

Increasing Natural Resources, Fiscal Policy, and Political Stability on Regional Growth and Economic Resilience

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ABSTRACT

Growth and resilience economy become an issue strategically in development areas, especially in the Province of West Nusa Tenggara/Nusa Tenggara Barat (NTB). This study aims to analyze the influence of the source of Power and nature, fiscal policy, and political stability on regional growth and economic resilience in West Nusa Tenggara Province. This research employs a quantitative approach with Partial Least Squares Structural Equation Modeling (PLS-SEM) method. Respondent in the study is the apparatus government area, perpetrator business, and figures a society that understands management source nature, policy fiscal, and stability politics. Research results show that natural resources are positively influential and significant to regional growth and economic resilience, emphasizing the importance of managing local resources optimally and sustainably. Policy fiscal influence is significant to regional growth through effective budget management, but has not yet had a significant impact on the resilience of the economy. Stability and politics have become the most dominant factors in pushing regional growth and strengthening the resilience of the economy, with the creation of a certainty law, and a climate conducive to investment.

Keywords: Economic Resilience, Local Resource Management, Natural Resources, Policy, Fiscal Stability, Politics, Regional Economic Growth.

ABSTRAK

Pertumbuhan dan ketahanan ekonomi menjadi isu strategis di daerah pembangunan, khususnya di Provinsi Nusa Tenggara Barat (NTB). Penelitian ini bertujuan untuk menganalisis sumber pengaruh sumber daya alam, kebijakan fiskal, dan stabilitas politik terhadap pertumbuhan daerah dan ketahanan ekonomi di Provinsi Nusa Tenggara Barat. Penelitian ini menggunakan pendekatan kuantitatif dengan metode Partial Least Square Structural Equation Modeling (PLS-SEM). Responden dalam studinya adalah aparat pemerintah daerah, pelaku bisnis, dan tokoh masyarakat yang memahami sifat sumber manajemen, kebijakan fiskal, dan politik stabilitas. Hasil penelitian menunjukkan bahwa sumber daya alam berpengaruh positif dan signifikan terhadap pertumbuhan daerah dan resiliensi ekonomi, menekankan pentingnya potensi pengelolaan lokal secara optimal dan berkelanjutan. Kebijakan fiskal berpengaruh signifikan terhadap pertumbuhan daerah melalui pengelolaan anggaran yang efektif, tetapi belum memberikan dampak yang signifikan terhadap ketahanan ekonomi. Stabilitas politik menjadi faktor paling dominan dalam mendorong pertumbuhan daerah dan penguatan ketahanan ekonomi, dengan menciptakan kepastian hukum, dan investasi yang kondusif iklim.

Kata kunci: Ketahanan Ekonomi, Pengelolaan Sumber Daya Lokal, Sumber Daya Alam, Kebijakan Fiskal, Stabilitas Politik, Pertumbuhan Ekonomi Daerah.

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INTRODUCTION

Economic growth and resilience are key development issues in West Nusa Tenggara/*Nusa Tenggara Barat* (NTB), a region rich in natural resources, including agriculture, plantations, fisheries, and mining. However, poor resource management, fiscal policy challenges, and political instability have hindered sustainable and resilient regional development. Natural resource endowments are an important factor that can influence regional growth. In the context of NTB, the potential of natural resources such as gold mining in West Sumbawa Regency, the tourism sector in Lombok and Sumbawa, and the marine and fisheries sectors represents a significant opportunity to increase regional income and improve community welfare. Nevertheless, the mere existence of natural resources does not automatically guarantee regional economic growth unless they are managed properly. A common phenomenon in such contexts is the "resource curse," where resource-rich regions actually experience slower economic growth due to weak governance, overdependence on primary commodities, and vulnerability to global price fluctuations (Auty, 1993).

The management of natural resources in NTB still faces several serious problems, such as overexploitation, weak governance, a lack of local value-added, and low public participation in resource utilization. Additionally, the region's dependence on the primary sector makes its economy highly vulnerable to external shocks due to fluctuations in global market prices. In the context of fiscal policy, the role of local government in managing the budget is crucial for directing regional development. Effective fiscal policies can serve as instruments to encourage investment, provide infrastructure, and improve public services that support economic growth. According to Musgrave and Musgrave (1989), sound fiscal policies can enhance regional competitiveness through efficient and equitable budget allocation. In NTB, implementing pro-people and transparent fiscal policies remains a challenge, given the limitations of local revenue (*Pendapatan Asli Daerah*/PAD) and the region's dependence on transfer funds from the central government (Ministry of Finance, 2022).

