

Credit Union-based Democracy at the Border of Indonesia in the Global Economic Era

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Abstract

This research was conducted to design a Credit Union (CU) based democracy model at the Indonesia border especially the Sajingan Besar border facing the global economic era. This was done as an effort to improve the economy and minimize poverty. This study's location is in the border area of Sambas Regency to be precise in Sajingan Besar District because it is directly adjacent to the neighboring country so that it is a specific area. Still, the city is included in the underdeveloped category. Previous research that has been researched previously examined the importance of having women join CU business institutions using the perspective of women's emancipation in West Kalimantan. There is a novelty in this research, namely, discussing it from deliberative-participatory democracy based on CU at the border in the global economic era. Methods of data collection in this study using interview techniques, observation, and study documentation. Informants were determined using a purposive technique. Based on these techniques, the informants in this study were the Head of the Sajingan Besar sub-district, community leaders, youth leaders, administrators of CU Bonaventura, members of CU Bonaventura, and Chairman of the West Kalimantan Border Forum. The analysis used is using qualitative analysis. The study results found that to minimize poverty that occurs in border area communities, it is necessary to implement democracy based on CU as an effort to improve the community's economy in the era of the global economy by utilizing natural resources. This CU-based deliberative-participatory democracy is proven through deliberation and participation by members who prioritize member empowerment and the political inclusion of CU members.

Keywords

Credit Union; Democracy; Deliberative-participatory; Global Economics

INTRODUCTION

Globalization refers to an interdependent world situation. There are five fields in this interdependence,

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namely economy, culture, society, environment, and military. In general, globalization can be defined as an increasingly narrow boundary space between the international community, this is due to the easier interaction between space and time which then create interdependence with each other. Subsequently, the global economic problem does not only refer to the exchange of goods and services or only dwells on economic transactions inter-countries, but more than that. One

example is the increased interaction between countries or nations in the economic field shows how important the global economy is in the international politic area.

Several political experts believe that after the events of the second war, every former colonized country and also every developing country began to try to carry out the democratization process (Akbar, 2016: 107). The process of democratization in Indonesia is not only political matters, but also has an impact on the realm of culture, environment, society, military, and even the economy. From these several things will certainly lead to interactions among humans in every religion, even in border areas.

Human interactions have occurred in the border areas, one of which is the border in the province of West Kalimantan. Geographically, one regency in West Kalimantan bordering Malaysia is Sambas Regency, namely Sajingan Besar District. People in the border areas still have a dependency with neighboring countries, one of which is Malaysia to meet the needs of people in border areas (Elyta et al., 2018). The border of Sajingan Besar is an underdeveloped area and the people automatically experience poverty. In order to minimize poverty at the Sajingan Besar border, this article proposes a more urgent model to be applied, namely an economic institutions-based democratic model, which is a strategy to improve the economy based on the common ideology of society in the formation of institutions to deal with economic problems in border areas.

Furthermore, democracy offers a flexible method (Givari, 2018: 121). Therefore, democratization is applied in economic integration that can achieve the internal interests of the nation and even the national interests of the state by the existence of political unification (policies) such as norms, procedures, and regulations (Ferdiansyah et al., 2016: 120-122). The process of economic integration constantly demands a process of economic liberalization among its components. This global economics not only triggers an increase in the flow of goods and services, but also stimulates the internationalization process of capital. As Indonesia's economic has changed, as a result of economic globalization, Indonesia actually needs a new economic institutionalization, namely a more transparent economic management as its economy has changed to be more integrated in nature.

Integration in democracy raises a deliberative-participatory democratic model which becomes a process that applies in the border region because it includes two specific normative features such as empowerment of citizens and participatory political inclusion. This concept is in line with the mutual help-to-help relationship that is reflected in non-profit organizations such as Credit Unions (CU). The integration of deliberative-participatory democracy is carried out through the CU as seen by the formation of CU as local institution that aims to create joint capital by borrowing or saving money from members which can be suspected as

community resources in the border area of West Kalimantan.

Various studies have examined CU, namely the study of the Management of Conventional Savings and Loans Cooperative Funds in Semarang City which criticizes the management practices carried out by the managers of Savings and Loans Cooperatives in carrying out their function as an intermediary institution to conform with the principles of cooperative in order to foster or build an image as a healthy cooperative that is trusted by members and society (Purwantini et al., 2016). The Role of the Kasih Sejahtera Credit Union for Farmers in North Central Timor Regency from an agricultural perspective, the purpose of this study was to find out the role of the Kasih Sejahtera Credit Union in the Kefamenanu Branch for farmers in North Central Timor Regency (Falo & Kune, 2017). Study of the effects of the Cameroon Cooperative Credit Union League on the satisfaction of credit union members (Buwah et al., 2019). The study in Canada, aimed to compare the Canadian credit union with bank branches through the location of the company's offices (Maiorano et al., 2017). Furthermore, the study in West Kalimantan examined the importance of observing women to join CU business institutions using the perspective of women's emancipation (Sarlawati & Adiwijaya, 2019).

Based on various previous research results, they have been used as a reference for the concepts of developing the CU model at the border, which is then developed a new concept using

different studies and methods in order to produce a CU model in the era of globalization in the perspective of democracy. The metamorphosis of democracy is a people's economy through the motto "from the people, by the people and for the people". Based on the observation of the researcher, there is already a community-based institution at Sajingan Border that is a savings and loans institution, namely CU Bonaventura.

