

**THE EMPOWERMENT IN ACCELERATION AND DEFENCE OF POVERTY
IN DISTRICT OF INDRAMAYU, WEST JAVA, INDONESIA
(Study of Sustainability About Small and Medium Industry of Ex Women Labor in
Subdistrict of Balongan)**

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Abstract

Poverty is the urgent problem of state that need immediate treatment. Vulnerable to poverty rates can affect national tolerance. In 2009, total population of Indramayu, West Java are 1.7 million with the number of poverty up to 319.630 people (17,99%). Data from SUSENAS shows that in the number of poverty in Indramayu decrease every year but still the second highest poverty in West Java. The number of employment doesn't match with the amount of the citizen, so the poor community in Indramayu District need look for jobs abroad as a TKI (Migrant Worker). In 2014, Indramayu is a district with the most citizen becoming migrant worker in West Java. The data from BNP2TKI shows that the amount of TKI in Indramayu. Decreasing the amount of TKI in Indramayu cause the major part of former TKI choose to join groups of Small and Medium Industry instead become TKI. Not many former migrant workers join The Small and Medium Industry-*Industri Kecil Menengah* (IKM) because the income generated is not as much as being a migrant worker. The objective of this research is to explain the commitment of the Government of Indramayu District to the Existence of IKM for former Women Labor in Balongan Subdistrict. The method used in this research is descriptive method with qualitative approach. The data gathered with observation method, interview and documentation. The result of this research shows the empowerment in an Acceleration and Defence against Poverty in District of Indramayu involving Satuan Kerja Perangkat Daerah (SKPD).

Keywords : poverty, an acceleration about defence of poverty, sustainability about small and medium industry

I. INTRODUCTION

Poverty is a serious problem to overcome. Vulnerability caused by poverty does not only have an impact on the environment, but can extend to affect the endurance of the nation and state. Failure to overcome it can threaten the integrity and independence of the state as an independent nation and can make Indonesia a nation that is always dependent on the mercy of other nations. Empowerment must be carried out continuously, comprehensively and simultaneously to the threshold of achieving a dynamic balance between the government and all government segments (Ndraha 2003)

There are many potential that Indramayu District have. Namely as one of the central agricultural regions and food stock buffer, especially in West Java Province. Also other potentials besides agriculture as in the oil and gas sector, fisheries and the high remittance funds of citizens working abroad reached 2.577 trillion in 2014. Data from BNP2 TKI in collaboration with OJK per April 2015, the number of remittances reached USD 3.11M (<http://buruhmigran.or.id>). However, the poverty level of Indramayu District ranks the second highest in West Java. (<http://www.news.fajarnews.com>).

The causes of poverty in Indramayu Regency :

1. The number of sharecroppers reaches 38.32% of the 571,180 farmer families while the owners are only less than 0.5 out of 120,000 hectares.
2. Lack of employment makes people have to look for work abroad as migrant workers. Indramayu is a district with the most citizens becoming TKIs in West Java as stated by the Head of Public Relations P2TKI in Jakarta on Sunday 16 November 2014 at Metronews.com that "The number of TKIs from West Java was 79,862 from Indramayu 16,246 people, Cirebon 11,246 people, Cianjur 8,406 people, Sukabumi 6,767 people, Subang 6,427 people, Karawang 6,408 people and Majalengka 4,173 people. ". The TKI base in Indramayu Regency is Griyamendala Village, located in Balongan District. This village is the base of Indonesian migrant workers viewed from the 2014 Disnakertrans data which shows the number of migrant workers is 19,428.
3. The culture of the community who always holds large-scale celebrations, wasteful and consumptive celebration when the harvest arrives. they spend a lot of money on consumer goods until there is no money to save and when famine arrives, with the result that they experience shortages. The high remittance funds owned by former TKI / TKW are used up to buy and repair homes and furniture that are not included in the category of productive activities.