Fiscal dependence can reduce regional fiscal autonomy and limit government flexibility in implementing strategic development programs. Inefficient spending allocations, weak budget accountability, and poor internal controls further hinder optimal fiscal outcomes. These limitations negatively affect investment in quality infrastructure, reduce support for productive sectors, and slow regional growth. Without proper fiscal management, efforts to improve competitiveness, expand employment, and strengthen economic resilience in West Nusa Tenggara (NTB) face significant challenges.

Political stability, legal certainty, and government security are essential prerequisites for sustainable regional development. As North (1990) emphasizes, political stability creates a conducive environment for economic growth by providing investors with assurance on security and regulatory certainty. In NTB, regional growth is uneven; areas like Central Lombok and Mataram City advance rapidly due to better infrastructure, while Bima, Dompu, and Sumbawa lag, deepening socio-economic disparities.

Previous studies provide mixed insights on natural resource dependence and regional growth. Sachs and Warner (2001) argue that high dependence on natural resources can slow growth, a phenomenon also known as the resource curse (Auty, 1993), especially when governance is weak. Conversely, Barro (1990) highlights the critical role of fiscal policy in supporting infrastructure to boost regional growth. At the national level, Resosudarmo et al. (2009) underline how fiscal decentralization improves expenditure efficiency and accelerates infrastructure and public service development. Regarding political stability, Acemoglu and Robinson (2012) stress the importance of inclusive institutions and stable politics in fostering sustainable economic growth. Despite these findings, there is a research gap in understanding how natural resources, fiscal policy, and political stability collectively influence regional growth and economic resilience specifically in NTB. This study addresses this gap by analyzing the combined effects of these factors on the province's development trajectory.

In the context of NTB, research by Hakim (2020) shows that sector tourism that becomes superior is greatly influenced by political and security conditions. In addition, a study by Yuliastuti (2019) identified that strengthening the fiscal capacity of the NTB area still faces various challenges, especially in increasing PAD and reducing dependence on central funds. This study aims to analyze the influence of the source of power, nature, fiscal policy, and political stability on regional growth and economic resilience in West Nusa Tenggara.

LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT

Natural Resource Development, Fiscal Policy on Regional Growth

Natural resource development is an effort to optimize natural potential through exploration, exploitation, conservation, and sustainable utilization to support economic growth. According to Auty (1993), countries or regions rich in natural resources have the potential to experience a resource curse if their management is not effective and accountable. However, when combined with good governance, natural resources become the main driver of regional growth. In the context of fiscal decentralization, natural resource management plays an important role in financing infrastructure development, education, and health in the regions (Brundland, 1987)

Natural resources (*Sumber Daya Alam/SDA*) are fundamental capital for economic development, especially in regions rich in mining, agriculture, forestry, and marine products. When managed productively and sustainably, SDA increases added value, creates employment opportunities, and enhances local government revenues. The development of supporting infrastructure, such as roads, energy, and markets, typically follows the growth of the SDA sector. Regions that effectively manage SDA tend to experience faster economic growth than those that do not. However, this positive impact depends heavily on good governance and environmental oversight, as unsustainable exploitation can cause environmental damage and social conflict, which hinder growth. Therefore, it is crucial for regions to promote sustainable SDA industrialization focused on value addition.

Regional economic resilience reflects a region's capacity to absorb, adapt, and recover from economic shocks. Sustainable natural resource development strengthens this resilience by providing a stable economic base and allowing regions to anticipate global commodity price fluctuations. Diversifying natural resource-based industries, such as downstream mining, agro-industry, and nature-based tourism, also plays a key role in building long-term resilience. Additionally, optimizing natural resources increases regional revenues, which bolsters fiscal capacity to face crises. However, environmental protection and social stability must be ensured, as neglecting these factors threatens economic resilience.

H1: Natural resource development has a positive effect on regional growth.

H4: Natural resource development has a positive effect on regional economic resilience.

