Inclusive Economic Development of Badung Regency: Inter-Time and Inter-Regional Development Analysis

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ABSTRACT
The objective of this research is to understand the progress of inclusive economic development in Badung Regency in Bali Province through the analysis of the Inclusive Economic Development Index (IEDI). The research is motivated by two things, first, the issue of inclusivity is an issue amidst the rapid pace of economic development in Badung Regency. Second, the analysis of IEDI data is not yet widely known and used in regional development policy formulation. The method used in this research is descriptive statistics and a literature study. The results of the analysis show that from 2012 to 2021, the average IEDI value for Badung Regency was 5.85 with a decreasing trend. This condition indicates symptoms of widening economic development gaps at a high rate of economic growth. Through this research, it is hoped that analysis of development can be carried out from a comprehensive perspective, later on policy formulation is expected to be oriented towards inclusive economic development.

1. Introduction
The issue of inclusiveness in development has become a concern of researchers and various international institutions who research various development problems. Todaro & Smith (2012) explain development as a multidimensional process of change that has implications for changes in social structures, attitudes, and national institutions, acceleration of economic growth, the reduction of inequality, and alleviation of poverty. In a subsequent study, Todaro, & Smith (2020) also mention the concept of inclusive economic development, although they do not state its definition explicitly.

Tambunan (2012) asserts that inclusive development is based on two concepts: inclusiveness and development, despite the existence of various definitions. The concept of inclusive development is explained as a broader concept than growth because it looks at the dimensions of welfare not only in terms of income but also from other dimensions, especially education and health. This concept is also different from the standard concept of economic growth because it emphasizes equality in accessing the job market and resource allocation (Shashyna et al., 2021). Inclusive development is oriented towards increasing the distribution of welfare from various dimensions while at the same time, the average achievement of these dimensions also increases (Kanbur & Rauniyar, 2009). According to Niekerk (2020), inclusive development pays attention to poor and marginalized groups, so one of the main goals is to reduce socio-economic inequality between strata
of society. As a result of the development of the concept of inclusive growth and development, the concept of inclusive economic development emerged.

International institutions explain inclusive growth from various approaches with various definitions. The Asian Development Bank (ADB), for example, explains inclusive growth as economic growth accompanied by a low level of income inequality, so that little by little there is a disproportionate increase in income among low-income communities (Kanbur & Rauniyar, 2009). Another international institution, namely the World Bank, emphasizes growth in labor absorption and increased worker productivity (Ngapah, 2017). Other researchers explain inclusive growth as an improved form of the concept of growth that is oriented towards reducing poverty, increasing productivity, and creating various new productive employment opportunities to overcome problems of poverty and inequality more efficiently (Aslam et al., 2021). According to the OECD, inclusive growth is economic growth that is distributed fairly across society and creates opportunities for all (Rammelt & Gupta, 2021). Inclusive economic development has become a topic of discussion and debate among development policymakers when discussing what kind of economic development policies are needed to further strengthen economic development, which can simultaneously strengthen the distribution of welfare among groups in society (OECD, 2016).

The Indonesian government, through the Ministry of National Development Planning/Bappenas, is trying to develop the concept of inclusive economic development as an effort to promote, measure, and monitor the level of inclusive development in Indonesia. Bappenas defines inclusive economic development as economic development that provides access and opportunities to all segments of society, as well as increasing welfare and reducing disparities between community groups and regions (Ministry of National Development Planning, 2018). The Inclusive Economic Development Index (IEDI) is a tool for measuring and monitoring the extent of inclusiveness of Indonesia’s development at the national, provincial, and regency/city levels. The calculation of this index was carried out by Bappenas which was officially released nationally in 2018. The IEDI measures the inclusiveness of economic development through three aspects, namely economic growth, inequality, and poverty as well as access and inequality.

Badung Regency economic development is experiencing rapid development through the support of the tourism industry. Based on Statistics Indonesia, from 2010 to 2019 Badung Regency’s economic growth reached an average of 6.7 percent. Very different conditions occurred as a result of the COVID-19 pandemic, resulting in Badung Regency’s economic growth experiencing the deepest contraction compared to other regencies/cities in Bali, namely - 16.55 percent in 2020 and - 6.74 percent in 2021. Signals of economic recovery begin to appear in 2022, marked by the growth rate the economy reached 9.97 percent. The rate of economic growth in 2022 is the highest figure ever achieved by Badung Regency, even surpassing economic growth in the pre-pandemic period.