CU is alleged to have enormous benefits in terms of providing solutions to financial problems that are often experienced by the general public. The presence of the CU institution is suspected to be a "Helper God" for the border communities of Sajingan Besar in the global economy. Based on the researcher's observations, it can be seen that the results of credit loans from CU are used by the community for school fees, for business capital such as developing rubber, pepper, cocoa, and forest products (rattan and wood) businesses. Therefore, people in border areas are allegedly able to develop their economies through the ease of loans or savings at CU in the era of globalization. Based on this matter, research is needed to design a deliberative-participatory democracy based on CU Bonaventura on the border of Sajingan Besar Indonesia to face the global economy.

RESEARCH METHOD

The researcher used a qualitative approach. Based on the principle of democracy, the process of realizing the people's economy in the border is realized through Bonaventura CU at the

border of Sajingan Besar. This study was located in Sambas Regency, precisely in Sajingan Besar border. The Sajingan Besar area served as the research location because it was considered to have potential. This is because the Sajingan Besar area is close to the border area, namely Malaysia, so it is a specific area, even though the area is included in the underdeveloped category. In this study, the technique used was purposive technique to determine informants. The informants were the Head of Sajingan Besar District, public figures, Training and Marketing Staff at CU Bonaventura, Bonaventura members and Chairman of the West Kalimantan Border Forum. The data were collected through: (1) the interview technique was conducted face-to-face with informants to obtain an explanation of democracy through CU Bonaventura at the border of Sajingan Besar; (2) The observation technique was conducted by taking notes and recording all events as actual events, observation were made of the condition of the community after becoming a member of CU; (3) The documentation collection technique was conducted by searching for data such as from the Central Bureau of Statistics of Sambas Regency.

RESULTS AND DISCUSSION

History of the CU Bonaventura establishment

Poverty takes various forms, from the inability of individuals to fulfill their basic life needs, to a broader understanding by including social and moral components (Indroyono et al.,

2018: 220). Poverty has been pointed out as a threat to nationalism at the border, where people are helpless in fulfilling their daily needs to create a movement for change that supports people's welfare. It is undeniable that the problem of nationalism is a phenomenon that is directly related to people in border areas (Elyta & Razak, 2019: 40). Therefore, to solve these various poverty problems, a community-based institution was formed within the Bonaventura CU to increase the prosperity and welfare of the community, especially people in rural and border areas such as the Sajingan Besar area.

The history of the CU Bonaventura establishment was due to the fact that Sajingan Besar was a hinterland which caused this area was difficult to follow developments as the neighboring countries which is not far from the region. This area is left behind because the route to the area is very difficult. This condition makes business actors not interested in making the border area a potential place to run their business. Based on this, the CU Bonaventura officials saw Sajingan Besar as having market potential because no other unit was established, for example a savings and loan cooperative. The CU Bonaventura has been recognized by the Sajingan community through the propaganda of the CU Bonaventura officials. According to CU Bonaventura Training and Marketing Staff, Nicodemus revealed that "the background of the formation of CU is that the word credit comes from the Roman languages which means

believe". Therefore, it can be interpreted that a CU is a trusted institution consisting of CU management as borrowers and customers to people who want to borrow money and become members. Management believes that by saving and borrowing with a predetermined pattern, members can pay their debts within a predetermined time.

Furthermore, according to the CU Bonaventura Training and Marketing Staff, credit is "an agreement between the two parties consisting of CU management as the borrower (creditor) and the customer as the borrower. Both of them entered into agreement between creditors and customers regarding the issue of borrowing money". Loans made are usually based on the principle of trust and agreement between the two parties. Trust is meant to feel confident or trust in something that has been agreed upon, for example providing credit to customers. Where a sense of trust that will be returned with a predetermined grace period. Meanwhile, there is mutual trust or an attitude of one voice (agreement) in agreeing an agreement.

Moreover, CU Bonaventura is based on the motto "Leave Poverty, Build Independence", which is then officially and legally CU Bonaventura on 23 November 2007 with Number BH: 36/BH/XVII.9/IDKT-D. CU Bonaventura opened a branch in Sajingan Besar with the aim of making CU Bonaventura easily felt by various levels of society. In line with this, the training and marketing staff of CU Bonaventura

Sajingan Besar also stated that CU Bonaventura began operating in 2007.

If further analyzed, the establishment of the CU as a financial institution is related to the slogan of democracy in Indonesia which can be seen from the expression stated by CU Bonaventura Training and Marketing Staff, Nicodemus who revealed that: "The CU Bonaventura carries the slogan from us, by us, and for us". It can be seen that the CU motto is in line with or has a correlation with the principles of Economic Democracy, which means that production is done by all CU members.

From a political perspective, studies on political accessibility emphasize how citizens' political rights are fulfilled optimally, they also try to position the principle of accessibility as an effort to increase the democracy index (Sahid & Shahrudin, 2018: 179). In this case, the role of actors in a country is very important in controlling the wider flow of globalization. The aspect of economic democracy, namely the people's economy, makes the people the main actor in running the economy. This research has found that the CU Bonaventura has played a role in strengthening the economy of the people at the border of Sajingan Besar through the role of CU based on economic democracy. CU as a democracy-based financial institution is a financial institution that adheres to the motto of democracy in Indonesia.

