

# THE IMPLEMENTATION OF SUSTAINED POVERTY ALLEVIATION PROGRAM IN RURAL COMMUNITY BASED ON LOCAL COMMUNITY

*by* Yohanes Mudayen

---

**Submission date:** 13-Apr-2018 04:12PM (UTC+0700)

**Submission ID:** 946125261

**File name:** Mudayen\_2016-IJABER\_Vol14\_No11\_2016\_-Herry-Lukas-Mudayen\_new.pdf (996.89K)

**Word count:** 7559

**Character count:** 40957



ISSN : 0972-7302

# International Journal of APPLIED BUSINESS AND ECONOMIC RESEARCH

Volume 14

Number 11

2016

IJABER



SERIALS PUBLICATIONS PVT. LTD.  
New Delhi, India

# International Journal of Applied Business and Economic Research

Country: [India](#)  
 Subject Area and Category: [Business, Management and Accounting](#)  
[Business and International Management](#)  
[Economics, Econometrics and Finance](#)  
[Economics and Econometrics](#)

4

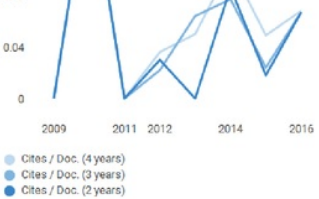
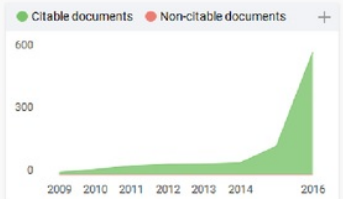
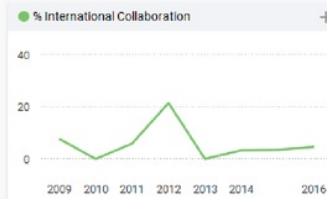
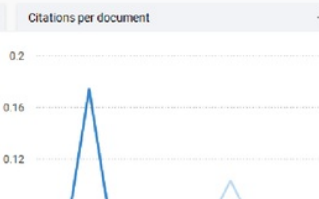
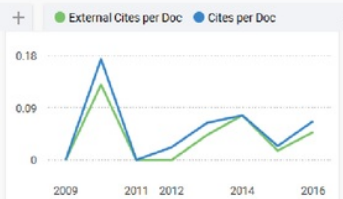
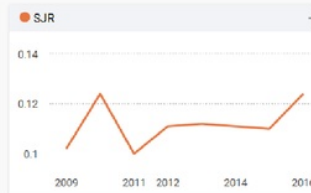
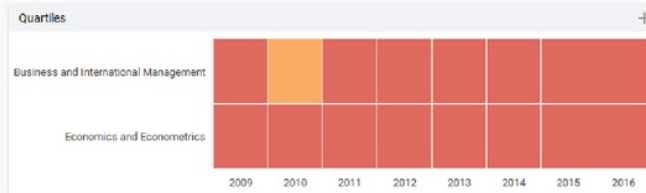
H Index

Publisher: [Serials Publications](#)

Publication type: [Journals](#)

ISSN: [09727302](#)

Coverage: [2008-ongoing](#)



International Journal of Applied Business and Economic Research

Indicators: 2009-2016 Value

- SJR: 0.12
- Cites per doc: 0.07
- Total cites: 36

www.scimagojr.com

Show this widget in your own website

Just copy the code below and paste within your html code:

```
<script src="http://www.scm" data-bbox="510 785 590 795">
```

17 kti artikel terindeks Scopus dapat diakses dari:  
<https://www.scopus.com/authid/detail.uri?authorId=57192413360>

The screenshot shows the Scopus Author details page for Mudayen, Yohanes Maria Vianey. The page includes a browser address bar with the URL <https://www.scopus.com/authid/detail.uri?authorId=57192413360>. The author's name is Mudayen, Yohanes Maria Vianey, with an Author ID of 57192413360. The author is affiliated with Sanata Dharma Universitas, Yogyakarta, Indonesia. The subject areas are Economics, Economics and Finance, and Business, Management and Accounting. A document and citation trends chart shows 3 documents and 0 citations for the year 2016. The page lists 3 documents, 2 co-authors, and an author history section. The documents listed are:

Document title	Authors	Year	Source	Cited by
The effect of institutional change, equalization fund and locally-generated revenue towards the economic growth in Indonesia period 2000-2015	Maridjo, H., Mudayen, Y.M.V.	2016	International Journal of Applied Business and Economic Research	0
The impact of foreign debt and investment on Indonesia's economic growth and an analysis of Indonesia's policy for leaving IMF	Mudayen, Y.M.V., Maridjo, H.	2016	International Journal of Applied Business and Economic Research	0
The implementation of sustained poverty alleviation program in rural community based on local community	Maridjo, H., Purwoto, L., Mudayen, Y.M.V.	2016	International Journal of Applied Business and Economic Research	0

The page also includes options for citation alerts, adding to ORCID, and requesting author detail corrections. The document list is sorted by date (newest) and displays 20 results per page.

**7**  
**INTERNATIONAL JOURNAL OF  
APPLIED BUSINESS AND ECONOMIC RESEARCH**

ISSN: 0972-7302

SCOPUS Index Journal and JEL Index

**Published by:**

SERIALS PUBLICATIONS (P) LTD  
Publishers & Distributors (Journal - Books)

**1**

**Editor in Chief**

**Ding Haoyuan**

Shanghai University of Finance Economics,  
Shanghai, China

Email: ding.haoyuan@mail.shufe.edu.cn

**14**

**Managing Editor**

**Vijay Kumar Jha**

Serials Publications  
New Delhi

**1**

**Editorial Board Members**

**XIE Wenjing,**

Department of Economics,  
Baptist University of Hong Kong,  
Kowloon Tong,  
Hong Kong, China.

Email: leoxie818@gmail.com

**HU Yichuan**

Department of Economics,  
The Chinese University of Hong Kong,  
Shatin, Hong Kong, China.

