

THE DEVELOPMENT OF HOME INDUSTRY FOR PURNA'S TKI BASED ON SUPERIOR PRODUCT

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ABSTRACT

The Moratorium of TKI has made many Indonesian people being joblessness. Therefore, it is necessary to create the work and training of society's economic development for minimizing the number of unemployment. The Purna's TKI have never owned the awareness and capability about entrepreneurship for increasing their income. As a result, working as TKI has become a major alternative for their job because it does not need the entrepreneurship skills. Developing home industry for Purna's TKI based on superior local product is able to practiced and hoped for developing the economic potential.

The major purpose of this research is to hope that all of the societies will get a chance to work in their own country without being TKI. Besides, this research is hoped to develop the local economic potential. The object of this research is only bordered on Purna's TKI which exists in Puger and Ambulu in Jember regency. It is caused by Jember that becomes one of the places TKI's barns. Moreover, Jember is indicated as a district having a decrement of working time because of a decreasing request export product.

The method used in achieving the purpose of this research are; (1) By identifying and evaluating the societies of Ambulu and Puger that has been influenced by the decision of Ministry of Manpower about Moratorium. (2) By scheduling the formulation of home industry development based on superiority local product.

Keyword: home industry, moratorium TKI, local product, local economic

INTRODUCTION

The Moratorium of TKI for several countries such as Malaysia and Saudi Arabia that is practiced in Indonesia through the Ministry of Manpower has become a controversial decision for Indonesian people, especially for the district that becomes a place of TKI's barn. For the government practicing the Moratorium by the reason for saving the TKI becomes an obligation policy because there are many violations of human right on TKI in several countries, especially Malaysia and Saudi Arabia recently. In other hand, the Moratorium policy has a bad effect toward Indonesian people that suspend their life by being the TKI to several countries such as Malaysia, Saudi Arabia, Taiwan, and Japan. Moreover, the TKI's delivery services are also disadvantaged because they should cancel to deliver the TKI. As a result, there are some of TKI's delivery services sent the worker illegally.

East Java Province is one of the largest contributors to Indonesian workers in Indonesia, even some areas has become the TKI's barn such as Jember, Banyuwangi, Tulungagung, and Kediri. Base on the data of BNP2TKI in Regional Economic Analysis issued by Bank Indonesia Surabaya shows that TKI from East Java reaches 46, 418 people spreading across several countries such as Malaysia Saudi Arabia, Taiwan, Hong Kong, Singapore and Brunei Darussalam with the sequence number of TKI most 14 336 people were in Malaysia), Hong Kong (14 017 people) and Taiwan (11 764 people).(www.binaswadaya.org www.bnp2tki.or.id)

The purposes of this study include for: 1) Development : The results of this study are expected to be useful for the Indonesian people, especially people who are in the barn of the TKI because this research will contribute to minimize sending workers to outside the State and help the local economy through the development of superiority commodity in which all of that will create a new work. 2) Development of Science: this study proves the theory of consumption, the theory of Development Economics, Micro Economics theory and theory of urbanization. 3) Society : through this research, the societies are expected to get a job in their own country without being TKI. Moreover, this research is also expected to develop the local economic potential.

LITERATURE REVIEW

Moratorium TKI : Threat or Opportunity?

TKI moratorium issued by the Ministry of Manpower in relation to many violations of human right toward TKI has become an opportunity a threat for Indonesian government. It is stated as the threat because the policy will create more unemployment in Indonesia. In addition, the data was published by Indonesian Bank in Regional Economic Analysis stating that in January 2010 recorded 872 workers of 29 companies in East Java who experienced Termination (PHK) because of the company's internal problems.(Bank Indonesia Jawa Timur. 2011)

Jember as one of the barns TKI also feel the impact of the policy. This condition progressively increased the number of unemployed in the district and automatically will influence economic transactions, especially in the districts that become the barn of TKI such as Puger and Ambulu. The illustration the economic condition is aggravated by the fact of Jember Indonesian Bank that there is minimizing of working time because of decreasing request export product.