CU-based democracy is a democracy with a deliberative-participatory approach that supports the country's economy independently and actively. Its members control their

own work balance for empowerment, compensation, and planning. Democratic procedures with a CU-based deliberative-participatory approach make it possible to eliminate the use of processes such as markets in the production and allocation of every product and service (Rodríguez, 2017). CU cannot do business with the general public due to charter restrictions based on serving membership which is characterized by mutual ties. Generally, the ties are based on pre-existing social relationships such as belonging to a particular community, industry, or geographic group.

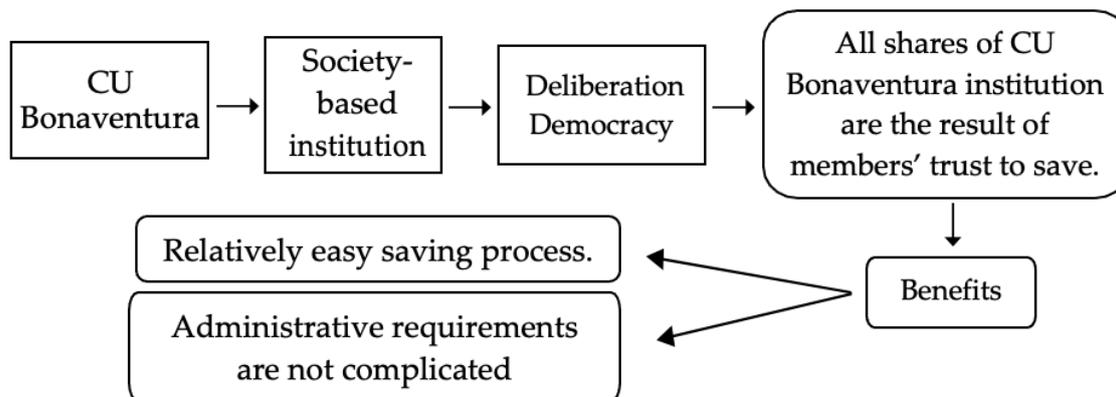
Realizing Deliberative Democracy in Institution at CU Bonaventura

Democracy comes from the Greek term's *demos* and *cratos*. *Demos* in Greek means the people as a whole and *cratos* means sovereignty/rule. For a country that applies the principle of people's sovereignty, the involvement of its people in the process of government administration is called democracy. A democratic country, its civil power that comes from the results of policies made by the community itself, either through direct democracy or representative democracy, which then creates laws. The people's ability to create laws makes people have choices in making policies. Law in democracy has made people have a strong bargaining position among the power institutions in the *trias politica* (executive, legislative and judiciary). The community was then seen as the target of political programs and became a strong interest group (Unger, 2008).

Deliberation as a term comes from Latino, namely deliberation which means considering, consulting or deliberation (Muzaqqi, 2013). This means that the terminology emphasizes the process of achieving legitimacy for political decisions produced by the state through testing public consultations, considering various perspectives. Deliberative democracy is a democratic approach that places deliberation or public input or free and equal citizens at the core of legitimating political decision making and self-government.

Deliberative democracy provides opportunities for civil society to emerge to control the results of a country's performance (Akbar, 2016: 4). The development process and the results of its development are often used as objects of study that attract scholars; every nation needs development for the sake of increasing people's welfare. Nowadays, studies on the latest development are often related to the democratic process (Witianti, 2016: 71). Democracy which is believed by the nation builders considered as a way to prosper the people and it has not yet been completely executed among regular maneuvers in the process of industrialization which continues to globalize. Afterward, this situation ends up leading to a form of problem in the process of democratization in Indonesia, which is in progress, namely the lack of confidence in a society about the democratic system and politics in Indonesia (Wijaya, 2016: 16). Therefore, CU-based democracy at Bonaventura

Figure 1. Scheme of Deliberative Democracy at Institution in CU Bonaventura



Source: Processed by researcher.

was carried out, especially for border communities as an effort to improve the welfare of the people there and in an effort to form justice in the democratic process.

Deliberative democracy refers to the idea of a form of government in which free and equal citizens provide input on the consensus-making process. Citizens have the right to provide other reasons that are mutually acceptable and accessible in order to achieve binding decisions and policies for every citizen (Haliim, 2016). The results of these deliberations are checked and balanced so that there is a system that oversees the implementation of the results of the previously agreed deliberations.

Democracy aims to increase the global economy which is part of economic integration which will increase local production in international trade so that it will create production competition as well as economic integration which will create multi-national of production, where the state will cooperate with both national and international institutions, and then

will form global capital investment so that this economic integration will improve the community's economy based on the CU institution. Thus, all countries must be ready to compete freely in international trade (Pasaribu, 2016: 496).

Deliberative democracy places more emphasis on the public decision-making process and not the outcome. So public decisions taken by the government through public tests, public debates, deliberations or only decided by the government (some people) in the political system without going through a democratic deliberation process (Muzaqqi, 2013). Regarding the community economic problem in the form of poverty carried out by CU Bonaventura, with the existence of CU Bonaventura, border communities who have become members of CU Bonaventura try to save money by saving at CU Bonaventura. Democracy through the CU Bonaventure segmentation "from the people" is described in figure 1.

Political actors play a very important role in realizing democratization is one of the political studies towards democracy (Mushlih & Hurriyah, 2016: 43). The word democracy means the people are in power, thus there has been democracy at CU Bonaventura. When someone joins CU Bonaventura, it means that he owns shares by owning shares automatically becomes the owner that determines the growth and development of CU Bonaventura. Therefore, the highest authority is in the hands of the members, this can be seen from the annual membership meeting.