Email: huyichuan175@gmail.com;

**YANG Yixin,**

Department of Economics,  
The Chinese University of Hong Kong,  
Shatin, Hong Kong, China.

Email: yangyixin.econ@gmail.com;

**XU Xinyi,**

Department of Economics,  
The Chinese University of Hong Kong,  
Shatin, Hong Kong, China.

Email: yngtsui.hk@gmail.com;

**Liu Ziyuan**

Ph.D candidate in Department of World Economy,  
School of International Business and Administration,  
Shanghai U of Finance and Economics.  
Shanghai, China  
E-mail: larryliu0071989@gmail.com

**Yi Guanxi**

UCLA Anderson Business School  
110 Westwood Plaza. Suite C-310 Los Angeles,  
CA 90095  
Email: guanxiyi@gmail.com

**Wang Danli Wang**

Chinese University of Hong Kong  
HYS 509, Shatin, N.T., Hong Kong  
Email: dannydlwang@gmail.com

**1****Prof. N.Narayana**

Consulting Editor, Asian-African Journal of Economics and Econometrics  
Department of Economics, University of Botswana, Private Bag UB 705  
Gaborone, BOTSWANA  
Email: aajee.editor@gmail.com / narayana@mopipi.ub.bw

**3****Prof. Mohammad Alawin**

Dept. of Economics  
The University of Jordan  
Amman, Jordan

**Dr. Pratap Chandra Mandal Priyono,**  
Master of Management Graduate Program,  
University of Bina Darma Palembang,  
Indonesia.

**Teddy Chandra,**

STIE Pelita Indonesia,  
Pekanbaru Riau,  
Indonesia.

**Rahayu Puji Suci,**

Master of management graduate program,  
University of Widya Gama Malang,  
Indonesia.

**Ardi Gunardi**

Faculty of Economics  
Universitas Pasundan  
Jalan Tamansari No. 6-8 Bandung,  
40116, West Java,  
Indonesia

**Dr. G. Rajini**

Head -MBA (Integrated) & Associate Professor,  
School of Management Studies,  
VELS University, Chennai - 600 117,  
Tamil Nadu, India

**Secretariat:**

4830/24, Ansari Road, Darya Ganj,  
New Delhi-110002 (India)  
Phone: 91-11-23245225  
Fax: 91-11-23272135  
E-mail: [serials@gmail.com](mailto:serials@gmail.com); [serialspublications.india@gmail.com](mailto:serialspublications.india@gmail.com);

**This journal publication can be viewed in:**

Website: [www.serialspublications.com](http://www.serialspublications.com); [www.serialsjournals.com](http://www.serialsjournals.com);



## THE IMPLEMENTATION OF SUSTAINED POVERTY ALLEVIATION PROGRAM IN RURAL COMMUNITY BASED ON LOCAL COMMUNITY

Herry Maridjo<sup>\*</sup>, Lukas Purwoto<sup>1</sup> & Y.M.V. Mudayen<sup>2</sup>

**Abstract:** This research aimed to analyze the implementation of sustained poverty alleviation program in rural community based on local community. This study was conducted on Bandung Village, Gunungkidul District, DIY Povince, which then been chosen as many as 45 families as sample, and 39 families as sample on Wadaslintang Village, Wonosobo District, Central Java. Convenience Sampling was done as the technique of data gathering technique. The instruments of this study were questionnaire, focusing on group discussion, and deep interview. The data were processed with descriptive analysis and regression techniques. The result of this study showed that mostly the head families on Bandung Village worked as farmers. Besides, the head families on Wadaslintang Village worked as grocery sellers and palm sugar producers. The monthly income of the residents was less than IDR 600.000 (73,3% on Bandung Village, and 66,7% on Wadaslintang Village). The results of multiple regression showed that the level of education, local government policy, social cost and capital access gave positive impact on the alleviation of poor residents, while the social cost significantly gives negative impact on the alleviation of poor residents. Marketing acces no gives impact on the alleviation of poor residents. As many as 60,2% poor residents had got poverty alleviation program. The optimization mechanism of poverty alleviation program was done through education and training activity. Most of poor residents were interested in being involved in education and training about: production process, product marketing, product packaging, business financial records, and entrepreneurship.

**Keywords:** community development, productive, poor, local communities

### INTRODUCTION

Declaration of millennium development (Millennium Development Goals or MDGs) which becomes the consensus and commitment of Indonesia has eight main objectives. Implementation of the Declaration requires cross-sectorial approaches. All of the eighth MDGs are inclusive and integrative (GOI and the

\* Sanata Dharma University, Jl. Affandi, Mrican CT Depok, Sleman, Yogyakarta 55281, Indonesia, E-mail: herryim@usd.ac.id.

<sup>1</sup> Herry Maridjo dan Lukas Purwoto, Fakultas Ekonomi, Universitas Sanata Dharma, Mrican, Caturtunggal, Depok, Sleman, Yogyakarta, 552283.

<sup>2</sup> Y.M.V. Mudayen, Fakultas Keguruan dan Ilmu Pendidikan, Universitas Sanata Dharma, Mrican, Caturtunggal, Depok, Slemna, Yogyakarta, 552283



UN System, 2004). Alleviation of poverty and starving (MDG-1) is very important and it requires the support of the goal achievement related to education, gender equality, health and environmental sustainability (Rachman, *et al*, 2010).

The alleviation of poverty becomes a major concern of national and regional development. The data of Susenas result, 2010 shows that the number of poor community in Indonesia is about 31 million people or 13.33% (Susenas, 2010). Poverty has made millions of children cannot get a quality education. Poor community have less access to public services, lack of getting a job opportunity and do not have social security and also protection of the family. Poverty strengthens the urbanization. Poverty also causes millions of people of Indonesia cannot fulfill the needs of food, clothing and shelter properly.

Poverty in Indonesia has a bad impact for community groups including the higher risk categories such as pregnant women, nursing mothers, infants, and the elderly. Poverty causes low levels of nutritional adequacy, less health care, high rates of illiteracy, bad environment, and lack of access to infrastructure and public services that are adequate. On the other hand, poverty can lead to crime and socio-economic turmoil in society.

