The Effect of Trade on the Welfare of Local Communities on the RI-PNG Border

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Abstract

Over the past decade, the activities of the trade sector in the RI-PNG Border area have shown Indonesia's huge profits with a turnover of up to Rp100 billion per year. The Skouw – Wutung pilot market has proven to be a gateway for Indonesian goods to enter the PNG region (Kajian oleh Kementriaan Perdagangan RI 2015).

In its trade pattern, people who come from the PNG region and want to shop at the border Skouw market have a Cross-Border Card that is valid only within the cross-border area in lieu of passports, visas, and vaccination cards. This trade also affects the economic growth of local communities in the RI-PNG Border area. There are similarities in international trade and trade activities of local and cross-border communities, but there are differences in sales procedures and mechanisms.

This study aims 1) to determine the effect of trade on the welfare of traders of the local community of the RI-PNG border; 2) to find out the factors and strategies that support and hinder trade in local communities in the border areas of the Republic of Indonesia–PNG. The data used are secondary and primary data in the form of interviews and use a SWOT analysis tool (strengths, weaknesses, opportunities, threats) in the preparation of trading strategies for the welfare of traders.

The results of the study are: 1) Trade profile on the welfare of traders of the local community border RI-PNG has several characteristics, including ethnicity, age, gender, level of education, form of business and length of business, Net Trader Income within one week in the border market area, the highest reaching more than Rp. 4,500,000, - and the lowest reaching less than Rp. 500,000, - and the average net income which is between Rp. 500,000, - up to Rp. 1.500.000,- for a period of one week where there are three market days. 2) The highest supporting factor for success in the inhibiting factor is the quality of human resources (HR). Policy recommendations need to be made to strengthen the cooperative relationship between the government and traders. The government developed an entrepreneurship training program to improve the quality of human resources (HR) of traders, as well as market development and building public transportation routes from Jayapura city to the border area at Skouw market. From the results of the SWOT analysis, it was found that the SO Strategy, every existing strength can be used to take advantage of opportunities in order to support the increase in trade of Indonesian-PNG border traders.

Keywords: Trading, welfare and strategy.

Introduction

In Indonesia, there are four border provinces and 15 districts or cities, each of which has different characteristics. The number of border areas that are far from the city center makes that area often left behind in terms of

development. Apart from the aspect of development, the border area is also less touched in the social and economic fields due to the perception that the border area is an area that needs to be closely monitored because it is often being a hiding place for rebels. This results in poverty in the people in the border areas, as a result, many people move to neighboring countries, apart from having kinship as a family as well as because of the proximity of the area where they live. This was also conveyed by Hamid, who argued that the border areas in the Republic of Indonesia (RI) were actually less developed due to uneven development in border areas and were still far behind compared to development in neighboring countries.

In addition, the economic conditions of the people in the border areas are still low, which triggers the backwardness of the region (Hamid, et al, 2001 in Samsul Ma'rif 2012). The RI-PNG border area in Jayapura is the only border area that directly borders the provincial capital, so this makes the RI-PNG border area in Jayapura different from other regional border areas. This situation is a strategic condition for developing trade areas between countries/regions. The Skow border is the leading region of the Republic of Indonesia which has a strategic position. The existence of this border area is like the front yard in our house that needs to be guarded and cared for in order to keep it in good and attractive condition.

Efforts to maintain the existence of this border become interesting because it involves so many aspects, one of which is the economic aspect. With its unique position, generally, border areas are isolated areas, lack facilities and infrastructure, and have limited access. Apart from the above conditions, it is realized that the border area has a lot of potentials to be developed and is able to support the welfare of the community and ultimately encourage the economic development of the region.

The wheels of the economy are turning quite rapidly in the border area of Indonesia (RI) with Papua New Guinea (PNG). There, people from Indonesia to Papua New Guinea are the main drivers of the economic pace. Cross-Border (PLB) in Muara Tami District shows that some goods such as food raw materials, ready-made food and beverages, clothing,

electronic devices, and automotive equipment seem to dominate the movement of goods from Indonesia to PNG. According to Titeca (2009 in Awang et al, 2013), Informal trade at the border can be one of the mechanisms for economic empowerment of local communities so the researchers feel it is still necessary to examine the effect of trading activities on the welfare of local communities on the Indonesian border in Muara Tami District. Skouw Market itself is crowded and becomes the center of economic activity in the RI-PNG border area for both local people and people from Jayapura City in Indonesia to Papua New Guinea.