The research findings indicated that there was a deliberative democracy-based democracy at CU Bonaventura. This was searched out through CU Bonaventura officials who were appointed and agreed as well as elected by members according to their credibility and competence in required field for the convenience and smoothness of the process of borrowing and disbursing revolving funds needed by the community. Various problems related to the difficult people's economy, difficult services, and other can be resolved through a community-based CU deliberation process with a clear guidance system as well as easy requirements.

Technically, the CU Bonaventura institution was established jointly by all members and has a managerial system which the management is from the members itself, as a financial institution as other institutions, CU Bonaventura has completed organizational management. The organizational

structure of CU Bonaventura consists of a manager, namely Marcelus Rapanedi Diit S. T, who has been replaced by Plater Adrianus Boby due to illness; Training and Marketing staff, namely Niko Demus A. Md and Adrianus Ongki; Credit Division/Staff, namely Bernatus and Mateus Rony; Finance Section/Staff, namely Imerensiana Bahana S.E. and Risti Karlina.

The perspective of democratic development has become a promising milestone because it provides wider opportunities for people to participate. The democratic development perspective has become a promising milestone because it provides wider opportunities for people to participate (Winengan, 2018: 65). This will certainly provide opportunities for people to regulate and increase economic activities for the welfare of their respective lives. Deliberative democracy provides opportunities and encourages groups to work together in equality and openness. Therefore, it seems that the CU Bonaventura institution has provided the opportunity for the members of CU Bonaventura to directly manage CU Bonaventura. Members of CU Bonaventura also oversee the operation of CU Bonaventura in a democratic manner. This is related to the concept of CU Bonaventura in that shares are not held by one person, but shares are owned by all members who join the CU Bonaventura institution. Thus, fellow members feel cared for and helped by the existence of CU Bonaventura on the border of the Sajingan Besar sub-district. This giving of trust also has an influence on the

responsibilities of each party in the CU, as stated by Abelnus:

"Efforts to generate community commitment in setting aside their income to be deposited in a CU or other financial institutions that people trust. CU institutions are much different from other financial institutions, especially macro financial institutions, such as bank institutions, namely BRI and BCA and so on. Where CU institutions put more emphasis on the education system for all of their customers, CU institutions believe that with the policy process, their customers will become smart and disciplined savers. The education itself is given according to the needs of the customer, if the customer needs borrowing procedures, he will be given the process of how to borrow from the customer".

CU institutions are very different from other financial institutions, both government-owned and private, where the difference is shown from a more informal CU followed by an accommodation system with members, such as through a very long process of approaching known customers. through the "Community Empowerment Program". The formation of the CU Bonaventura which was based on the people intersected with the response of the border community who often complained about capital by the MSMEs rulers.

The community said that they often had difficulty fulfilling the high demand offer because they were unable to afford the capital to produce. Basically, the

MSMEs rulers have minimal access to banks because in terms of the credibility of MSMEs to be able to get loans from bank is still low. Banks usually apply strict policies for loan recipients. For example, if the activity to be carried out must be in the form of a business, the requirements submitted at the bank are a business license, transaction records and bookkeeping at the company as a reference for business performance. Meanwhile, in general, MSMEs have weak managerial characteristics, especially in bookkeeping which can make business difficult to do and, in the end, MSMEs have difficulty obtaining loan facilities from banks.

The response from the community also refers to the people there who are not used to saving money in the bank. Therefore, efforts were made to formulate the CU Bonaventura by the people to provide a savings platform and facilitate the credit process. Empowerment of the existence of cooperatives of Micro, Small and Medium Enterprises (MSMEs) has become a strategic effort to increase the standard of living and strengthen the economy for some of the people of Sajingan Besar. CU has resulted in the development of Small and Medium Enterprises (SMEs).

In addition, the reason this CU was formed was also because local community leaders thought that it was impossible for border communities to be able to borrow money or apply for credit from banks, either private or private banks managed by the government because of the tightness and conditions that border communities cannot

possibly fulfill, especially regarding guarantees. CU is considered to provide easy requirements in easing community loans, such as not including BPKP. Therefore, CU is utilized by the public because it has a low interest rate, namely in the range of 2%-3.5% per month with a term of 10 months. If the large amount borrowed is given flexibility of up to 20 months. CU uses a familial way of delinquent credit by providing leeway, negotiating and settling peacefully.