As the people's trusteeship, the regional government must always actively create opportunities for the fulfillment of the basic rights of the poor. such as the right to education, health, food and the right to work in order to achieve a decent life by using resources and financial sources more effectively and efficiently. One of them is through community empowerment.

Based on this background it can be concluded as follows:

1. The poverty rate in Indramayu Regency is still high
2. The need to change people's views about the culture of the local community

3. Lack of employment.
4. The need for accelerating poverty reduction

Recognizing the extent and complexity of the problems that exist, the authors limit the problem to the empowerment of former migrant workers in Balongan Subdistrict, Indramayu Regency. The formulation of the problem is how to accelerate poverty reduction through empowering former migrant workers in the District of Balongan, West Java Province?

II. PURPOSE

The purpose is to describe the acceleration of poverty reduction through the empowerment of former migrant workers in Balongan Subdistrict, Indramayu Regency. The results of this study are expected to provide benefits, adding to the treasury of science, especially the science of Development. In practical terms this study are expected to be useful as an input and assessment for Indramayu District Government in response to the acceleration of poverty.

III. LITERATURE REVIEW

Based on the result of the World Bank Research in Jusman (1999:25) the criteria of a poor household in general are:

- ◆ Have many family member
- ◆ The head of the family is also a household worker
- ◆ The head and members of the household are have low academic level
- ◆ Often change the job
- ◆ Some of the worker still receive more offered jobs
- ◆ Most of the main source of income comes from farming. In a household farming village which the members work in agriculture area is those who control the marginal land. (cannot be relied on to meet household needs)
- ◆ The living conditions are still apprehensive, particularly in terms of water supply and electricity

According to Marbun (1996 : 49) define Industry as following:

- a. activities to process and repair goods with large quantities of facilities and equipment.
- b. certain sectors or fields of business such as oil, industry and the problem

According to UU No 5 1984 about industry that industry defined as economic activity that processing raw materials, basic materials, half-made up goods and/or made up goods into higher value for their use, including industrial design and engineering.

What is meant by poverty reduction in Article 1 of Presidential Regulation No. 166 of 2014 concerning the Acceleration of Poverty Reduction is regional government policies and programs that are carried out systematically, planned and synergized with the business world and the community to reduce the number of poor people in order to improve the welfare of the people.

Poverty reduction is one of the development priorities in The United Indonesia Cabinet-*Kabinet Indonesia Bersatu*(KIB) volume I, which was continued again in the second edition of the KIB by issuing Presidential Regulation No. 15 of 2010 concerning the Speed of Poverty Reduction with 3 main poverty reduction instruments consisting of 3 clusters. the first cluster of integrated family-based social assistance, the second cluster of poverty reduction based on community empowerment and the third cluster of poverty reduction based on the empowerment of micro and small economic companies.

1. Cluster I: Integrated family-based social assistance

The family-based integrated social assistance program aims to reduce the burden on poor households through increasing access to health, education, clean water and sanitation services; Poverty Reduction Programs Cluster I :

- a. Hope Family Program-*Program Keluarga Harapan* (PKH)
PKH is a social protection program that provides cash assistance to Very Poor Households-*Rumah Tangga Sangat Miskin* (RTSM) and to family members.
- b. School Operational Assistance-*Bantuan Operasional Sekolah* (BOS)
BOS is a government program to provide non-personal funding for primary and junior secondary education units as a manifestation of the implementation of the 9-year compulsory education program.
- c. Poor Student Assistance Program-*Bantuan Siswa Miskin* (BSM)
BSM is assistance provided to students from underprivileged families to be able to carry out learning activities at school. This assistance provides an opportunity for students to attend higher level education. In addition, it aims to reduce the number of students dropping out of school due to problems with education costs. While for poor students at the senior secondary level the government prepares special assistance at the high school and vocational level. At the tertiary level, a government scholarship program for underprivileged children was also called the name 'poor student learning assistance with 2.5 GPA, and bidikmisi scholarship'. Bidikmisi aims to improve access and learning opportunities in higher education for students who are academically potential but economically disadvantaged.
- d. Community Health Insurance Program-*Jaminan Kesehatan Masyarakat* (JAMKESMAS)
JAMKESMAS is a social assistance program for health services for the poor and near poor. The aim of JAMKESMAS is to increase access for the poor and near poor so they can obtain health services.
- e. Rice Program for the Poor-*Beras Miskin* (RASKIN)
RASKIN is a food subsidy intended for poor families as an effort from the government to improve food security and provide protection to poor families. The distribution of rice is expected to be able to reach poor families where each family will receive at least 10 Kg / Family of rice per month and a maximum of 20 Kg / Family per month with a net price of Rp 1,000 / kg at distribution points. The success of the RASKIN program is measured based on the achievement level of the 6T indicator:

