



Economic Development Strategic of Islamic Boarding School Through Protectionism Policy at Al-Islam Agricultural Technology Islamic Boarding School in South Kalimantan



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Abstract. The number of Islamic Boarding in Indonesia called by pesantren currently reaches 28,518 with 4,354,245 students. However, with this abundant number of pesantren, only 90.48% of the 11,686 schools already have business units in 2020 and 2021. The data shows that there are still many pesantren that do not have business units. In order to maintain the sustainability of pesantren and maintain their resilience as educational and religious institutions, pesantren must be able to be independent in managing their economy without relying on outside parties to avoid intervention. Through the protectionism policy, it is hoped that the pesantren will be able to form a fortress for the Pesantren economy itself by limiting outside competitors to fill the economic sector of the boarding school by maximizing its resources. The purpose of this research is to analyze the strategy of the protectionism policy for the economic development of Pesantrens at Al-Islam Agricultural Technology Pesantren. The research method used in this research is a qualitative method with a combination of interview and questionnaire techniques with SWOT (Strength, Weakness, Opportunity, Thread) analysis techniques. The data in this study were collected through interviews with the boarding school staff, observation of the activities of the Pesantren Business Management Agency, and questionnaires for internal and external factor analysis. The results of this research indicate that the protectionism policy run by the Al-Islam Agricultural Technology boarding school shows that the policy is in quadrant 1 because the values of Y and X are more than 0. Which means that the policies being implemented have opportunities and strengths that can be utilized, the strategy that must be applied in this situation is to support aggressive growth policies in the form of SO (Strength-Opportunity) strategy.

Keywords : Economic Development; Protectionism; Pesantren; Strategic

1. Introduction

Islamic boarding school also commonly known as Pondok Pesantren, is an educational and religious institution that functions as a gathering place for religious thinkers to develop and spread Islamic knowledge. According to data from the Indonesian Ministry of Religious Affairs (2020), the number of Islamic boarding schools in Indonesia currently reaches 28,518 pesantren with 4,354,245 students. Islamic boarding schools have great potential in the development of Islamic economics, especially the halal industry which covers all sectors (Raadani, Hasanah, and Irfany 2022). However, according to data reported by kemenag.go.id in 2020 and 2021, only 90.48% of the 11,686 pesantren already have business units in 2020 and 2021.



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The weakness of pesantren in keeping up with the times can be seen from the number of pesantren that have been forced to stop operating or operate modestly without any development in educational services due to limited funds, this is in line with what Haryono as an Analyst of the Sharia Economics and Finance Department of Bank Indonesia revealed that until now pesantren still experience obstacles in developing their economy, These obstacles are in the form of limitations in entering market access as a newcomer in selling production products, limited connections, both in terms of supply and demand and limitations in the ability to increase economic capacity, these various obstacles make the economic independence of Islamic boarding schools experience limitations both in terms of governance and ability to develop the pesantren economy (January, 2018).

As an independent educational institution that wants to be free from the intervention of other parties, pesantren must be able to create financial independence to support the needs of educational facilities and services. This is the reason why many pesantren develop business units to create their own economic independence. In order to overcome these obstacles, the majority of pesantren use a protectionism policy system in order to protect their products. Protectionism in a narrow sense is a system that focuses on utilizing internal resources and independence to achieve the goal of economic independence that focuses on the existence of the pesantren itself, it also functions as a form of protection for businesses or economies that are being planned, structured, or even run. (Fathony et al., 2021) Protection economics targets to maintain the sustainability of a company by protecting it from problems related to products, management, and sales caused by outside competitors. Economic protection policies have been able to increase producer prices, production quantities, producer surplus, and significantly reduce the need for imported or similar goods outside the company. (Hadi & Nuryanti, n.d.).

