

## What Makes Farmers in ACEH Still in Poverty?

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### Abstract

Poverty is a common issue faced by almost every country in the world. If poverty cannot be completely eliminated at least be reduced. This study discusses the problems faced by farmers in Aceh that keep them being trapped in the poverty line. This research was carried out in three districts in Aceh: Aceh Tamiang, Central Aceh, and Pidie Jaya. Current study uses mixed methods employing both qualitative and quantitative approach. The questionnaire was distributed to 300 respondents and six informants were interviewed. Qualitative data were analyzed using descriptive analysis with three data analysis procedures: data reduction, data presentation and drawing conclusions. While quantitative data were analyzed using SPSS. The results of the study concluded that the problem faced by farmers in Aceh today relates to capital issue, post-harvest processing, agricultural products and infrastructure problems such as roads and bridges. Inadequate capital certainly affects agricultural production. In addition, the produce after being harvested is mainly sent to the market directly without any processing which affect farmers' incomes. Additionally, the shortage of infrastructure particularly transportation facilities which has direct impact on the transportation costs of the produces also affect the income of farmers. Those problems are responsible for farmers' less-prosperity regardless farmers' time spent in farming for almost part of their lives.

*Keywords: Social Capital, Farmers, Poverty, and Development.*

### INTRODUCTION

President Joko Widodo hopes that Indonesia can join big five countries with the largest economy in the world by 2045 with poverty approaching 0 (Ramli, 2019). Poverty is still a problem in a development country (Arsyad, 2004; Shepherd, 2007; Barrientos and Neff, 2010) including in Indonesia. Even the government programs that have been implemented have not been able to overcome poverty (Hasanuddin et al, 2009). Agricultural development is basically an effort to improve the quality of life of farmers (Zakaria, 2005). The factors that influence farmers' income are quite diverse, including the lack of available land for farmers to carry out their farming activities, limited business capital, and infrastructure that does not support so that it affects the productivity and ultimately the income of farmers becomes low and certainly affects the welfare level of farm families (Medah, 2013).

In concept, many factors may cause poverty such as: Individual factors, which related to pathological and psychological aspects. Poverty is caused by the behavior, choices, or abilities of the poor people in dealing with the poverty itself. Also, Social factor is considered

another factor responsible for poverty in which social environmental conditions that trap someone into poverty. It includes social and economic conditions of the poor family that usually causes intergenerational poverty. Lastly, Cultural factors, which is often referred to the concept of "cultural poverty" that links poverty with living habits or mentality (Suharto, 2009).

The development in agricultural strategy means an increase in the quality and productivity as well as human resources improvement; increasing in owning agricultural productive assets; new innovations and restructuring economic development policies and agricultural institutional development (Kasryno, 2002; Yunus et al, 2019). This study discusses main factors responsible for farmers' poverty in Aceh.

## **RESEARCH METHOD**

This study employs a qualitative approaches (Nauman, 2007; Sugiyono, 2013). The data were collected from observations and interviews participated by six informants consisting of farmers, district governments and the private sector. Questionnaires were distributed to 300 respondents in Aceh Tamiang, Central Aceh, and Pidie Jaya, Aceh Province Indonesia. The research data were analyzed using descriptive analysis through three stages of data analysis namely data reduction, data presentation and conclusion, while the data from the questionnaire were analyzed descriptive using SPSS software (Rahim, 2009, Wahyono, 2006).

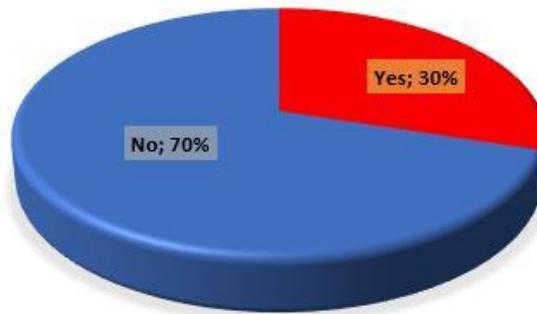
## **RESULTS AND DISCUSSION**

Poverty is one of obvious issues in agriculture in Indonesia. Today, this issue continues to be encounter by many relevant parties. Before discussing further about the causes of farmers poverty in Aceh, the characteristics of farmers in this study will be explained first. The average income of farmers in Aceh per month in 2019 is Rp. 2,116,166, This figure is certainly far below the national GDP of Rp. 4,600,000 per month. The number of farmers in Aceh who own their own motorbikes is 83%, 8% own cars, while the remaining 5% own bicycles (4%) do not have vehicles. Regarding the status of home ownership, it can be explained that 89% of farmers in Aceh already have their own homes, 10% are still riding and only 1% are still living in rented houses, with 64% semi-permanent housing conditions, 25% huts and 11% luxury homes. Regarding farmer education, it can be explained that based on the results of the study, it was found that 35% of farmers had elementary school education, 27% had junior high school education, 31% had high school education, and 7% had university education (Yunus et al, 2019).