Moratorium TKI as Opportunity

The policy published by Manpower in relation to Moratorium TKI can be an opportunity to empower Indonesian societies. In this case, the role of the government is required in empowering the village societies on productive. It is because based on the results of a survey ever conducted by the East Java Manpower, 90% the reason of the societies choose to be TKI because of the absence of employment opportunities in their own areas. However, they need to continue their life.

The daily needs basically are a process to fulfill the satisfaction of human in relation to his daily activity. In Consumption theory stated that the daily need of man depends on his income. If the man has a low income, his daily needs will be low as well. However, if the income increases, the consumption activity of the man will increase as well. The consumers are better in one period than another period if their total expending or income in one period is more to the combination cost of specific goods rather than the last period in which it based on the price in first period. (Salvatore, 2008)

Human as the customer will strive to fulfill their needs. To fulfill those needs, the human will work for salary in which the salary will be used to consume. Although, it is not denied that there will be an infestation and speculation factor. However, for the lower class, the salary will be used to consuming activity.

By looking at the consumptions needs of Indonesian people and the unavailable employment, it is caused most of the societies, especially in the barn of TKI such as Jember, to choose for being TKI. They think that in abroad they will have broader chance for job with the higher salary without thinking the positive and negative effect of their decisions. As a result, many of them work in an informal sector minimum skill.

The big number of Indonesian citizens who work abroad is also one form of urbanization. Urbanization theory states that urbanization is influenced by employment in the area of origin. If the area of origin is not sufficient for job needed then the urbanization will happen. Uncontrolled urbanization will lead the areas that have the potential of local agriculture; plantation and fisheries will be exploited maximally. Another problem in the inequality of development in rural areas is closely related to the structure and regional differences that will ultimately lead to regional income disparities (Prayitno, 2000)

The more advantaging government policy for the rural development, such as shown by more prominent of different income levels and economic opportunities between rural and urban, areas, also supports the migration of the society to get job. This condition makes the stagnation of the agriculture in the origin area. Agriculture stagnation will cause a social problem even the financial loss in which the daily necessities of the society increase whereas the productions of the agriculture decrease. The government, especially the district government, has an obligation to utilize the opportunity of TKI's Muratorium to develop a local potential in which it will open the new job vacancy for the societies without being TKI in abroad.

The Development of Micro Industry Based on Local Potential.

In the global economic crisis of 1998, SMEs become one of the sectors of trade to survive. It encourages the government to continue to develop micro-economy in both urban and rural areas. The government interest in the development of SMEs is reflected in the

launch of some programs that are very helpful for the economic survival of society such as PNPM Mandiri, the People's Business Credit Products and others. (Tambunan, T., 2005)

In overcoming the poverty in rural area, the government has made a policy that is PNPM – PPK. This program becomes a program for overcoming the poverty based on self-reliance development through capacity building of society, local government, and provision of basic social structure and economic infrastructure. The research of Parikha entitled *Studi Evaluasi Kebijakan Program Nasional Pemberdayaan Masyarakat Program Pengembangan Kecamatan (PNPM – PPK) di Kecamatan Suradadi Kabupaten Tegal Tahun 2007* is done to know how far the practicing of PNPM – PPK in Suradadi in Tegal regency in 2007 could achieve the main purpose that is to overcome the society from poverty phenomenon. In fact, only a minority of societies utilize it for decreasing their income. Therefore, it can be said that PNPM – PPK does not succeed to overcome the poverty in the rural area.

The government decision for developing Micro industry is totally right. It is because Indonesia as a developing country has more middle class people than upper class. Besides, the majority of Indonesian society involves into UMKM. Therefore, it has become a logic consequence when all of the efforts on economic development always become a strategic rule in this sector. (Yusril, 2003).

Another examples on economic development based on local potential is Mete Industry in Central Java, the developing of Salted Eggs Industry in Probolinggo, Cluster fattening cattle in Sukoharjo, Cluster Opak in Serdang Bedagai North Sumatra and many more examples of clusters of economic empowerment based on local potential of other situations where a group or cluster into superior product and become sustainable livelihoods for local community. (Bank Indonesia, 2010).