- Right on target
- Right amount
- Right price
- On time
- Right quality
- Appropriate administration.

This program aims to reduce the expenditure burden of Target Households-*Rumah Tangga Sasaran* (RTS) through fulfilling some basic food needs in the form of rice and preventing a decrease in energy and protein consumption. In addition, Raskin aims to increase / open family food access through the sale of rice to the families of beneficiaries with a predetermined amount.

In 2014 the government issued Presidential Regulation Number 166 about The Acceleration of Poverty Reduction as an effort to sharpen social protection programs which include:

- a. Prosperous Family Savings Program
- b. Smart Indonesia Program
- c. Healthy Indonesia Program.

In implementing the social protection program the government issues identity cards for recipients of social protection programs as stipulated in article 4 of Presidential Regulation No. 166 of 2014 called:

- a. Family Welfare Card-*Kartu Keluarga Sejahtera* for recipients of a family welfare program
- b. Smart Indonesian Card-*Kartu Indonesia Pintar* for recipients of smart and Indonesian programs
- c. Healthy Indonesia Card- *Kartu Indonesia Sehat*for recipients of healthy Indonesian programs.

2. Cluster II: Poverty Reduction Based on Community Empowerment

Community Empowerment Based Poverty Reduction aims to develop potential and strengthen the capacity of poor groups to be involved in development based on the principles of community empowerment.

Community empowerment based poverty reduction programs can be categorized into two:

- a. National Community Empowerment Program-*Program Nasional Pemberdayaan Masyarakat* (PNPM-Inti) consists of a region-based community empowerment program / project, which includes *PNPM Mandiri* in Rural Areas, Urban *PNPM Mandiri*, Regional Socio-Economic Infrastructure Development Program-*Pengembangan Infrastruktur Sosial Ekonomi Wilayah* (PISEW), and Accelerated Development of Disadvantaged and Special Areas-*Percepatan Pembangunan Daerah Tertinggal dan Khusus* (P2DTK).
- b. *PNPM-Penguatan*: consists of sector-based community empowerment programs to support poverty reduction which are implemented in relation to achieving certain sector targets.

3. Cluster III: Poverty Reduction Based on Empowerment of Micro and Small Economic Company.

Empowerment based poverty alleviation of micro and small economic enterprises aims to provide economic access and strengthening for micro and small scale business actors. In addition to the three main instruments of poverty reduction above, the government issued Presidential Decree Number 10 of 2011 concerning the Coordination Team for the Promotion and Expansion of the Pro-People Program. Efforts to increase and expand the pro-people program (Cluster IV) are carried out through:

- ◆ Very Cheap House Program.
- ◆ Cheap Public Transport Program.
- ◆ Clean Water Program for the People.
- ◆ Cheap and Economical Electricity Program.
- ◆ Fishermen's Life Improvement Program.
- ◆ Improving the Life of the Urban Poor program

According to Abdul Koid Zailani (2011)in overcoming poverty, BABPENAS uses the following approach:

1. Basic needs approach.

This approach sees poverty as a lack of capability of a person, family and community to meet minimum needs such as: food, clothing, shelter, health services, water supply, education and sanitation.