In general, protectionism has several models, including: 1) Tariff barrier, which is a policy carried out by imposing high import duties on incoming imported production goods. 2) Bounties payment, which is a policy carried out by subsidizing domestic industries with the aim that the selling price of domestic products can be reached by the public. 3) Non-tariff barrier, which is a policy in the form of regulations such as prohibiting imports, import restrictions and others. 4) Research and development costs, namely the provision of assistance in the form of research and development costs to optimize existing resources.

one of the advanced pesantren in its protectionism policy is Pondok Modern Darussalam Gontor Ponorogo (Achmadi, 2021) which has dozens of business units, protectionism itself is a form of strategy as a protection for pesantren economic activities in the face of free market competition. Protectionism aims to maintain the sustainability of a pesantren by protecting it from problems related to products, management, and sales caused by external competitors.

In developing business units, there are various types of businesses that can be developed by Islamic boarding schools including agribusiness, services, trade and industry. (Fasa, 2015) In developing pesantren business units, it requires the ability of pesantren managers to read, utilize and manage the resources owned by pesantren, both natural and human resources. Based on preliminary observations that have been made, researchers found that one of the boarding schools that implement it is the Al-Islam Agricultural Technology Boarding School. This is evidenced by the application of the protectionism system in creating the pesantren's economic independence through the establishment of

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business units as an instrument in carrying out the protectionism system which functions to protect the pesantren's economy in order to create economic resilience as a pesantren's effort to maintain its existence.

2. Methods

This research was conducted at the Al-Islam Agricultural Technology Boarding School located in Kambitin Village RT.02 Tanjung District, Tabalong Regency, South Kalimantan Province. The type of research used in this research is field research, sampling of data sources is done purposively and snowball, data collection techniques with triangulation (combined), data analysis is inductive / qualitative and qualitative research results emphasize meaning rather than generalization.(Setiawan, 2018) In collecting the data needed in this study researchers used several methods, namely: Interview, Observation Questionnaire, Documentation, Documentation. To process data that has been obtained from interviews, observations and documentation, researchers process the data with techniques: Data Selection or Data Categorization, and Data Interpretation.

In addition to using data analysis techniques using the Miles and Huberman model, researchers also use SWOT analysis as a continuation of the previous analysis in order to maximize the potential possessed by the boarding school, SWOT analysis is basically an acronym or abbreviation of 4 words, namely strengths, weaknesses, opportunities, and threats. This SWOT analysis is a method used to evaluate these four things in a business plan.

The factors that have been determined are then applied in the form of a SWOT matrix, the application of which is 1) How strengths can take advantage of opportunities. 2) How to overcome weaknesses that prevent advantages from existing opportunities. 3) How strengths can deal with existing threats. 4) How to overcome weaknesses that can make threats real or create a new threat.

Internal factors are entered into a matrix called the internal strategic factor matrix or IFAS (Internal Strategic Factor Analysis Summary). External factors are entered into a matrix called the external strategic factor matrix EFAS (External Strategic Factor Analysis Summary).

Table 1 External Strategic Factor Analysis Summar (EFAS)

External Strategic Factor	Scoring	rating	Scoring X Rating	Description
Opportunity	X	X	X	
Amount	X	X	X	
Threats	X	X	X	
Amount	X	X	X	
Total	X	X	X	

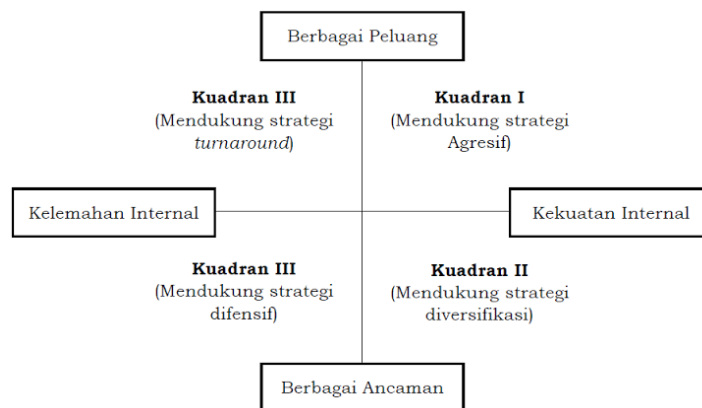
Source: *Fredi Rangkuti (2004:18)*

Table 2 Internal Strategic Factor Analysis Summar (IFAS)

Internal Strategic Factor	Scoring	rating	Scoring X Rating	Description
Strength	X	X	X	
Amount	X	X	X	
Weakness	X	X	X	
Amount	X	X	X	
Total	X	X	X	

Source: *Fredi Rangkuti (2004:18)*

Then the analysis of internal and external factors will produce conclusions that are illustrated through a SWOT Analysis diagram consisting of 4 Quadrant areas (Rangkuti, 2004) as shown below.