A number of traders at Skouw Market claimed they are able to get a turnover of up to millions of rupiah in a day because of the very busy economic activities. Very high buying and selling transactions occur on 'market days' which are held twice a week, namely on Tuesdays and Thursdays. Apart from these market days, transactions are still running but not as busy as on those market days. In Skow Market, there is also circulation of money with transactions using the rupiah currency from Indonesia and also the currency from PNG, namely quinine, both currencies are valid in the RI-PNG border area.

On the basis of this phenomenon, the author wants to examine how trade affects the welfare of local community traders on the RI-PNG border and what factors that hinder and support local community trade in the RI-PNG border area.

LITERATURE REVIEW

The definition of international business trade is the exchange of goods and services between countries. International business trade can be profitable, considering the presidential system and factors of production in each country are different. One of the most important parts of the difference is the availability of natural resources.

Trade is an economic activity carried out between economic actors, both producers, and consumers. As a distribution activity, trade guarantees the circulation, distribution, and supply of goods through market mechanisms menurut: (Marwati Djoened ,1993).

Regions that have strategic locations and good transportation infrastructure will develop their economy faster than areas that are less strategically located and far from trading activitiesThe definition of trade can be interpreted as an economic activity carried out between economic actors, namely consumers and producers simply in the form of transactions of goods or services. A transaction herein is the transfer of goods or services with wealth from one party to another. From this understanding, we can imagine that the trading process can be applied to various things related to transactions.

Trading is basically motivated by human wants and needs in making exchanges or transactions with barter techniques. However, since the advent of currency developments, trading motivations have begun to change. Now, the motivation for trading is to make ends meet while making a profit. This is what makes trade no longer just exchange when viewed in the modern world. In trading activities, sellers and buyers are trying to get something more. The seller wants to get more value for the goods sold by determining the price above the cost of production, while the buyer wants a low price for the goods purchased to meet their needs. It is this profit motivation that ultimately makes many people trade and eventually shapes the market.

Border trading is trade carried out by Indonesian citizens living in the Indonesian territory bordering Indonesian citizens residing in Indonesia's border areas with residents of neighboring countries to meet their daily needs. Law No. 7 of 2014 concerning trading Article 1 Paragraph 4. The policy direction for the development of border areas according to the 2010-2014 national medium-term development plan (RPJMN) is more focused on efforts to accelerate the development of border areas, namely as a gateway for economic activity in border areas with neighboring countries. The hope that the government wants to achieve is the realization of improving people's welfare in terms of the economy and state security by showing environmental sustainability. (Sutaat, Pemberdayaan Masyarakat daerah perbatasan Antar Negara, VoL.17, No.01, Jurnal sosiokonsepsia , 2012, hlm.2012.)

RESEARCH METHODOLOGY

This study used primary data conducted in Muara Tami Skouw District, Jayapura City. The research was conducted on local communities in the surrounding border areas that opened businesses after the operation of the modern Skouw border market. The reason for choosing this research location is based on the existence of local community traders as markets located in the RI-PNG border area. The population is 200 traders and a sample of 20 people was obtained through the purposive sampling technique (Suharsimi Arikuntoro, 2006).

ANALYSIS METHOD

To answer the first problem, qualitative descriptive analysis is used, namely in the form of written or spoken words from people and actors who can be observed (Sugiyono, 2012).

Furthermore, for the second problem, SWOT analysis is used which is a process of systematically identifying various factors to formulate strategies. This analysis is based on the logic that can maximize strengths (S) and opportunities (O) (Freddy Rangkuti, 2000), but at the same time can minimize the weaknesses (W) and threats (T). In strategic planning, qualitative descriptive techniques are used to answer the formulation of problems regarding what are the strengths and weaknesses that exist in the object of research and what are the opportunities and external threats that must be faced.

Qualitative descriptive analysis that is quantified by using a Likert scale and weighting as follows:

The assessment of the score is on the potential and achievements at this time and what is expected

Excellent   = 5

Good   = 4

Fair   = 3

Poor   = 2

Very poor   = 1

Urgency assessment is an assessment of the level of urgency in handling these factors

Very urgent   = 4

Urgent   = 3

Somewhat urgent   = 2

Not urgent   = 1

DISCUSSION

A.   Trade profile on the welfare of local community traders on the PNG border

The characteristics in this study are: ethnicity, age, gender, education level, the form of business and length of business, the income of traders, and net income within one week at the RI-PNG border. The data that can be collected from 20 people are:

-          Ethnicity consists of 5 respondents or 25 % of Papuan ethnic respondents and 15 respondents of non-Papuan ethnicity or 75 %.

