

**The Impact of Poverty Reduction Program into Papuan Women Economy Behavior in District of Kemtuk Gresi, Jayapura Regency (Case Study)**

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**Abstract:** Based on The Intenasional Summit which had launced the 8th important issues on Millenium Development Goals (MDGs), is very usefull to improve the communitylife. The quality of women's life has been one of basic aspects to build sustainable development of a nation (Khofifah, 1998). Sustainable development can take place if the entire communities (men and women) being optimally involved in whole development program with using efficient and effective principles. The quality of life is largely determined by formal and non formal education, both poor degree of health and nutrition, buruknya derajat kesehatan dan gizi, and also the presence of accessibility to development resources. Those factors mentioned above are mutual supporting and can not be separated from one another. Although, development activity in Papua Province is growing up, the society is still livingin the cycles of poverty, especially for women in District of Kemtuk Gresy, Jayapura Regency, Province of Papua. The aims of the study are : 1) to know the impact of Poverty Reduction Program (into the changing of economy behavior of Papuan Women in Kemtuk Gresi, Jayapura Regency, Papua Province; 2) to explore how Poverty Reduction Program influenced the generating income of Papuan Women. The methods of data collection are in-depth interview to 150 respondents, and 5 key informants (Community, Traditional, Religion, Women, and Youth Leaders), and observation as well. In order to find the answer, is using descriptive qualitative. The result of the first research question indicated that in terms of Changing of economic behavior: 34 percent of Papuan Women in Kemtuk Gresi are changing their economic behavior, mainly their production and marketing strategy; whereas 66 percent of respondents are still in traditional way for production and marketing. The second result is 38 percent of respondent's income is increasing, and 44 percent respondents are remains static or even volatile, finally, 18 percent respondents are going out from economic activities, because of missing capital of business. Starting from the result, we can give some recommendations: 1) changing economic behavior should be started from young people, so all parties should participate intensively to push young women entrepreneur to engage in business activity; 2) the government should involve traditional leaders to support women entrepreneurs by providing a piece of land or other forms of capital.

**Keyword:** *Gender-based development, Poverty Reduction Program, Economic Behavior, Income generating*

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## 1. Introduction

Based on The Intenasional Summit which had launced the 8th important issues on Millenium Development Goals (MDGs), consist of: 1) Eradicate extreem hunger and poverty; 2) Achieve Universal Primary Education; 3) Promote gender equality and empower women; 4) Reduce child mortality; 5) Improve maternal health; 6) Combat HIV/AIDS, malaria other diseases; 7) Ensure Environmental Sustainability; dan 8) Develop a global partnership for development. Whole issues are very usefull to improve social life dan gender-based development, specifically in Papua region. The quality of women's life has been one of basic aspects to build sustainable development of a nation (Khofifah, 1998). Sustainable development can take place if the entire communities (men and women) being optimally involved in whole development program with using efficient and effective principles. The quality of life is largely determined by formal and non formal education, the level of health and nutrition, and also the presence of accessibility to development resources. Those factors mentioned above are mutual supporting and can not be separated from one another. The aims of the study are : 1) to know the impact of Poverty Reduction Program (into the changing of economy behavior of Papuan Women in Kemtuk Gresi, Jayapura Regency, Papua Province; 2) to explore how Poverty Reduction Program influenced the generating income of Papuan Women. The methods of data collection are in-depth interview to 50 respondents, and 5 key informants (Community, Traditional, Religion, Women, and Youth Leaders), and observation as well.

## 2. Literature Review

According to Samuelson and Nordhaus (2010), poverty can be defined as a condition where people who do not have enough income to fulfill their primary needs. However, sometimes it is difficult to determine the border between the poor and the rich people. Poor people are: (1) a group that is not involved in the decision making process or development policy and development planning as well; (2) groups that are threatened with starvation; (3) those most vulnerable to disease and death; (4) groups. Difficult to get an adequate education and (5) a group that is difficult to gain access to economic and other basic rights (Jhingan, 2003; Todaro, 2000; Booth, 2000). Whereas the definition of Behavioral Economic is the study of psychology as it relates to the economic decision making processes of individuals and/or institutions. Behavioral economics studies the effects of psychology, social, cognitive, and emotional factors on the economic decision of individuals and institutions and also the consequences for market prices, return, and the resource allocation (Minton and Kahle, 2013). Behavioral economics is primarily concerned with the bounds of rationality of economic agents. Behavioral models typically integrate insights from psychology, neuroscience and microeconomic theory; in so doing, these behavioral models cover a range of concepts, methods, and fields. Behavioral economics is sometimes discussed as an alternative to neoclassical economics. Behavioral economics explores why people sometimes make irrational decisions, and why and how their behavior does not follow the predictions of economic models (Becker, 1992; Simon, 1978; Kahneman, 2002; Akerlof, 2001).

