

4. PROBLEMS AND PRIORITIES OF THE POOR

4.1 Problems Faced by the Poor

Different sites reported a variety of problems ranging between 11 to 26 in number. The rich/prosperous category of households is thought to experience only 1-5 of them. The middle category faces 1-12 of them and the poor/very poor face the maximum possible number everywhere, i.e. 11-26 kinds of problems.

Group discussions about priority problems revealed distinct rural-urban differences. Gender differences were less pronounced. Regional variations in priority problems indicated the greatest impact of the economic crisis at West Java sites, which seemed to have the greatest number of the “new poor” as compared to the rest. East and Central Java groups’ priorities suggested a mix of old and new poor and a lower impact of the crisis than in West Java. Priorities of the poor in NTB and NTT follow patterns of older poverty, further aggravated by the recent crisis.

The foremost urban problem, which overshadowed all others, was the difficulty in earning an income due to a scarcity of jobs. Compounding the problem were the massive labor lay-offs from urban industries, which was ranked second. Lack of capital / capital assets/ access to capital to run one’s own trade was third. The fourth cluster of problems centered on poor environmental sanitation and lack of clean water supply. The fifth cluster included exorbitant prices for daily necessities, school dropouts, government aid (Social Safety Nets programs) not reaching the targeted poor and rise of alcoholism (*See Figure 4.1*).

The major gender difference was the high priority urban women placed on poor environmental sanitation. They placed it second on their list whereas it was eighth on men’s priorities. Several urban sites were low-lying areas with poor drainage, prone to frequent flooding. Pegambiran is an example, situated on a north Java coastal strip where high tide and rainstorms bring seawater into homes. The river next door that flows into the sea is no more than a natural drain choked with silt and garbage it brings from the city. Semanggi situated next to a river and Tanjung Rejo also have non-functional drains that cause rainwater to enter homes and lie around in stinking puddles. Due to brackish water in wells in the area, Pegambiran families have to buy drinking water from vendors. All urban sites in Java reported lack of latrine facilities.

LOCATION ADDS TO THE MISERY



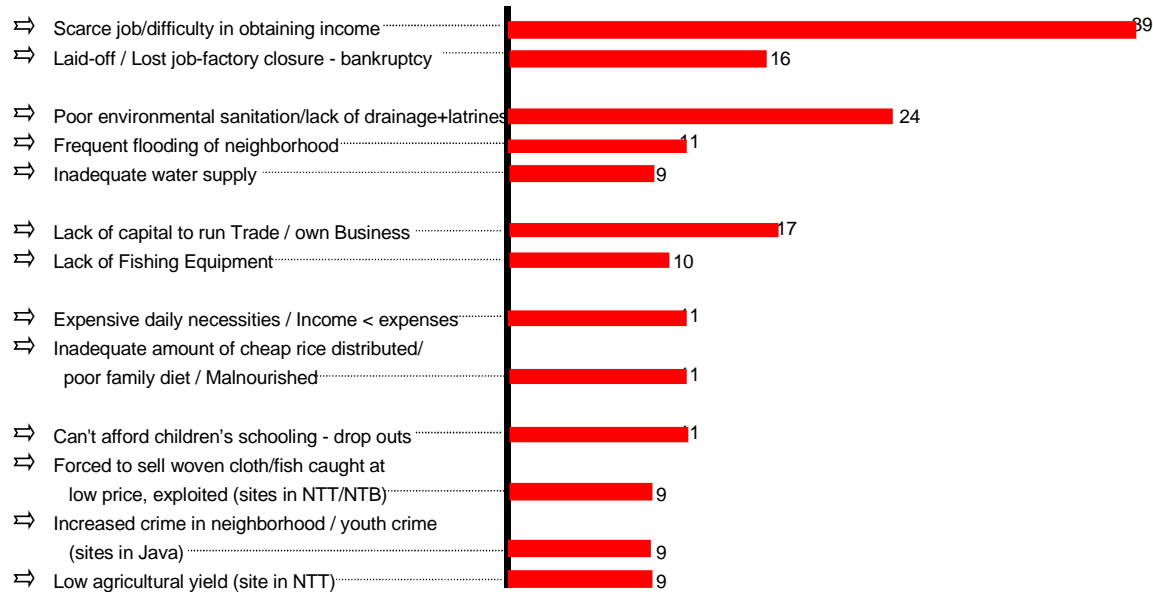
The area near the beach is frequently flooded during rainy season and high tide. People clean the debris left by the flood in their own homes, while the community as a group cleans the neighborhood. The river next door flowing into the sea is choked with garbage and silt.

(Pegambiran, West Java)

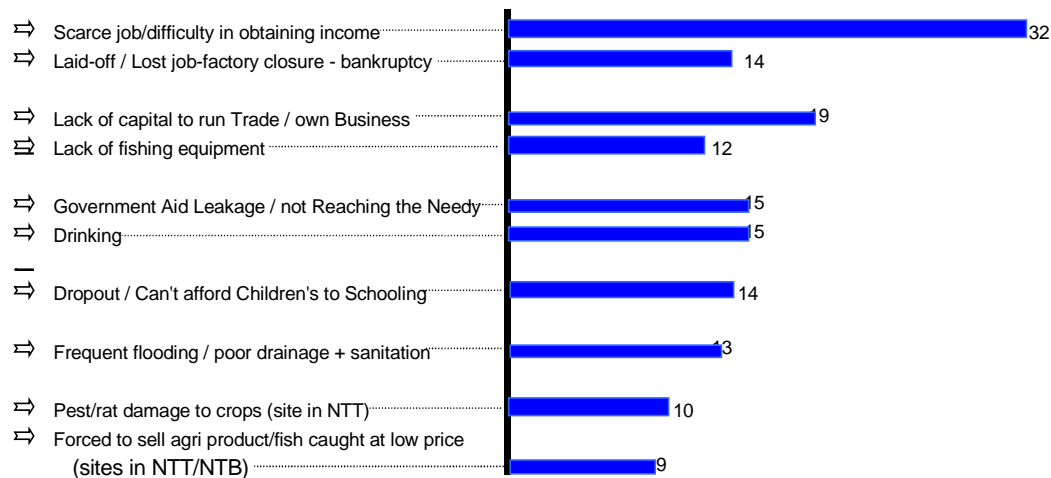
Figure 4.1

**PROBLEMS GIVEN THE TOP 5 RANKS BY THE URBAN POOR
(Reverse Weighted Scores from 6 Urban Sites)**

Priority Problems According to URBAN WOMEN



Priority Problems According to URBAN MEN



High prices of basic essentials, declining incomes due to lost or irregular jobs and declining customers for service/trade were common threads running through every urban group discussion. Each urban site brought up the problem of children having to discontinue schooling due to the unaffordability of educational costs: “When we can’t find food to feed them twice a day, schooling is not possible to think about”. The large number of school dropouts and the unemployed from industrial lay-offs have resulted in increased youth crime, brawling, drinking and gambling – as reported in Semanggi, Harapan Jaya, Pegambiran and Tanjung Rejo. The following sketches of Tanta and Romlah provide glimpses into typical urban poor households at present.