According to World Bank (2003), the fundamental causes of poverty are: the failure of ownership, especially of land and capital; the limited availability of basic need materials, facilities and infrastructure; the urban development policy bias and sector bias; the differences in opportunities between public members and less system support; the differences in human resources and the differences between economy sectors (the traditional economics versus the modern economics); the low productivity and the rate of capital formation in the community; living culture that is associated with a person's ability to manage natural resources and the environment; the lack of clean and good governance and; the natural resource management excessive and not environmentally friendly.

Various poverty alleviation programs that have been done are less capable of tackling and alleviation poverty optimally. There are several reasons that lead to poverty alleviation efforts become less successful, including: poverty alleviation programs are not on target. The result study of Jauhariansah (2010) showed that the implementation of Beras Keluarga Miskin (Raskin) Program in District Pati, Pati Regency is not optimal and not on target because many poor community who do not get help from Raskin and there are also people who should not get Raskin, but they get it. In addition, most of the poverty alleviation program implemented by the government does not last long. Poverty alleviation programs are often imposed on the poor community and do not correspond to the needs of the local communities. Poverty alleviation programs are often inaccessible to the poor community because of structural barriers. In addition, poverty alleviation programs that have been applied also caricature (charity) which means that the program

tends to make poor community are increasingly dependent on outside assistance. Very few poverty alleviation programs that really sought to empower the poor community. Poverty alleviation programs generally tend to be top-down and do not rely on the local community. Consequently, the economy of poor community is vulnerable back to the poverty line.

Many empirical researches on poverty in Indonesia have been done. Several empirical studies, with the approach of time series with cross-sectional study provides vary conclusions. Deininger and Squire (2009) concluded that there is a positive correlation between country's economic growths and an increase in poverty rate. However, a study conducted by Ravallion (2011), showed no correlation between economic growth and poverty rate. Empirical studies above are intrinsically testing Kuznets hypothesis that economic growth has a negative correlation with the poverty rate, but on the other hand, economic growth has a positive correlation with the level of economic inequality. This relationship is very well known with the name inverted U curve from Kuznets (Todaro and Smith, 2009).

This study aimed to formulate the implementation strategy of poverty alleviation that involves the local communities, local institutions, local community leaders and local authorities on an ongoing basis. Based on the background above, this study raised a topic: "Implementation of Poverty Alleviation Program in Rural Communities Based on Local Community with an Ongoing Basis". This research was conducted in the district of Gunung Kidul, DIY Province and in Wonosobo regency, Central Java province.

The formulation of the problem in this research is: How is the empirical picture of the poverty level on rural communities in the district of Gunung Kidul, DIY Province and in Wonosobo regency, Central Java province?; How is the economic, social and cultural condition of the poor community in the district of Gunung Kidul, DIY Province and in Wonosobo regency, Central Java province?; What are the factors that affecting the number of poor community in the district of Gunung Kidul, DIY Province and in Wonosobo regency, Central Java province?; What are the poor community development programs that have been implemented in the district of Gunung Kidul, DIY Province and in Wonosobo regency, Central Java province?; What are the impacts of poor community development programs in the district of Gunung Kidul, DIY Province and in Wonosobo regency, Central Java province?; How is the management optimization mechanism of poverty alleviation program in the district of Gunung Kidul, DIY Province and in Wonosobo regency, Central Java province?.

## LITERATURE REVIEW

The definition of poverty has undergone expansion, along with the complexity of factors, indicators and other issues surrounding it. Poverty is a situation or

condition that is experienced by a person or group of persons who are not capable of organizing their life to an extent that is considered humane. (Parwoto, 2001). Meanwhile, according to the UNDP in 2010, poverty is the inability to expand the life choices, such as by entering their assessment of there is no participation in public policy-making as one of the indicators of poverty. Poverty causes the unmet of basic needs or human rights such as food, clothing, shelter, affection, security, cultural identity, protection, creativity, freedom, participation, and spare time (Word and Linda, 2003).

5 According to Central Bureau of Statistics (2010), poverty is the inability to meet the minimum standards of basic needs which include food and non-food needs. Judging from the target group, there are several types of poverty. Classification of the type of poverty is intended that each of the program's objectives have clear objectives and targets. Suparlan (2000) defines that poverty is a situation of underprivileged treasure and precious things suffered by any person or group of people who live in an environment completely poor or lack of capital, both in terms of money, knowledge, social, political, legal, and access to facilities of public services, employment and work. Sumodiningrat (1999) divides poverty into three categories, namely absolute poverty, relative poverty and structural poverty. Absolute poverty is the situation of poor community with incomes below the poverty line and cannot meet the basic needs (food, clothing, and shelter). Relative poverty is a situation of poverty above the poverty line which is based on the distance between the poor and non-poor in a community. Structural poverty is poverty that occurs when a person or group of people is unwilling to improve the conditions of life until there is a help to push them out of the condition.

According to World Bank (2003), the fundamental causes of poverty are: the failure of ownership, especially of land and capital; the limited availability of basic need materials, facilities and infrastructure; the urban development policy bias and sector bias; the differences in opportunities between public members and less system support; the differences in human resources and the differences between economy sectors (the traditional economics versus the modern economics); the low productivity and the rate of capital formation in the community; living culture that is associated with a person's ability to manage natural resources and the environment; the lack of clean and good governance and; the natural resource management excessive and not environmentally sound.

2 According to Kuncoro (2006), there are three causes of poverty, those are: inequality of resource ownership patterns which lead to unequal income distribution, poor community only have a resource in limited quantities and the quality is low; differences in the quality of human resources because of the low quality of human resources means that the productivity is also low, wages are too low, and; the differences in access and capital.