Picture 1 Analysis SWOT Diagrams

based on its internal and external factors using the qualitative approach of the swot matrix as by Kearns, (1992) displays eight boxes, namely the top two are boxes of external factors (opportunities and challenges) while the two left boxes are internal factors (strengths and weaknesses). The other four boxes are strategic issues that arise as a result of the intersection of internal and external factors. The analysis of internal and external factors can be described as follows:

Table 3 SWOT Matrix Diagram

IFAS EFAS	Strength (S)	Weaknesses (W)

Threat (T)	ST Strategy Use S to avoid T	WT Strategy Minimize W and avoid T
Opportunity (O)	SO Strategy Use S to avoid O	WO Strategy Overcome W by utilizing O

From the analysis of all existing internal and external factors, four types of strategies with their respective characteristics can be produced (Nisak, t.t.), namely as follows: 1) SO (Strength-Opportunity) strategy. 2) WO (Weaknesses-Opportunity) strategy. 3) ST strategy (Strength-Threats). 4. WT (Strength-Threats) strategy.

3. Results and Discussion

3.1. Identification of Internal and External Factors

Identification of internal and external factors that researchers have obtained are grouped according to their factors to carry out Internal Factor Analysis Summary and External Factor Analysis Summary as follows:

a. Strength

The protectionism policy carried out by the Al-Islam Agricultural Technology boarding school has several strengths in supporting the boarding school's goals in achieving economic independence, these strengths are:

1) Dependence on external pesantren products is reduced.

Through the implementation of the protectionism policy where the pesantren business unit is required to meet the needs of the pesantren community consisting of teachers and students, the pesantren does not always depend on external products originating from outside the pesantren. With this, the boarding school is also able to obtain operational funds from the sale of pesantren products so as to create pesantren economic independence.

2) Adequate facilities and infrastructure.

Facilities owned by pesantren through assistance from cooperation with external parties, including solar panel infrastructure, learning about entrepreneurship and fishery and livestock businesses. These facilities and infrastructure can be a potential strength that can be utilized by pesantren in developing protectionism policies in pesantren.

3) The entrepreneurial insight of santri and teachers increases, through empowerment in the management of business units.

The participation of santri and teachers in the management of business units is expected to increase their insight into entrepreneurship in the future, thus it is also

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expected that they can become cadres in forming professional business people who help the boarding school in developing business units as an effort to achieve pesantren independence.

b. Weakness

In achieving the goal of economic independence, the protectionism policy carried out by pesantren still has shortcomings, including:

1) The number of competent human resources is still lacking.

Several business units developed by the Al-Islam Agricultural Technology Boarding School are still relatively new because the collaboration established by the boarding school has just been formed, therefore the human resources at the boarding school consisting of students and teachers are also new to the types of businesses run by the boarding school through this collaboration so that their knowledge and experience are still lacking in running existing businesses.

2) Product innovation is still lacking.

The products owned by the boarding school are still classified as raw products in the form of fish and vegetables sold to the cottage kitchen only, while there are still many innovations regarding products that can be explored from the basic ingredients of fish and vegetables that can be processed to be resold as processed products.

3) Capital constrained businesses.

The business owned by the boarding school is in a stagnant position because the business capital owned by the business unit is only able to cover routine operational costs, while for business development it is still lacking because the existing profits are turned back into capital for routine activities such as purchasing feed and fertilizer.

c. Opportunity

There are several opportunities that can help boarding schools in carrying out protectionism policies, these opportunities come from the external environment of the boarding school. Among them:

1) Cooperation with the private sector and the government in developing pesantren resources.

Through their cooperation, boarding schools have the opportunity to get training and expand the area of the pesantren commodity marketing network, so that pesantren can increase the competence of human resources and increase commodity sales through a wide market network.

2) Consumers from students and communities who tend to be consumptive.

