

## **Study of Poverty and It's Solution In West Muna District Southeast Sulawesi Province**

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**Abstrack.** *The objectives of this research are: (1) to record or identify the number of poor people in West Muna Regency, (2) to know the factors that cause the poor in West Muna District, (3) to seek or find the best solution in order to eliminate or poverty alleviation in West Muna District, (4) formulating appropriate policy strategies in relation to poverty reduction efforts in West Muna District, and (5) formulating / reviewing both qualitatively and quantitatively and establishing a model of poverty reduction efforts in West Muna District. The benefits expected in this research are: (a) for the people of West Muna Regency, that is to know about poverty situation in their area, (b) for Southeast Sulawesi Government, that is synchronization of policy in order to build society prosperity (BAHTERAMAS) as (c) for the Government of West Muna District, ie as a reference in formulating policies on poverty reduction efforts in the region, and (d) for scientists, namely as an extension and development of science, especially which relates to the poverty situation. The method used in this research is a participatory approach and Focus Group Discussion (FGD) with the people of West Muna District, especially those living in poverty (poor). While the analytical tool used is descriptive qualitative and quantitative. Qualitative descriptive includes a review of the condition of the people of West Muna District and the situation of the Government as a New Autonomous Region (DOB). While the quantitative study of the description of dependent variables and independent factors causing poverty and efforts to overcome it. The results show that poverty is a major problem of national and regional development characterized by vulnerability, helplessness, isolation and inability to convey aspirations. In general there are several problems or problems related to poverty: (a) economic problems, (b) social problems, (c) problems of natural conditions, and (d) policy problems and implementation of poverty reduction programs. Regionally, West Muna District is a New Autonomous Region (DOB), where the area consists of 11 Subdistricts, where there are 15,661 houses and 4,875 poor families. Solutions for poverty reduction in West Muna District, are as follows: (1) increasing GRDP, (2) improving the quality of human resources, (3) increasing wage rates for workers, (4) increasing the number of companies (industry), and (5) counseling to the community*

**Keywords** - *poverty, causal factors, counter measures*

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### **I. INTRODUCTION**

Poverty is a mysterious factor in life. Economically, poverty is a thing which does not fulfill the necessities of life. The link between natural resources and poverty can be said that poverty can occur due to lack of natural resource potential. From the point of view of human resources, poverty occurs due to low productivity, high unemployment, and non-creative (lazy) people or human resources.

Poverty is an obstacle that many groups of developing countries face. The emergence of this poverty can occur due to the unstable economic situation, where economic growth does not reach the target. In developing countries there is a cycle of poverty, where poverty occurs due to several things:

- a. The level of per capita income / national income of a country is very low.
- b. Low productivity.
- c. High unemployment rate.
- d. High load burden.
- e. Processing of natural resources has not been effective.

Globally, poverty has plagued many underdeveloped countries, such as the African Continent and most of the rest of Asia.

Nationally, the number of poor people is increasing. This is due to the various backwardness as above, also the lack of fulfillment of basic needs, less employment resulting in a lot of unemployment and other underdevelopment factors.

Regionally, in the province of Southeast Sulawesi (including West Muna District), the poverty situation still exists. However, various government breakthroughs and policies can gradually eliminate the number of poor people.

Identification or data collection of the poor in West Muna Regency has not been implemented accurately and optimally. This is quite important as the initial information in efforts to eliminate or alleviate the poverty situation in West Muna District.

In this study will be studied / analyzed how the situation of poverty that occurred and efforts to overcome it in West Muna Regency Southeast Sulawesi Province.

Referring to the above description, the problem in this research are:

1. Not yet optimally identified the number of poor people in West Muna Regency Southeast Sulawesi Province.
2. What factors are causing the poor in West Muna Regency of Southeast Sulawesi Province?
3. How to attempt or find the best solution in order to eliminate or alleviate poverty in West Muna Regency Southeast Sulawesi Province?
4. What policy strategy will be pursued in relation to poverty reduction efforts in West Muna Regency of Southeast Sulawesi Province?
5. How is the qualitative and quantitative (modeling) study of poverty alleviation in West Muna Regency Southeast Sulawesi Province?