Poverty directly impacts the community market, particularly purchase cashflow and economic growth in general (Yunus et al, 2020). It also cause social problems due to the increase in crime rates, low levels of education and so forth. Therefore the problem of poverty is a serious problem. If poverty cannot be completely eliminated at least it need to be reduced. Among the causes of poverty that plagued farmers are as follows; (1) low post-harvest management; (2) lack of infrastructure; (3) land shortage; (4) insufficient capital; (5)

low education; (6) lack of technological mastery; (7) low skills; and (8) mentally lazy. An interesting question that needs to be answered in this study is whether all factors (8 factors above) are experienced by farmers in Aceh. In order to find out the answer, following data can be explained, in regard to post-harvest management, the result of current study shows that:

Graph 1: Post-Harvest Management

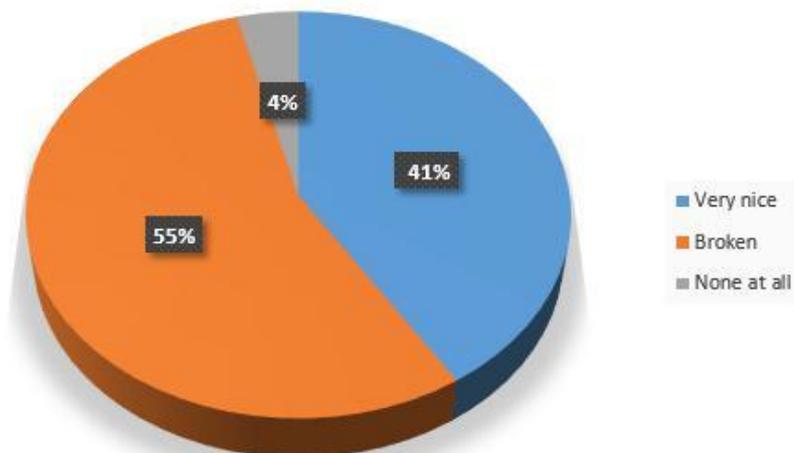


Source: Research Data, 2019

The pie chart above describes that 210 respondents (70%) stated they did not do post-harvest processing, and 90 respondents (30%) stated they did post-harvest processing. If one agricultural product is directly sold to the market without processing, the price will be different from the agricultural products which are processed first and then sold to the market. What happened in Aceh turned out to be that the majority of farmers (70%) did not process agricultural products first and directly sold to the market. This certainly has an impact on the low income earned by these farmers. In deeper analysis, there are many reasons why the yields are not processed first, for example, equipment or technological limitations, low level knowledge of agricultural and lack of infrastructure to support agricultural marketing process.

In order to increase the price of agriculture produces and enhance the value and competitiveness, infrastructure to the agricultural location is important for the government to consider. To find out the condition of infrastructure to agricultural locations in Aceh can be seen in the following graph.

Graph 2: Infrastructure to the Farm

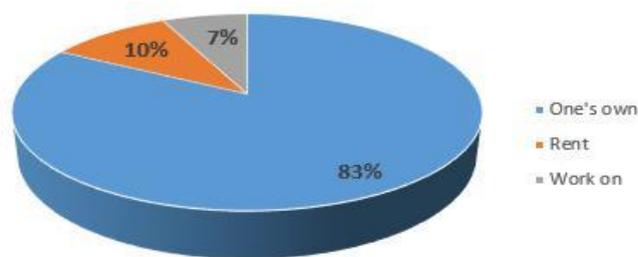


Source: Research Data, 2019

From this data it can be seen that 164 respondents (55%) contended that infrastructure to the farm location is damaged, 123 respondents (41%) stated that the infrastructure is good, and 13 respondents (4%) mentioned that the infrastructure is not available at all. The data illustrates that the condition of infrastructure to farm site is 53% in damaged condition which means that the quality of the infrastructure are more in damaged condition than in good one. Even 4% of the respondents claimed that there is no infrastructure available to the agricultural site in their area. The infrastructure used to support agricultural activities such as roads and bridges will certainly have a direct impact on crop transportation costs, which in turn will have an impact on farmers' incomes.

Then it can be explained related to the status of farmers' land in Aceh, the majority of farmers in Aceh have their own land. This can be seen in the following graph.