This data attracts our attention to seek and understand further, whether the high economic growth also reflects the high level of economic inclusiveness. Analysis on inclusive economic development can help policymakers in formulating the policies needed to overcome various problems of economic development disparities. This gap problem is important to overcome considering that development implementation must be able to empower all components of society spread across various areas of Badung Regency. Related to this, the instruments used to measure and evaluate development policies must also be more comprehensive, bearing in mind that the success of regional development is not simply measured by aspects of economic growth such as growth in Gross Regional Domestic Product (GRDP), economic growth and per capita income. These indicators are not yet able to answer the problem of inclusiveness of economic development. An analysis of IEDI can be advantageous in producing information about the level of inclusiveness of Badung Regency’s economic development, which can be used to evaluate development performance.

2. Methods
The method used in this research is descriptive statistics, which is carried out in analyzing the Badung Regency IEDI statistical data so that better information and understanding can be obtained so that it can be used as input in formulating regional development policies. Data is downloaded through the official IEDI Bappenas page, namely https://inklusif.bappenas.go.id/index. On this web page, complete data on IEDI values at the national, provincial, and regency/city levels throughout Indonesia is available as well as the index values for each pillar that makes up IEDI. The data analyzed is IEDI data for Badung Regency for ten years from 2012 to 2021 compared with
other regencies/cities in Bali. Next, data processing was carried out using the MS Excel application to produce data visualization into several types of graphs which became the basis for delivering the descriptive statistical analysis through a comparative analysis approach of developing over time (time-series) and between regions.

The IEDI are formed by 3 pillars, namely Pillar 1 Economic Growth, Pillar 2 Inequality, and Poverty, and Pillar 3 Access and Opportunity. The three pillars are formed by 8 sub-pillars, each pillar is further broken down into 8 sub-pillars with a total number of indicators for all pillars of 21 indicators. The IEDI score categories are arranged into three scales. Total IEDI score from 1 to 3 is categorized as unsatisfactory, total IEDI score from 4 to 7 is satisfactory and 8 to 10 is very satisfactory. A larger index value in this category suggests that economic development is becoming more inclusive. The value of each index on Pillar 1, Pillar 2, and Pillar 3 is the factor that influences the index achievement. A description of each Pillar and its weight, Sub-pillar, and its weight as well as the indicators on each sub-pillar used in the IEDI calculation are in Table 1.

### Table 1. Pillars, Sub Pillars and Indicators Forming the Inclusive Economic Development Index

<table>
<thead>
<tr>
<th>Pillar 1</th>
<th>Pillar 2</th>
<th>Pillar 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Growth and Development (Weight 0.5)</td>
<td>Income Equalization and Poverty Reduction (Weight 0.25)</td>
<td>Access Expansion And Opportunity (Weight 0.25)</td>
</tr>
<tr>
<td>Sub Pillar 1.1 Economic Growth (weight 0.33)</td>
<td>Sub Pillar 2.1 Inequality (Weight 0.50)</td>
<td>Sub Pillar 3.1 Human Capability (weight 0.33)</td>
</tr>
<tr>
<td>Indicators: 1. Real Gross Regional Domestic Product (GRDP) growth per capita</td>
<td>Indicators: 1. Gini Income Ratio</td>
<td>Indicators: 1. Expected years of schooling</td>
</tr>
<tr>
<td>2. Share of manufacturing in GRDP</td>
<td>2. Women’s income contribution</td>
<td>2. Percentage of toddlers who get complete basic immunization</td>
</tr>
<tr>
<td>3. The ratio of banking credit to nominal GRDP</td>
<td>3. Average rural-urban household expenditure ratio</td>
<td>3. Percentage of population who have health insurance</td>
</tr>
<tr>
<td>Sub Pillar 1.2 Employment Opportunities (weight 0.33)</td>
<td>Sub Pillar 2.2 Poverty (Weight 0.5)</td>
<td>Sub Pillar 3.2 Basic Infrastructure (weight 0.33)</td>
</tr>
<tr>
<td>Indicators: 1. Employment opportunity level</td>
<td>Indicators: 1. Percentage of poor population</td>
<td>Indicators: 1. Percentage of households with decent drinking water</td>
</tr>
<tr>
<td>2. Percentage of the population fully employed</td>
<td>2. Average per capita protein consumption per day</td>
<td>2. Percentage of households with toilet</td>
</tr>
<tr>
<td>3. Percentage of workforce with secondary or higher education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub Pillar 1.3 Economic Infrastructure (weight 0.33)</td>
<td></td>
<td>Sub Pillar 3.3 Financial Inclusion (weight 0.33)</td>
</tr>
<tr>
<td>Indicators: 1. Percentage of households using electricity</td>
<td></td>
<td>Indicators: 1. The ratio of the number of third-party fund accounts of the productive aging population</td>
</tr>
<tr>
<td>2. Percentage of the population who owns a mobile phone</td>
<td>2. MSME banking credit ratio</td>
<td></td>
</tr>
<tr>
<td>3. Percentage of roads in good and fair condition.</td>
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</tbody>
</table>