One of the objectives of the program is to increase community's welfare and prosperity. Meriam Webster try to define the welfare, firstly, the state of doing well especially in respect to good fortune, happiness, well-being, or prosperity; second, aid in the form of money or necessities for those in need ([www.meriam-webster.com](http://www.meriam-webster.com)). Besides that, Definition of Social Welfare System: A social welfare system is a program that provides assistance to needy individuals and families. The types and amount of welfare available to individuals and families vary for country, state or region. Dolgoff & Fieldstein (1980:p.91) and Ilham (2003) give basic concept of Social welfare is :“In its narrowest sense, social welfare includes those nonprofit functions of society, public or voluntary, which are clearly aimed at alleviating distress and poverty or at ameliorating the conditions of the casualties of society” (Dolgoff, Feldstein & Stolnik, 1997: p.5). Understanding Social Welfare: “All social interventions intended to enhance or maintain the social functioning of human beings (Kuncoro, 1997; Duckworth et al., 2004).” Empowering women to participate fully in economic life across all sectors is essential to build stronger economies, achieve internationally agreed goals for development and sustainability, and improve the quality of life for women, men, families and communities (Thoha and Suharma, 2006; Salvatore, 2001; Scholz and Levine, 2000). So, it is very important to push women to engage in all development programs as a part of gender-based development (Rinusu, 2003).

## 3. Methodology

Data collection is done by combining various methods of research interview, Focus group discussions (FGD), observation, and secondary data. Target respondents interviewed are Papuan women who engage in ILO Poverty Reduction Program, and also traditional, women, youth and religion leaders.

**Data Analysis:** The collected data will be analyzed by descriptive qualitative. Understanding Descriptive Qualitative research is a procedure that uses descriptive data in the form of words written or spoken of the respondent and key informant who can be observed. Qualitative approach, which is a research procedure that produces descriptive data in the form of speech or writing and behaviors that can be observed from the subject itself (Hadi, 2001).

**Sampling Location:** The research had been conducted in District Kemtuk Gresi, Jayapura Regency. Determination of the study area due to Kemtuk Gresi District is the location of the pilot project of poverty alleviation programs undertaken by ILO.

#### 4. Result

**Geographical Condition:** District Kemtuk Gresi is one of 19 district in Jayapura Regency and located between 139°-140° East Longitude and 2°-3° South Latitude. The boundaries of administrative regions are as follow:

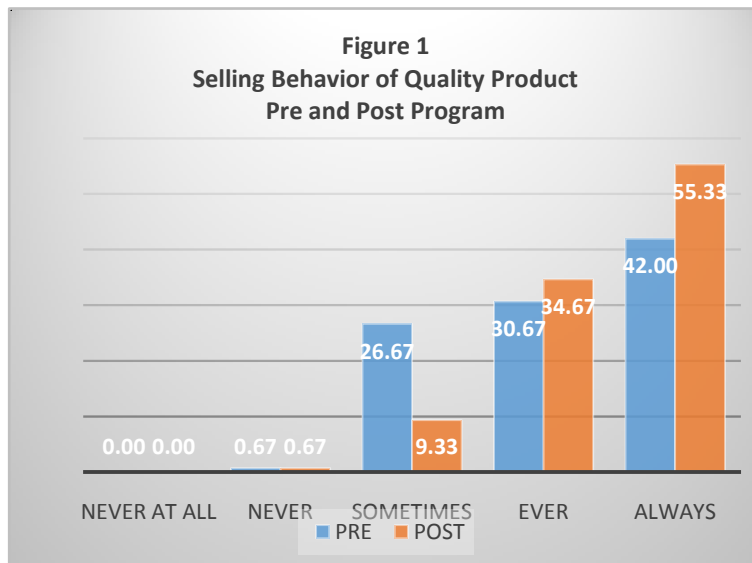
- Northern part is bordering with District of South Gresi.
- South side with District of Kemtuk.
- Eastern Part bordered with District of Namblong
- Western part with District of Ebungfao

The climate is tropical wet. The average air temperature ranges from 23, 60 °-32,30°C with a minimum temperature range of 21°C and a maximum air temperature of 33°C. Rainfall varies between 45-255 mm / year with the rainy days on average between 148-175 days of rain / yr. Humidity varies between 81% - 88%According to the Meteorology and Geophysics recording region V Jayapura 2014, the highest rainfall in the month of March is approximately 376 mm and the lowest month of October is 58 mm. Kemtuk Gresi belongs to altitude class of between 100 m - 500m, and about 58,5 ha is in 2% of elevation class. The type of soil in Kemtuk Gresi District consists of 16 ha is Mediterranean, 12 ha is Podsollic gray brown, 8 ha organosol and 6 ha podzolic red-yellow.