Fiscal Policy

Fiscal policy includes government spending and revenue strategies to regulate economic growth and fiscal resilience. According to Musgrave & Musgrave (1989), the main functions of fiscal policy include resource allocation, income distribution, and economic stabilization. At the regional level, efficient capital expenditure, local revenue and transfers of funds from the center have been shown to encourage local economic growth (Prasetyo & Subroto, 2020). In other words, appropriate fiscal policy strengthens the competitiveness of regional economies (Krisprimandoyo & Mahargiono, 2023)

Regional fiscal policy is a key driver in promoting local economic growth by ensuring the efficient allocation of public resources. Investments in productive sectors such as education, health, infrastructure, and MSMEs generate multiplier effects that boost regional productivity and competitiveness. Stable and increasing Regional Original Income (*Pendapatan Asli Daerah/PAD*) reflects strong fiscal capacity, enabling regional

governments to implement comprehensive development programs. Transfers from the central government, including the General Allocation Fund and Special Allocation Fund, further support fiscal capacity, particularly in underdeveloped regions. The effectiveness of fiscal policy depends on transparency, accountability, and performance-based budgeting. Fiscal policies grounded in efficiency and equity encourage balanced and inclusive regional growth, whereas inefficient or corrupt policies hinder development. Fiscal policy also plays a crucial role in strengthening regional economic resilience. In times of crisis, such as economic downturns, pandemics, or natural disasters, sound fiscal management determines a local government's ability to maintain stability. This includes the creation of budget reserves, emergency funds, and flexible budget reallocation. Targeted fiscal measures supporting food security, education, health, and MSMEs contribute to building a more resilient economy. Furthermore, effective fiscal management involves prudent revenue generation, debt control, and budget transparency, which help minimize adverse effects from external shocks like inflation and global slowdowns. The quality of fiscal planning, execution, and oversight is therefore fundamental to enhancing regional economic resilience.

H2: Fiscal policy has a positive effect on regional growth.

H5: Fiscal policy has a positive effect on regional economic resilience.

Political Stability

Political stability is an important prerequisite in creating a conducive investment climate. Alesina et al. (1996) stated that political uncertainty tends to reduce long-term investment and disrupt economic growth. Conversely, politically stable regions are better able to attract domestic and foreign investment and implement development policies consistently. Political stability also affects economic resilience in the face of global turmoil. Political stability is the main foundation for sustainable economic development. In the regional context, political stability reflects the harmony between the regional government and the community in decision-making and policy implementation. A stable political situation creates legal certainty and security that investors need to invest.

Moreover, political stability contributes significantly to building institutional trust, which is essential for effective governance and economic resilience. When citizens trust their government institutions, they are more likely to comply with regulations, pay taxes, and participate actively in development initiatives. This trust also enhances the legitimacy of government actions, enabling smoother policy implementation and reducing the risk of resistance or backlash. In regions like West Nusa Tenggara, where economic transformation relies heavily on long-term planning and collaboration between stakeholders, stable political conditions allow for consistent policy execution, capacity-building, and institutional reform. Therefore, strengthening political stability should be a strategic priority, not only to attract investment but also to reinforce the foundations of inclusive and sustainable regional development.

H3: Political stability has a positive effect on regional growth.

H6: Political stability has a positive effect on economic resilience.

Regional Growth

Regional growth is defined as an increase in the economic output of a region in a certain period. Sustainable growth is characterized by an increase in Gross Regional Domestic Product (GDRP), employment, and productivity. Factors such as natural resource management, fiscal capacity, and political stability are important determinants in accelerating this growth, according to the World Bank. Economic growth has been one of the major goals of societies ever since they pursued better lives for their citizens (Hameed et al., 2025). There is a high probability that high economic growth leads to poverty reduction in the short-term by as much as 70% of poverty reduction, while the odds still remain high of it increasing to 97% in the medium and long-term (Palani et al.,

2025; Yaqub, 2019). In Indonesia, economic growth is one of the main indicators of the success of national development (Purba, 2025)

Regional growth is also closely linked to the concept of economic resilience, which refers to a region's ability to anticipate, withstand, and recover from economic shocks while maintaining long-term development progress. Resilient regions are those that can adapt to changing economic conditions through diversified economies, strong institutions, and effective governance. Regional resilience is not only shaped by economic factors but also by social cohesion, political stability, and institutional capacity. Inclusive regional policies, investment in human capital, and decentralization of governance play a crucial role in enhancing regional resilience. In the context of Indonesia, regional disparities and governance effectiveness remain key challenges in achieving balanced growth and resilience across provinces. Therefore, integrating growth and resilience perspectives is essential for formulating sustainable regional development strategies.