TANTA : Not much to look forward to in life

Tanta is a 28 years old young man who only finished grade four. He was born in Pegambiran, a peri-urban settlement near the area of Cirebon, West Java. Tanta's parents have 3 children. Because Pegambiran is his place of birth and the fact that he still lives there until now, it can be said that Tanta is a native of Pegambiran. Tanta's father is now 70 years old and his mother is 50. Because his father is already old, he can no longer works as a becak (pedicab) driver. His mother, even though quite old, is still selling snacks around the village.

The Tarmans live in poverty from time to time. Tanta's older brother no longer lives with them because he is already married and has gone to Sumatra. His 26 years old younger brother also lives separately from them and works as a freight transportation driver.

Tanta and his parents live with just barely enough, in fact their life is lacking. Tanta's job is still uncertain and lacking in prestige. Every two days, Tanta has to collect household garbage from the homes of his village. He receives Rp.50, 000 per month for the job. When he is well and has no work, Tanta looks for additional income by pedalling a *becak*, which he rents for Rp.1, 500 per day. And when he is not pedalling *becak* and there is someone needing unskilled labour such as looking after a kiosk (*warung*), he will take the opportunity. Even though both Tanta's and his mother's' income are barely enough to live on, they have not yet lacked for food. They can eat twice a day sometimes and even three times a day.

Their income is indeed not enough for their daily needs. But because their neighbours care for them, there is always someone who gives food in the worst situations. Beside that, Tanta's mother is also a *pengurus kampung* (member of neighborhood committees) and is involved as a *kader PKK* (volunteer of women's Family Welfare Movement), helping PKK conduct the sale of low priced rice, sugar and cooking oil. This helped to lighten their burdens during the economic crisis.

When questioned about his hopes for the future, Tanta did not give an optimistic answer. He accepts his condition now because he realises that he has no skill and merely relies on his physical strength. However, he hopes that prices will go back to normal (pre-1997 rates) so that his burdens will be lighter. Tanta never has money to spare for saving. "Don't even think about saving," said Tanta. Tanta is an honest man and by looking at his sun burned dark skin and his shabby clothes people will know that his life is full of sufferings.

(Site Report, Pegambiran)

ROMLAH : Declining incomes, rising prices, rising indebtedness

Romlah, aged 32 years, is the type of woman whose life has been full of struggle. She came from a big family, being the ninth born of 13 children in the family. Out of the 13, nine had died. Some died when they were still young and some died as teenagers. *Romlah's* father would never agree to adopt family planning. He always got angry if someone suggested it to him. If someone mentioned it, he always answered oddly: "I want a family planning device that could make someone give two births in a year," as his rejection of the suggestion.

Since her childhood *Romlah* lived in desperation. She always ate very simple meals, usually only rice and *kerupuk* (a kind of crackers made of rice flour) without vegetables or side dish. Although her mother sold snacks for a living, her children were not allowed to eat any of her merchandise. *Romlah* herself sold rice when she was a young girl. She had to run helter skelter with the basket of rice on her head whenever a roundup was launched by the police for unlicensed traders.

When she was 21, *Romlah* married a young man from Blitar. His name was *Bushir*, who was 4 years older than *Romlah*. *Bushir* worked as a three-wheeled public transportation driver. During the economic crisis, *Bushir's* income has become minimal. Often he has only Rp.2,500 with him when he comes home. At times, he even comes home and asks for money from *Romlah* to pay the daily rent for the vehicle to the owner. The owner never wants to know whether the day was a good day with many passengers or otherwise. All he wanted was to have the daily vehicle rent from the driver i.e. Rp.40,000. When the day was lean, *Bushir* had to add to what he earned to make up this amount due the owner, because he was afraid that if he ever paid less, the owner would no longer let him operate the vehicle. *Bushir* once tried to work as migrant worker overseas, but being an illegal worker, he could not get a job, despite the Rp.1,500,000.- that he spent to go overseas, which his wife borrowed from a moneylender. The loan has not been fully repaid to date. *Bushir* only managed to send money home once, Rp.1,300,000.-, which *Romlah* immediately used to repay her loan. During the one-year period that he spent in Malaysia, that was the only time *Bushir* sent money home.

Romlah and *Bushir* were blessed with two children. Their first born is *Dewi*, a girl, now 12 years, and the boy is 8 years old. *Romlah* is hoping that her children would not have the same fate that she had but does not know what she can do to ensure it. That was why she did not have any more children. She also wanted to dedicate her attention to them. She used to work once, weighing junk. Her children were unattended and became malnourished. She quit her job. That was her dilemma, if she did not work she would not have enough money, if she did, her children would not get due care.

After quitting her job, *Romlah* frequently has had problems in meeting her daily needs. Often, she has to walk to the pawnshop to borrow money with her still-good clothes as security. She normally receives Rp.5,000 apiece for a good garment. If she needs Rp.15,000., she has to sacrifice several pieces of clothing. Because she often pawned her clothes and other belongings, and is unable to buy them back, she only has a few clothes left. She could have borrowed from the *bank titil* or moneylender but, due to the exorbitant interest rate of 20% per month, she prefers to use the pawnshop and only goes to moneylender when she is really forced to.

(Site Report, Tanjungrejo)

The rural pattern was noticeably different from the urban. As illustrated in *Figure 4.2*, the rural groups identified “*lack of capital*” as their number one problem overall. This included cash, tools and means of production - mainly agricultural. Women being more pre-occupied with day-to-day running of households placed first the problem of basic necessities being unaffordable on current incomes. The second group of problems related to limited access to markets due to poor roads and transportation facilities. The third ranked was the problem of vulnerability of agricultural production to weather conditions and pests - which seem to have intensified over the past three years. In the fourth and fifth places were problems that represent the fall-outs from urban unemployment resulting from the economic crisis.

SMALL SERVICE PROVIDERS AT A LOSS FOR CLIENTS

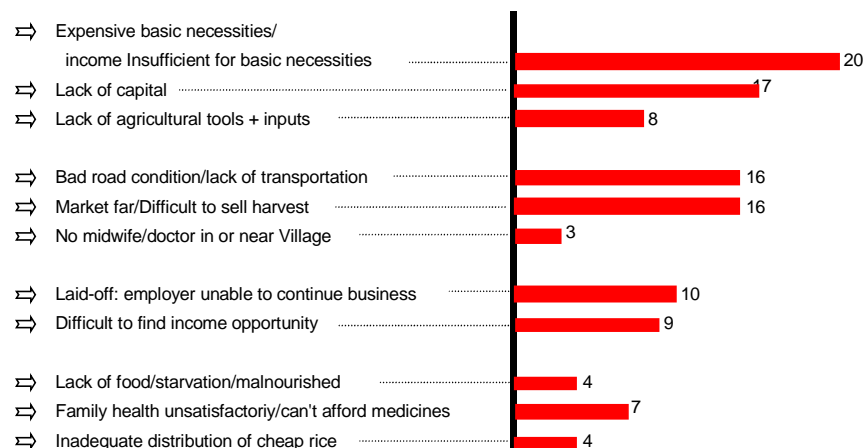


Laborers and *becak* drivers are going through a tough time because of the decrease in number of their customers. Many have taken to scavenging and trading in recyclable waste. "It can be lucrative after riots" (*Tanjungrejo, East Java*)