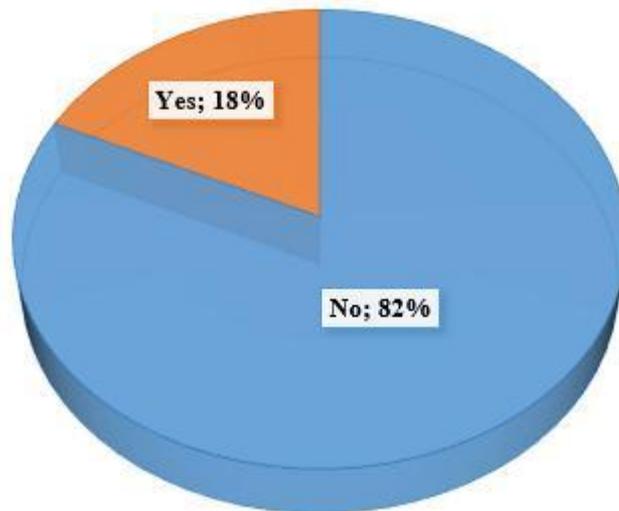
Graph 3: Land Area and Status



Source: Research Data, 2019

The pie chart data shows that 249 respondents (83%) stated that they farm on their own land, 30 respondents (10%) admitted that the land was leased and 21 respondents (7%) mentioned they have lendable land, with an average area of farm land of 1.5 hectares. If the farmer has his own land with sufficient capital provision, the farmer will be prospering. But the question then is whether the farmers who own the land have sufficient capital? The answer is no, they have inadequate capital. Therefore, to process agricultural products optimally they remain face some issues regarding the limitation of capital which ultimately affects the level of their welfare. For more details on this matter the following data is indicating the availability of capital for farmers in Aceh.

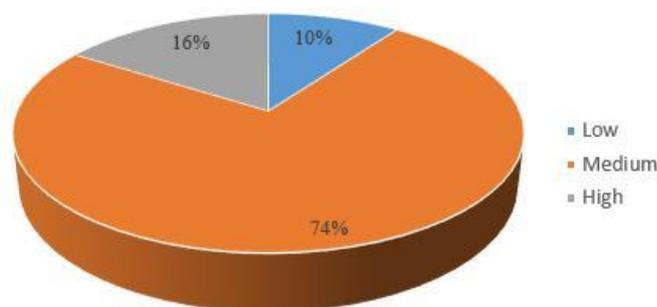
Graph 4: Availability of adequate Farming Capital



Source: Research Data, 2019

It can be explained from the data above that 247 respondents (82%) argue that have less access to the farming capital, while 53 respondents (18%) stated that capital issue is not the main problem for them, meaning they have sufficient capital to do farming. The data can be understood that the majority of Aceh's farmers are experiencing problems regarding farming capital. Inadequate capital certainly affects the level of work productivity, which then also influences the produces. Eventually, farmers in Aceh remain staying in poverty line due to insufficient farming capital even though half the time in their lives has been spent on farming. Furthermore, understanding and knowledge of farmers toward agricultural matters also determine the success of an agricultural activities. Following chart presents the data about level of farmers' knowledge in Aceh on agriculture.

Graph 5: Knowledge of Agriculture



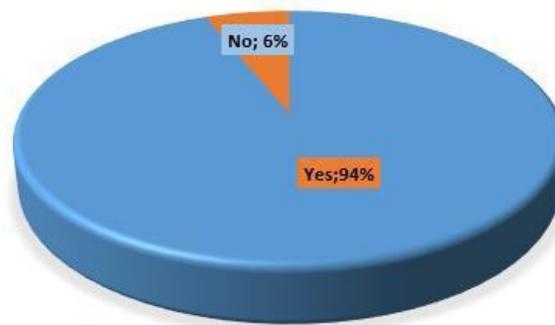
Source: Research Data, 2019

From this data it can be explored that 223 respondents (74%) stated that their knowledge about agriculture was moderate, 47 respondents (16%) mentioned that it in high

level and 30 respondents (10%) said that their knowledge about agriculture is low. Knowledge about agriculture can be obtained from training as well as from their daily life experience since some of them have spent many years working as farmers. Both of these things are accumulated into farmers' resources which are interpreted as knowledge in agriculture. From the results of the study found that the level of knowledge of farmers in Aceh is dominantly at the medium level that is reaching 74%.

In addition to knowledge of agriculture, mastery of agricultural technology is also important to support the welfare of farmers. To find out the level of mastery of agricultural technology in Aceh, following graph is presented.

