will be developed against the formation of new satellite city of sustainable, and having the hypothesis as follows:

## Research hypothesis

There are influences Nucleus Cities and the existence of sub factors Samarinda Seberang, Loa Janan Ilir, and Palaran) towards formation of sustainable the Satellite City.

## **RESULTS AND DISCUSSION**

The results of research on the model of structural model equations includes; mathematical equation structural equation and models sustainable satellite city can be seen from figure 2 below this, and model mathematical equations the results of research sustainable satellite city can be seen on similarities below

KSB = 0.29\*KI - 2.22\*FS + 1.94\*FE - 0.51\*PE - 0.28\*FL - 1.93\*SB + 3.42\*SL, (1)

Furthermore the output of research model can be seen from figure 2 under it:

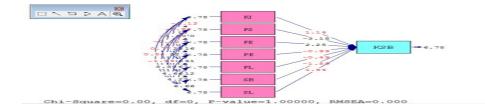


Figure 2. The Research Model of Sustainable Satellite City

Such an the outer covering of fittings model pertain; goodness of fit statistics, fit function minimum chi-square = 0.0 (p = 1.00), normal theory weighted least squares chi-square = 0.00 (p = 1.00). The model is saturated, the fit is perfect. Furthermore go brainstorm based on the results with the community leaders by applying a technique FGD (focus group discussion) that is guided and in direct by the research team is as follows, that can be seen in table 1 below:

Table 1Five focus attention to sustainable satellite city

No	<i>The five priority to focus attention on the importance of the sustainable satellite city</i>	(%)
1.	The potential satellite city: the formation of sustainable population growth, industry and economic growth, land capacity, optimism the community, the mobility of high society, of agricultural products, mining, investors, the history of the city, creative economic growth, waterfront potential mahakam river was, connectivity to other regions.	84,6%
2.	The mechanism of city- urban planning with the base that reliable.	61,5%
3.	Sustainable infrastructure: the condition of the road, water way, sewer rainwater, controlling of canal floods, and properly modern market a business center and services.	61,5%
4.	The Satellite city that properly in well-ordered	53,8%
5.	The government in the interests of the public attention	30,7%

The testing of hypotheses variable- between variables feasibility sustainable study satellite city. Test the hypothesis; analysis aims to test the hypothesis which says there is the influence of factors for social to the establishment of the satellite city is sustained. The results of the analysis obtained t = -3.18. Thus t significant (t > -1.96). Then it was concluded that influence them were found (however significant the value of p = 0,002 < 0.05, so inverse direction), for social factors to the establishment of the satellite city. Next on the outcome of research Wu (2010) has pertaining to of social economy on the utilization of the public with a value of history promotes regeneration building history by economic activities as a means of producing gain social- the economy has become a global trend. But because of financial resources and management of community technology a limited how the reuse and management that have been undertaken in the area of historical buildings through the concept of public-private partnership (ppp) the result of which can benefit to investors and the wider community. Then according to Gradstein (2002)

in his research about their level of education social cohesion and growth state of relationship between social cohesion education and growth examined in the context of a dynamic model in which productivity on aspects of socio-economic depending on the distance between the individual as a function of income in a group of social. Thought in research Watkins (1994) about the growth of industry and social aspects that are vulnerable social conflict p; erlu got perhatiaan for the development of the city, with an emphasis in development strategy should switch to the local infrastructure improvements, service, social and cultural. Must also be a strategy to overcome the more diverse and the root of problems in social unrest and a culture that emerged between the new residents and a native. According to Pearce and Robinson (2013), social- political factor that becomes consideration principal in building a strong industry in a city covering aspects; local government regulation, community supported in city and standards of social ethics in the city.

Test the hypothesis; analysis is intended to test hypotheses there is the influence of factors sustainable economy for the establishment of the city satellite. The analysis results obtained t = 2.25. Thus t significant (t > 1.96). And concluded that there is the influence of significant economic factor for the establishment of sustainable satellite city. This research result in line with the thought according to Pearce and Robinson (2013), factors into consideration economic factor in building a powerful and powerless competitiveness of industry that includes people; the level of the needs of sustainable city, the growth of venture capital market and the intensity level. Then the results of research from Ogujiuba et al, (2012) show that the study found that political liberation, government investment, the maintenance of fiscal discipline and the exchange rate stability for economic growth has positive impact. According to Tang (2010) said that channel of social mobility—institutional systems that coordinate the performance of individuals and groups can affect national economic growth because this underlying incentive market structure interaction between the incentive structure and in economic development and institutional economic growth to eliminate discrimination with a moral unfair but also economically will be expensive. Even thought research result by Casey (1998), said declare in the era of globalization, necessary economic policy institution and the growth rates region, and conclude that policy institution nations, in accordance with the context likely to be more successful and explore the implications of national argument about the ability to adjust to the changes brought by the current globalization. Furthermore performance of the economy was strongly influenced by the technology of the company, according to Lynskey (2004), while many of the empirical research has been conducted in Western countries on the performance of the economy and the influence of technology on an organization's culture and character of the company on the company who is just starting his business. The Hypothesis; the analysis aims to test the hypothesis

that there is the influence of core variables, environment, social, politic-economic, land use planning, economic, and cultural history simultaneous on the formation of satellite city development. Analysis of the results obtained; P value =. 002. Then there is the influence of simultaneous significantly throughout the free variables of the variable formation of new satellite towns continuing.