Source: IEDI Bappenas page [https://inklusif.bappenas.go.id/index] as 19 October 2023

### 3. Results

The IEDI figures for regencies or cities in Bali from 2012 to 2021 are as follows, as provided by Bappenas.
Table 2. Inclusive Economic Development Index (IEDI) for Regencies/Cities in Bali 2012-2021

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Jembrana</td>
<td>6.02</td>
<td>5.41</td>
<td>5.53</td>
<td>5.63</td>
<td>5.72</td>
<td>5.59</td>
<td>5.64</td>
<td>5.89</td>
<td>5.60</td>
<td>5.80</td>
</tr>
<tr>
<td>Tabanan</td>
<td>6.09</td>
<td>5.53</td>
<td>5.56</td>
<td>5.73</td>
<td>5.83</td>
<td>5.75</td>
<td>5.77</td>
<td>5.84</td>
<td>5.67</td>
<td>5.77</td>
</tr>
<tr>
<td>Badung</td>
<td>6.43</td>
<td>5.65</td>
<td>5.75</td>
<td>5.79</td>
<td>5.84</td>
<td>6.01</td>
<td>5.93</td>
<td>5.97</td>
<td>5.55</td>
<td>5.80</td>
</tr>
<tr>
<td>Gianyar</td>
<td>6.23</td>
<td>5.74</td>
<td>5.75</td>
<td>5.81</td>
<td>5.93</td>
<td>5.88</td>
<td>5.87</td>
<td>6.06</td>
<td>5.70</td>
<td>5.91</td>
</tr>
<tr>
<td>Klungkung</td>
<td>5.83</td>
<td>5.69</td>
<td>5.68</td>
<td>5.70</td>
<td>5.77</td>
<td>5.68</td>
<td>5.92</td>
<td>5.94</td>
<td>5.71</td>
<td>5.78</td>
</tr>
<tr>
<td>Bangli</td>
<td>5.69</td>
<td>5.42</td>
<td>5.42</td>
<td>5.55</td>
<td>5.66</td>
<td>5.56</td>
<td>5.66</td>
<td>5.81</td>
<td>5.73</td>
<td>5.75</td>
</tr>
<tr>
<td>Karangasem</td>
<td>5.48</td>
<td>5.35</td>
<td>5.40</td>
<td>5.47</td>
<td>5.53</td>
<td>5.42</td>
<td>5.49</td>
<td>5.63</td>
<td>5.42</td>
<td>5.49</td>
</tr>
<tr>
<td>Buleleng</td>
<td>5.90</td>
<td>5.43</td>
<td>5.43</td>
<td>5.52</td>
<td>5.50</td>
<td>5.50</td>
<td>5.59</td>
<td>5.73</td>
<td>5.59</td>
<td>5.67</td>
</tr>
<tr>
<td>Denpasar City</td>
<td>7.00</td>
<td>6.06</td>
<td>6.14</td>
<td>6.25</td>
<td>6.32</td>
<td>6.28</td>
<td>6.36</td>
<td>6.41</td>
<td>6.23</td>
<td>6.31</td>
</tr>
</tbody>
</table>

Source: Bappenas

Furthermore, data on the development of the values of Pillar 1, Pillar 2, and Pillar 3 which form the IEDI composite values of Badung Regency from 2012 to 2021 are as follows.