**The potential of Natural resources and Community Livelihood:** Kemtuk Gresi have a lot potential natural resources, consists of plantation (coffee, fruit), agriculture (vegetables). Animal husbandry (pig, goats, cows) and Mining as well. Based on the information, is expected for the next few years these potentials will be the highest contributor to the economy of either Kemtuk Gresi District or Jayapura Regency. The livelihoods of most respondents (actively participants of poverty alleviation programs), who live in 12<sup>th</sup> Villages in Kemtuk Gresi (Nembugresi, Iubub, Hatib. Bring, Pupehabu, Demoikati, Demetim, Yanbra, Braso, Jagrang, Swentab and Hyansip) are as farmers and breeders.

**Impact of Poverty Reduction Program:** Therefore, we use some aspects of decision making with regard to product quality, product price, demand, and revenue (Minton and Kahle (2013)).

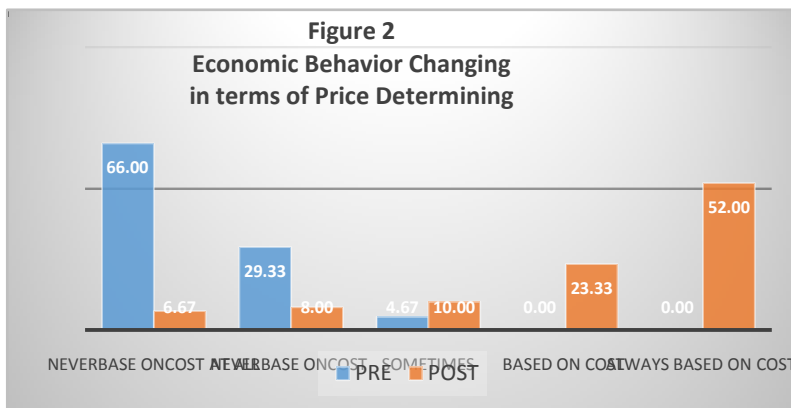
**Product Quality:** In terms of sell product quality, the behavior of respondents with regard to the decision to sell a product that truly qualified is relatively fixed or changed in a very small percentage as shown in Figure 1 below.



Source: Field Data Processed, 2015

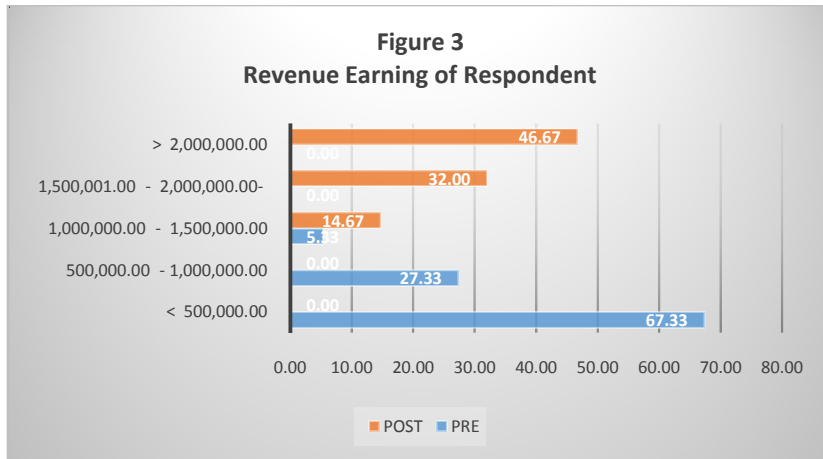
This study shows that the economic behavior of all respondents before and after the program is quite similar one to another. They are always selling the products with high quality, which is shown with fresh vegetables and fruits. Because they have a Bible principle that should give all the best for the consumers. Although they do not get high profit in selling the products to all consumers, especially for those who are as their loyal customers of the Papuan women's product and services. Based on the analysis, the changing of respondent's behavior is about 3.67 percent.

**Price Determination:** In contrast to the technique of determining the selling price, which prior to participating in the activities of the poverty alleviation program the majority of respondents did not know the method of determining the selling price at all. However, after completion of the program, the respondents have begun to calculate the cost of production and determine the selling price based on the calculation of production costs, which consist of material, equipment, labor and other costs. The analysis of observed results described in Figure 2 below that before Program it can be said that there are 66 percent respondent is traditional way to determine the selling price. However, after program, about 52 percent of respondents are always using the calculation of the cost of production as a basis for determining the selling price of products. So, the average of increase in the number of respondents who changed their behavior in determining the selling price is about 14.00 percent.