### Testing the Dimensions Between Research Variables

Test dimensions correlation between variable research satellites city sustainable, eligibility of the city intended to infer dimension that priority has been set full attention to the implications of managerial result of the research and determine the scale of priority categories for step the strategy for urban development project satellite city that sustainable. This test dimensions variable conducted by Pearson correlation with spss, employing correlation with the result can be seen in table 2 below. By taking into account the result that significance at first, test hypotheses on variable economic factors (FE) having two dimensions pertain FE<sub>1</sub> (which contains the level of activity business activities) and FE<sub>2</sub> (which contains the level of investments). Variable economic factors (FE) influential significantly on variable sustainable satellite city (KSB) consisting of dimensions: KSB<sub>1</sub>, KSB<sub>2</sub>, KSB<sub>3</sub>, KSB<sub>4</sub>, KSB<sub>5</sub>, KSB<sub>6</sub>, KSB<sub>7</sub>, KSB<sub>8</sub>, KSB<sub>9</sub>, KSB<sub>10</sub> dan KSB<sub>11</sub>.

Based on the output covering conducted matrik test correlation test Pearson correlation spss, then shall be knowable value r (er) the most large and significant contributions will provide managerial implication that has priority attention. Then the next one could be observed value r (er) the most large and significant correlation on matrik Pearson spss, is on the dimensions, that can be seen in table 2 under this:

	Sustainable of Satellite City						
Variable	Dimensions	KSB <sub>1</sub>	KSB <sub>2</sub>	$KSB_4$	KSB <sub>5</sub>	KSB <sub>7</sub>	
ECONOMIC	FE <sub>1</sub>	.149	.057				
FACTORS	FE <sub>2</sub>			.135	.177	.254	

 Table 2

 Dimensions of Significant Research Variable

By refer into account the dimensions matrik (er) in the lead with a variables KSB, the implications for priority relationship between  $FE_2$ -KSB<sub>7</sub>, the level of investment for the supply of sustainable raw water, the level of investment  $FE_2$ -KSB<sub>5</sub> (as a center for development) a service business,  $FE_1$ -KSB<sub>1</sub> (of business activities

on the urgency of a new sustainable satellite city). The level of investment for  $FE_2$ - $KSB_4$  and industry non-polutan,  $FE_1$ - $KSB_2$  (the business a connectivity on activities of the system by the middle of the sustainable satellite city).

# CONCLUSION

- 1. Found there are 10 focus for attention of public priority areas of the importance of sustainable thoughtfulness about satellite city, a theme that is a priority and having highest weight namely by 84,60% were the theme about the potential satellite city, the formation of sustainable. This theme containing aspek- aspects as follows pertain; population growth, industry and economic growth, land capacity, optimism the community, the mobility of high society, of agricultural products, mining, investors, the history of the city, creative economic growth, waterfront potential Mahakam river was, and connectivity to other regions.
- 2. By conducted of a method of Delphi and SWOT analysis obtained 5 important things pertaining to plan the establishment of sustainable new satellite city, included: (a) The arrangement of land with good aspects. The aspect of the land in the area of land and satellite city candidates are controlled by private parties. Housing: are still many aspects of the slums of the arrangement so that required better housing. (b). Developed the blueprints need to plan a special area of sustainable economic development. (c) Necessary real work programs descended from visi-misi micro and in the development industry of UKM, to improve income support the community and local tourism sector and improve the industry creative economy. (d) Require dan acceleration of infrastructure development, conducted sliding scale of priority to the formation of the city has sustained by the budget is based on capability sufficient city and budget APBD. With its infrastructure more better, will stimulate economic growth and the population as one of the capital city has sustained. (3) The test hypotheses as follows: then may conclude that the existing prediktor only variable of factors social was influenced (opposite direction) and variable influenced of economic that it was a significant contribution to the establishment of a sustainable, and simultaneously the independent variable influence significantly to the establishment of a sustainable. The research was have of models to fit the respondents data in the town of Samarinda.

### Recommendations

The recommendations of the results of this research includes (Asri, et. al, 2013) : (1) The formation of the city of the satellite should be involving factors sustainable social factor of social economic blue print of city planning in the process of sustainable satellite city (2) Priority attention the regional government is about

the importance of sustainable satellite city, is the theme about the formation of the potential sustainable satellite city. Containing aspects of this theme; population growth is as follows, industry and economic growth, land capacity, the spirit of optimistic people, the mobility of high society, of agricultural products, mining, investors, the history of the city, creative economic growth, the potential mahakam river waterfront, connectivity to other regions.

The list of priority projects and implementation on the 8 main categories, can be elaborated in the public in table 3 below:

No	Project	Priority			
		1	2	3	4
1	Industry and economic growth	$\checkmark$			
2	Human Resources Development	$\checkmark$	$\checkmark$		
3	Land used planning & Land banking			$\checkmark$	
4	The spirit of optimistic people	$\checkmark$			
5	Infrastructure	$\checkmark$	$\checkmark$		
6	Nature resources		$\checkmark$		
7	Investment	$\checkmark$	$\checkmark$		
8	City historical and watrfront city development		$\checkmark$	$\checkmark$	$\checkmark$

### Table 3 Project Priority for Implementation

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