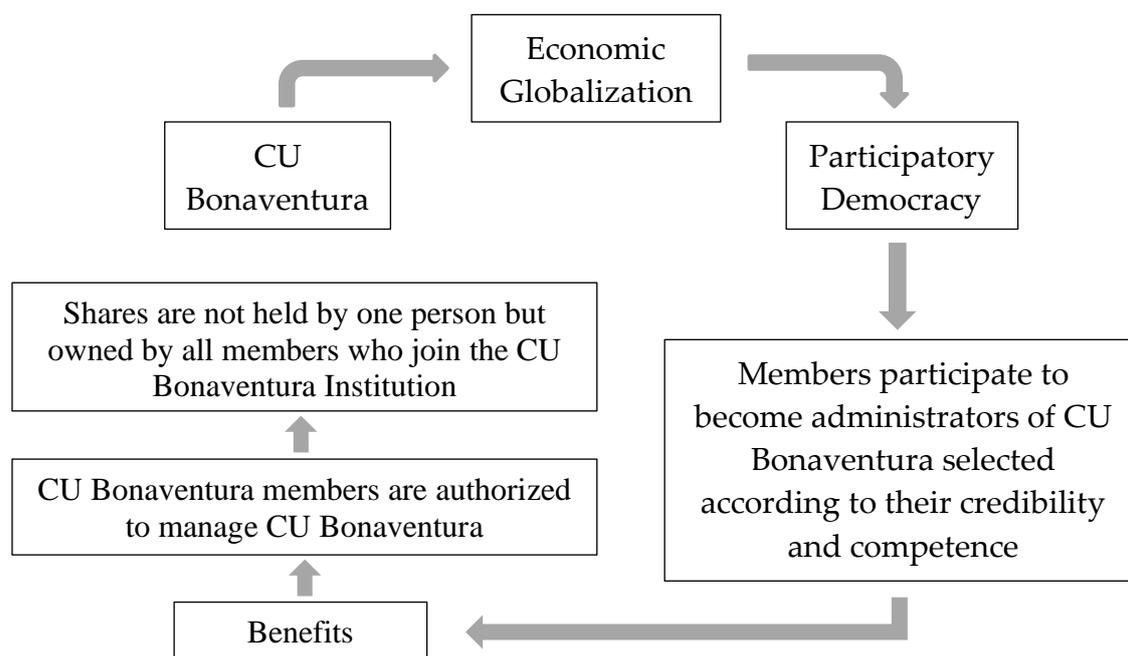
Realizing Participatory Democracy for the Community in CU Bonaventura Members

One of the public participation concepts public participation in the wheels of government in a deliberative-participatory manner was expressed by Jurgen Habermas. According to Habermas, democracy must have a deliberative and participative dimension, namely the position when public policies must first be ratified in public discourse through deliberation so that the space for participation is wide open for citizens and forms legal law (Haliim, 2016). Democracy is also understood as a challenge with alternatives and norms that continue to develop in the realm of politics (Dahl, 1956). In Indonesia itself, democracy develops with the principles of mutual cooperation. In the pre-independence era, Gotong Royong democracy or deliberation involved broad, deliberative community participation as a larger segment of society. Virtually no selection-centric procedure is used; instead, deliberation and negotiation of ideas are conducted in a friendly

manner. Outside the local village level where the principle of gotong royong is traditionally applied, it operates (Zamharir & Lubis, 2015).

Deliberative democracy has been seen as a regeneration of participatory democracy. In its development, this participatory democratic practice is not only implemented within the government ranks but also in institutions, one of which is CU. Political activities in the form of democracy have occurred in rural areas (Yuningsih & Subekti, 2016: 234). The findings of the researcher indicated that institutional-based democracy has been realized through CU Bonaventura segmentation "for the people", this is generally traced to the establishment of CU Bonaventura since it wants to help the community in increasing the ease of income. By making it easy to obtain loans if people want to develop loan and businesses. The types of savings from CU Bonaventura vary, consisting of loan savings, voluntary savings and principal savings from savings, a sum of capital from this capital is lent to other members for the retribution business for savings. Furthermore, Eva Palentina as a youth leader explained the purpose of forming a financial institution in order to minimize poverty at the border, such as CU:

"To help people on the border from difficulties with their business fields, such as farmers, mat craftsmen or the like without having to guarantee or with strict conditions such as banking institutions (Commercial Banks). CU institutions in providing loans

Figure 2. Scheme of Community Participatory for Members in CU Bonaventura

Source: Processed by the researcher.

to the public do not prioritize large profits because their basic capital also comes from the community so that their management is beneficial and felt by the community”.

CU Bonaventura management and members participate democratically to enter into an agreement between creditors and members regarding the issue of borrowing money through an application process. The loan application process is not complicated, it is only with trust capital by setting aside some money for savings accompanied by standard residence requirements, such as KTP, family card, member book, guarantor agreement of at least 2 people who are still active, and suitable collateral. Collateral is prepared to support a certain amount of borrowing, which ranges from tens of millions to hundreds of millions and above. If the

loan is only around five million or ten million, collateral does not need to be prepared. This is based on the CU Bonaventura program which is basically engaged in the savings and loans section with the aim of being established for the people, which is intended for the prosperity of the people so that in the future the hope for funds for business can lift the economy and people’s income as well as reduce people’s dependence on loan sharks or bonds trap with a fairly high interest system. The easy process of borrowing from CU for the people is evidenced by the statement of the Head of Sajingan Sub-district, namely:

“The application process is not complicated; it is enough with trust. The main requirement is only one, the first is that he has to save. The following are the standard

demographic requirements, such as ID cards, yes and at first they never looked for them, but for a certain amount up to tens of millions to hundreds of millions and above, they need collateral, if only five million or ten million don't use collateral".

Meanwhile, in the process of saving money for the people, a member of CU Normin revealed that:

"CU is a place to save or borrow money in predetermined ways. The origin of CU is from a savings and loan business/it is called a cooperative. With the development of savings and loans, CU is formed with a larger scope. The benefit of CU is to relieve people who are in economic difficulties. By saving approximately Rp. 500,000.00 we can borrow more than that with low interest. The process of borrowing at CU is very easy because we save approximately Rp. 500,000.00 and bring our KTP we can become members of the CU".