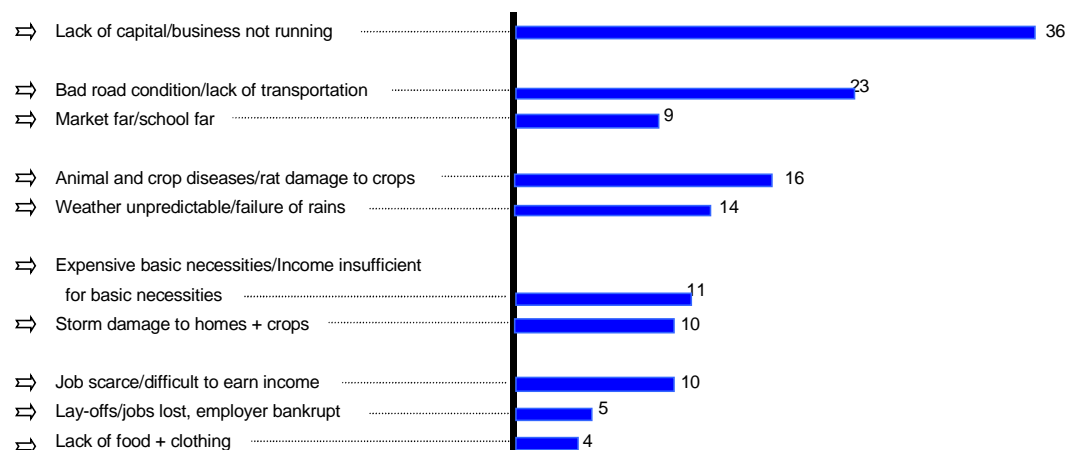
Figure 4.2

**PROBLEM GIVEN THE TOP 5 RANKS BY THE RURAL POOR
(Reverse Weighted Scores from 6 Rural Sites)**

Priority Problems According RURAL WOMEN



Priority Problems According to RURAL MEN



Different patterns of clustering of problems were experienced across sites. In Sumba island in NTT, problems revolved around three main subjects – low agricultural yield, high traditional expenses and poor transportation facilities. At Waikanabu both men and women agreed that the main problem causing poverty was low agricultural yield due to outbreak of crop pests. This coupled with high mandatory expenses for traditional (Adat) wedding and funeral rites led to lack of capital and indebtedness. The neighborhood chief of Hunduburung (NTT) said “People are often forced to borrow to fulfill their obligations to the “Adat”, as prescribed by generations of Adat leaders. In fact the government is also aware of this. In 1996, the Bupati (district administrative head) issued a decree to simplify adat ceremonies” That does not seem to have made much of a difference. In addition, local customs look down upon working for others as a means of making a living. The local saying “Mila enda dakaria” means it is okay to be poor as long as one does not beg.

In all established traditional forms of livelihood, such as farming, fishing, weaving, there are entrenched patterns of exploitation of the poor by the rich, who own and control the means of production and marketing. Women in Waikanabu explained that *“lack of capital is related to bad condition of the road, which does not allow public transportation vehicles to come to our village. This makes it difficult to sell our harvest and tenun (woven cloth) for a good price. The Populele (mobile merchants) also gives us a low price for our tenun because we cannot go to the market to sell our own produce”*. Men confirmed this, saying that the community’s buying and selling is limited to the village of Waikanabu.

In the coastal fishing community in urban Ampenan (NTB), poverty was due to poor fisherman caught in a vicious cycle of small incomes and no savings, preventing capital asset ownership (boat, engine, fishing net) that would have enabled larger catches and larger incomes. *“The sawi (poor fishermen) have no option but to use the punggawa’s (wealthy fishermen) fishing equipment on a 50:50 sharing basis. This is a very unfair arrangement because up to 9 fishermen have to share in one boat. The catch, after a 4-day trip could amount to Rp.1 million. After deducting operating costs and fuel (from the poor fishermen’s 50%), each man would get only Rp.20, 000 (approximately \$3). And this is only during 8 months a year. In the 3-4 months of the rainy season (November-February) there is no alternative income available, because we have no skills or experience except for fishing.”*

The same pattern of exploitation was described in agricultural activities. Landless men of Padamukti (West Java) explained how they are getting progressively poorer. *“A 200 hectare rice field owned by a rich farmer employed us as agricultural laborers. Before the annual floods started (1996 onwards) there were 2-3 harvests each year and the yield was 2000 metric tons of unhusked paddy.*

Now half the rice field is flooded for 6 months a year and yield has come down to 1000 metric tons. Out of that 800 tons must be given to the landowner. 200 tons are shared between sharecroppers, who are several. All the production cost, i.e. fertilizer, pesticides, labor, etc. are the sharecroppers’ responsibility (out of the 20% share), whereas the landowner gets 80% of the net produce. With recent increases in agricultural input prices, we have hardly anything left in our share”.



“We don’t need much education”

Education is considered as having no significant advantages because job opportunities available in the area are limited to agriculture, livestock rearing and “ngrencek” (collecting firewood). Children are withdrawn from school after primary level.

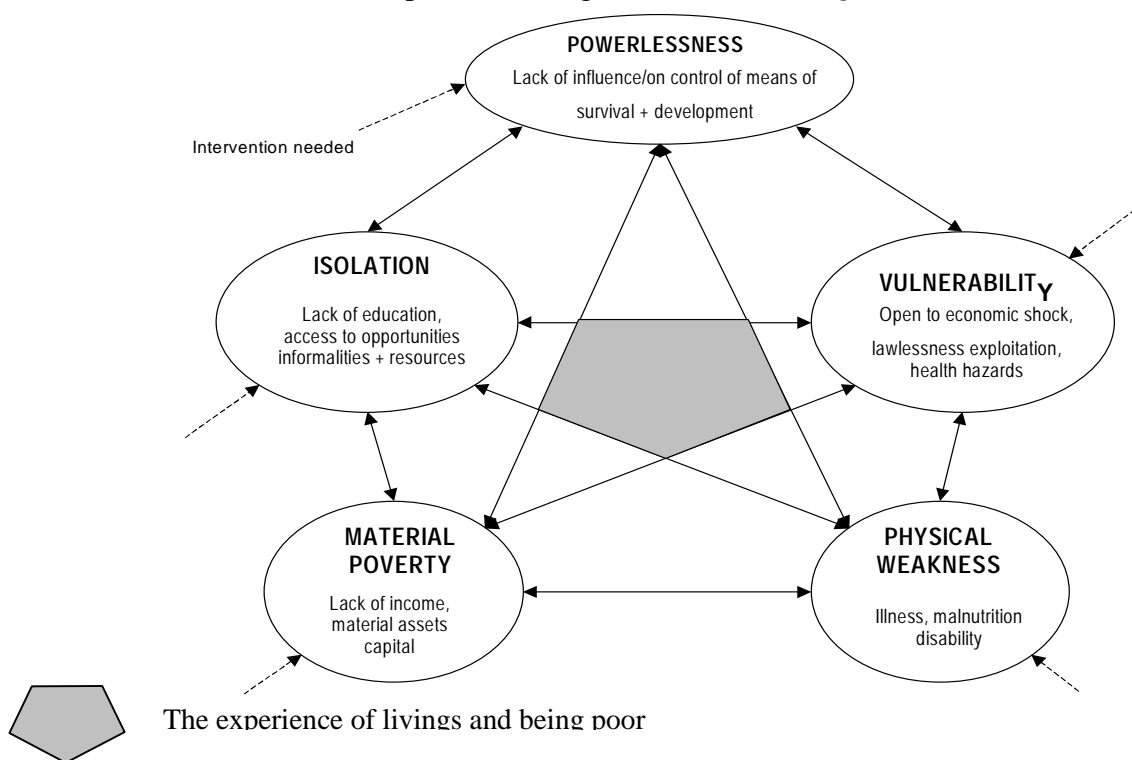
(Ponorogo, East Java)