Table 3. Values of Pillar 1, Pillar 2, and Pillar 3 of IEDI Badung Regency 2012-2021

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Pillar 1</td>
<td>8.46</td>
<td>5.19</td>
<td>5.27</td>
<td>5.27</td>
<td>5.33</td>
<td>5.37</td>
<td>5.38</td>
<td>5.39</td>
<td>4.59</td>
<td>4.91</td>
</tr>
<tr>
<td>Pillar 2</td>
<td>6.68</td>
<td>6.54</td>
<td>6.83</td>
<td>6.86</td>
<td>6.71</td>
<td>7.27</td>
<td>6.74</td>
<td>7.12</td>
<td>7.10</td>
<td>6.95</td>
</tr>
<tr>
<td>Pillar 3</td>
<td>5.91</td>
<td>5.77</td>
<td>5.75</td>
<td>5.92</td>
<td>6.10</td>
<td>6.22</td>
<td>6.33</td>
<td>6.16</td>
<td>6.34</td>
<td>6.76</td>
</tr>
</tbody>
</table>

Source: Bappenas

Based on the data processing, the following analysis of development over time and comparison among regencies are as follows.

3.1 Analysis of developments over time

The IEDI value of Badung Regency in 2012, which reached 6.43, was in second place after the city of Denpasar, which was 7.00. With subsequent developments in 2013, Badung Regency's IEDI score decreased drastically to 5.65 so that its achievement was below Gianyar Regency with an IEDI score of 5.74 and Klungkung, which reached 5.69. Next, from 2014 to 2017, Badung Regency's IEDI score slowly increased again and was again in second place in Bali with a score of 6.01 after Denpasar City at 6.28. However, in 2018 Badung Regency's IEDI score again decreased and increased slightly in 2019. 2020 was the lowest of Badung Regency's IEDI achievement, namely only 5.55 and almost at the lowest position among regencies/cities in Bali. Furthermore, in 2021 the IEDI score for Badung Regency has increased again to 5.80. The IEDI scores for all regencies/cities throughout Bali in the 2012-2021 period were in the satisfactory category, with the lowest IEDI score of 5.35 achieved by Karangasem Regency in 2013 and the highest IEDI score of 7.00 achieved by Denpasar City in 2012. Below is the graph of the development of Inclusive Economic Development Index among regencies/City in Bali year 2012-2021.
Furthermore, related to the development of Badung Regency’s IEDI scores from 2012 to 2021, an analysis was carried out of Badung Regency’s IEDI scores by looking at the average score achieved in 10 years as well as the development trend in the last ten years. These are described by the linear trend. After that, successive analyses were carried out on the development of each pillar forming IEDI, namely Pillar 1 Economic Growth and Economic Development, Pillar 2 Income Equalization and Poverty Reduction and Pillar 3 Expanding Access and Opportunities. The results of the analysis are described as follows.

The graph above shows that over the last ten years, Badung Regency’s IEDI value as described by the green dotted line, has experienced a downward trend, with the highest achievement in 2012 amounting to 6.43 and the lowest achievement occurring in 2020, namely 5.55. The average IEDI score for Badung Regency over these ten years as described by the blue line is 5.85. The data also shows that during these ten years, for six of them, Badung Regency’s IEDI achievement was below the average value, namely in 2013 it was 5.65; in 2014 it was 5.75; in 2015 it was 5.79; in 2016 it was 5.84; in 2020 it was 5.55 and in 2021 it was 5.80. However, based on the IEDI value
category, Badung Regency’s IEDI value from 2012 to 2021 is still in the satisfactory category (index value 4-7).

As previously explained, the IEDI value is formed by three pillars, namely Pillar 1 Economic Growth and Economic Development, Pillar 2 Income Equalization and Poverty Reduction, and Pillar 3 Expanding Access and Equity. The following are the results of the analysis of the development of Pillar 1 of Badung Regency IEDI in 2012-2021.

![Figure 3. IEDI Pillar 1 Value of Badung Regency 2012-2021](image)

Figure 3 shows that during the period from 2012 to 2021, the highest value for Pillar 1 was achieved in 2012, namely 8.46, and the lowest value occurred in 2020, namely 4.59. In the last year of observation, the Pillar 1 index value has moved up to 4.91. In that decade, the dotted red line depicts the average value of the Pillar 1 index as 5.52, with a downward trend as depicted by the dotted green line. The graph also shows that only the index value in 2012 was above the average, while the Pillar 1 index value from 2013 to 2021 was below the average achievement in ten years. This data indicates signs of the weakening of economic growth and development. A low Pillar 1 index value ultimately has implications for the IEDI value which will also be low. The value of Pillar 1 has weakened over the past ten years which has contributed to the decline in IEDI Badung Regency from 2012 to 2021. In contrast to Pillar 1 which shows a downward trend, the development of Pillar 2 and Pillar 3 during the 2012-2021 period shows an increasing trend as shown by the following graph.