Based on the two views of each informant, it can be said that CU is an institution with the same function as a Bank which can accommodate savings and provide loans. However, what distinguishes the functions of the two institutions is that the CU requirements are easier than the Bank. Furthermore, other differences have been revealed by the Head of the Sajingan Besar Sub-district who said that the CU is:

"A financial institution that is used by the public to save money or borrow money at a predetermined interest rate. CU is useful to ease

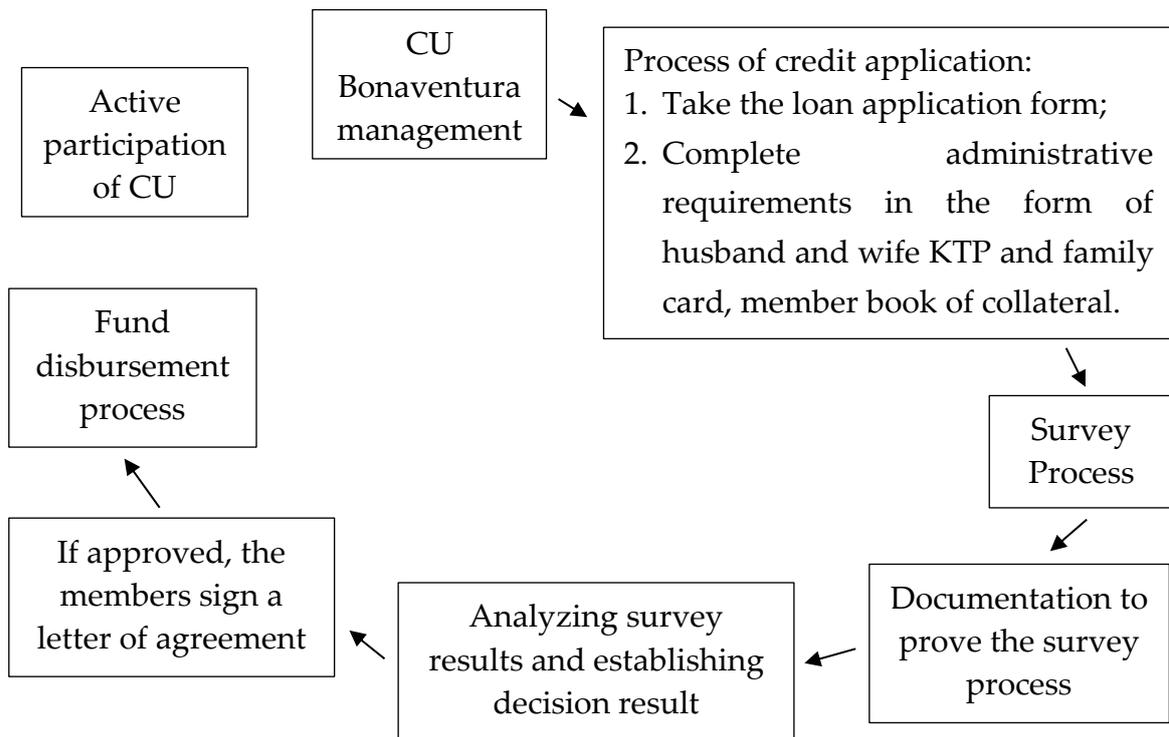
the burden on the community so that the community can be more prosperous. The process of saving and borrowing money is almost the same as the BANK, such as every month you have to save and pay credit. But CU does not have an ATM".

CU Bonaventura in providing loans to the community does not prioritize large profits because the basic capital also comes from the community so that its management is beneficial and felt by the community. CU Bonaventura governance basically has no difference with cooperatives. CU Bonaventura is purely engaged in finance with certain regulations. The following describes the stages in applying for a loan/credit starting from applying for a loan, disbursing, to repaying the loan before the predetermined time limit. Bonaventura is described in figure 2.

Furthermore, a member of CU Bonaventura, Linja, admitted that after becoming a member of CU Bonaventura, his welfare increased since he could build houses and buy motorbikes. Normin as a member of CU Bonaventura stated that CU is highly helpful since it's were required to save and borrow credits. This shows that CU members can save and easily get credit from CU Bonaventura, and CU Bonaventura is considered beneficial to ease the burden on the community so that the community can be more prosperous.

The application for credit is carried out in several stages. In the first stage, members come to the CU Bonaventura office, take a loan application form to the

Figure 3. Stages of Applying for Credit at CU Bonaventura



Source: Processed by the researcher.

staff. If the loan is borrowed for savings, the file can be completed immediately and met with the credit department staff. The second stage, preparing administrative requirements in the form of a photocopy of the husband and wife's ID card along with family cards, member books, guarantor approval of at least 2 people who are still active, suitable collateral, a description of an appropriate family financial plan. Then, the members are interviewed to get information about the goals, financial situation and jobs of the members. Prospective members are invited to meet the staff again within the next few days. The third stage, after the member's data is analyzed, the loan application is continued by visiting the residence and place of business and the member's guarantee to match the existing data

then the staff takes photos of the results of the survey conducted as evidence in making reports for determine whether or not a loan is feasible. The fourth stage, the staff provides a loan letter regarding the rules that members must comply with and the CU Bonaventura policy if members default on their obligations for the proposed loan. After the members agree and sign the agreement letter, proceed to the cashier for the disbursement process. Furthermore, these stages can be seen in figure 3.