Various poverty alleviation efforts that have been taken by the government focus on: improving the economic growth that is quality through the efforts of labor-intensive, export trade and the development of UMKM; improving the access to basic needs such as education and health (family planning, maternal welfare, basic infrastructure, food and nutrition); community development through the National Program for Community Development (PNPM), which aims to open up opportunities for the poor community to participate in the development process and increasing opportunities and bargaining position of the poor community; repairing assistance and social security system via the Program Keluarga Harapan (PKH). Some community development projects those are, the Program Penanggulangan Kemiskinan di Perkotaan (P2KP), Program Pengembangan Kecamatan (PPK), CERD, SPADA, PEMP, WSSLIC, and P2MPD (Kemenkesra, 2002).

The hypothesis of this study is: social costs, the level of education, local government policy, market access and capital access which has a significant impact on the number of poor communities in the rural area.

## RESEARCH METHODS

The type of research was the study of the development which was oriented on applied research. This study was designed to implement the optimization mechanism of the management of poverty alleviation program and the implementation of the poverty alleviation strategy model based on the local potential and local communities. The research was conducted at two locations namely: Gunung Kidul regency, DIY Province and in Wonosobo regency, Central Java Province.

The research subjects were the heads of households that were classified as poor in a rural area which was spread in two districts: Gunung Kidul District, subdistrict Bandung, and Wonosobo Distric, subdistrict Wadaslintang. The research object was: poverty level, economic conditions, social and cultural factors that cause the poor community, the impact of the program, coping strategy, educational material and training, the obstacles to implement the results of education and training, the strategy to maintain sustainability, the involvement of social organization and government.

The population were all poor communities in the rural area which scattered in two locations: in the Bandung subdistrict, Gunung Kidul Regency, and Wadaslintang subdistrict, Wonosobo Regency, while the sample was mostly poor community that spread around the study site as many as 45 respondents in Bandung Village, Gunungkidul Regency and 39 respondents from Wadaslintang village, Wonosobo Regency. The sampling technique used a convenience sampling technique. The variables in this study were: poverty, empowerment program of the poor community, namely the empowerment program design of poor



community based on local community, strategies for poverty reduction, education, and training.

In order to obtain the data, the questionnaire was used, focus group discussions, and deep interview. The data were analyzed using percentage analysis techniques and multiple regression analysis techniques (Widarjono, 2009). Regeression multiple equations in this study can be formulated as follows:

$$KE_t = \beta_0 + \beta_1 BS_t + \beta_2 TP_t + \beta_3 KPD_t + \beta_4 AP_t + \beta_5 AM_t + e_t$$

Notes:

TKE = Economics Poverty Level

BS = Social Costs

TP = Level of Education

KPD = Local Government Policy

AP = Marketing Access

AM = Capital Access

e = error term

t = period (years)

Multkolinieritas test in this study used the value of Variance Inflation Factor (VIF) and its tolerance values. Heteroskedastisitas test in this study was conducted using the method of Spearman-Rank and Kendall.

## DATA ANALYSIS AND DISCUSSION

### **Empirical overview of Poverty Level in Gunung Kidul and Wonosobo Regency**

Overview Poverty Level in Gunung Kidul and Wonosobo Regency can be stated as follows. Reviewed from the characteristics of the community respondent sample (45 respondents) in the Bandung village, Gunung Kidul district, it can be seen that all responses are women (100%). Reviewed from marital status, it can be revealed that most respondents are bound marital status (88,9%) and the rest are widowed (11,1%). If it is viewed from the education level, it can be say that most respondents have graduated from primary school (51,1%), while the rest are not go to school or complete the primary school (4,4%), junior high school graduate (28,3%), and high school graduate (15,6%).

When it is viewed from the type of work performed as farm workers (40%), while the rest work as baskets stalls (13,3%), as farmers themselves (17,8%), and do not have a job (28,9%). The average income of households per month, it can be said that most of the heads of families have an average income of less than IDR 600,000 per month (73,3%), while the remaining 26,7% have a monthly income of more than IDR 600,000.

The characteristics sample of the community respondent (39 respondents) in the Wadaslintang village, Wonosobo district, it can be seen that most respondents are women (61,4%) and the rest are men (35,9%). Reviewed from marital status, it can be revealed that most respondents are bound marital status (87,2%) and the remaining unmarried status (2,6%), widowed (2,6%) and widower (7,7%). When it is viewed from the education level, it can be said that most respondents have graduated from primary school (61,5%), while the rest are not go to school or are not complete primary school (33,3%), and high school graduate (5,2%).

Indication overview sample of poverty communities (39 respondents) in the Wadaslintang village, Wonosobo can be described as follows: earnings with 500 square meters of land area 15,4%, 2,6% farm laborers, construction workers 2,6%, and other employment which their income below IDR 600.000,00 per month 78,8%.

#### **Economic Conditions, Social and Cultural of Poor Communities in Gunung Kidul and Wonosobo Regency**

In order to find out the description of the economic poverty, the indicators that were used were building floor area, housing material, defecate facilities, source of household lighting, the source of drinking water, fuel for cooking, how frequently to consume meat, the frequency of clothing purchases in a year, the frequency of eating per day, ability to pay for medical expenses, and the value of savings.

The description of economic poverty level in Gunung Kidul Regency, with samples of the villagers of Bandung village as many as 45 respondents, as follows. Reviewed from the area of residential buildings, 64,4% of respondents say that the building area below 8 m<sup>2</sup> per person, and 35,6% with an equal floor space or beyond 8 m<sup>2</sup> per person. Reviewed from the base material-storey house 33,3% of respondents stated with tiled floors, 42,2% of respondents with tiles, 15,6% of respondents with soil material/bamboo/cheap wood, 8,9% with other materials.

Reviewed from the facility of defecation 4,4% of the respondents do not have a toilet (they go to the river), toilet 8,9% to 89,7% with a neighbor and its own toilet. It described that even though the respondent's families are poor; they are very concerned about defecation problems. Reviewed from the source of electricity, 11,1% of respondents say that they do not use electric lighting, 64,4% use 450 watts of electricity, and only 24,4% that use 900 watts of electricity. Meanwhile, it can be seen at the family drinking water sources, 93,3% of respondents say that they use wells/ unprotected springs /river, 4,4% and 2,2% other taps.