4.2 Interrelatedness of Problems: Implications for Strategy

Ranking helps clarify the intensity of specific problems experienced by the poor. However, it tells only a part of the story of how these problems interweave and trap the poor into poverty. For the purpose of designing appropriate poverty alleviation strategies, it is useful to overlay the rural and urban findings from this exercise onto a five dimensional conceptual framework of poverty, proposed by Robert Chambers (*Figure 4.3: “The Deprivation Trap”*). The arrows indicate the causes and effects of each dimension upon the others, illustrating how each form of deprivation creates further forms, entrapping the poor.

Figure 4.3

“The Deprivation Trap” of poverty, as coined by Robert Chambers (1983), in *Rural Development: Putting the Last First*, Longman, Haslow

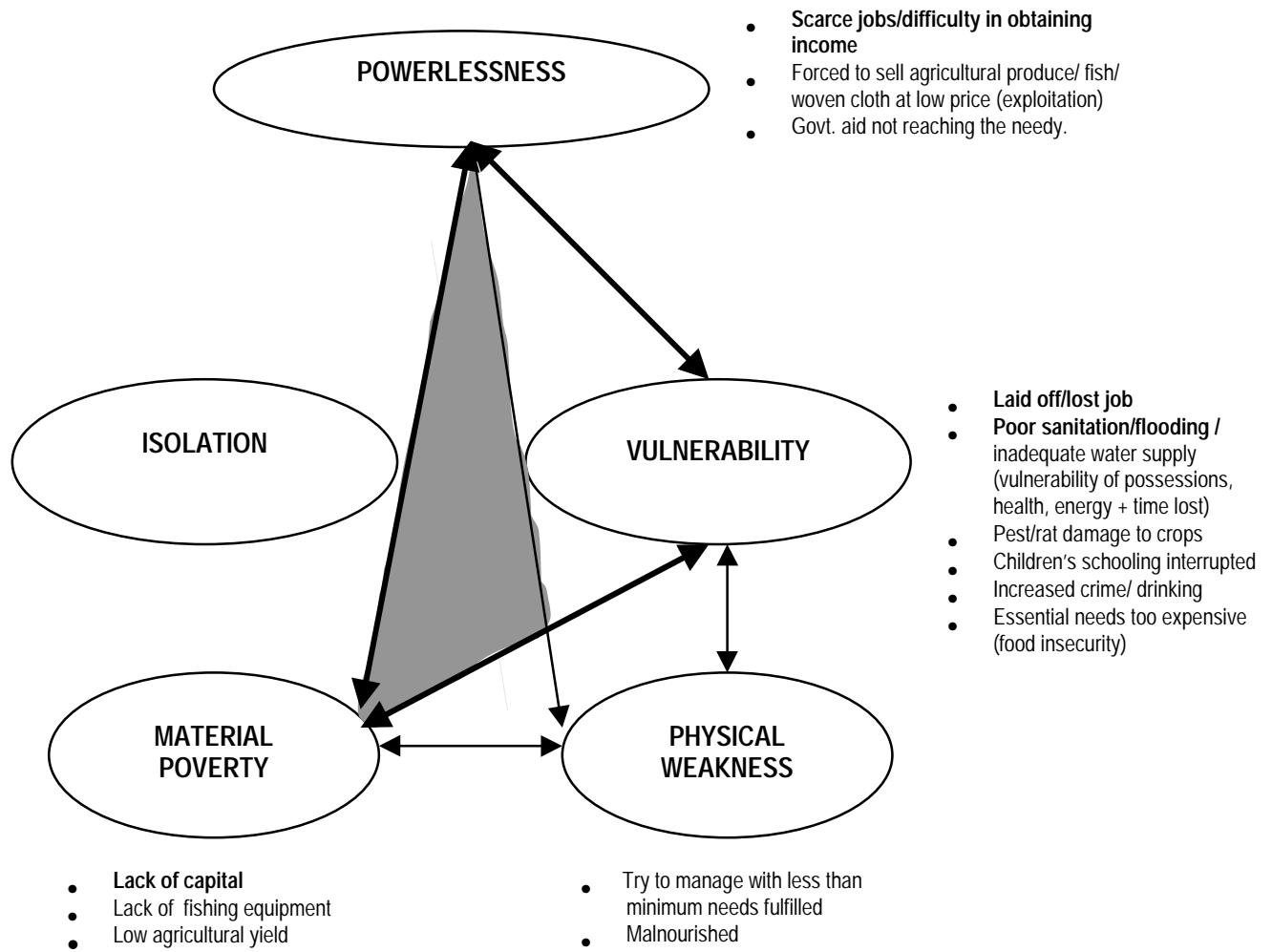


Using this framework to examine the clusters of priority problems from urban sites shows a deprivation trap consisting mainly of **Vulnerability** and **Powerlessness**, leading to and reinforced further by **Material Poverty** and **Physical Weakness**. By implication, interventions designed to primarily address **Vulnerability** and **Powerlessness** of the urban poor are likely to alleviate the rest of their problems as natural consequences. (*Figure 4.4*)

The rural picture is more diffuse (*Figure 4.5*). All five dimensions are operative, although the major deprivations come from **Isolation** and **Vulnerability**. This suggests a need to give due weightage to interventions to address these two aspects which have more sustained impact, while intervening with short-term emergency assistance for **Material Poverty**, **Powerlessness** and **Physical Weakness**.