-          Age consists of respondents aged 21-30 years as many as 8 respondents (40%), respondents aged 31-40 years are 4 respondents (20%), respondents aged 41-50 years as many as 5 respondents (25%), and respondents aged 51-63 years are 3 respondents (15%).

-          Gender consists of male respondents as many as 6 respondents or 30% and female respondents as many as 14 respondents or around 70%.

-          The education level consists of no respondents who are not in school, elementary school respondents as many as 1 person or 5% of the total respondents, junior high school as many as 5 respondents or as much as 25%, high school as many as 13 people or 65% of the total respondents, and S1 is 1 respondent or 5% of the total respondents.

-          Type of Business, from 20 respondents who were sampled in this study, it is known that there are several types of businesses, namely areca nut (Pinang) and Papuan specialties as many as 5 respondents (25%), clothing as many as 4 respondents (20%), grocery kiosks are 3 (15%), electronics owned 5 respondents (25%), workshops is 1 respondent (5%), glassware as many as 1

respondent (5%), and food stalls as many as 1 respondent (5%).

-          Form of Business, the business consists of individual businesses owned by 18 respondents (90%) and family businesses by as many as 2 respondents (10%).

-          Business Duration, 1-5 years as many as 11 respondents or 55%, respondents with a business duration of 6-10 years as many as 7 respondents or 25%, and respondents with a business length of 11-15 years as many as 2 respondents or 10%.

-          Income of Traders on the RI-PNG Border, 15 Non-Papuan respondents almost entirely use 3-4 market days to trade. They stated that in one week there are only 3 market days that have been set by the government, so it is used to make a profit from each market day even though on the 3rd day (Saturday) few consumers come to shop. Meanwhile, 1 (one) Non-Papuan respondent out of the total number of respondents used 5-6 market days to trade. The respondent stated that the place where he traded was also his place of residence.

The trade that takes place in this border area is actually very interesting and profitable, so many non-Papuan traders from urban areas come to trade in this border area with the circulation of very large quinine currency in the border market area. But the Indigenous Papuans living around the border areas are not very enthusiastic about this cross-border trade.

Furthermore, trade itself is an economic activity to obtain welfare. The welfare in this study is the level of income received by traders who trade in the border market area between RI-PNG. The level of income per day of each trader is different, the income received by indigenous Papuan traders in one market day is smaller than the income received by Non-Papuan traders who have a greater income.

A total of 5 Papuan native traders who were sampled in this study are known to have the smallest income, which is Rp. 200,000, - and the largest income received is Rp. 1,500,000,- in one market day. Meanwhile, as many as 15 respondents of non-Papuan traders have a higher daily market income than indigenous Papuan traders. The smallest income received by the non-Papuan traders is Rp. 600,000, - and

the highest income reached Rp. 10,000,000,- in one market day.

- Net revenue within one week

Data on net income received by traders in the border market area, it is known that the highest income reaches more than Rp. 4,500,000, - and the lowest is less than Rp. 500.000,- within one week. If calculated within a period of 1 month or an average of 16 trading days, the highest average income is Rp. 72,000,000 and the least is Rp 8,000,000. From the 20 respondents, the results showed that the largest net income received by traders in the border market area was between Rp. 500,000,- up to Rp. 1,500,000,- and net income received between Rp. 1,500,000,- up to Rp. 2,500,000,- which is also quite large. So, it can be concluded that most traders in the border market area earn an average net income of between Rp. 500,000 to Rp. 1,500,000, - within a period of one week.

Based on the average net income received by traders, there are four things that must be considered to see the welfare of each trader, namely net income used for household needs, educational needs, health needs, and secondary needs or other needs.

B. Factors that support and hinder trade in local communities in PNG's border areas

An interview was conducted in the sub-field of regional boundaries at the Border Management and Foreign Cooperation Agency, related to questions about the strengths, weaknesses, opportunities, and threats using a SWOT analysis to obtain strategies that can be carried out in trading activities on the welfare of local traders in the PNG border community.

a. Supporting factors:

• The geographical position of the RI-PNG border area is strategic to be used as a place of trade because it is a meeting place between the people of Indonesia and Papua New Guinea (PNG).