Funding that has been disbursed is the source of members of the Bonaventura CU and has been trusted to be used as best as possible. The stages are not complicated, the more members who submit applications, the more they are processed and it certainly takes a long time. Of course, it can be assumed

that the systematic CU program is closely attached to social life in order to boost the economy. In accordance with the views put forward by the Head of the Sajingan Besar District:

“As I know that the program is more prominent in the form of providing savings and loans because the business is like that. Other program is to strengthen its position in society. It is following developments in an effort to socialize CU but from a program perspective, it is saving and loans. For the people, this means that CU which is formed and established in border areas are intended for the prosperity of the people so that in the future funds for business can lift the economy and people’s income as well as reduce dependence of the people on loan sharks or bonded bonds which ensnare a fairly high interest system”.

The process of saving and loans money is almost the same as the bank, such as every month you have to save and pay credit, but CU Bonaventura does not have an ATM. The benefit of CU Bonaventura is that it eases people who are in economic difficulties, because by saving approximately Rp. 500,000, the members of Bonaventura CU can borrow more than that with low interest. Thus, CU Bonaventura encourages the welfare of its members in order to achieve financial goals where the community will take advantage of economic globalization as a place to increase natural and human resources and also improve the community's

economy. With the ease of borrowing from local institutions, the community can manage their natural resources which can then become the income of people in border areas.

Furthermore, in a certain context, economic diplomacy actually addresses the lack of employment (Rivai, 2017: 108). This proves that the Sajingan border area has a lot of natural resource potential, it's just that the people in the area cannot take advantage of this potential in increasing the economy in the global economy, even though this potential can be an opportunity for people in border areas. This potential is an excellent opportunity for the Sajingan Besar region to become economic diplomacy between Indonesia and Malaysia.

Natural resources that can be utilized by people in border areas include fisheries, agriculture and plantations as well as mining and gas. Where the potential for fisheries is in the Paloh, Pemangkat and Selakau areas, while for agriculture and plantation potential in the form of rice, oranges, rubber and oil palm and for mining and gas, they are still not used. In this case, the Sajingan border area has produced 246,579 tons of rice per year, then orange production is around 15,017 tons per year, while rubber is produced as much as 17,750 tons per year, then palm oil with a total production of 105,934 tons per year and also pepper with a total production of as much as 450 tons per year.

Realizing Deliberative-Participatory Democracy in Institutions at CU Bonaventura Facing the Global Economy

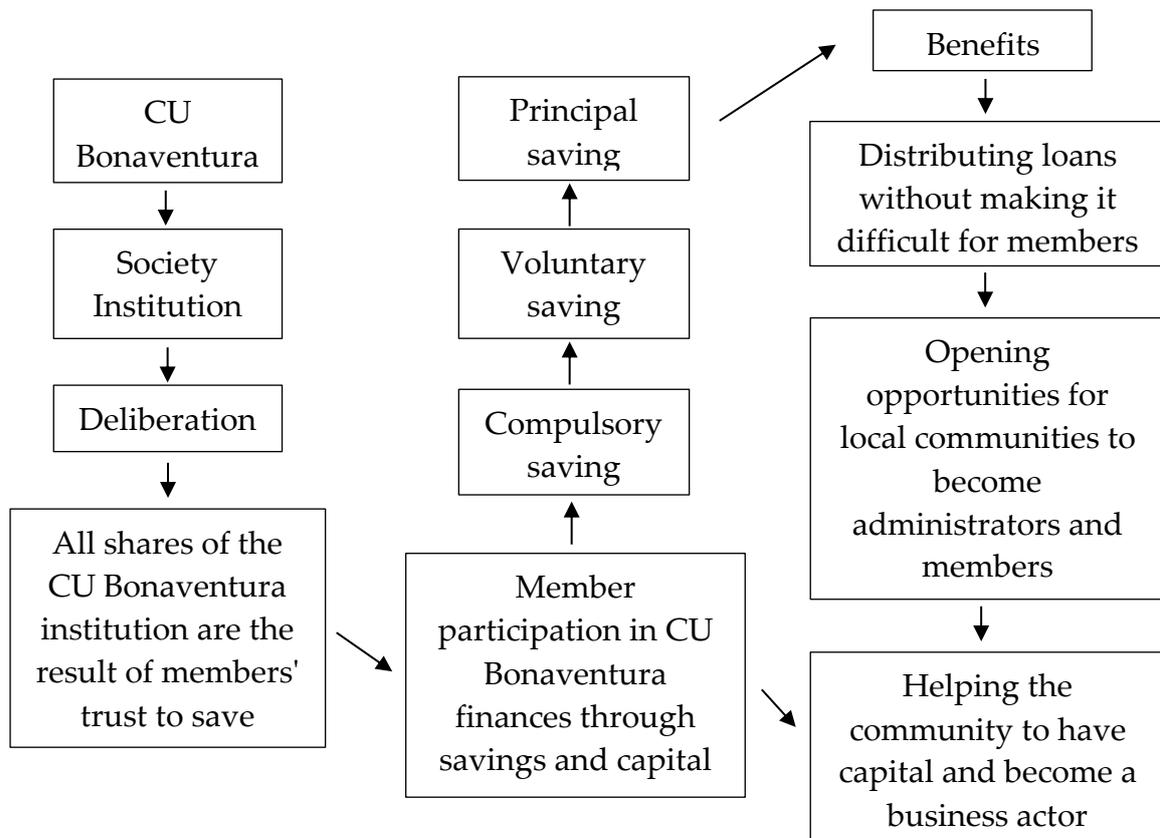
Democracy in Indonesia is not a new thing in politics. The manifestation of democracy is based on the active participation of the people (Mariana & Husin, 2017: 94). The deliberative-participatory democracy model emphasizes the political similarities that arise between these two theoretical paradigms in order to investigate the potential emergence of a specific mixed democracy model. In the participatory deliberative democracy model, empowering citizens is the main object. Moreover, political inclusion has become a marker of the ongoing democratic principles based on the category of people's participation. Therefore, deliberative-participatory democracy leads to a theoretical paradigm that includes two specific normative features, namely the idea of empowering citizens (based on the elaboration of political concepts) and political inclusion (based on the elaboration of political equality). The greater the role of the participatory deliberative arena with a high level of deliberative participation among members (the community), the higher the legitimacy of democracy (Cini & Felicetti, 2018).