## **II. LITERATURE REVIEW**

### **1. Poverty Indicators of Southeast Sulawesi Province**

The poverty status of Southeast Sulawesi and Regency / Municipality is determined based on 2 (two) indicators of poverty status assessment:

A. Assessment of provincial and district / municipality poverty status based on income indicator (Sayogyo):

a. The methodology / way of valuation is by converting income into rice, if:

- (1) The conversion result  $<240 \text{ Kg / Capita / Year}$  means that the Poverty Status of the Province is below the poverty line / Poor category.
- (2) Conversion results  $> 240 \text{ Kg / Capita / Year}$  means the Poverty Status of the Province concerned is above the poverty line / Non-Poor category.

Methodology / way of assessing the poverty status of the Regency region by converting income

- Conversion results  $<240 \text{ Kg / Capita / Year}$  means that the City Poverty Status is below the poverty line / Poor category.
- Conversion results  $> 240 \text{ Kg / Capita / Year}$  means that the City Poverty Status is above the poverty line / Non-Poor category.

b. Methodology / way of assessing urban poverty status by converting income into rice, if:–

- The conversion result  $<360 \text{ Kg / Capita / Year}$  means that the Poverty Status of the District is below the poverty line / Poor category.
- Conversion results  $> 360 \text{ Kg / Capita / Year}$  means the Poverty Status of the District concerned is above the poverty line / Non-Poor category.

B. Assessment of provincial and district / municipality poverty status in terms of percentage of poor people (indicator according to Letter of the Minister of Home Affairs Number 414.1 / 316 / PMD dated 17 February 2003).

Based on this indicator, there are 2 (two) classifications of provincial and district / city poverty status:

- a. Provinces and districts / municipalities with the poorest category of provinces and districts / municipalities with a percentage of the poor  $> 20\%$  of the total population.
- b. Provinces and Districts / Cities are non-poor ie provinces and districts / municipalities with a percentage of the poor  $<20\%$  of the total population.

### **2. Determination of Program Objectives and Indications of Countermeasures Poverty Southeast Sulawesi Province**

1. Determination of Poverty Reduction Program Objectives.

In general, the target of poverty alleviation program of Southeast Sulawesi Province is aimed at all poor people spread in every regency / city, sub-district and village within the region of Southeast Sulawesi Province.

The Targets of Poverty Reduction Program of Southeast Sulawesi Province include:

- a. District / City Targets of Poverty Reduction Programs (Goals I, II and III)
- b. Sub District Poverty Reduction Program Objectives (Goals I, II and III)
- c. Village Target Poverty Reduction Target (Targets I, II and III)
- d. Household / Total Soul Targeted Poverty Reduction Program (Targets I, II and III)

Sub-district / municipality groupings, sub-districts and sub-villages of the targeted Poverty Reduction Program (Targets I, II, III) are determined by observing the classification of poverty status and severity of districts / sub-districts and sub-districts in Southeast Sulawesi when:

- a. Problems / Classification of Problems Poverty Status and Severity Poverty is classified as severe / the condition is very severe, it means that the regencies / municipalities, subdistricts and villages of the Kelurahan concerned are stipulated as targets I / Priority I.
- b. Problems / classification of Poverty Status Problems and Poverty Severity is moderate / conditions are quite severe, meaning that the District / Town, Sub District and Village of the Kelurahan concerned are determined as II / Priority II targets.
- c. Problem / classification of the problem Poverty Status and Poverty Severity Poverty is relatively mild, meaning that the District / Town, District and Village of the Kelurahan concerned are designated as III / Priority III targets.