Figure 4.4

Nature of The Poverty Trap : From 6 Urban Sites : Indonesia, 1999



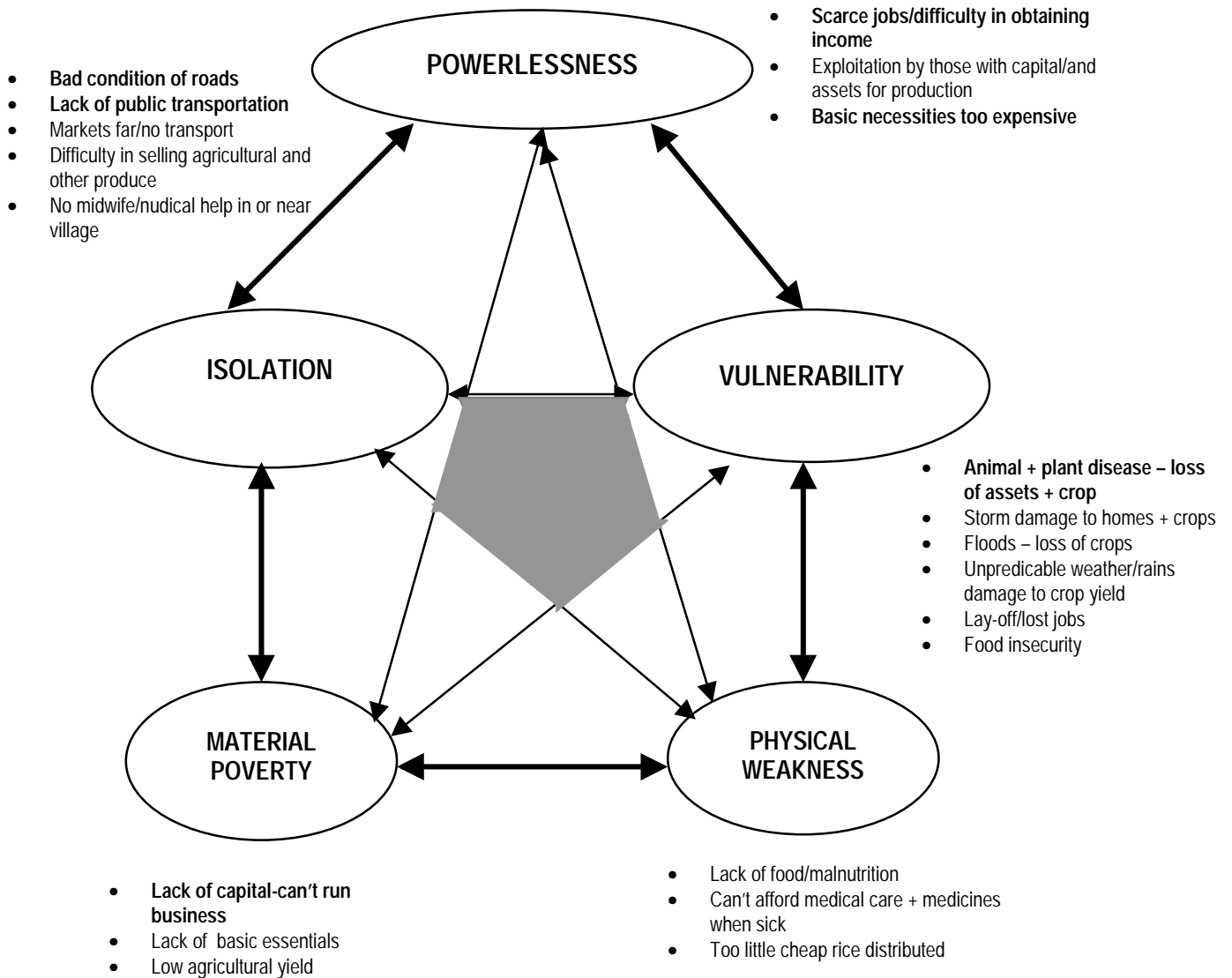
The expense of livings and being poor in urban areas



Based on the top 5 problems prioritized by poor men and women.
Problems highlighted in bold/larger font considered far more important than the rest

Figure 4.5

Nature of The Poverty Trap : From 6 Rural Sites : Indonesia, 1999



The expense of livings and being poor in urban areas



Based on the top 5 problems prioritized by poor men and women. Problems highlighted in bold/larger font considered far more important than the rest.

4.3 Trends in Priority Problems of the Poor

Priority problems seem to have increased in number now, as compared to 10 years ago. Eight out of twelve sites reported a larger number/greater variety now than in the past. No site reported a reduction in numbers.

The groups ranked their most important problems now, as well as what used to be the most important problems ten years ago. The differences in ranks accorded to each problem now and in the past helped identify whether the problem had gotten worse, declined or remained unchanged in intensity. *Table 4.1* summarizes the problems that are perceived by all groups to have worsened, been mitigated, or remain the same in intensity since 10 years ago. *Tables 4.2. to 4.7* show the differences in rankings of problems at the two points of time, by men, women and youth, first at rural and secondly at urban sites.

Rural women comprise the group that feels the maximum number of problems to have worsened now. According to them the heaviest concentration of “*worsened*” problems is in the area of making a livelihood, followed by natural disasters and access to health/nutrition. They think that some infrastructure services have improved, namely, access to electricity, transportation (on Java), and water supply at half sites. Women at half the sites agreed that problems of poor roads and related public transportation remain as intense as 10 years ago. The rest felt it had improved significantly. (*Table 4.3*)

Rural men agree with this pattern (*Table 4.2*). However, their perception of “*worsened*” problems seems lower in intensity and scale, suggesting a difference in the way poverty impacts men and women in rural areas. “*Health*” related problems occupy a prominent place in rural women’s priorities, but are hardly mentioned by rural men. Women also seem more concerned about the lack developmental opportunities than men are. Men’s priority problems seem clustered in three distinct patches in *Table 4.2*, showing location-specific variations in problems experienced. In comparison, the women’s pattern (*Table 4.3*) is diffuse and dispersed all over the table, blurring location specific boundaries in the way rural women experience poverty.

Gender differences are detectable but less pronounced in urban perceptions of priority problems and trends since 10 years ago (*Tables 4.5 and 4.6*). Women and men agree that earning a livelihood has become much more difficult now than it was 10 years ago. The next area where the problem is much aggravated now, according to both men and women, is access to developmental opportunities, especially unaffordability of children’s schooling. Both agree that infrastructure-related problems have been mitigated. Access to markets, health services, electricity connections, water supply and road conditions have improved. On the other hand, environmental sanitation has become much worse at urban sites, according to both men and women.

SMILES FOR THE CAMERA BELIE FRUSTRATIONS INSIDE



Frequently seen groups such as this: "Kelompok Krismon" (as labelled by local women). They are people that "do not have permanent jobs" and being "jobless/idle is the main cause of poverty." (*Pegambiran, West Java*)

A category of problems that was only mentioned at urban sites is related to family and community life. According to men and women, problems that have worsened since 10 years ago include crime/youth crime, child labor, gambling, and drinking and intra-community conflict. These problems were not among the top 5 chosen by rural men and women, but it is worth noting that they appear in the problems prioritized by youth groups, both in urban and rural areas (*Tables 4.4 and 4.7*). The yet unmarried, young people of both sexes mirror the priorities of older men and women, but place a greater emphasis on problems in family and community lives than their elders do, e.g. drinking, gambling, brawling, delinquency/crime, family fights/parents-child disharmony, inter-neighbor disputes.