2. Income approach.

Poverty is caused by the low control of assets and productive tools such as land, agricultural/plantation land, thus directly affecting one's income in the community. this approach directly determines rigidly a person's income standards in society to determine their social class.

3. human capability approach

This approach assesses poverty as a limitation of basic abilities such as the ability to read and write to carry out minimal functions in society. This limitation causes the possibility of the closed involvement of the poor in decision making.

Furthermore, there was an objective and subjective approach in tackling poverty. Objective approaches are often also referred to as welfare approaches that emphasize normative assessment and conditions that must be fulfilled in order to get out of poverty. A subjective approach assesses poverty based on the opinions or views of the poor themselves (abdulkoid.blogspot.co.id)

The acceleration of poverty reduction is carried out by a team formed by the President named the National Team for the Acceleration of Poverty Reduction-*Tim Nasional Percepatan Penanggulangan Kemiskinan*(TNP2K) at the provincial level called the Poverty Reduction Coordination Team-*Tim Koordinasi Penanggulangan Kemiskinan* (TKPK) and at the District/City level called the district/City TKPKD. The membership of TNP2K according to Article 10 Presidential Regulation Number 96 2015 about the

Amendment to Presidential Regulation Number 15 2010 consists of elements of the government, business world and other stakeholders in poverty reduction.

In this case, small industries are one of the way to improve the living quality in Indramayu. Thohar (2000:11) said small industries is a business entity that runs the production process to produce services on a small scale.

IV. RESEARCH METHODOLOGY

The research designs used are descriptive qualitative research design with inductive research. Sources of data in this study are people, places and papers with interviews, observation and documentation data collection techniques. Datas were analyzed through editing techniques, data collection, tabulation data and data interpretation.

V. RESEARCH RESULT

Geographically, Balongan Subdistrict is located in the North of the Java Sea, South of Juntinyuat Subdistrict, East of Sliyeg Subdistrict, West of Indramayu District. Based on the Balongan District Strategic Plan for 2016-2021, the number of residents in the District of Balongan was 41. 191 people consisting of 20,499 men and 20,692 women with a population growth rate of 75% and population density averaging 5000 people / km². The number of poor families from lower middle class families are 5,422 (51%) of the total family of 10,579 families. The number of TKI from Balongan Subdistrict is 625 men 145 people (16%) and women 480 people (84%).

Poverty Alleviation Based On Small And Medium Enterprises Empowerment- *Penanggulangan Kemiskinan Berbasis Pemberdayaan Usaha Kecil Menengah* (PUKM) is an accelerated poverty reduction cluster III program that aims to provide economic access and strengthening for micro and small scale business actors. The goal is intended to realize the sustainability of existing microeconomic businesses. The types of microeconomic businesses in the District of Balongan consist of small food processing industries, and small non-food industries. The small food industries are mostly in the form of juices. More information can be seen in the table below

Table 1 : Types of Small Food Processing and Non-Food Industriesin Balongan Subdistrict

| NO | TYPES OF SMALL INDUSTRIES | UNIT |
|----------------------------------|---------------------------|------|
| Small Food Processing Industries | | |
| 1. | Tempe/Tofu | 6 |
| 2. | Salted Egg | 13 |
| 3. | Crackers | 6 |
| 4. | Soy Sauce | 7 |
| 5. | Cookies | 9 |
| 6. | Juice | 21 |
| 7. | Shrimp Paste | 10 |
| Small Non-Food Industries | | |
| 1. | Furniture | 13 |
| 2. | Blacksmith | 5 |
| 3. | Woven Bamboo/Leaves | 4 |
| | | 94 |

Source : Balongan Subdistrict, 2015

Some small and medium industries in the District of Balongan have been partially registered in the Office of Cooperatives, UMKM, Industry and Trade of Indramayu District. IKM in the District of Balongan that have been registered can be seen in the table below.