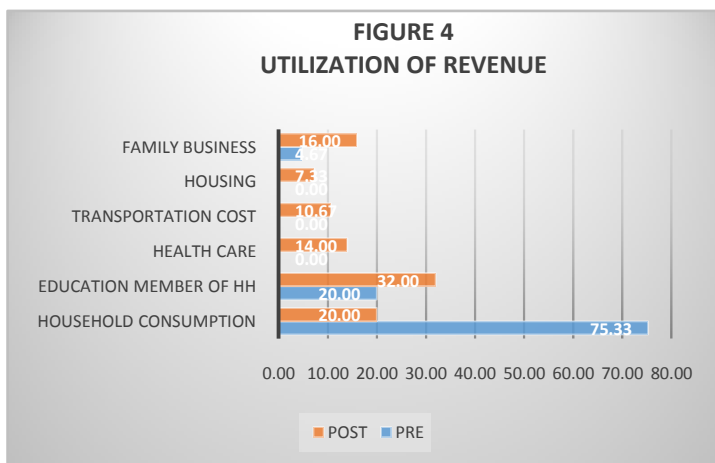
Source: Field Data Processed, 2015.

**Revenue Earnings:** Talking about the utilization of revenue, has always been associated with domestic priorities. In this case, the priority will be to use the size of the welfare of the family which consists of one of welfare indicators is revenue. *Revenue* is shown usually as the top item in an income (profit and loss) statement from which all charges, costs, and expenses are subtracted to arrive at net income. Also called sales, or turnover (in the UK). So, in this case, based on data obtained from the field, the use of all revenues from product sale before and after the program, it can be said there is a change of respondent attitude and behavior. Data shows that before program, most respondent (67.33 percent) had turnover smaller than Rp 500,000.00 and 27.33 respondent had revenue less than Rp 1 million and just 5.34 percent obtain less than Rp 1,5 million (Figure 3). On the Post program, more than 32 percent having revenue about between Rp1,000,000.00 – Rp 1,500,000.00, increasing more than 41 percent. Finally, about 46.67 percent achieve higher income which around more than Rp 2 millions.



Source: Field Data Processed, 2015

Changes in attitude and behavior are related to the priority use of money from the sale. Before the program, money from the sale is used only for household consumption, and a few for education of their children. During the program (around 3 years), donors, governments and local NGOs, regional and international had been trying to increase the capacity of the respondent either as participants of the program, traditional, women, youth leaders and the society as well in terms of agricultural production, the organizational management, business/household financial management and Indigenous leadership organizations. Therefore, it appears that the poverty alleviation programs under taken by ILO have a positive impact on the use of revenue by the respondent during the program. This can be seen in Figure4, which explains that the utilization of income has changed due to increase the knowledge and capacity of the respondent during the program. On pre-program period, almost at a time before the program, nearly all respondents (75.33 percent) use its revenue only for household consumption (non-productive activity). It is fulfillment traditional customary, such as dowry, payment head to show grief, charge for the event hair clippers, and so on. Whereas for Children education needs, they are only investing in small amounts (20 percent). Similarly, with business requirements, only 4 percent of total revenue, contributing for running business. Instead, after the implementation of the program, their mind set changed, and it appears from the results of the analysis of field data, which showed that most of the revenues of the respondents have been used for education needs of their children (32 percent), household consumption (20 percent), household enterprises (16percent) and health care (14 percent),



Source: Field Data Processed, 2015

## 5. Conclusion and Recommendations

The result of the first research question indicated that changing of their economic behavior in terms of selling quality product as their production and marketing strategy, is not different between pre and post program, around 13.33 percent; On the pre-program 66 percent of respondents are still in traditional way for production and marketing. However, after execution of program, it is going up, where most respondent are changing the marketing strategy, in terms of using production cost as a basic for determining the product price. The second result is more than 78 percent of respondent's income are increasing (getting above Rp 1,5 million, and 14.67 percent respondents are remains static or even volatile (Rp 500,000.00 until Rp 1.5 millions), finally, 7.33 percent respondents are going out from economic activities, because of missing capital of business. After the implementation of the program, their mindset changed, and it appears from the results of the analysis of field data, which showed that most of the revenues of the respondents have been used for education needs of their children (32 percent), household consumption (20 percent), household enterprises (16percent) and health care (14 percent). Starting from the result, we can give some recommendations: 1) changing economic behavior should be started from young people, so all parties should participate intensively to push young women entrepreneur to engage in business activity; 2) the government should involve the traditional leaders to support women entrepreneurs by providing a piece of land or other forms of capital.

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