![Figure 4. IEDI Pillar 2 Value of Badung Regency 2012-2021](image)
The graph above shows that the Badung Regency IEDI Pillar 2 index value moves dynamically from year to year with the peak point occurring in 2017 at 7.27 and the lowest point occurring in 2013 at 6.54. Data also shows that in the last two years, the Pillar 2 index value has moved down from 7.12 in 2019 to 7.10 in 2020 and has decreased again to 6.95 in 2021. The average value of the Pillar 2 index for a decade is 6.88 as shown by the dotted red line. Therefore, out of ten years of observation there are only four years where the achievement of the Pillar 2 index is above the average, namely in 2017, 2019, 2020 and 2021. Next, the analysis of Pillar 3 is as follows.

![Figure 5. IEDI Pillar 3 Values of Badung Regency 2012-2021](image)

The graph above shows that the highest achievement of the Pillar 3 index value occurred in 2021, namely 6.79 and the lowest achievement occurred in 2014, amounting to 5.75. The average value of the Pillar 3 index (dotted red line) throughout 2012-2021 is 6.13 and the data shows that during the last half of the period, the Pillar 3 index value has always been above the average value, namely in 2017 it was 6.22; in 2018 it was 6.33; in 2019 it was 6.16; in 2020 it was 6.34 and in 2021 it was 6.76. The linear trend line (dotted green line) shows that during this period the Pillar 3 index value experienced an increasing trend.

### 3.2 Analysis of developments between regions

The next analysis is to analyze developments between regions using map graphics. Data processing with the output in the form of visualization in the form of maps can provide a different and more interesting perspective. Therefore, the author also carried out further processing on the same data, using map graphics to provide a geospatial perspective on the IEDI achievements of regencies/cities throughout Bali. A darker color indicates a higher achievement, whereas a lighter color indicates a lower IEDI achievement. The development of IEDI Badung Regency and other regencies/cities was compared between the initial year of observation, namely 2012, and the last year of observation, namely 2021, which is explained as follows.
The map graph above also illustrates that in 2012 the areas with high IEDI scores tended to be in the southern region of Bali and the western region of Bali, while areas in the northern and eastern regions of Bali such as Bangli Regency, Karangasem Regency, and Klungkung Regency achieved IEDI values. It tends to be lower than areas in the western region. This data indicates that there is a development gap between the North-South and West-East regions. Badung Regency itself is in the southern cluster with a relatively high achievement of 6.43, placing Badung Regency in the second position in Bali after Denpasar City, which in 2012 had an IEDI value of 7.00. Furthermore, the results of processing the IEDI value data for regencies/cities throughout Bali in 2021 using map graphics are as follows.
The graph of the map of IEDI achievements of Regencies/Cities throughout Bali in 2021 above shows a decrease in IEDI achievements for all Regencies/Cities throughout Bali when compared to conditions in 2012. The highest IEDI value in 2021 was 6.31 while in 2012 it was 7.00 which is still achieved by the City of Denpasar. Badung Regency’s IEDI achievement also decreased from 6.43 in 2012 to 5.80 in 2021. This decrease caused Badung Regency’s IEDI achievement to rank third, after Gianyar Regency which reached 5.91. Furthermore, in 2021 the highest IEDI value was only 6.31 which was still achieved by Denpasar City and the lowest IEDI value was 5.48 which was achieved by Karangasem Regency. Badung Regency’s IEDI value in 2021 dropped to 5.80, placing Badung Regency in third position in Bali after Gianyar Regency at 5.91. The interesting thing is that the IEDI score for the Jembrana Regency in 2021 has increased to 5.80, thus matching the achievement of the Badung Regency. This condition is very different from 2012, namely the IEDI value for Jembrana Regency was 6.02, so the difference is quite large with Badung Regency which reached 6.43. Another interesting fact is that even though in general regencies/cities in Bali experienced a decline in IEDI scores in 2021, Karangasem Regency, although still in the lowest position compared to all regencies/cities, apparently its IEDI score in 2021 increased compared to 2012, namely from 5.48 in 2012 to 5.49 in 2021. Other information obtained when comparing the IEDI map charts for regencies/cities throughout Bali in 2012 and 2021 is that in the last ten years, in general, there has been no significant change in the pattern of IEDI development between regions in Bali. Regions with large IEDI values are concentrated in the southern and western regions, while areas in the north and east have smaller IEDI values. This picture indicates the economic development gap between the North-South and East-West regions in Bali which has not changed in the last ten years.