Regional Economic Resilience

Economic resilience reflects the ability of a region to face, absorb, and recover from external and internal economic pressures (Rose, 2007). The concept of economic resilience develops in various disciplines, including economics, ecology, psychology, sociology, risk management, and network theory. Resilience is defined as the capacity of a system to tolerate disturbance while maintaining structure and function (Purnomo, 2021). The three main verses of economic resilience refer to the range of nations of economic resilience itself, which is basically a balance between aspects of production, distribution, and consumption (Gunawan et al., 2023).

This resilience is highly dependent on economic diversification, fiscal capacity, infrastructure, and institutional quality. The higher the capacity of a region to manage resources and implement adaptive fiscal governance, the stronger its resilience to economic crises. Economic resilience in Indonesia is still unstable. This is can be felt through several indicators and impacts that occur, such as difficulties and shortages in achieving good economy with certain time scale, lack of supplies to fulfill good nutrition and healthy living, as well as unemployment and a decline in purchasing power, during economic resilience in Indonesia into a complex economic crisis (Ikhwan & Solihah, 2021)

The interaction between natural resources, fiscal policy, political stability, and economic growth plays a vital role in shaping economic resilience. Regions rich in natural resources have greater potential to generate revenue and stimulate growth, but without effective fiscal policies and political stability, these resources may lead to volatility and inequality a phenomenon often referred to as the resource curse. Fiscal policy acts as a critical tool for redistributing resource-generated wealth, supporting infrastructure, and providing social safety nets that enhance a region's capacity to withstand shocks.

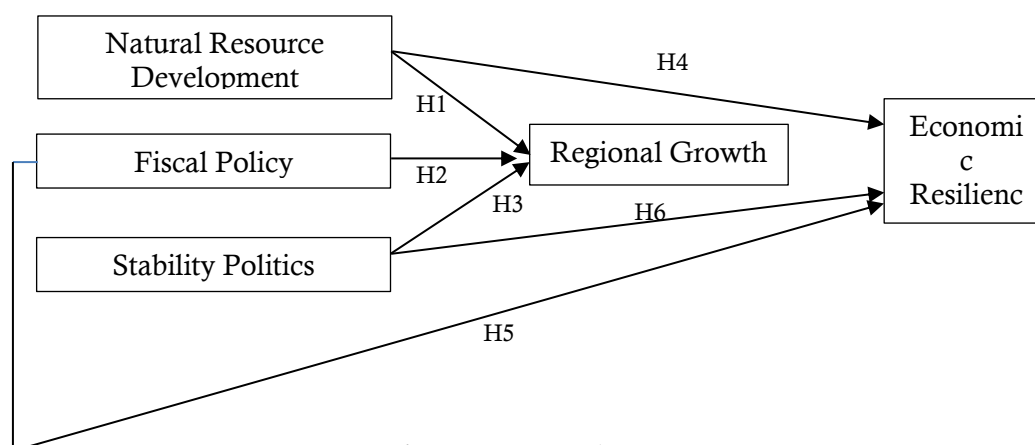


Figure 1. Framework

Based on Figure 1, the research framework of this study can be known. This study has 6 hypotheses that include the direct and indirect influence of dependent variables and independent variables, namely, natural resource development, fiscal policy, stability politics, regional growth, and economic resilience.

RESEARCH METHOD

This study uses a quantitative approach with a causal research design to examine the cause-and-effect relationships between independent variables, namely natural resources, fiscal policy, and political stability, and the dependent variables of regional growth and economic resilience in West Nusa Tenggara Province. A quantitative approach was chosen because it enables objective, structured, and measurable analysis that can be statistically tested, ensuring reliable and valid results. To analyze the data, the study employs the Partial Least Squares Structural Equation Modeling (PLS-SEM) method. PLS-SEM is suitable for analyzing complex relationships among latent variables and is particularly effective for models involving a relatively moderate sample size. According to Hair et al. (2014), this method is well-suited for exploratory research that focuses on prediction and theory development rather than confirmation. Moreover, the flexibility of PLS-SEM allows it to detect both direct and indirect effects of the variables being studied, making it ideal for examining the multi-dimensional influences on regional growth and resilience.

The population in this study consists of regional government officials, business actors, and community figures who are directly involved in the management of natural resources, the formulation of fiscal policy, and the strengthening of political stability in West Nusa Tenggara. This population was selected based on their adequate understanding and practical experience in the research field, which is essential for ensuring data relevance and accuracy (Sugiyono, 2019). These respondents are considered to have firsthand knowledge of the dynamics and challenges related to development in the region, making their input valuable for understanding the interconnected factors that influence growth and resilience.