The implementation of the protectionism policy at Al-Islam Islamic boarding school causes limited products and outside traders to enter selling at the pesantren, therefore visiting santri and walisantri can only shop at the santri cooperative and stalls where this causes the purchasing power owned by the santri to be channeled to the pesantren-owned business unit, as well as the

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santri kitchen which buys fish and vegetables to the pesantren-owned business unit to meet the thousands of servings of santri meals a day.

3) Support from the surrounding community in improving product quality.

The support provided by the community in improving product quality in the form of criticism and suggestions is an opportunity that must be maximized in the form of openness to constructive suggestions and criticism to continue to improve the quality of pesantren-owned products.

d. Threats

The threats posed by the protectionism policy carried out by pesantren do not only come from external factors of pesantren, but also come from internal factors in the form of the inability of pesantren to utilize their strengths and opportunities. Where if the existing strengths and opportunities are not utilized, it can turn into a threat to the pesantren in the future. As for the threats to protectionism policies that come from external factors are:

1) Competitors with similar commodities around pesantren.

The location of the boarding school in the village of Kambitin, which is a village assisted by the fisheries service so that many of its residents are fish farmers, especially tilapia and catfish, is a competitor in the market for the fisheries business unit owned by the Al-Islam Islamic boarding school.

2) Fluctuating raw material prices, thus affecting product prices.

The price of raw materials in the form of fish and goat feed and agricultural fertilizers often experiences a surge which makes production prices increase so that it also has an impact on the increase in the price of pesantren-owned business commodities, this is done so that the business unit can cover operational costs.

3) Demand in the pesantren is higher than the availability of products.

The needs of the santri kitchen for fish and vegetable commodities to meet the needs of santri meals have thousands of portions a day, with the amount of demand for these needs, the fisheries and agriculture business unit sometimes still has difficulty in meeting the demands of the santri kitchen because the number of human resources who manage the fisheries and agriculture sector is still lacking so that the business unit still experiences limitations in producing commodities needed by the santri kitchen.

3.2 Internal Factor Analysis Summary (IFAS)

The results of identifying strengths and weaknesses as internal strategic factors are presented in the following table.

Tabel 4 Internal Factor Strategic Summary (IFAS)

Table 4 Internal Factor Strategic Summary (n=35)			
INTERNAL STRATEGIC FACTOR	Scoring	Rating	Rating Score
STRENGTHS			

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1. Less dependence on external products of pesantren	0.07	1	0.07
2. Adequate facilities and infrastructure	0.21	3	0.64
3. Entrepreneurial insights of students and teachers are increased	0.36	5	1.79
Amount	0.64	9	2.50
WEAKNESSES			
1. The number of competent human resources is still lacking	0.21	3	0.64
2. Product innovation is still lacking	0.07	1	0.07
3. Businesses that are constrained by capital	0.07	1	0.07
Amount	0.36	5	0.79
IFAS TOTAL	1.00	14	3.29

Source : Data processed by researchers, 2023

Based on the data presented, it was found that the main strength possessed by the protectionism policy carried out by the Al-Islam Agricultural Technology boarding school is the entrepreneurial insight of students and teachers increased through empowerment in the management of business units with a rating of 5 and a score of 1.79. Followed by adequate facilities and infrastructure with a rating of 3 and a score of 0.64 in the second position. While the number of human resources who have the competence in running a business is still lacking, it is the main weakness of the boarding school in carrying out this policy with a score of 0.64 and a rating of 3. as for product innovation is still lacking and businesses that are constrained by capital both have a rating of 1 with a score of 0.07 For the overall total of internal factors is 3.29, which means that the internal potential has a considerable effect in developing the potential for protectionism policies in achieving the economic independence of pesantren.

3.3 External Factor Analysis Summary

The results of identifying opportunities and threats as external strategic factors are presented in the following table.