Reviewed of fuel for cooking, 60,0% of respondents say that they use wood/ charcoal/oil, and 40% use gas. Reviewed from the consumption of meat per week, 77,8% state that they only eat meat once in a week, and 22,2% say more than once a week. How often respondents buy clothes in a year, 77,77% of respondents say they buy it once a year, and 22,23% of respondents are reported to buy more than

once a year. Meanwhile, when viewed from the frequency of meals a day, people who say one day as much as 33,3% and state eat 3 times a day 66,7%. Another thing when they are sick, people who say do not able to afford the treatment 35,56% and 64,44%. However, they rely on public health insurance (*Jamkesmas*). Meanwhile, when it is viewed from a savings or easy to sell its goods, 44,4% of respondents say to have savings of less than IDR 500,000, and 55,6% say that they have savings over IDR 500,000.

Meanwhile, the poverty rate of the Wadaslintang village community, Wonosobo regency with 39 respondents. Based on the table above, it can be presented an overview of economic poverty population as follows. Reviewed from the area of residential buildings 59% of respondents say that the building area of less than 8 m<sup>2</sup> per person, and 41% say more than 8 m<sup>2</sup> per person. Reviewed from basic materials home floor, 48,7% of respondents say ceramics, tiles 20,5%, 25,6 ground/ bamboo/ cheap wood, and 5,1% of other, such as cement. Meanwhile, when looking at the material base of the wall of the house, 61,5% with bamboo/ thatch/ low quality of wood/wall without plaster, cement by 35,9%, and 2,6% with other materials e.g. bricks. Reveiwed from the facility of defecation 5,1% of respondents say that they do not gave toilet (they go to the river), 10,3% have toilet with another neighbor, has its own toilet with 82,1% and 2,6% of others.

Reviewed from the households source of electricity, 2,6% of respondents say they do not use electric lighting, 92,3% use 450 watts of electricity, electricity use 900 watts 2,6%, and 2,6% use electricity above 900 watts. Reviewed from drinking water sources, 2,6% of respondents say wells/ unprotected springs/river/ rainwater, 94% of taps and 2,6% of others. Reviewed from the frequency of meals in a day, 94,8% of respondents say that they have only once/two times, and 5,1% say three times a day. Reviewed from fuel use for cooking, 89,7% say that they use firewood/ charcoal/oil, and 10,3% of the gas stove. Reviewed from the consumption of meat per week, 77,8% of respondents say only once a week, and 8,9% say more than once a week. Reviewed from the clothing purchases in one year, 87,5% say once a year, and 12,5% say more than once in a year. Reviewed from the frequency of meals in a day, 33,3% say one or two times a day 33,3% and 66,7% say three times a day. Reviewed from the ability to pay the cost of treatment, 46,1% of respondents say that they cannot afford to pay, and 53,8% say that they can afford the treatment by relying on *Jamkesmas*. Reviewed from simple goods sold, 64,1% of respondents say less than IDR 500,000 and 35,9% say a minimum of IDR 500 000.

#### **Factors that Affect the Poverty Rates**

In this study, factors that were suspected to affect the number of poor community was the cost of the social, educational level, local government policy, market access



and access to capital. The regression results on the factors that cause the communities in the village more poor can be observed in the table as follows:

**8 Table 1**  
**The Result of Multiple Regression**

Model	Coefficients	Coefficients <sup>a</sup>				Sig.
		Unstandardized		Standardized		
		B	Std. Error	Beta	t	
1	(Constant)	2.110	.175		12.077	.000
	Society Cost	-.093	.035	-.278	-2.693	.009
	Level of Education	.046	.019	.251	2.470	.016
	Local Government Policy	.041	.017	.254	2.451	.016
	Marketing Access	.000	.018	.000	-.008	.994
	Capital Access	.044	.021	.224	2.109	.038

a. Dependent Variable: Economics Poverty Level  
Source: primary data, processed in 2016

Based on the table above, can be written the following regression equation:

$$Y = 2,110 - 0,093 X1 + 0,046 X2 + 0,041 X3 + 0,000 X4 + 0,044 X5 + e$$

Notes:

X1 = social costs

X2 = level of education

X3 = local government policy

X4 = marketing access

X5 = capital access

Before testing the impact of social cost, level of education, local government policy, marketing access and capital access to the level of economic poverty in rural communities, the test which is done firstly is the test of classical assumption that consists of *multikolinearitas* test and *heteroskedastisitas* test. *Multikolinearitas* test results show that regression model does not have *multikolinearitas* problem. Next, *heteroskedastisitas* test is conducted by using Spearman-Rank Method and Kendall shows that there is not *heteroskedastisitas* problem.

The coefficient regression of social costs variable marked negative of - 0,093 (with the probability of 0,009) can be concluded that the social costs have negative impact on a decrease in the number of poor community, it means that the higher social costs are, the fewer number of people who are not poor are. The coefficient regression of level of education variable 0,046 (with the probability of 0,016) can be concluded that the level of education have positive impact on a decrease in the number of poor community, it means that the higher level of

education are, the more the number of people who are not poor are. The coefficient regression of local government policy 0,041 (with the probability of 0,016) can be concluded that the regional government policy have positive impact on the number of poor people, it means that the more local government policy on pro-poor community are, the more the number of people who are not poor are. The coefficient regression of the capital access variable 0,044 (with probability of 0,038) can be concluded that the capital access have positive impact on a decrease in the number of poor community, it means that the easier capital access are, the more number of people who are not poor are. While the coefficient regression of marketing access 0,000 (with probability of 0,994), it can be concluded that the marketing access does not have impact on a decrease in the number of poor community, it means that the easier or more difficult marketing access does not have impact on the change of the number of people who are not poor.