Table 4.1

Trends in the Top 5 Problems since 10 years ago All Sites

<u>Worsened now</u>	<u>Remain the Same</u>	<u>Improved now</u>
<ul style="list-style-type: none"> ▪ Scarce jobs & unemployment ▪ Difficult in earning income ▪ Lack of working capital / capital assets (petty traders/vendors) ▪ Daily necessity/food unaffordable ▪ Environmental sanitation ▪ Children's schooling unaffordable <input type="checkbox"/> Floods/typhoons/crop pests <input type="checkbox"/> Difficulty in selling produce/market faraway (agricultural, handloom, fuelwood) <input type="checkbox"/> Lack of clean water supply • Crime & insecurity • Gambling & drinking • Poor nutrition • Unaffordable medical care 	<ul style="list-style-type: none"> ▪ Lack of capital / assets <input type="checkbox"/> Children's schooling unaffordable <input type="checkbox"/> Poor condition of roads <input type="checkbox"/> Lack of transportation facility 	<ul style="list-style-type: none"> ▪ Access to electricity ▪ Roads / transportation ▪ Education level of family <input type="checkbox"/> Water supply <input type="checkbox"/> Environmental sanitation
		<ul style="list-style-type: none"> ▪ Mentioned by 12 or more groups <input type="checkbox"/> Mentioned by 5 – 11 groups • Mentioned by 3 – 4 groups (Total number of groups men and women: 24)

Table 4.2

Priority Problems (According to Rural Men)

PROBLEMS RELATED TO	Site 1 PM		Site 2 GP		Site 3 GS		Site 4 BN		Site 5 WK		Site 6 RN	
	OMen	YMen	OMen	YMen	OMen	YMen	OMen	YMen	OMen	YMen	OMen	YMen
	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now
Livelihood												
1 Business is not running		0 1	0 1	0 1								
2 Difficult in selling agriculture harvest												
3 Economic crisis						5 0						
4 Inadequate agriculture land ownership						0 3						
5 Insufficient agriculture tools										2 6		
6 Lack of business capital				1 1				2 1		5 1	2 4	4 1
7 Limited & leakage village development funds	0 2											
8 Theft of assets (e.g. domestic animals)									3 8	1 12		
9 GO's aid does not reach to targeted community		0 1										
10 No job/scarcity of job opportunities		2 0			1 1	1 1						
11 Lay offs and unemployment	0 2	0 2		4 4								
12 Income less than expenses			0 3									
13 Insufficient/lack of foods and clothing			0 2									
14 Insufficient housing											3 3	
15 Expensive basic essential goods/daily needs/food	0 3		0 1									
16 High price of fertilizer			0 4									
Health												
17 No mid-wife/medical practitioner										8 9		
Natural Disasters												
18 Animal disease/ Plant disease/ Harvest failure	0 1						0 2			9 3	4 3	5 5
19 Dry season/ Failure of rain										5 2		
20 Storm/ Damage to crops										3 2	1 1	2 4
Storm/ Damage to houses											3 3	3 3
21 Unpredictable weather								3 2				
22 Dry land								5 4				
23 Landslide								4 3				
HRD Opportunities												
24 Can not afford to send children to school											1 2	1 2
25 Lack of/ Low education	2 0											
Infrastructure												
26 Bad condition of road/ unpaved					1 1	1 1	3 3	1 0				
27 Faraway health center									2 2			
28 Faraway market					5 4	3 3						
29 Faraway school	0 1	1 0						7 0				
30 Inadequate irrigation for ricefields			1 6									
31 Inadequate religious facilities				2 2								
32 Inadequate transportation facilities	1 0		1 6	3 3	2 4	2 4			1 1			
33 Insufficient educational facilities		0 3										
34 Lack of water supply					4 2	6 5	1 0					
35 No bridge facilities						2 0						
36 No electricity facility	4 0						2 0					
37 Poor environmental sanitation		3 0		6 6								
38 Inadequate communication						4 0				13 8		

■ Problem has decreased in importance
■ Importance ranking has not changed over last 10 years
■ Problem has increased in importance

Table 4.3

Priority Problems (According to Rural Women)

PROBLEMS RELATED TO	Site 1 PM				Site 2 GP				Site 3 GS				Site 4 BN				Site 5 WK				Site 6 RN				
	OWom		YWom		OWom		YWom		OWom		YWom		OWom		YWom		OWom		YWom		OWom		YWom		
	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	
Livelihood																									
1 Difficult in obtaining the income					0	1	0	2																	
2 Insufficient income													3	1											
3 Difficult in selling agriculture harvest																3	2								
4 Has no saving												2	0												
5 Laid off from employment	0	3	0	2	0	3																			
6 High price of fertilizers			0	5																					
7 Insufficient agriculture tools																7	2	0	2						
8 Lack of capital							0	3						3	3	9	3	6	3	2	3	2	4		
9 Many donation proposal "Becekan"												0	2												
10 Many thefts -- Loss of assets																		11	8						
11 Expensive basic essential/daily needs	0	2	0	3			0	1					0	3									0	3	
Health																									
12 Family health, not satisfactory					0	4	0	4																	
13 Insufficient knowledge of nutrition	3	0																							
14 Insufficient quantity of low price rice (distribution)					0	2																			
15 Lack of awareness in using Posyandu			3	0																					
16 Malnourished/ Lack of food/ Starvation	0	5	0	4					3	0	4	0											3	8	
17 No mid-wife/medical practioner			0	4										1	0	5	6	4	5					0	5
Expensive medicine/ no money			0	4																					
Natural Disasters																									
18 Landslide													0	4											
19 Famine																									
20 Plant disease/ Harvest failure/ Rat attack														0	3	9	3	6	3			1	1		
21 Storm, Crop & homes damaged			0	6																		2	1	1	1
22 Unpredictable weather, timing of rainy season													0	5	0	2									
23 Frequences of flood/ Loss harvest	0	1	0	1																			0	4	
HRD Opportunities																									
24 Cannot afford to send children to school/Dropouts	0	4					0	5															2	2	
25 Lack of/ Low education	2	0	2	0															2	0					
26 Too many children	1	0	3	0																					
27 Un-educated/insufficient of knowledge for earning																3	1	1	1						
Infrastructure																									
28 Bad condition of road/un-pavement									1	1	1	1			2	1									
29 Far away market									6	3	2	2					3	2					0	4	
30 Inadequate religious facilities					0	3																			
31 Inadequate transportation and facilities					2	0			2	4	3	5													
32 Insufficient health facilities					1	6																			
33 Lack of water supply									5	2	6	4			4	0									
34 No electricity facility							3	0	3	0	4	0	1	0	3	0									
35 Poor environmental sanitation			1	0																				0	8
36 Problem in public transportation									2	4	3	5					3	1							
37 Shops were far to reach									7	5	0	2													
38 Difficult to collect firewood									4	6	5	3													
39 Only a few religious houses															5	0									