RESEARCH METHODS

This research belongs to descriptive qualitative. This research aims to describe the condition of the TKI's barn in Jember regency and the effect of the Manpower's decision in relation to the TKI's moratorium. This research is done in Jember Regency. The techniques of data collection in this research are;

- Sharing Idea and Focus Group Discussion (FGD). It is a discussion in a group in which the members are limited based specific criteria and also the topic focuses on the specific thing. This technique is aimed to collect an illustration about something from the members without any agreement opinion from those members. The researcher is only to look for some opinions, perceptions, and characters about something.
- Comprehensive Interview. It is the way for collecting data or information directly toward the key informant in which it uses as a data of the research.
- Documentation. It is the way to collect the data or information from books, documents, in which they have relationship with the topic discussion.
- Observation. It is the way to collect the data or information about the social condition of the society in the district of the barn of TKI in relation to the Moratorium decision issued by Manpower.

The data analysis in this research uses SWOT analysis method with descriptive qualitative experiment approach. However, the result of the SWOT analysis will be used as an experiment fro empowering the economic based on local potential. The SWOT analysis method is;

- Strength: the local potential which is owned by the society on Ambulu and Puger becoming one of the barn of TKI in Jember.
- Weakness: the weakness of the local societies in which they cannot utilize the existence of local potential.
- Opportunity: agriculture potential and the production of the harvest which have the highest economic value.
- Thread : the minimum of job education and capability of the societies make most of the societies to choose for being TKI in abroad.

The Unit of Analysis

The area of TKI's barn in Jember regency, especially in Ambulu and Puger.

The Instrument of The research

- How is the policy and the role of Jember regency government in minimizing the
 - TKI's delivery to abroad?
 - What is the main focus of the policy?
 - What are the forms of realization of government policy in minimizing TKI to abroad?
 - What kind of product has been produced so far?
- Are there any budget support? Does APBD include the budget items of empowerment of the rural societies?

RESULT AND DISCUSSIONS

Table 1. Research Results

	Steps	Input	Output	Outcomes (impact)
1	<p>The existence of the moratorium does not have a significant impact on migrant workers in sub Puger and Ambulu. Because the state practices the Muratorium policy is only one country that is Saudi Arabia. Meanwhile, besides Saudi Arabia, there some other countries that becomes the main destination for the TKI such as Malaysia, Hongkong, and Taiwan. Therefore, by the existence of Muratorium in Saudi Arabia, the TKI will choose the countries such Malaysia, Hongkong, and Taiwan as their countries' destination.</p>	<p>- The reason they become migrant workers are diverse, including the difficulty of finding a job in the local area, there are dependents debt, salaries earned when working in the local area too small and not sufficient to meet the needs of the economy, want to seek venture capital, low education that can not be working in factories or companies that impose minimum diploma requirements, and others who say environmental factors because the neighbors many became migrant workers eventually many who went along as well as migrant workers.</p> <p>- Of the many reasons it can be concluded that the main reason they become migrant workers is due to economic factors. Increasing economic demands and the lack of jobs that can be expected to meet the needs of the economy.</p> <p>- Most of the migrant workers returned to their own area choose to be a TKI again. It is because in their own</p>	<p>Data on the number of population aged 10 years and over by age group and type of activity in the district Ambulu is: what works and does not work 48 069 46 262</p> <p>Data on the number of residents aged 10 years aatas by age group and type of activity in the district Puger is: what works and does not work 41 217 46 872</p> <p>Data on the number of migrant workers traveling abroad in Jember district by sex and country of interest are: Singapore (P = 13 and L = 0), Malaysia (P = 15 and L = 15), Hongkong (P = 69 and L = 0), Taiwan (P = 46 and L = 118), Saudi Arabia (L = 21 and L = 64), Brunei Darussalam (P = 0 and L = 2), Abu Dhabi (L = 1 and P = 0), Qatar (P = 0 and L = 1), Kuwait (P = 1 and L = 0)</p> <p>Ambulu is one of the districts in Jember which has a natural potential that is very promising. Of the total of 21 205</p>	<p>- High unemployment in sub Ambulu and District Puger due to lack of public interest in entrepreneurship. This is due to the low level of education and a lack of experience and skills to entrepreneurship. Their tendency is to want be workers. Many people choose to work abroad or being migrant worker when in the area did not get the expected job. Though the District Ambulu and sub Puger are the area with agricultural land which is quite extensive and fertile.</p> <p>- With the local potential in the form of natural resources (agriculture) and HR (productive age population) in the area so it will need for the training of community development related to agriculture. In this case, we took the initiative to held training on making organic fertilizer.</p> <p>- Training on organic fertilizer production has many benefits, including: a). It will make the independent farmers that do not depend on the high price of fertilizer. b). It will make the farmers having an entrepreneurship soul by becoming a produsent of organic fertilizer. C). readily available raw materials and the manufacturing process is easy.</p>