The value of F count of 4,436 (with the significance of 0.001) can be concluded that there is the impact of together and significant from the social cost, level of education, local government policy, marketing access and capital access to the level of poverty in the economy. In other words, the regression model which is used is fit to predict the level of poverty in the economy.

The calculation results show the value of  $R^2$  (R-squared) of 0,521. The value of  $R^2$  0,521 means that 52,1% economic poverty level (Y) can be explained by social costs (X1), the level of education (62), local government policy (X3), marketing access (X4) and capital access (X5), while the remaining 4,9% is explained by other variables outside the model.

#### Poor Community Development Program<sup>4</sup>

A number of poor community development programs have been implemented by the local government with the aim to be able to reduce poverty. In this section, analysis is aimed to know the impact of the poor community development program. In Gunungkidul district, 26,7% respondents answer that they have got poverty alleviation program, 64,4% answer that they have never been, and 8,9% are not clear in answering. In Wonosobo district, 97,4% respondents answer that they have been, 0% answer that they have never been, and 2,6% are not clear in answering. Thus, there is enough difference in the answer variations between the two locations. The less proportion is seen on the location of Gunungkidul district compared to Wonosobo district. It becomes the need to be paid more attention in Gunungkidul district about the importance of development in the coordination and distribution of poverty alleviation program from the government.

Reviewed from the type of poverty alleviation program that have been received in Gunungkidul district, 15,6% are the help of money, 35,6% are the help of goods, 20,0% are both money and goods, while the remaining 28,8% are not clear in

answering. In Wonosobo district, 41,0% are the help of money, 10,3% are the help of goods, 46,2% are both money and goods, while the remaining 2,6% are not clear in answering. It seems that there are differences in the type of assistance in both locations.

### **The Impact of Poor Community Empowerment**

The impact of poverty alleviation program from the government to the life of the social economy in the Gunungkidul district, and Wonosobo district can be expressed as the following. In Gunungkidul district, 6,7% answer that poverty alleviation programs give highly positive impact on the social life of the community, 20,0% are positive impact, 2,2% hesitated, 37,8% are not positive impact, 11,1% are not highly positive impact, while the remaining 6,7% are not clear in answering. In Wonosobo district, 10,3% are highly positive impact, 59,0% are positive impact, 23,1% hesitated, 2,6% are not positive impact, 2,6% are not highly positive impact, while the remaining 2,6% are not clear in answering.

The results show that there is enough difference in responding to the impact of poverty alleviation program from the government. The positive impact is more experienced by the respondents who are located in Wonosobo. It needs to be paid attention that positive impact on poverty alleviation program from the government cannot be the same between an area and another area.

### **Optimization Mechanism of Poverty Alleviation Program Management**

Poverty alleviation efforts can be taken through the program of assistance both in the form of money or goods. In addition, it can also be taken through the poor community development program, which is encouraged to give various counselling and training which support the optimization of human resources. This section discusses the results of research in the mechanisms for the implementation of various counselling and training.

The first is the interest to participate in the counselling activities and training production process. In both sample research locations either in Gunungkidul or in Wonosobo, 45,8% are highly interested to participate, 22,9% are interested to participate, 0% hesitated, 13,3% are not interested to participate, and 18,1% are not highly interested to take part in the counselling activities and training in the production process. The majority of respondents stated their interest in participating the counselling and training in the production process. It shows the importance of the production process skills on the poor.

Reviewed from the interest in participating the counselling and training in the production process in the Gunungkidul district, 24,4% are highly interested to participate, 28,9% are interested to participate, 0% hesitated, 24,4% are not interested to participate, and 22,2% are not highly interested to take part in the counselling

activities and training in the production process. In Wonosobo district, 71,1% are highly interested to participate, 15,8% are interested to participate, 0% hesitated, 0% are not interested to participate, and 13,2% are not highly interested to take part in the counselling activities and training in the production process.

The second is the interest in participating counselling activities and product marketing training. The research results in both sample research locations either in Gunungkidul or in Wonosobo. 51,2% are highly interested to participate, 25,0% are interested to participate, 0% hesitated, 16,7% are not interested to participate, and 7,1% are not highly interested to take part in the counselling activities and training in product marketing. The majority of respondents stated interest in participating the counselling and training in the product marketing. It shows the importance of marketing products skills for the poor.

Reviewed per district, the interest in participating education and production marketing training can be known that in Gunungkidul district, 20,0% are highly interested to participate, 35,6% are interested to participate, 0% hesitated, 31,1% are not interested to participate, and 13,3% are not highly interested to take part in the counselling activities and training in product marketing. In Wonosobo, 87,2% are highly interested to participate, 12,8% are interested to participate, 0% hesitated, 0% are not interested to participate, and 0% are not highly interested to take part in the counselling activities and training in marketing product. It is seen that there is enough differences in the answer variations between the two locations. The interest of the marketing product activities is seen bigger in the location of Wonosobo than Gunungkidul. It becomes the need to be more paid attention in Wonosobo about the importance of counselling activities and product marketing training.

The third is the interest in participating counselling activities and product packaging and brand training, which can be shown by the following data below. In both sample research locations either in Gunungkidul district or in Wonosobo district, 48,1% are highly interested to participate, 27,2% are interested to participate, 6,2% hesitated, 17,3% are not interested to participate, and 1,2% are not highly interested to take part in the counselling activities and training in the product packaging and brand. The majority of respondents stated interest in participating the counselling and training in the product packaging and brand. It shows the importance of the product packaging and brand skills for the poor.

Reviewed per district, can be known that the interest in participating the product packaging and brand training in the Gunungkidul district, 20,5% are highly interested to participate, 34,1% are interested to participate, 11,4% hesitated, 31,8% are not interested to participate, and 2,3% are not highly interested to take part in the counselling activities and training in the product packaging and brand. In Wonosobo district, 81,1% are highly interested to participate, 18,9% are interested to participate, 0% hesitated, 0% are not interested to participate, and 0% are not

highly interested to take part in the counselling activities and training in the product packaging and brand.