Table 5 External Factor Analysis Summary (EFAS)

EXTERNAL STRATEGIC FACTOR	Scoring	Rating	Rating Score
OPPORTUNITIES			
1. Cooperation with the corporate sector and the government in developing pesantren resources	0.27	4	1.07

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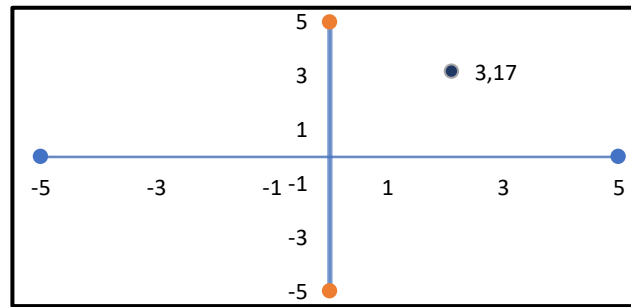
2. Consumers from students and the community who tend to be consumptive	0.20	3	0.60
3. Support from the surrounding community in improving product quality	0.33	5	1.67
Amount	0.80	12	3.33
THREATS			
1. Competitors with similar commodities around the pesantren	0.07	1	0.07
2. Fluctuating raw material prices	0.13	2	0.27
3. Demand within the pesantren is higher than product availability	0.00	0	0.00
Amount	0.20	3	0.33
EFAS TOTAL	1.00	15	3.67

Source: Data processed by researchers, 2023

According to the results of the data presented, the main opportunity for the Al-Islam Agricultural Technology boarding school is support from the surrounding community in improving product quality with a score of 1.67 and a rating of 5. Cooperation with the private sector and the government in developing pesantren resources is in second place with a rating of 4 and a score of 1.07. Meanwhile, consumers from students who tend to be consumptive occupy the last position in the opportunity factor with a rating of 3 and a score of 0.60. The main threat is the fluctuating price of raw materials, thus affecting product prices with a rating of 2 and a score of 0.27. competitors with similar commodities around the boarding school have a score of 0.07 with a rating of 1. In the last position, there is a higher demand in the pesantren than the availability of products with a score of 0.00 with a rating of 0. For the overall total of External factors is 3.67, which means that the external potential has a considerable effect in developing the potential of protective economic policies in achieving pesantren economic independence.

3.4 Cartesian diagram of SWOT analysis

The Cartesian diagram is used to determine the position of the protectionism policy implemented at the Al-Islam Agricultural Technology Boarding School in the preparation of strategies as a follow-up to achieve the economic independence of the boarding school. Based on the results of the IFAS matrix and the protectionism policy EFAS Matrix, the strength factor score obtained is 2.50, weakness 0.79, opportunity 3.33, and threat 3.33. Hapsari and Mutawali explained that the x and y coordinate points can be calculated using the formula point x = (S-W)/2 and point y = (O-T)/2. Then the coordinate value of point x is 2.11 and point y is 3.17.



Picture 2 Cartesian diagram of SWOT analysis

Based on the diagram above, the protection economic policy is in quadrant 1 where the situation is a favorable situation because the boarding school has strengths and opportunities so that it can maximize strengths in seizing opportunities. The strategy used in this situation is to support aggressive growth policies (Growth Oriented Strategy).

3.5 SWOT Analysis Strategy

According to the SWOT analysis that has been carried out, there are several strategies that can be carried out in the form of Strength-Opportunity (SO), namely 1) New Product Development: Utilizing adequate facilities and infrastructure to create new products or services that meet the needs of consumers who tend to be consumptive. 2) Increased Cooperation: Increase cooperation with the private sector and government to support the development of pesantren resources and take advantage of the reduced dependence on external products. 3) Entrepreneurship Training Program: Organizing entrepreneurship training programs aimed at santri and teachers to take advantage of increased entrepreneurial insights and explore more business opportunities.

4. Conclusions

Based on the SWOT analysis, it is found that the protectionism policy implemented needs to apply the Strength-Opportunity (SO) strategy, namely by maximizing Strength to get opportunities. Strategies that can be done include 1) New Product Development: Utilize adequate facilities and infrastructure to create new products or services that meet the needs of consumers who tend to be consumptive. 2) Increased Cooperation: Increase cooperation with the private sector and government to support the development of pesantren resources and take advantage of the reduced dependence on external products. 3) Entrepreneurship Training Program: Organizing entrepreneurship training programs aimed at santri and teachers to take advantage of increased entrepreneurial insights and explore more business opportunities.

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