The sample size for this study is 200 respondents. This number was determined by referring to the guidelines provided by Hair et al. (2014), which suggest that for structural models of moderate complexity, the minimum sample size should range between 100 and 200 respondents. A sample size of 200 is thus deemed appropriate to ensure the robustness of the statistical analysis while maintaining a balance between data depth and manageability. Overall, this methodological approach is designed to yield insights that can inform policy recommendations aimed at promoting balanced and sustainable development across the diverse districts of West Nusa Tenggara.

RESULTS

The first stage of analysis using PLS-SEM is the conceptualization of structural models. Figure 1 shows that the variable Natural Resources/Sumber Daya Alam (SDA) there are six indicators that represent key aspects in the utilization and availability of power sources in the area studied. While that, variable Policy Fiscal/*Kebijakan Fiskal* (KF) measured through six indicators that describe implementation policy fiscal in support development and growth economy. Variables Stability Politics/*Stabilitas Politik* (SP) is also measured through six indicators (SP1–SP6) that reflect the level of security, consistency of policies, as well as conditions conducive to politics in pushing regional growth.

On the other hand, the variables Regional Growth are measured through six indicators (PW1–PW6) that explain the dynamics of regional development in the aspects of economy and infrastructure. Finally, the variable Economic resilience (*Ketahanan Ekonomi/KE*) is measured through six indicators (KE1–KE6) which show regional capability in the face of economic challenges and maintain stability in the long term.

Furthermore, the stage required testing validity and reliability to ensure that the indicators in a way statistically represent each latent variable