Fourth is the interest in participating counselling activities and training financial business records. The following data shows the results in both sample research locations either in Gunungkidul district or in Wonosobo district, 29,8% are highly interested to participate, 47,6% are interested to participate, 3,6% hesitated, 15,5% are not interested to participate, and 3,6% are not highly interested to take part in the counselling activities and training in financial business records. Thus, there is majority respondents stated interest in participating the counselling and training financial business records. It shows the importance of business financial records skills for the poor.

Reviewed from each district, the interest in participating in the business financial records training in Gunungkidul District, as many as 46,2% residents are highly interested in participating, 53,8% are interested in participating, 0% are hesitated, 0% are not interested in participating, and 0% are not interested at all in participating in the business financial records education and training. In Wonosobo District, 15,6% are highly interested in participating, 42,2% are interested in participating, 6,7% are hesitated, 28,9% are not interested in participating, and 6,7% are not interested at all in participating in the business financial records education and training.

The fifth is the interest in participating in the entrepreneurial counselling and training. The following data shows the results in both of the sample locations which are Gunung Kidul and Wonosobo. As many as 41,7% are highly interested in participating, 38,1% are interested in participating, 0% are hesitated, 15,5% are not interested in participating, and 4,8% are not interested at all in participating in the entrepreneurial counselling and training. Thus, a sizeable proportion of respondents show the interest in participating in the entrepreneurial counselling and training. It shows that entrepreneurship skill for the poor community is still important.

Reviewed from each district, it is found that the interest in participating in the entrepreneurial training in Gunungkidul Regency, as much as 26,7% are highly interested in participating, 35,6% are interested in participating, 0% are hesitated, 28,9% are not interested in participating, and 8,9% are not interested at all in participating in the entrepreneurial counselling and training. In Wonosobo, as many as 59,0% are highly interested in participating, 41,0% are interested in participating, 0% are hesitated, 0% are not interested in participating, and 0% are not interested at all in participating in the entrepreneurial counselling and training. It seems that there is a close answer between the two locations. Both in Wonosobo and Gunungkidul, the residents are highly interested in entrepreneurial activity. This needs equal attention in both of the locations that counselling and training in entrepreneurship is needed.



## CONCLUSION AND SUGGESTION

### Conclusion

According to the research findings, it can be concluded as follows:

- Reviewed from the type of occupation, most of the head families in Bandung Village, Gunungkidul District work as farmers, while in Wonosobo District, Wadaslintang Village, work as grocery sellers and palm sugar producers. In both of the areas, the majority of the residents' income is less than IDR 600.000 per month.
- The social costs significantly give negative impact on the number of residents who are not poor. The level of education, local government policy, and capital access significantly give positive impact on the number of residents who are not poor. From the regression model built, only the marketing access that gives no impact on the number of residents who are not poor.
- The impact of the poverty development program to reduce the number of the poor residents can also be described as follows: As many as 60,2% of the poor residents has ever received poverty alleviation program, either in the form of goods, money, or money and goods. The largest part of the poor residents reveals that poverty alleviation program gives positive impact on the reduction in the number of poor residents (46,4%). The poverty development program in Wonosobo District gives more positive impacts for the residents rather than the community development program in Gunungkidul Regency.
- The optimization mechanism of poverty alleviation program is carried out through various educational and training activity to improve the knowledge and skills of the poor residents. Most of the poor residents are interested in participating in the counselling and training in: production process (78,7%), product marketing (76,2%), product and brand packaging (75,3%), business financial records (77,4%), and entrepreneurship (79,8%). Education and training are needed in all degrees of poverty.

### Suggestion

- The local governments should immediately organize educational and training activities about production process, product marketing, product and brand packaging, business financial records and entrepreneurship for the poor residents in Bandung Village, Gunungkidul District as well as in Wadaslintang Village, Wonosobo District. The implementation of various educational and training programs are believed to be able to increase the knowledge and skills of the poor residents which later would benefit to increase the income of the poor.

- The local governments should immediately implement various poverty development programs by building on the local potential and communities. The development of the poor community in Wadaslintang Village should be carried out by using the the raw materials of palm sugar produced by the local community, which later are produced into various food products as souvenirs from Wonosobo. The development program of the poor residents in Bandung Village, Gunungkidul District should be carried out by processing the tofu dregs in the production of various products.
- The poor residents in Gunungkidul and Wonosobo District should be able to manage the amount of expenditure of the social costs such as for celebration donations, traditional ceremonies, and the other social activities. The poor residents are suggested to stay participating in various social activities, but they should not burden themselves with excessive social expenditure.
- The poor residents are suggested to be more motivated in participating in educational and training programs to increase the knowledge and insights in order to increase the family's income.
- In formulating the policy, the local governments in Wonosobo and Gunungkidul District should stand before the poor and weak community. The local governments are suggested to hold evaluations on the implementation of the poverty development programs in order for the programs to be more in conformity with the expectations and goals of the development of the poor.
- The local government and the capitalists are suggested to provide easy access to capital and make the requirements in obtaining the working capital easier. The working capital is expected to be the authorized capital for the poor.
- The local governments and social institutions supporting the poor community development are expected to conduct monitoring and evaluation on the effectiveness of the aid delivery for the development of the poor. Monitoring and evaluation are needed since the impact of the poverty development programs that have been implemented by various government agencies have not been adequate for the low degree of poverty.
- In implementing the optimization mechanism of the poor-productive residents, the local government should do so through educational and training programs to increase the knowledge and skill of the poor-productive residents.

#### **Research Limitations**

The value of R square in this research is only 52,1% which means the social costs, the level of education, the local government policy, and the capital and marketing access together contribute only 52,1% in determining the number changed of the



variables of the poor residents, while the other 47,1% is determined by other variables. The relatively small value of R square implies that there are other variables out of this research which influence the level of poverty. Therefore, it is suggested for the future research to include other variables other than those mentioned in this research, for example education and training, other family members' income, number of family members, work ethic, and others.