The philosophy of Gotong Royong (mutual cooperation) based on the principle of deliberative-participative democracy can be seen in CU. CU members are not customers and so are different from other non-profit organizations. One of the cooperative

financial principles at CU is member control in a democratic manner. CU becomes a democratic organization owned and controlled by its members where one member has one vote with the same opportunity to participate (Ohecu, 2008). CU is a non-governmental cooperative financial organization aimed at achieving the economic and social goals of members and the wider local community. The implementation of CU is regulated by its members. Membership elect (from within the membership) volunteer officers and unpaid directors who set the policies under which the credit union operates. Voting in CU is based on one member, one vote which means that each member has the same vote regardless of the amount of savings or loans they have with CU (Mckillop & Wilson, 2011). CU refers to the capacity of informal institutions that can overcome the adverse consequences of the emergence of various risks related to financial, social, and psychological status and efforts to recover the impacts of adverse outcomes for society based on norms, customs, traditions, and common ideology.

Based on the researcher's findings, CU Bonaventura is a place to save money in predetermined ways. Thus, all shares owned by the CU Bonaventura institution are the result of members who save. In the process of saving, there has been a deliberation (agreement) because of mutual trust, as if seen from the word credit, it comes from credere, which means trust. All shares owned by CU institutions are the result of members who save. The basic capital is

Figure 4. Deliberative-Participative Democracy Model-Based on CU Bonaventura



Source: Processed by the researcher.

"trust" because all shares owned by CU institutions are the result of members who save. This CU was very quickly accepted by the border community in general, and entrusted the institution to save money from the work of the border communities obtained from their work such as the results of cutting rubber, pepper, cocoa and other forest products that could be converted into currency. The realization of deliberative democracy at the CU Bonaventura is supported by the following statements from its members:

"The source of funds for the CU itself comes from all its members who join the CU, by means of what

is known as compulsory savings, principal and voluntary savings. After members save in accordance with the provisions stipulated in management regulations, members may conduct transactions to borrow according to the member's savings amount, or according to their ability to repay the loan. It is relatively easy to disburse loans and does not use excessive collateral like in banks in general. Because they are more concerned with the basic needs of members, in accordance with the basic concept of members for members".

This statement leads to a deliberation or agreement consisting of the management of CU Bonaventura and members of CU Bonaventura as savers to set aside their income and save it at CU Bonaventura institution. In arousing the community's commitment to continue saving, the CU Bonaventura institution emphasizes the education system for all its members, the CU Bonaventura management believes that with this policy process its members will become smart and disciplined savers.

The power of the state and non-state actors is needed in realizing the stability of the country (Nurika, 2017: 127). Thus, non-state actors, in this case community participation, can increase human prosperity (Suyatno, 2016: 218). Globalization can have positive and negative consequences, which requires us to be wise in using it (Utami, 2018: 85). The existence of globalization in economic integration has made the community's economy increase in minimizing poverty in border areas through CU. Institutional-based democracy through the CU Bonaventura segmentation "from the people" is described in figure 4.

It can be seen that a political order based on local wisdom is needed that can realize deliberative-participatory democracy through the CU Bonaventura institution. In addition, financial education is also provided in accordance with the needs of its members, especially in facing the current global economy. If members need procedures for saving, members will be given how to save. Therefore, the purpose of establishing CU

Bonaventura is to minimize the level of poverty, especially for its members who are communities in the border area of Sajingan Besar.

CONCLUSION

Through institution based deliberative democracy through CU, the community can develop natural resources such as the use of fisheries, agriculture and plantations as well as mining and gas as the main community resources to be managed and produced into finished products that can compete with other countries. in the global economy, which in turn will become income for the people in the border area so that it will minimize the occurrence of poverty which results in many social problems that occur in border areas. In this case, CU Bonaventura is the most important part as a business entity based on CU-based democracy in a deliberative-participatory approach. Democracy, namely from the segmentation "from the people", segmentation "by the people" and segmentation "for the people". Since CU Bonaventura is based on the trust of all members and management of CU Bonaventura. The meaning of "from the people" is that all shares owned by the CU Bonaventura institution are the result of members who save. "By the people" means that the members appoint the management of the CU Bonaventura institution-based on credibility and competence. Meanwhile, "for the people" means that the money or shares that have been collected will be lent or will be borrowed by the members in accordance with the applicable

regulations. In practice, CU plays an important role in people's lives in order to have a more decent life. The recommendation of this research is that CU Bonaventura needs to be supported by means of economic democracy development, namely establishing partnership relations between economic actors for mutual benefit in various businesses and strengthening the role of the state to create professional human resources through character building.

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