The household clustering of poverty reduction targets (targets I, II and III) is determined by observing the number of households, the number of poor people, if:

- a. Number of poor households in each Kabupaten / Kota, Kecamatan dan Desa Kelurahan > 50% of total Household is set as target I (priority I)
- b. The number of poor households in each District / Town, Kecamatan and Village Villages 20-50% of the total Household is set as target II (second priority)
- c. Number of Poor Households in each District / Town, Sub-District and Village Villages <20% of total Household is set as target III (priority III).

## **2. Formulation of Poverty Reduction Program Indication**

Formulation of the Poverty Reduction Program Indication of Southeast Sulawesi Province is based on the problem / classification of the problem of the Status of Poverty and the causes of the Poverty complex.

### **III. METHODOLOGY**

Method of data Analysis used in this research was descriptive qualitative and quantitative. Qualitative descriptive is a qualitative scientific / practical study of the situation of the poor in West Muna Regency Southeast Sulawesi Province. While quantitative descriptive is a quantitative study based on a statistical formulation of the causes of poverty in West Muna District Southeast Sulawesi Province.

This quantitative study can also create statistical or mathematical models or formulations on solutions to poverty in West Muna Regency of Southeast Sulawesi Province.

Statistic formulation in calculating poverty cause factor, that can be used linear regression analysis as follows::

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_nX_n + e$$

Where

Y = dependent variable, ie poverty. a = kostanta factor X1, X2, X3, ... Xn = independent variable, ie the cause of poverty.

b1, b2, b3, ... bn = regression parameters.

### **IV. RESULT AND DISCUSSION**

#### **1. Situation of Poverty**

Poverty (poverty) is a major problem of national / regional development characterized by vulnerability, powerlessness, isolation and inability to convey aspirations. In addition, poor conditions can result in:

- Socioeconomically can be a burden on society.
- Low quality and productivity of the community.
- Low active community participation.
- The decline of public order and public peace.
- Reduced public confidence in the bureaucracy in providing services to the community.
- The possible loss of generation (lost generations).

In addition, Poverty is a constraint many experienced by groups of developing countries. The emergence of this poverty can occur due to the unstable economic situation, where economic growth does not reach the target.

In developing countries there is a cycle poverty (cycle poverty line), where poverty occurs due to several things:

- a. The level of per capita income / national income of a country is very low.
- b. Low productivity
- c. High unemployment rate

- d. High load burden
- e. Processing of natural resources has not been effective.

## **2. Regional Aspect (Southeast Sulawesi Province)**

Understanding of poverty in the context of regional development Southeast Sulawesi Province is one of the priority programs that are and will be implemented in line with the dynamics of development

The main problem of poverty in Southeast Sulawesi Province is the problem of the Status of Poverty and the Number of Poor People which is big enough. Based on the data of poverty of BPS version of 2011, the number of poor people in the Region of Southeast Sulawesi reached 330,010 Souls or 14.56% of the total population of Southeast Sulawesi in the same year.

By 2015, there are 13.74 per cent of the poor or rose to 23,140 people, to 345,000. Furthermore, in 2016, the number of poor people is 12.77 percent, ie 327,290 people. Furthermore, until the end of March 2017, the poor as many as 331,710 people or 12.81 percent of the population.

When viewed from the source of the problem, this existing poverty is an accumulation of various social economic issues that have not been possible for the government and society to overcome them.

Publication of the projection of the population of Indonesia, where the population of Southeast Sulawesi successively (in thousands of people), ie in 2010 as much as 2,243.6, - in 2015 as much as 2,499.5-, in 2020 as much as 2,755.6, 2025 as many as 3,003.3, and in 2030 as much 3,237.7 - and in 2035 as many as 3,458.1.