Table 2 : IKM Center in BalonganSubdistrict 2015

| No. | IKM center | Village | Business Unit | Man Power | Investment Value (000) | Production Capacity | Production Value (Rp 000) |
|-----|----------------|----------------|---------------|-----------|------------------------|---------------------|---------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | Tempe | Sudimampir Lor | 5 | 15 | 30.000 | 60 ton | 450.000. |
| 2. | Bread and cake | Sukareja | 6 | 12 | 13.800 | 42 ton | 252.000 |
| 3. | Juice | Majakerta | 21 | 21 | 31.200 | 30.000 btl | 360.000 |
| 4. | Shrimp Paste | Balongan | 10 | 30 | 25.000 | 40 ton | 400.000 |
| 5. | Furniture | Rawadalem | 5 | 15 | 75.000 | 850 unit | 722.500 |
| | | | 47 | 103 | 174.000 | | 2.184.500 |

Source: Cooperative Service, UMKM, Industry and Trade, 2015

The third mission of the Balongan District is to realize the economic independence of the local potential-based community. To realize this mission and to improve the economy of the community, strategies and policies were formulated by implementing coaching for UMKM cooperatives/groups. one of the forms of UMKM guidance is given to UKM groups originating from full TKI / TKW who do not return to

becoming TKI / TKW. The group name and type of IKM of former TKI / TKW in Balongan District can be seen in the table below.

Table 3 : Groups and Types of IKM from Former TKW in Balongan Subdistrict

| No | Group Name | Type of Business | Number Business Unit & Member | Location | Groups Head |
|----|---|--|-------------------------------|-------------|-------------|
| 1. | Cengkir Early 2013 (Pertamina LPPM IPB) | Chips, cakes and pastries, pilus fish, thornless milkfish, processed mangoes | 1 BU 12 org | Balongan | Eli Sawana |
| 2 | Patra Pamula 4-4 -2014 (Pertamina LPPM IPB) | Processed Mango, snacks, Pastries, cakes. | 8 BU 80 People | Majakerta | |
| 3. | Griya Embek Januari 2013 (<i>International Organisation for Migration and Indonesian Migrant Workers</i>) | Goat Fattening, Duck Cattle, Duck Egg Hatching. | 10 People | Galamendala | Muniah |
| 4. | Bumi Bali (<i>Balongan Indah Migrant Workers</i>) | School Uniform | 10 People | Balongan | Warsiti |

Source: Balongan Subdistrict, 2015

To build the economy of the Balongan Subdistrict requires support from various economic actors. Until now, the involvement of the local private sector in dominating economic growth and partnerships is not yet clear. Likewise the role of other stakeholders, There are three financial institutions, such as bank cooperatives and rural banks that have the opportunity to invest in promising business sectors such as large trade services, hospitality, large industrial ownership and real estate.

Acceleration of Poverty Reduction Based on Empowerment of SMIs Former migrant workers in Balongan Subdistrict, Indramayu Regency were implemented since the beginning of 2013. Implementation of this activity in the form of partnerships / CSR (Corporate Social responsibility) between the government, cooperating with PT Pertamina by cooperating with IPB Research and Community Service Institutions . In addition to CSR, Pertamina Balongan, a former migrant worker is also empowered by the Disosnakertrans and the International Organization for Migration and Indonesian Migrant Workers and the Office of the Industry and Trade Cooperative of Indramayu Regency.

The form of Micro and Small Economic Business Empowerment in the District of Balongan in general is mentoring. More details are described below.

The form of empowerment of IKM from former migrant workers who collaborate with CSR of PT Pertamina is processed food. This empowerment is given to:

a. Cengkir and Cantik group in Balongan Village. This group has 12 members. The form of empowerment provided by PT Pertamina to this group is assistance in improving the quality of production. Mentoring is carried out regularly for two years.