Graph 6: Mastery of Farming Technology



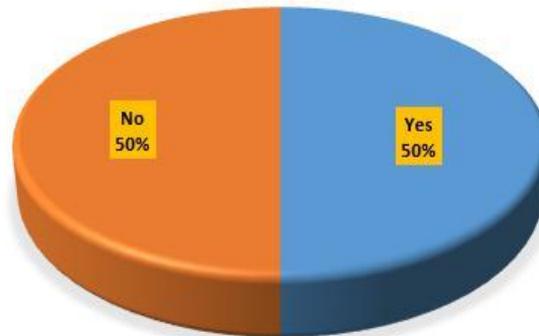
Source: Research Data, 2019

From these data it can be seen that 282 respondents (94%) argued that they are able to master agricultural technology, while 18 respondents (6%) said that they did not master agricultural technology. The fast growing technology in agriculture receive a positive response in the society. As a results, the data showed that 94% of farmers mastered agricultural technology. The mastery of technology in this study is interpreted by understanding technological developments in agriculture, meaning that farmers do not have to have their own agricultural technology. When they understand the technology, of course they use the technology both when cultivating, harvesting and post-harvesting. For example, for rice plowing cars and rice mowers, those who already understand the advantages of the technology can rent out these mowers to simplify and speed up their work in agriculture. Thus the development of the most updated technology in agriculture can be acceptable among farmers, at least to facilitate and accelerate their work in farming activities.

To increase the family economy and welfare in the household usually farmers do some extra work. If they have skills other than farming, of course they will have the opportunity for additional work in order to improve the household economy. In the case of

farmers in Aceh, among those who have skills other than farming and those who do not indicated the same percentage (50%: 50%), this can be seen in the following graph.

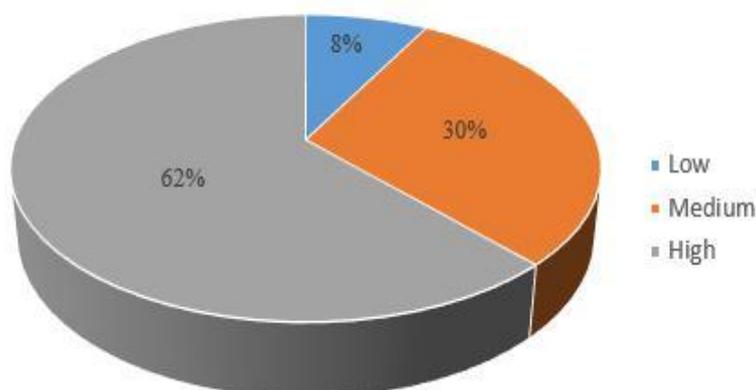
Graph 7: Other Skills than Farming



Source: Research Data, 2019

Based on the data above, it can be seen that 150 respondents (50%) have other skills besides farming while 150 respondents (50%) stated that they do not have any other skills except farming. This condition reflects that the numbers of farmers who have skills other than farming with those who do not have skills are at the same percentage. For those who have extra skills have opportunity to work part time in order to increase household income. In same manner, those who do not have other skills can still possibly work with an extra motivation enable them to increase their income. It is because the skills can be learned and forgotten. Therefore, the spirit of work is one important aspect in delivering success for a farmer. Furthermore, related to the enthusiasm of farmers in Aceh can be explained as follows.

Graph 8: Working Spirit



Source: Research Data, 2019

It can be seen from the data above that 187 respondents (62%) expressed enthusiasm for working (high), 89 respondents (30%) admitted that their working spirit is moderate and 24 respondents (8%) expressed that they have low working motivation. This data support the previous explanation that since people have high motivation, they can still work beside farming although they do not have certain skills on that. In contrast, those who have skill will unable to do extra work when they do not have motivation to do that.

## CONCLUSION

From the discussion above it can be concluded that 83% of farmers in Aceh have their own agricultural land, 10% stated that they are renting land and 7% arable land, with an average area of agricultural land is 1.5 hectares. The level of knowledge of farmers in Aceh is 74% in the medium category. What is encouraging is that 94% of farmers in Aceh master agricultural technology. The number of farmers who have skills other than farming with those who do not have the same skills and the enthusiasm of working farmers in Aceh is high, namely 62% high morale, 30% medium morale and 8% low morale.

Although farmers in Aceh mostly own their own land, they experience capital problems. Inadequate capital certainly affects the level of production and yields. 70% of farmers in Aceh do not process agricultural products after harvest and are directly sold to the market. This certainly has an impact on the low income they earn. Besides capital problems and post-harvest processing, farmers in Aceh also experience infrastructure problems such as roads and bridges. The condition of infrastructure to the location of 53% was damaged, 4% of infrastructure was completely absent and 41% of infrastructure was in good condition. Poor infrastructure will certainly have an impact on the transportation costs of agricultural products which then affect the income of farmers. Although half the time in the life of a farmer has been spent on farming, if too many problems related to agriculture must be borne by themselves without the attention of the government then their welfare is a utopia and President Jokowi's dream in 2045 Indonesia is in the top 5 in the world economy with poverty approaching zero percent will also be a dream.

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