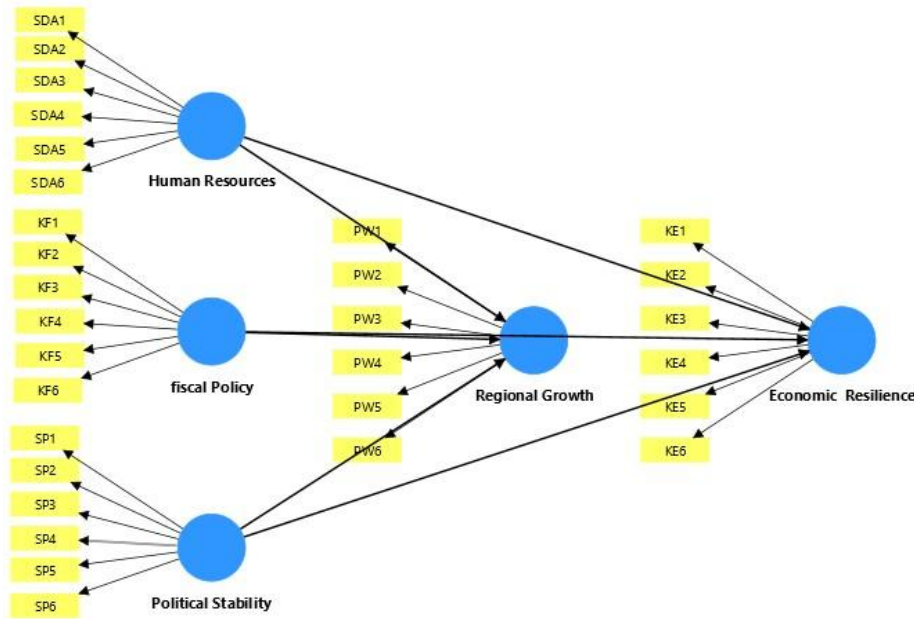


Figure 1. Initial Structural Model

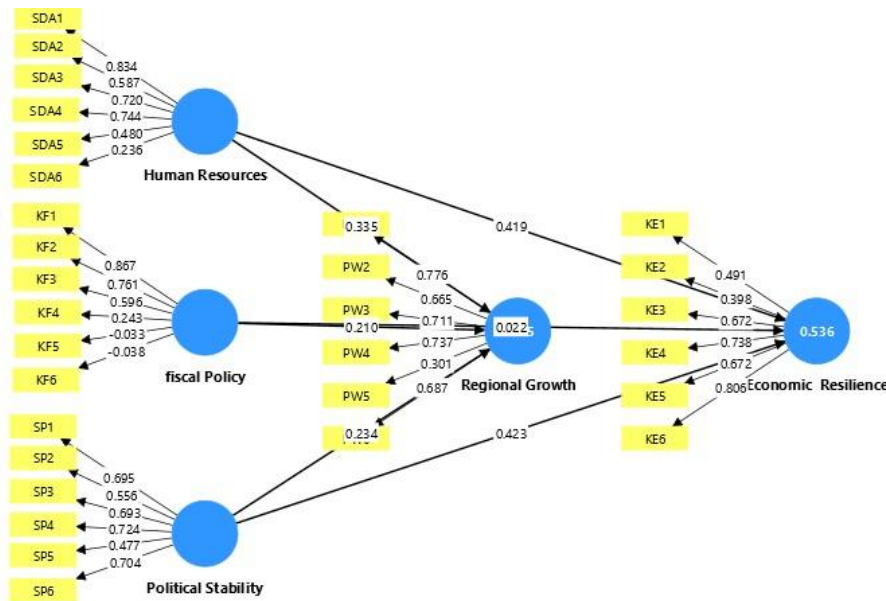


Figure 2. Results of the Initial PLS Algorithm

Based on Figure 2, the results of the algorithm are initially displayed. Interpretation at the indicator level shows the strength of the contribution of each indicator to form latent variables. In the variables Natural Resources, SDA1 to SDA6 indicators show variation loading factor values, where SDA1 (0.834), SDA4 (0.744), and SDA3 (0.721) have contribution highest in explain construct on the other hand, SDA6 has the lowest loading factor (0.234), which indicates that indicator The weak in represent variable Natural Resources and possibilities need under consideration for removed at a later stage of the model.

For Policy Fiscal, indicators KF1 (0.866), KF2 (0.771), and KF3 (0.928) are very strong. to measure construct, while KF4 (-0.246), KF5 (-0.035), and KF6 (-0.035) show

negative factor loadings which have the potential to become indicator invalid or own opposite direction with the hypothesis beginning. This needs further evaluation.

On Stability Politics, all indicators have contributed positively enough, especially SP4 (0.723), SP5 (0.707), and SP1 (0.693). While that, the indicator for Regional Growth in general overall shows a good contribution, with PW2 (0.797) and PW4 (0.711) as the strongest indicators. Lastly, the indicator Economic Resilience is dominated by KE5 (0.809) and KE4 (0.732), indicating that both of them are the strongest representations of the resilience economy. In terms of Overall, this model still needs improvements, especially on indicators that have low loading factors or negative values.

On the other hand, the variable Economic Resilience (0.703), Regional Growth (0.736), and Stability Politics (0.720) all have fulfilled criteria reliability with a Composite Reliability (CR) value above 0.7. This indicates that indicators on the third construct have their own good internal consistency and can be used reliably to measure the variable in question.

Table 1. Composite Reliability Values

| Variables | CR Value | Condition | Information |
|---------------------|----------|-----------|-------------|
| Fiscal Policy | 0.475 | >0.7 | Invalid |
| Economic Resilience | 0.703 | >0.7 | Valid |
| Regional Growth | 0.736 | >0.7 | Valid |
| Political Stability | 0.720 | >0.7 | Valid |
| Natural resources | 0.681 | >0.7 | Invalid |

Source: Processed Data 2025

Based on Table 1 results, Composite Reliability testing can conclude that the level of internal consistency between indicators in each construct varies. Policy Fiscal owns the CR value of 0.475. This shows that the indicators that form the variable Policy Fiscal have no consistent and are not capable of constructing a good measure. Next, the variables Natural Resources also show a CR value of 0.681, which, although approaching the standard, is still classified as invalid.

Table 2. R Square Value

| Variables | R Square |
|---------------------|----------|
| Economic Resilience | 0.547 |
| Regional Growth | 0.412 |

Source: Processed Data 2025

Based on Table 2, the R² value shows that the variable Economic Resilience has an R² value of 0.547. This shows that by 54.7% variation in Economic resilience can be explained by the independent variables in the model, namely Natural Resources Policy, Fiscal Stability, Politics, and Regional Growth. This value is classified as sufficiently strong in the context of social studies, because it shows a significant influence from constructs tested on resilience economy. Regional Growth has an R² value of 0.412, which means about 41.2 of % variation in Regional Growth can be explained by Natural Resources, Policy, Fiscal, and Stability Politics.