Mentoring material contains:

1. Hygienic food processing;
2. Manufacture of attractive and safe packaging products;
3. Providing assistance in the form of food production equipment such as ovens, frying pans, spinner etc .;
4. Assistance in obtaining licensing for Food and Home Industry Numbers (PIRT) to the Health Office
5. Assistance to halal certification to the MUI of West Java Province. This is so that the food produced can be guaranteed in quality, safe for consumption and guaranteed halal. Production also increased because customers were increasingly convinced to buy processed products from the Cengkir Group.
6. Establish a KUBE (Joint Business Group-*Kelompok usaha Bersama*) to develop the business of the IKM group in February 2015.
7. In April 2015 the IKM group was rented a kiosk to market its processed products on Jalan Raya Sukaurip Balongan and was named Cengkir Kiosk. This is intended to maintain business continuity.

b. Empowerment Goat fattening cultivation is given to former migrant's IKM groups Griya Embek headed by Ms. Muniah in Gala Mendala Village, Balongan Subdistrict with 10 members. The empowerment was carried out since January 2013 by the International Organization for Migration and Indonesian Migrant Workers. the animal cage is made like a stilt house with a 1x1 m bulkhead for 1 goat with a capacity of 100 goats but only 30 were occupied though it has been harvested 3 times and is still under development. The strategy used is the place to sell goats weighing 20 kg which cost Rp.34,000 / kg for females and Rp. 43,000 / kg for males. So 1 average goat costs Rp. 680,000 to Rp. 860,000. At first the goats were sent from Lampung because of the consideration of good quality goats at low prices. However, there is a loss because in the way many goats died from stress caused by long distances. Finally in the next purchase they bring goats from Garut with good quality and price but are safer.

c. Providing entrepreneurship training based on the competencies of former migrant workers who are members of the Bumi Bali Group Business (*Buruh Migran Balongan Indah*) who come from Balongan Village, chaired by Ms. Warsiati who then produces elementary school uniforms. This group has 10 members. The form of empowerment provided by BNP3TKI is 2 years of coaching with activities:

- a. Sewing and embroidery

- b. Management training
 - c. IT training
 - d. Given 18 million for capital to spend in the form of sewing equipment by providing proof of receipt as a form of accountability.
- d. Assistance to IKM groups by the Office of Cooperatives, Industry and Trade in the form of entrepreneurial and cooperative training, providing equipment both household appliances and business equipment in the form of grants.
- a. Facilitate the making of business licenses for free once a year according to the existing budget.
 - b. Help promote business results by participating in industry exhibitions at least 3 times a year.

VI. CONCLUSION

Acceleration of poverty reduction through the empowerment of former migrant workers in the District of Balongan, West Java Province in the form of partnerships / CSR (Corporate Social responsibility) between the government, in collaboration with PT Pertamina by cooperating with the Institute for Research and Community Service-*Lembaga Penelitian dan Pengabdian Masyarakat* (LPPM) IPB.

In addition to Pertamina Balongan CSR, former TKWs are also empowered by the Disosnakertrans and the International Organization for Migration and Indonesian Migrant Workers and the Office of Industry and Trade Cooperatives in Indramayu Regency. The form of empowerment given to the IKM group of former TKW in Balongan District is in the form of assistance in improving the quality of production.

VII. ADVICE

In order to realize the independence of the business of the former IKM TKW in order to be able to compete in the global market several things are needed, namely:

1. increasing synergies between the role of government as policy makers and counterpart institutions, especially financial institutions in facilitating access to credit;
2. Expansion of information access to the IKM expansion network;
3. HR Development in IKM through IT (Information Technology);
4. Strengthening companion institutions through increasing accessibility and Capacity Building;
5. The activeness of small business actors to cooperate and coordinate with the government to continue to carry out coaching and training;
6. The need to instill love for domestic products.

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