4. Discussion
Policy plays a big role in accomplishing inclusive development, however, it is not widely well understood what kind of policy should be delivered to reach inclusive development (Hickey et al., 2015). From a policy perspective, Chang (2007) explains the policymaking process also needs to use an inclusive strategy by involving various actors. This concept is in line with the opinion of Acemoglu and Robinson (Taylor & Lybbert, 2020) which explains the important role of inclusive institutions because they support a pluralistic political system and support competitive markets.

According to Putra (2019), social policy plays an important role as a mediating variable between democracy and inclusive development. In line with Putra, (2019) Meričková & Halásková (2014) argue that government spending on social protection is positively correlated with socioeconomic development, which is also one aspect of inclusive economic development. For a more comprehensive perspective, Pouw & Gupta (2017) explain that broad, inclusive development also includes social, ecological, and relational inclusivity, while Cabeza-Garcia et al. (2019) argue that women’s financial inclusion plays a major role in realizing inclusive economic development.

The general view of economic thinking that is widely believed so far is that in the early stages of economic development in developing countries, inequality will increase and when economic growth has increased to a certain point, then inequality will gradually decrease. The existing data does not support this belief that the gap tends to continue to increase (Basu & Stiglitz, 2016). Economic growth plays an important role as an engine of development; however, economic growth alone is insufficient. Evidence found in various countries shows that high levels of economic growth are also accompanied by an increase in chronic poverty (Goldin, 2016). One strategy that is considered effective in reducing poverty and inequality, especially in rapidly developing Asian countries, is to implement development policies that encourage full levels of work participation (Felipe, 2010). Apart from that, political constellations and political policies also play an important role in efforts to realize inclusive development. Therefore, from the planning phase, development policies must be projected not only to encourage economic growth but also to control and reduce economic inequality. In this context, understanding the IEDI and using them provides a useful insight in evaluating and formulating development policy toward an inclusive economic development.

5. Conclusion
The results of the analysis of the IEDI values for Badung Regency from 2012 to 2021 through an inter-regional analysis approach and an inter-time analysis provide information on the inclusiveness achievements of Badung Regency’s economic development. Furthermore, the analysis
also shows that over ten years, the average IEDI value for Badung Regency was 5.85 with a trend showing a downward direction. The average figure of 5.85 also shows that there is still too much distance to reach the maximum score in the satisfactory category, namely the IEDI reaching a score of 7, let alone reaching the very satisfactory category, namely the IEDI score reaching the range of 8-10. During these ten years, Badung Regency competed closely with Gianyar Regency to reach second place after Denpasar City. These indicate a development policy problem that needs to be solved because the decreasing IEDI value indicates a decreasing level of inclusiveness in Badung Regency’s economic development.

This condition reflects a tendency for the disparity in economic development to become widened. Such a condition also represents the fact that development is still being concentrated only in certain economic sectors and certain regions. This in turn also has implications for the use of the “economic cake” which is only enjoyed by some layers of society. The widening economic development disparity amidst the rapid pace of economic development can be the forerunner for the emergence of various developmental problems that can trigger social insecurity. Therefore, the Badung Regency Government needs to reformulate development policies that can increase the Badung Regency Inclusive Economic Development Index score to reach a very satisfactory category, as shown by an IEDI score of 8 to 10.

For further research, from a theoretical perspective, it is necessary to examine further the factors that contribute to the decline in the value of Pillar 1, which contributes to the decline in the IEDI value. From a policy perspective, the results of this research recommend that development policies need to be oriented towards efforts to increase achievements against all indicators that make up IEDI. Operationally, these targets need to be stated in the Regional Medium Term Development Plan document to ensure development policies are oriented towards an inclusive economic development.

6. References