Table 3. Path Coefficient Analysis Results

| Variables | Original Sample | T-Statistics | P-Values | Information |
|---|-----------------|--------------|----------|-----------------|
| Natural Resources for Regional Growth | 0.334 | 2.786 | 0.005 | Significant |
| Natural Resources for Economic Resilience | 0.385 | 3.151 | 0.002 | Significant |
| Fiscal Policy on Regional Growth | 0.213 | 2.795 | 0.005 | Significant |
| Fiscal Policy on Economic Resilience | -0.003 | 0.024 | 0.981 | Not Significant |
| Political Stability Towards Regional Growth | 0.240 | 2.785 | 0.005 | Significant |
| Political Stability Against Economic Resilience | 0.393 | 3.954 | 0,000 | Significant |

Source: Processed Data 2025

Based on Table 3, Natural Resources have a positive and significant influence on Regional Growth in West Nusa Tenggara Province. This is proven with a mark coefficient track of 0.334, which shows that every improvement optimization management source, natural resource, will give a contribution by 33.4% against improvement regional growth. In addition, the t-statistic value of 2.786 and the p-value of 0.005 indicate that the influence is significant at significance level 5%. The hypothesis states that the existence of influence on Natural Resources against Regional Growth can be accepted.

Natural resources have a significant influence on economic resilience in West Nusa Tenggara Province. This is evidenced by a coefficient value of 0.385, a t-statistic of 3.151, and a p-value of 0.002. The positive coefficient indicates that the more optimal the utilization and management of natural resources in the region, the stronger and more resilient the resulting economy. The t-statistic value of 3.151, which exceeds the critical value at the 5% significance level, shows that the relationship between natural resources and economic resilience is not coincidental but is empirically strong. In addition, the p-value of 0.002 provides high confidence that the influence found in the study. This is significant in a way of statistics, where the level of error in making very small decisions, namely only 0.2%.

Fiscal policy has a significant influence on regional growth in West Nusa Tenggara Province. This is indicated by a path coefficient value of 0.213, a t-statistic of 2.795, and a p-value of 0.005. The p-value, which is smaller than the 5% significance level (0.05), confirms that the influence of fiscal policy on regional growth is statistically significant. This means that the relationship is not due to chance but is supported by strong empirical evidence.

The coefficient value of 0.213 shows that the effect of fiscal policy on regional growth is positive. This implies that the more targeted and effectively implemented the fiscal policies carried out by the regional government, the greater their impact in promoting regional growth. Furthermore, the t-statistic value of 2.795, which exceeds the critical threshold at the 95% confidence level, further reinforces that fiscal policy has a significant influence on regional economic growth. The p-value of 0.005 indicates a very low probability of error, only 0.5% in concluding the existence of a relationship between these two variables.

The influence of fiscal policy on economic resilience in West Nusa Tenggara Province is statistically insignificant. This is indicated by a path coefficient value of -0.003, a t-statistic of 0.024, and a p-value of 0.981. The p-value, which is much higher than the 5% significance level (0.05), shows that the relationship between fiscal policy and economic resilience in this model is not statistically significant and lacks empirical support. The negative coefficient value of -0.003 suggests that fiscal policy tends to have a negligible and irrelevant impact on economic resilience. However, since the magnitude of the coefficient is very close to zero, it can be concluded that fiscal policy in this context has an almost non-existent effect. Additionally, the t-statistic value of 0.024 indicates that the strength of the relationship between the variables is extremely weak and not suitable as a basis for strategic decision-making. The p-value of 0.981 confirms that the probability of error in concluding an influence of fiscal policy on economic resilience is very high; therefore, the hypothesis of a significant influence must be rejected.

Stability, Political influence, and significance to Regional Growth in West Nusa Tenggara Province. Analysis Results show a mark coefficient track of 0.240, with a t-statistic of 2.785 and a p-value of 0.005. The p-value below the 5% significance level indicates that the connection between stability politics and regional growth is proven significant in statistical terms. The coefficient value of 0.240 indicates that stable political conditions have a positive influence on regional growth. This means that the more stable political conditions can make big contributions to accelerating regional development. The t-statistics value of 2.785 strengthens proof that connection has strong foundation. The p-value of 0.005 shows that level error in conclude existence influence stability political to regional growth only by 0.5%, so that results accepted with high confidence.

Political own the most powerful and significant influence to Economic Resilience in West Nusa Tenggara Province. Analysis Results show mark coefficient of 0.393, t-statistics of 3.954, and p-value of 0.000. The p-value is far below level 5% significance indicates that connection between stability politics and resilience economy. Coefficient value of 0.393 indicates that stability political give impact positive enough big to resilience economy. This means that the more stable condition politics in a area, increasingly strong power stand the economy of the region in face various challenge, good from side social, economic, and disaster. The t-statistics of 3.954 shows strength a very significant relationship.