## **2. Problem Poverty**

There are several problems related to poverty as follows:

### **a. Economic Problems**

#### **1. Problem of Macro Economic Condition**

a. GRDP value and economic growth rate of Province and Regency / City in Southeast Sulawesi Province is quite high, but if seen the effect on the regional economy is not optimal, where:

- The effect of growth of several economic sectors on the regional economy is relatively very low (LQ value <1)
- Influence of growth of some economic sector of City Regency to economy of Sultra relatively very low (Shif Share <0)

b. The problem of economic structure / the number of economic sectors in the formation of total Provincial and Regency / Municipality GRDP is relatively low.

c. The income per capita income of the provinces and districts / municipalities in the province of Southeast Sulawesi appears to be quite high, but the uneven population inequality has not improved, where the percentage of low / very low income households is relatively high.

d. The inflation rate in the provinces and districts / cities within the province of Southeast Sulawesi during the last 5 years is quite high.

e. Limited development funds to finance poverty reduction programs. The financial resources of the Provincial and Regency / City Governments within the territory of the Province of Southeast Sulawesi that have been carried out over the last 5 (five) years in principle remain the same every year; Although annual financial realization is increasing, concentration is still needed on certain revenue sources that are still possible to be improved in order to overcome the ever-increasing need challenge as the dynamics of development itself.

2. The problem of limited employment opportunities for the poor in addition to the burden of massive public expenditure in accessing basic needs such as education, health and public infrastructure.

3. Problems of capital limitations for the poor to develop productive economic enterprises.

4. Problems of the lack of infrastructure supporting the development of the economy of the population such as Village Roads, Markets and Water Supply.

### **b. Socio-Cultural Problems**

1. The problem of limited ability / level of knowledge and skills of the community and cultivate economic business is relatively low.

2. Low quality of health

3. The problem of implementation of family planning program for poor people who have not optimal yet.

4. The problem of weak social protection, conflict, and vulnerability to risks outside of himself.

5. Problems of helplessness and community disorder in decision-making process.

6. The mental attitude of the individual

### **c. Natural Condition Problems**

1. There is Area that productivity of land is low / not fertile

2. There is a wide area whose surface is made up of hills and mountains / unfit for use as agricultural land, plantation and other enterprises for human interest.

3. Climate / Low rainfall

4. Natural disaster events (floods, fires and so on)

In the effort to overcome poverty, poor families who occupy the area need to get more special attention by taking into account the natural condition.

**d. Policy Problems and Implementation of Poverty Reduction Program**

- Currently, three lines of poverty reduction programs are identified, namely Sector development path, Regional development track, and Special development path; each pathway contains a variety of program implementation in accordance with the category of poverty reduction, but the implementation of each program is not yet synergized and tend to overlap each other and less focused in setting program goals (who, what, where and how) or the responsible person.

- The approach in handling poverty reduction programs has been more business-oriented, which only stimulates consumption levels, especially the poor who receive Direct Cash Assistance Fund (BLT) and "Raskin" and it must be recognized that this approach only reduces the burden of expenditure / suffering poor people and will not be able to raise their standard of living. Based on existing data and phenomena, the majority of poor people in the province of Southeast Sulawesi still have potential resources or assets such as land / land, livestock, crops and other resources. From the various potential resources and opportunities available can not be utilized optimally for improving people's lives.

If the government can do something that makes it possible for the poor to empower resources or assets to be productive economic assets, then their chances of success improving their living standards can be realized. In other words poverty alleviation in the province of Southeast Sulawesi is not enough to be carried out only by conventional approach or way, but also more effort-oriented to create "space" for poor people to empower their capacities to get out of the shackles of poverty.

Given the considerable number of poor people of Southeast Sulawesi Province on the one hand and various poverty issues on the other, concrete steps are needed to solve the problem through comprehensive, targeted, integrated and sustainable poverty reduction strategies and policies / programs .

In line with the above, there is a need for complete information on poverty conditions in the Southeast Sulawesi Provinces (Data Profiles and Poverty Mapping) to be used as a reference for the formulation of poverty reduction policy and program strategies in Southeast Sulawesi Province.