• A high number of visitors or tourists. According to data from the Papua Province Border Management and Foreign Cooperation Agency, it was found that between January and September 2017, visitors at the RI-PNG border market reached 70,998 people with an average monthly visitor of 7,887 people.

• The advantage possessed by goods sold in the RI-PNG border market is that they are cheap compared to PNG's own origin products. Therefore, many people from PNG usually come to visit twice a month to buy their daily needs.

• The establishment of a good cooperative relationship between traders, government, and society. This good cooperative relationship can support the trade process that takes place at the RI-PNG border so that it can run well and even increase.

The Indonesian government also through the Border Management and Foreign Cooperation Agency has collaborated with the PNG government in the form of the Pacific border trade fair (border trade fair RI - PNG) and pacific countries to increase trade. The government is also building additional selling points in a special market for Papuan women selling areca nuts and vegetables.

• Very high income from trading traffic. The high number of visitors and the strategic position of the border area make traders get big profits. Judging from the trade taxes received by the government of 16 billion in 2019.

• Having distributor partners where traders have good cooperative relationships with suppliers.

• Good quality goods make buyers who mostly come from PNG happy to buy goods from Indonesia.

b. Inhibiting factors:

• Lack of trade participation from indigenous Papuans, where when viewed based on the existing percentage, there are more non-Papuan traders.

• Human resource quality

The quality of human resources in terms of the entrepreneurial spirit possessed especially by indigenous Papuans is still low. This was stated by Mr. Dolfinus Kareth as the head of the regional boundary sub-sector of the Border Management and Foreign Cooperation Agency that the percentage of non-Papuan traders was higher than that of native Papuan traders.

• Access to the border is still lacking where there is very few transportation or public

transportation services to be able to go to the border area. This makes people who want to visit have to use private vehicles or rent vehicles but at a fairly expensive price.

• Limited capital can prevent traders from increasing their business and income.

• The lack of variety in product sales makes the goods sold seem to have no other type.

SWOT Strategy to Increase Local Community Traders Border at RI – PNG

From the results of the SWOT analysis, things obtained are strengths, weaknesses, opportunities, and threats in developing strategies to increase the income of traders. The following is a compilation of the factors that become strengths, weaknesses, opportunities, and threats for increasing the income of traders in the RI - PNG border area:

• Strengths

The strengths are: 1) The geographical location of the RI - PNG border is very strategic so that it supports the trade process. 2) The number of visitors or tourists who come to the border area of Indonesia - PNG. Most of the visitors are from PNG who buy their necessities at the Skouw border market. 3) The income earned from cross-border trading is huge and profitable for traders. 4) The price of goods sold by local traders is cheaper than the price of goods in PNG, so this makes the people of PNG tend to buy their needs in Indonesia. 5) Good cooperation between the government, traders, and the community. 6) Have a distributor partner. 7) Good quality of goods.

• Weaknesses

The weaknesses are: 1) Trade participation of indigenous Papuans is still lacking, according to the Border Management and Foreign Cooperation Agency that the percentage of non-Papuan traders is higher in the border market area. 2) Access to the border is still lacking, due to the absence of transportation that can be used to go to the border. Most people who go to border areas use private vehicles or rent vehicles. 3) Limited trading capital. 4) The quality of human resources (HR) is still lacking in their entrepreneurial spirit. 5) The lack of variety in the sale of goods products in the RI-PNG border market area.

• Opportunities

The opportunities are: 1) Have market share. 2) High market demand, especially the demand from the people of PNG to buy a variety of daily necessities, which are mostly purchased in Indonesia. 3) Marketing local commodities. 4) Development of public transportation services. 5) Availability of space for business. 6) High purchasing power of the people.

• Threats

Threats are: 1) Competition with PNG traders. 2) Criminal rate. 3) The closure of the border area due to security reasons.

Furthermore, an assessment is carried out to find out what strategies are suitable or can be used to formulate strategies to increase trade in local communities at the RI-PNG border. This assessment is carried out by weighting each internal and external factor that has been determined based on the results of the interview. The following are the results of the assessment carried out.