		<p>area there is no change in the economical sectors. - Most of Purna's TKI becoming an entrepreneur is success and also failed. Most of the failed one is caused by the unskilled man in entrepreneurship. For the success one, the successful of their entrepreneurship career is not by the specific method, but by traditional way.</p>	<p>families, a total of 11 622 households living as farmers and ranchers means that more than 50% of the population are farmers of rice, corn, soybean, chilli, sayura and fruits. For the farm community</p> <p>- District of Puger consisting of 12 villages has an area of 148.99 km2 with a population of 114 506 people. Largely or more than 50 percent of the population worked as farmers and ranchers with vast potential rice harvest in 2012 amounted to 393 800 Quintal, corn 347 200 quintals, 11,000 quintals of soya, chilli 10 145 quintals, 2579 quintals of vegetables</p>	
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2	<ul style="list-style-type: none"> - There are three steps involved in empowerment training program organic fertilizer, namely socialization, training and mentoring. - The first phase conducted socialization to the community about the benefits and how to manufacture organic fertilizer by involving village and 	<ul style="list-style-type: none"> - The establishment of implementation teams and the determination of the date of execution - Preparation of administrative and training materials. - Verification of potential trainees - Preparing coaches, coaching staff, consisting of self- managed teams responsible, 	<ul style="list-style-type: none"> - The training methods are inclass and outclass. - Training contains 30% theory and 70% practice with 100 hours of training time. - Presentation material of organic fertilizer production and business management training conducted in a room (INCLASS) 	
	<p>district government officials.</p> <ul style="list-style-type: none"> - The second phase of a training program of organic fertilizer production and business management training. - The third phase is to provide guidance to the participants after the training so that the results of the training can be forwarded by the people become 	<p>implementers and supervisors.</p>	<ul style="list-style-type: none"> - The practice of organic fertilizer is carried out outdoors or there is a special place to practice (outclass). 	

CONCLUSION

The following description of a SWOT analysis for the area Puger and Ambulu which become the research authors:

Strength

Based on field data, the potential thing becoming the strength in Puger and Ambulu area is the natural potential with the composition of agricultural land which is very promising. Puger has a land area of 148,99 km² (4.52 Jember% of the total area) while Ambulu has a land area of 104.56 km² or 3.17% of the total area muddy. If we look at the data released by BPS Jember, Puger and Ambulu is a district that has highest potential of agriculture, livestock and fisheries when compared to other regions. Agricultural potential consists of crops of rice, corn, soy, chili, vegetables and fruits. Here we show the distribution of public profession of Puger and Ambulu to be a description of the potential of the area Alam. (Bank Indonesia Jawa Timur. 2011)

Weakness

The societies' weaknesses of Ambulu and Puger lies on the lowest public education of the societies, lack of adequate working skills, as well as the wrong understanding on the culture of a migrant worker to assume a migrant worker that is able to solve all the economic problems of the family. Here the authors attach Puger public education data and Ambulu

Opportunity

Agricultural products and livestock that actually has a high economic value and they can be used as a regular income for the community of Ambulu and Puger but has not been managed well due to limited knowledge of entrepreneurship, limited knowledge of agriculture and food technology community.

Thread

The result of interview shows that the societies think becoming TKI is a choice to fulfill their daily necessities. In addition, the condition of the neighbor being a Purna's TKI has increased the infestation whether in form of house, land, or savings.

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