Problem has decreased in importance
 Importance ranking has not changed over last 10 years
 Problem has increased in importance

Table 4.4

Priority Problems (According to Rural Youth)

PROBLEMS RELATED TO		Site 1 PM		Site 2 GP		Site 3 GS		Site 4 BN		Site 5 WK		Site 6 RN	
		Youth		Youth		Youth		Youth		Youth		Youth	
		<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now
Livelihood													
1	Corruption, collusion & nepotism involving outside assistance			0	1								
2	No job/scarcity of job opportunities					3	4						
3	Lay offs and unemployment	1	1										
4	Conflict amongst members community (frequent)			3	0								
5	Difficult in selling agriculture harvest									3	2		
6	Economic crisis							0	1				
7	Lack of capital/ Cannot run business							0	2			4	1
8	Many thefts	0	5							5	4		
9	Uncooperative neighborhood	4	5			0	3						
10	Aspirations not fulfilled			1	0								
11	Inadequate IDT assistance			0	3								
12	Forced to sell agriculture land to housing project at low price			0	4								
13	Inadequate agriculture land ownership					1	1						
Health													
14	Insufficient quantity of low price rice (distribution)			0	2								
15	Insufficient/lack of foods & clothing/daily needs									2	2		
16	Many sick children							3	0				
Natural Disasters													
17	Animal disease									0	1	5	5
18	Plant disease -- Harvest failure											2	4
19	Dry land							1	0				
20	Frequent flood, lost harvest	2	2										
HRD Opportunities													
21	Can not afford to send children to school/ Dropouts	0	4									1	2
22	Lack of/low educated					4	5			0	3		
23	School absenteeism	3	0										
24	Lack of time management									0	3		
Infrastructure													
25	Bad condition of road/un-paved					3	4	4	3				
26	Far away health center									1	0		
27	Inadequate irrigation for ricefields			0	5								
28	No bridge					2	0						
29	No electricity facility					5	0	2	0				
30	Problem in public transportation			2	0	6	2			1	1		
Family and Community Life													
31	Delinquency (drinking & brawling)	0	3							0	5		
32	Decline in religious faith					0	6						

Problem has decreased in importance
 Importance ranking has not changed over last 10 years
 Problem has increased in importance

Table 4.5

Priority Problems (According to Urban Men)

PROBLEMS RELATED TO	Site 1 PG				Site 2 HJ				Site 3 SM				Site 4 TJ				Site 5 AM				Site 6 KW				
	O Men		Y Men		O Men		Y Men		O Men		Y Men		O Men		Y Men		O Men		Y Men		O Men		Y Men		
	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	
Livelihood																									
1 Difficult in obtaining the income/jobs/insufficient income nothing to do during 3-4 months of rains storms								0	1					4	1	3	0	1	2						
2 Lay-offs and unemployment	0	3	0	4	0	2	0	1								1	2	2	1						
3 Lack of fishing equipment																5	7	3	7	0	2	4	7		
4 Fish bought at low price by "Palele" from poor fishermen/ Low sale price of agriculture product																									
5 High adat (tradition) expenses																									
6 Inadequate agriculture land ownership					3	0																5	5	5	4
7 Lack of business capital/ Sharings	0	1			0	1							0	4	2	3							3	2	
8 Limited & leakage of development funds									0	1											0	8	3	2	
9 Government aid not reaching target									0	2											0	7			
10 Increase thefts in the community																					2	6	2	3	
11 Income too little for running fishery															4	1									
12 Expensive basic essential goods/daily needs	0	3	0	1																					
13 Indebtedness															5	4	4	3							
14 Fish are scared away due to the use "Tuna fish net"/ Fish net															0	6	0	8							
Health																									
15 Malnutrition															4	3									
16 Can't pay for doctor/medicine when sick/ High cost						0	3	3	0	0	4														
Natural Disasters																									
17 Dry season (failure of rains)																		0	5						
18 Floods	3	1	3	1																	4	3			
19 Plant disease																					1	1	1	1	
Housing																									
20 Bamboo thach and grass decompose easily/ yearly														3	0										
HRD Opportunities																									
21 Can not afford to send children to school	0	4			0	3	1	4		3	3				0	2									
22 Lack of/low education levels of families	0	2			3	6								0	3	5	0								
23 No job/scarcity of job opportunies	0	2	0	5									2	2	2	1	3	0	1	2					
24 Lack of Skills for income generation/ Except fisher			0	5													7	5	6	5					
Infrastructure																									
25 Bad condition of road/Un-paved								6	0	4	0														
26 Health center far away	3	0	3	0																					
27 Market far away			5	0																					
28 Lack of water supply	4	0						2	0	2	0	1	1												
29 No electricity facility			5	0				4	0																
30 Poor environmental sanitation/ Lack of latrine/ Drainage	2	0	2	0				0	1	0	5			0	5										
Family & Community Life																									
31 Fight are often between tackle fishers and users of net (gillnet)																	0	7	0	3					
32 Decreasing of peacefull feeling								4	0																
33 No trusted by rich to borrow money																	5	4	4	6					
34 Drinking								0	3							1	2	2	1	6	4	4	7		
35 Gambling								7	0							3	7						6	6	
36 Increasing crime								0	2																

■ Problem has decreased in importance
■ Importance ranking has not changed over last 10 years
■ Problem has increased in importance

Table 4.6

Priority Problems (According to Urban Women)




PROBLEMS RELATED TO	Site 1 PG		Site 2 HJ		Site 3 SM		Site 4 TJ		Site 5 AM		Site 6 KW	
	O Wom	Y Wom	O Wom	Y Wom	O Wom	Y Wom	O Wom	Y Wom	O Wom	Y Wom	O Wom	Y Wom
	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now
Livelihood												
1		0 1	3 1	0 1	1 0	0 2		2 2	1 3	1 2	3 1	3 2
2											0 3	9 4
3	0 5	0 2		0 2		0 3						
4									3 1	1 1		
5			0 3				3 2	7 3	2 2	2 3	6 5	4 5
6	0 3	0 3				0 6						
7											0 1	3 2
Health												
8						0 4						
9	0 2		5 0	0 4								
10						0 4						
Natural Disasters												
11											5 4	6 3
12	3 1	3 1				6 0						
Housing												
13								5 8				
14								1 1				
HRD Opportunities												
15	0 4	4 0	4 2	1 0		0 5	0 3		6 6	4 5		
16		1 4	1 0					0 4				
17			2 4									
18									4 4	0 4		
Family & Community Life												
19									5 5	3 6		
20											4 6	5 7
21					3 4							
22				2 0								
23							0 6					
24								0 5				
25											7 7	8 6
26			3 3			0 1						
Infrastructure												
27					2 0	5 0	1 0					
28						2 0						
29	1 0				0 3	0 6	2 3				2 8	2 9
30	2 0											
31		2 0			2 1	0 2	4 1	4 9				
32												7 8
33					7 3	0 1	5 4					