Table 1 Calculation of strategic factor analysis

No	Strategic Issues	Factor	Score	Urgency	Position	Grade
1	The strategic geographical location of the RI - PNG border	Internal	5	3	S	15
2	The number of visitors or tourists	Internal	5	1	S	5
3	The revenue from cross-border trade	Internal	5	3	S	15
4	The price of goods sold is cheaper	Internal	5	2	S	10
5	Good cooperation among the government, traders, and the community	Internal	4	4	S	16
6	Have a distributor partner	Internal	4	2	S	8

7	Goods quality	Internal	4	1	S	4
8	Papuan indigenous trade participation	Internal	2	3	W	6
9	Lack of access to border areas	Internal	2	4	W	8
10	Limited business capital	Internal	4	1	W	4
11	Human resource quality	Internal	4	3	W	12
12	Lack of variety in product sales	Internal	4	1	W	4
13	Have market share	External	5	2	O	10
14	High demand	External	5	2	O	10
15	Marketing local commodities	External	5	1	O	5
16	Development of public transportation services	External	5	4	O	20
17	Business rentals	External	4	4	O	16
18	People's purchasing power	External	5	4	O	20
19	Competition with traders from PNG	External	2	1	T	2
20	Criminality in the border area	External	5	4	T	20
21	Closure of border areas for security reasons	External	5	4	T	20
AVERAGE OF INTERNAL FACTORS			4			
AVERAGE OF EXTERNAL FACTORS			4,6			

Source: Processed data, July 2020

∑S (Strengths)	73	SO = 73 + 81 = 154 : grand strategy
∑W (Weaknesses)	34	ST = 73 + 42 = 115
∑O(Opportunities)	81	WO = 34 + 81 = 115
∑T(Threats)	42	WT = 34 + 42 = 76

Source: Processed data, July, 2020

Based on the SWOT analysis, it was found that the appropriate strategy to be used is the SO strategy, which is to use strengths to take advantage of existing opportunities. Therefore, the formulation of strategies through a combination of these factors is made in order to create a strategy that can be used to support the increase in local trade in the RI-PNG border area.

• Strengths strategy (S) - Opportunities (O)

In the SO strategy, the company or organization pursues external opportunities by considering the strengths of the organization. The strategies developed based on this analysis are:

1) Continue to develop and improve the border market, both in terms of facilities and goods traded. Thus, the strategic market position, market share due to a large number of visitors and the high demand and purchasing power of the people as well as cheaper selling prices of goods can be utilized to increase the income of traders and the economy in the RI-PNG border market area.

2) Creating exhibitions or festivals in the border market area that can attract visitors from both Indonesia and PNG.

3) Development of sales of local commodities or existing resources in border areas. The border area has forest resources that can be used as commodities for export to PNG, such as Masohi bark and vanilla.

4) Developing public transportation services from Jayapura to the border market area along with the terminal. With the existence of public transportation services it will be able to attract more visitors. The increased visitors can make the sales efforts of the merchants increase due to the increase in consumers.

• Weaknesses strategy (W) - Opportunities (O)

The strategy is determined based on the utilization of existing opportunities by minimizing existing weaknesses. The identification of strategies from the results of this analysis are:

1) Opening the Jayapura - Skouw public transportation service route and vice versa along with the terminal.

2) Make good use of the place of business that has been provided by the government and it is also necessary to add a place to sell for new traders.

3) Cooperating with banks to provide credit distribution to traders whose capital is limited.

4) Increase interest in entrepreneurship and the quality of human resources, especially Papuan people, by providing training on entrepreneurship and techniques for managing business and making good financial reports. As well as providing business guidance for traders.

• Strengths strategy (S) – Threats (T)

Strategi ini ditetapkan berdasarkan kekuatan yang dimiliki oleh organisasi untuk mengatasi ancaman yang terdeteksi. Identifikasi strategi dari hasil analisis ini adalah:

1) Improving good cooperation with distributors so that goods can be obtained cheaply and sold also at low prices and also

improve the quality of goods sold in order to win the competition.

2) Improving security in the RI-PNG border area by increasing regional surveillance by the TNI-POLRI.

3) Developing other sectors that have opportunities in accordance with the capabilities possessed by the people in the border areas. Like the agricultural sector, so when the border market has to be closed for security reasons, traders can have side jobs to support their lives.

• Weaknesses strategy (W) – Threats (T)

This strategy is carried out to reduce weaknesses and avoid external threats. The identification of strategies in this analysis are:

1) Carrying out more intensive surveillance and security cooperation between the governments of Indonesia and Papua New Guinea (PNG).

2) Providing business funding assistance for traders to be able to develop their businesses.