### References

- Badan Pusat Statistik. (2010), *14 Kriteria Masyarakat Miskin Menurut Standar BPS*. Retrieved from <http://infopetadaerah.blogspot.com>, on 23 August 2015.
- Deininger, Klaus, Songging Jin & Nagorajan. (2009), Land Reforms, Poverty Reduction, and Economic Growth: Evidence from India. *The Journal of Development Studies*. Taylor and Francis, Journals, Vol 45(4), pages 496-521.
- Firman, Achmad & Linda Herlina. (2003), *Analisis Kemiskinan dan Ketimpangan Distribusi Pendapatan Pada Peternak Sapi Perah (Survei di Wilayah Kerja KUD Sinar Jaya Kabupaten Bandung)*. Bandung: Universitas Padjadjaran.
- GOI & UN System. (2004), *Indonesia Progress Report on the Millenium Development Goals*. Jakarta: Government of Indonesia and United Nations System.
- Jauhariansah, Ari Arizal. (2010), *Studi Implementasi Penanggulangan Kemiskinan Dalam Rangka Program Beras Keluarga Miskin (Raskin) di Kecamatan Pati, Kabupaten Pati*. Retrieved from [http://eprints.undip.ac.id/13685/1/D2A303025\\_ARIZAL\\_J.pdf](http://eprints.undip.ac.id/13685/1/D2A303025_ARIZAL_J.pdf), on 6 May 2015.
- Kemenkesra (Tim Koordinasi Penyiapan Penyusunan Perumusan Kebijakan Penanggulangan Kemiskinan). 2002. *Dokumen Interim Strategi Penanggulangan Kemiskinan*, Jakarta: KKBKR.
- Parwoto. (2001), *Makalah Penanggulangan Kemiskinan*. Jakarta: Departemen Permukiman dan Pembangunan Sarana Wilayah.
- Rahman, Benny. (2010), *Evaluasi Dampak Program Penanggulangan Kemiskinan di Sektor Pertanian di Tingkat Rumah Tangga dan Wilayah Pedesaan*. Jakarta: Pusat Analisis Sosial Ekonomi dan Kebijakan Pertanian, Kementerian Pertanian.
- Ravallion, Martin. (2011), The Two Poverty Enlightenments: Historical Insights from Digitized Books Spanning Three Countries. *Policy Research Working Paper Series 5549*, The World Bank.
- Sumodiningrat, Gunawan. (1999), *JPS dan Pemberdayaan*. Jakarta: PT. Gramedia Widiasarana Indonesia.
- Suparlan, Parsudi. (2000), *Kemiskinan Perkotaan dan Alternatif Penanganannya. Ditunjukkan dalam Seminar Forum Perkotaan*. Jakarta: Departemen Permukiman dan Prasarana Wilayah.
- Susenas. (2010), *Survei Sosial Ekonomi Nasional*. Jakarta: BPS.
- Todaro, Michael P. & Stephen C. Smith. (2009), *Economic Development. 10<sup>th</sup> Edition*. Eddison Wesley.
- UNDP. (2010), *Overcoming Human Poverty. United Nations Development Programme. Poverty Report 2010*.

- Widarjono, Agus. (2009), *Ekonometrika: Pengantar dan Aplikasinya*. Yogyakarta: Ekonisia, FE UIL.
- World Bank (Urban Sector Development Unit, Infrastructure Development, East Asia and Pacific Region. 2003. *Kota-kota Dalam Transisi: Tinjauan Sektor Perkotaan Pada Era Desentralisasi di Indonesia* (translated), Dissemination Paper No 7, June 30, 2003.

# THE IMPLEMENTATION OF SUSTAINED POVERTY ALLEVIATION PROGRAM IN RURAL COMMUNITY BASED ON LOCAL COMMUNITY

## ORIGINALITY REPORT

7%

SIMILARITY INDEX

6%

INTERNET SOURCES

3%

PUBLICATIONS

4%

STUDENT PAPERS

## PRIMARY SOURCES

1

[www.serialspublications.com](http://www.serialspublications.com)

Internet Source

3%

2

Submitted to Universitas Islam Indonesia

Student Paper

1%

3

[docplayer.net](http://docplayer.net)

Internet Source

1%

4

Sutiyo, Keshav Lall Maharjan. "Decentralization and Rural Development in Indonesia", Springer Nature, 2017

Publication

<1%

5

Submitted to Padjadjaran University

Student Paper

<1%

6

[fe.uin-malang.ac.id](http://fe.uin-malang.ac.id)

Internet Source

<1%

7

[biodataofdrvhp.blogspot.in](http://biodataofdrvhp.blogspot.in)

Internet Source

<1%

Submitted to University of Sunderland

8

Student Paper

&lt;1%

9

Submitted to Vels University

Student Paper

&lt;1%

10

[repository.usu.ac.id](http://repository.usu.ac.id)

Internet Source

&lt;1%

11

[eventjogja.com](http://eventjogja.com)

Internet Source

&lt;1%

12

Christopher Mupimpila. "The role of vocational education and technical training in economic growth: a case of Botswana", International Journal of Education Economics and Development, 2009

Publication

&lt;1%

13

[www.usd.ac.id](http://www.usd.ac.id)

Internet Source

&lt;1%

14

[repository.ubaya.ac.id](http://repository.ubaya.ac.id)

Internet Source

&lt;1%

15

[www.rebs.ro](http://www.rebs.ro)

Internet Source

&lt;1%

16

Shibata, Tomoyuki, James Wilson, Lindsey Watson, Alyse LeDuc, Can Meng, EmptyYN="Y" Ansariadi, Ruslan La Ane, Syamsuar Manyullei, and Alimin Maidin. "Childhood Acute Respiratory Infections and

&lt;1%

Household Environment in an Eastern Indonesian Urban Setting", International Journal of Environmental Research and Public Health, 2014.

Publication

17

[www.ighz.edu.pl](http://www.ighz.edu.pl)

Internet Source

<1%

Exclude quotes On

Exclude matches Off

Exclude bibliography On