**3. Understanding About Profile and Mapping of Poverty**

The Poverty Profile of Southeast Sulawesi Province is a comprehensive overview of the characteristics of poverty in the province of Southeast Sulawesi which includes components / elements:

Provincial poverty status, District / city poverty status and Kecamatan Poverty Status, and Villages within the province of Southeast Sulawesi.

Ranking of Poverty of Regency / City within Southeast Sulawesi Province and Poverty Rank of Sub-District and Village in Regency / City Region of Southeast Sulawesi Province.

Problems / Classification of Problems of Poverty Status of Provinces and Districts / Cities and the causes of complex poverty.

Target / Indication of Poverty Reduction Program of Southeast Sulawesi Province.

Data Mapping Poverty summarized in Poverty Database of Southeast Sulawesi Province contains: Map of poverty status (Provincial poverty status, District / municipality poverty status, and poverty status of District and Village).

Map of the poor in the province of Southeast Sulawesi;

Map of poverty reduction program of Southeast Sulawesi Province.

**5. Regency / Municipal Aspect (West Muna)**

Since the establishment of West Muna Regency as an autonomous region, the Government has been running for more than 2 (two) years. In this region consists of 11 Sub districts, where there are 15,661 houses and 4,875 poor families.

To be more clear about the situation of households and the poor, the table shows as follows:

**Table 1. Number of Households and Poor People of 11 Sub District In West Muna District of Southeast Sulawesi Province**

No	Sub Districts	Number of Households	Number of Poor Families
1.	Tiworo Kepulauan	1.480	390
2.	Maginti	1.831	318
3.	Tiworo Tengah	1.537	378
4.	Tiworo Selatan	1.114	361
5.	Tiworo Utara	1.004	513

6.	Lawa	1.642	699
7.	Sawerigadi	1.318	464
8.	Barangka	1.273	460
9.	Wadaga	1.216	463
10.	Kusambi	2.253	424
11.	NapanoKusambi	993	405
	<b>Amount</b>	<b>15.661</b>	<b>4.875</b>

**Source: BPMD West Muna, 2017**

Based on the above table shows that Lawa district is the highest number of poor families that amounted to 699 Head of Family. Then followed by North Tiworo district with the number of poor families of 513 Head of Family. While the lowest sub-district of poor families is Maginti sub-district, which is 318 KK.

Based on the results of interviews with the community, that most of them think and act consumptive (no savings), where the average say that the income earned today is used up for consumption needs, so they no savings and sometimes owe to meet needs.

#### 6. Poverty-Solving Solutions in Muna Barat District

The problem of poverty not only arises globally, nationally or regionally (region). As described above, the causes and consequences of poverty are both natural and non-natural. This is the case in West Muna District.

There are several things that need to be done in relation to poverty problem solving in West Muna Regency as follows:

##### a. Increased GRDP

Based on the theory it has been argued that economic growth can be defined as an increase in Gross Regional Domestic Product (GRDP) regardless of whether the increase is greater or less than the rate of population growth. This means that the economic growth of a region directly or indirectly will create employment.

It is macro that the increase of economic activity is reflected in GRDP. Increasing GRDP will lead to an increase in the number of workers absorbed by the business field. This is in line with the theory of an economist, where the kun law (Mankiw, 2000) says that there is a close relationship between the unemployment rate and GDP (Gross Domestic Product) ie there is a negative relationship between the unemployment rate and real GDP. This statement can be interpreted that if the real GDP nationally increases, then employment opportunities will increase, meaning that the absorption of labor by the field of business so that unemployment can be reduced.

Suroto (1992) emphasized that to overcome the full range of job opportunities as well as to spread labor throughout the sector, Indonesia must: economic activity and employment must grow rapidly to absorb labor from the agricultural sector. Otherwise population growth and labor force are heavy pressures, which can lead to unemployment.