The formulation of the strategies that have been made is then entered into the SWOT matrix so that it can clearly describe the internal strengths and weaknesses that are owned and adapted to the external opportunities and threats faced. From this SWOT matrix, it can be seen that there are 4 (four) types of strategies that can be used in order to increase the trade of local traders in the RI-PNG border area.

Table 2. SWOT Matrix of Trade Strategies towards welfare on the RI-PNG Border

Internal / External	STRENGTHS (S) 1. The geographical location of the RI-PNG border in supporting the trading process 2. The number of visitors 3. Income from cross-border trading 4. The price of goods sold is cheaper 5. Good cooperation between government, Merchants, and society 6. Having distributor partners 7. The quality of goods	WEAKNESSES (W) 1. Papuan native trade participation 2. The lacking of access to the border area 3. Limited business capital 4. The quality of human resource 5. Lack of variety in product sales
OPPORTUNITIES (O) 1. Having a market share 2. High demand 3. Marketing local	STRATEGIES (S-O) 1. Developing and improving border markets both in terms of facilities and goods traded.	STRATEGIES (W-O) 1. Opening the Jayapura - Skouw public transportation service route and vice versa

commodities 4. Development of public transportation services 5. Business rentals 6. People's purchasing power	2. Creating exhibitions or festivals in the border market area that can attract visitors from both Indonesia and PNG. 3. Development of sales of local commodities or existing resources in border areas. 4. Development of public transportation services from Jayapura to the border market area along with the terminal.	along with the terminal. 2. Make good use of the place of business that has been provided by the government. 3. Cooperating with banks to provide credit distribution to traders whose capital is limited. 4. Increasing interest in entrepreneurship and the quality of human resources, especially Papuan people. .
THREATS (T) 1. Competition with the traders from PNG 2. Criminality 3. The closure of border areas for border reasons	**STRATEGIES (S-T)** 1. Improving good cooperation with distributors 2. Improving security in the RI-PNG border area by increasing regional surveillance by the TNI and POLRI. 3. Developing other sectors that have opportunities in accordance with the capabilities of the people in the border area.	**STRATEGIES (W-T)** 1. Carrying out more intensive surveillance and security cooperation between the governments of Indonesia and Papua New Guinea (PNG). **2.** Providing business funding assistance for traders to be able to develop their businesses.

Source: Processed data, July, 2020

Result Interpretation

From the results of the analysis that has been carried out, it can be seen that cross-border trade in the RI-PNG region has strength and even great opportunities to continue to grow, especially to be able to improve the welfare of traders from Indonesia who trade in the border area. Strengths and opportunities that are included in internal factors make the trade position in the RI-PNG border area very profitable and able to experience better improvements. By using the SO strategy, every available strength can be used to take advantage of opportunities in order to support the increase in trade between RI-PNG border traders.

CONCLUSION

1.   The trading profile on the welfare of local PNG border community traders from 20 respondents obtained several characteristics in this study, namely: ethnicity, age, gender, education level, the form of business, business duration, trader income, and average net income, which is between Rp. 500,000, - up to Rp. 1,500,000,- within one week at the RI-PNG border.

2.   The highest success supporting factor in the hindrance factor is the quality of human resources. Therefore, policy recommendations are made in the form of strengthening cooperative relations between the government and traders. The government can also develop entrepreneurship training programs to improve the quality of human resources of traders, as well as develop markets and build public transportation routes from Jayapura city to the border area in Skouw. From the results of the SWOT analysis carried out, there are several strategies that can be done to increase the income of traders in the RI-PNG border area. These strategies include market and product development, especially local commodities, distribution of business capital in the form of assistance or loans, development of public transportation services, holding exhibitions or festivals at the border to attract visitors, training to improve the entrepreneurial spirit, establishing cooperative good relationships, developing other sectors that have opportunities between the government and traders, improving the security and quality of human resources of traders, as well as developing markets and

building public transportation routes from Jayapura city to the border area in Skouw. The results of the SWOT analysis also show the SO Strategy, which means that every existing strength can be used to take advantage of opportunities in order to support the increase in trade between RI-PNG border traders.

SUGGESTIONS

1.　　The need for the government to continue to support trade by paying attention to local traders in the RI - PNG border area with programs that can improve quality and increase income for the welfare of traders.

2.　　The need for traders in the RI-PNG border area, so that they can continue to develop their business in selling and use every available opportunity to increase their income while still following Law Number 7 of 2014 concerning Trade.

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