DISCUSSION

Natural Resources have a positive and significant influence on Regional Growth in West Nusa Tenggara Province. The findings indicate that natural resources play a crucial role in driving regional growth. This research is different from the research of Rusyda et al. (2024), where natural resource revenue sharing funds have no significant effect on economic growth in East West Nusa Tenggara Regency. Research by Akbar et al. (2024) shows that natural resources in various sectors, such as agriculture and mining, have an effect on economic growth in East Tanjung Jabung Regency. With proper natural resource management, it can increase regional development (Khairunnisa et al., 2022; Hidayat et al., 2025). Natural Resources have a significant influence on Economic Resilience in West Nusa Tenggara Province. This highlights the importance of sustainable resource management as a foundation for building a stable and adaptable regional economy. Having abundant natural resources can encourage regional economic growth if done wisely (Maharani et al., 2024)

Fiscal policy has a significant influence on Regional Growth in West Nusa Tenggara Province. The findings reveal that fiscal policy has a significant impact on regional growth. Effective fiscal strategies, such as targeted spending and revenue allocation, are critical to supporting infrastructure development and reducing regional disparities. Fiscal policy needs to be carried out with a good decentralization policy. According to research by Wibawa (2012), Sasana (2019), Hanif et al. (2020), Nazikha and Rahmawati (2021), Rahman and Djasuli (2024), and Suciayu and Maharjan (2024), which states that fiscal decentralization has a positive and significant effect on economic growth. Fiscal policy must be one of the pillars in strengthening economic resilience through strengthening infrastructure, providing appropriate subsidy targets, and creating fiscal stability to support sustainable economic growth (Herianti & Marundha, 2024; Kumalasari, 2025).

Fiscal to Economic Resilience in West Nusa Tenggara Province is not significant in statistical terms. The results indicate that fiscal policy does not have a statistically significant effect on economic resilience. For this reason, the right strategy is needed to maximize the implementation of fiscal policies to support economic resilience. According to Wibowo (2025), a strategic policy is needed to accelerate regulatory reform.

Stability, Political influence, and significance to Regional Growth in West Nusa Tenggara Province. the findings show that political stability has a significant influence on regional growth. A stable political environment fosters investor confidence, efficient policy implementation, and overall development progress. This is like the research of Basit and Haryono (2021), where political stability affects the composite stock index, which reflects good economic indicators. Additionally, political stability plays a crucial role in enhancing the impact of foreign financial assistance on economic growth (Mubarok & Muhsin, 2023; Kurniawan & Sundaram, 2025).

The findings highlight that appropriate and measurable fiscal policies play a key role in accelerating regional growth, particularly in West Nusa Tenggara Province. To maximize their impact, local governments must enhance the quality of planning, budgeting, and supervision, ensuring that fiscal policies are targeted and aligned with community needs and regional potential. This includes increasing budget allocations for essential infrastructure such as roads, education, healthcare, and production facilities to boost economic access and productivity. Additionally, political stability is shown to be a

strategic factor in building economic resilience, as it supports smooth implementation of development programs, attracts investment, and strengthens public trust and social cohesion in facing economic challenges.

CONCLUSION

Based on the research results, it can be concluded that natural resources, fiscal policy, and political stability play varying roles in promoting regional growth and economic resilience in West Nusa Tenggara Province. The study's findings show that optimal management of natural resources not only drives regional growth but also strengthens economic resilience. This confirms the importance of utilizing local potential wisely and sustainably to improve public welfare and support equitable regional development. In addition, fiscal policy has been proven to significantly influence regional growth, where proper budget management can accelerate infrastructure development, expand economic access, and support key regional sectors. However, in this study, fiscal policy did not show a significant contribution to economic resilience. This indicates the need for evaluation and improvement in fiscal policy implementation to ensure a more direct impact on strengthening regional economic stability.

Therefore, this research provides important insights for regional governments, showing that regional growth and economic resilience do not depend on a single factor but result from the synergy between wise natural resource management, effective fiscal policy, and maintained political stability. To achieve this, an integrated effort is needed, one that prioritizes good governance, community empowerment, and institutional strengthening so that development in West Nusa Tenggara Province can progress sustainably and inclusively. This research is limited to three variables and one region. Further research can expand the research object to make more holistic research.

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