The above statement implies that, if there is an increase in GRDP, there will be an opening and absorption of labor, so that unemployment can be overcome which in turn will be able to overcome poverty.

##### b. Improving the Quality of Human Resources

Theoretically, human resources are determined by three things: (1) education and knowledge, (2) health (health), and (3) security (security). The higher of education level of a person, the higher the quality of human resources, which is reflected in the improvement of mindset and increasingly mature action. Similarly from the aspect of health, where the higher or better the level of one's health, the more qualified human resources. This is reflected in the situation or condition, both inward and inner. Furthermore, from the aspect of security, ie if the situation or security conditions of a person can be maintained properly, the quality of human resources is better too. This is reflected in the conditions experienced by a person or society that is safe, peaceful and prosperous.

Based on the above statement, it can be explained also that between one and the other must support each other. Furthermore it can be explained that if only supported by one only, then the quality of human resources is not perfect. For example, if a person has a high level of education and health, but is not supported by the level of security, then the quality of human resources is not optimal or disturbed. Similarly, although the level of education and security is higher or safer, but the health condition of a person is disrupted (sick), then the quality of human resources is not optimal.

An economist, Simanjuntak (2001) has the notion that the higher the level of education a person will encourage high levels of employment, and otherwise the quality of a person's low resources will find it difficult to get the job he wants.

If the employment opportunity has been created, then a person will be rewarded in the form of salary or wages received, so that the level of poverty can be reduced or eliminated. This implies that with the existence of a high level of education, it can reduce the level of poverty in a region.

### **c. Effect of Wage Level on Poverty**

The problem of poverty is closely related to the issue of wage levels, where many labor forces want to get a large wage rate, while the size of the quality of the workforce is appropriate or whether the qualifications of the workforce with their work. If the level of wages offered by employers is lower or not in accordance with the level of education and skills possessed by the workforce, then the workers feel better not to enter the employment field. If you do not have a job, then there is unemployment, so that people or communities are classified as poor.

### **d. The Influence of Number of Companies / Industries To Poverty**

The number of companies operating in a region can affect poverty. This implies that efforts to expand employment can only be accomplished by expanding economic activity which should then be accompanied by efforts to increase productivity. If the expansion of employment increases, employment opportunities will increase as well so the chances of becoming poor can be reduced due to the application of labor.

Efforts to increase the company / industry in West Muna district, is intended to expand employment which in turn can further eliminate or reduce poverty, especially poverty that arises from various aspects.

The number of Micro Small and Medium Enterprises (MSMEs) in Muna Barat Regency has increased every year. This happens because the government and all levels of society do their best to strive to alleviate poverty. The more SMEs are run, the smaller the number of pairs that exist in the district. Vice versa, if there are fewer number of SMEs, then the increasing number of poverty that happened in Regency of West Muna.

### **e. Socialization / Public Awareness**

In order to prevent / eliminate poverty in West Muna district, it is necessary socialization or counseling to the community. It is intended that the public get clear information about the situation of poverty that he felt.

In this regard, efforts in the context of socialization and extension to the poor continue to be encouraged, especially in the villages / sub-districts and sub-districts in West Muna District.

The cultivation of aqidah, motivation and creativity in order to eliminate the poor is necessary. This activity can be done on open fields, places of worship, Focus Group Discussion (FGD), agencies and other public places.

## **V. CONCLUSION**

Based on the above study, it can be drawn a few points of conclusion as follows:

- One of the three New Autonomous Regions (DOBs), West Muna District is a potential district and there are many leading sectors / commodities. However, the situation of the community is still relatively poor.
- The factors causing poverty in West Muna district, namely: economic and non-economic factors. Economic factors include: low income, low savings, simple lifestyle, and so on. Non-economic factors include, socio-cultural, natural conditions, security and so on..

## **VI. SUGGESTION**

As a New Autonomous Region (DOB), the Government and the people of West Muna Regency should participate actively in any development activities, in order to eliminate the poverty situation in the region.

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