■ Problem has decreased in importance
■ Importance ranking has not changed over last 10 years
■ Problem has increased in importance

Table 4.7

Priority Problems (According to Urban Youth)

PROBLEMS RELATED TO		Site 1 PG		Site 2 HJ		Site 3 SM		Site 4 TJ		Site 5 AM		Site 6 KW	
		Youth		Youth		Youth		Youth		Youth		Youth	
		<10	Now	<10	Now	<10	Now	<10	Now	<10	Now	<10	Now
Livelihood													
1	Difficult in obtaining the income/insufficient income	6	10	0	2							1	2
2	Income less than expenses			0	3					5	6		
3	No job/scarcity of job opportunities	0	1	0	1					10	15		
4	Lay offs and unemployment	0	3			0	2						
5	Difficult in selling agriculture harvest									5	7		
6	High Adat (Tradition) Expenses											4	4
7	Insufficient/lack of foods & clothing/daily needs			0	4								
8	Insufficient agriculture tools/fishing									2	1		
9	Lack of capital/money lenders	3	7							9	9		
10	Limited & leakage of village development funds	5	0									0	9
11	Thefts of assets									8	0	6	5
12	Unwillingness to work hard	2	6										
13	GOI's aid does not reach to targeted community											0	8
14	Expensive basic essential goods/daily needs	0	2										
Health													
15	Insufficient health facilities									12	8		
16	Mal-nutrient	4	8										
Natural Disasters													
17	Flood					1	0			1	2		
18	Storm									6	0		
19	Outbreaks of agriculture pest											2	1
20	Unpredictable weather									3	4		
Family & Community Life													
21	Family fights							3	2				
22	Having affairs with other women					0	4						
23	House fire									7	0		
24	Inter-neighbors dispute							1	1				
25	Love competition							4	0				
26	Parent-child disharmony							3	2				
27	Gambling					0	4					5	6
28	Drinkers					0	3					3	3
29	Youth crime	0	4										
HRD Opportunities													
30	Can not afford to send children to school/ Dropouts			0	5					11	10		
31	Lack of/ Low education	1	5	0	6								
Infrastructure													
32	Burden of Indebtedness									4	3		
33	Inadequate transportation and facilities			1	0								
34	Insufficient educational facilities	0	9										
35	Lack of water supply					2	0						
36	No bridge					4	0						
37	Poor environmental sanitation: drainage					3	0						
38	Problem in public transportation			2	0							0	7

 Problem has decreased in importance
 Importance ranking has not changed over last 10 years
 Problem has increased in importance

4.4 Coping Strategies and Community Capacity to Solve Problems

Overall the groups presented a surprisingly large array of strategies to cope with the problems they face. Some of their solutions may well be frowned upon by more educated (therefore also better-off and more fortunate) people who plan and execute development programs. Nevertheless, they are survival strategies of the poor and represent their time-tested ultimate wisdom: **“when the present is at stake, the future can be sacrificed”**.

The poor men and women consulted are not succeeding in fully resolving their problems, but they are grappling with them with ingenuity and wholehearted effort. **What seems noteworthy is that coping mechanisms of the poor at all sites show a very high level of reliance on intra-community resources and social networks. Their primary safety nets are the people they know and live with, i.e. neighbors, relatives, and cohesive social groups that have evolved around shared interests and community activities.** It is a double-edged situation for the poor. They turn to the better-off people in their communities for help and receive it, although it can come at a price. The rich and the poor need each other, particularly in rural communities where there is great interdependence between groups for mutual livelihoods. Examples include the rich landowner who needs cheap agricultural labor provided by the landless farmers, particularly those who are desperate enough to accept less than fair crop-sharing agreements. The fish wholesaler (*Pelele*) needs an army of poor fishermen who will supply fish at a low price. So he/she offers them loans and fishing equipment and binds them to exclusive selling agreements at low prices. The better-off and mobile merchant (*Populele*) offers poor weavers cash or weaving materials credit, and reserves the right to buy all their weaving at a price advantageous to himself.

Among adult men and women with families to support, the economic crisis has spawned a heightened sense of urgency and emergency. On the other hand, the youth groups (the unmarried teen and twenties) expressed more despondency and bitterness in their discussion about problems. Inevitably discussions about problem resolution and coping mechanisms turned towards people's responses to the economic crisis at most sites. The following table shows the most cited problems and the extent to which the communities are able to address them on their own or with external assistance.

Table 4.8.

Efforts made to resolve problems

Most Cited Problems	Study Sites												Types of external help still needed
	SM	AM	TR	PG	HJ	KW	WK	BN	GS	GP	PM	RN	
Lack of jobs/income	CE	C	C		C			C/CE	C	CE	C	C	
Lack of working capital	C	C	C	C				C				CE	- Access to cheap credit to break monopoly of money lender - Better targeting to the poor with PDM-DKE credit and IDT funds
Lack of land ownership									CE		C		Government promising to grow crops on vacant urban land
High price of food/lack of food	CE			C	C	C	C	C	C	C/CE	C/CE	C	Cheap rice sale more often 20 kg/family/month until harvest time. Stop mistargeting to those who are not needy.
Lack of latrines			CE							CE	CE		
Frequent flooding of neighborhood and crop fields				CE							C/CE		Ban on throwing garbage in river, deepen river with "Padat Karya"
Lack of clean water			C	C		C/E			CE				
Gambling habit entrenched in population													Ban gambling activity – close gambling networks
Crop pests / Animal disease						C	C						Agriculture extension service + vaccines
Typhoons / Rain damage to crops							C					C/CE	
Poor road condition No bridge/Damaged bridge						CE	CE		C/CE	CE	CE		Permanent asphaltting of road to district town
Lack of transportation									C		C		If road improves, transportation will
High cost of schooling – Dropouts from school				CE						C			More scholarships and better targeting to needy
High cost of traditional rituals and community function		C				CE	C						Ban on expensive "adat" rituals
Embezzlement of social safety net funds by neighborhood chief/ Exploitation by rich fisherman		C/E	C										Enforcement of decree/regulation by local government
Increased crime/Insecurity/ Thefts	C					C							
Exploitations by rich fishermen/farmer/external agency	C												Government regulation is prohibit use of dragnets

C - Communities alone

CE - Communities with assistance from External Agencies

Since the advent of the economic crisis, many small entrepreneurs in rural areas have been forced to cease operations due to increased raw material costs and unavailability of working capital or credit. This has resulted in loss of jobs for local craftsmen who worked for the entrepreneurs. In response, people from two rural sites have approached entrepreneurs in their area/nearest city to offer their skills and labor. At Galih Pakuwon, leather craftsmen have procured orders from 'Elizabeth' leather goods showroom in Bandung, which provides them with raw materials and pays them Rp.2,500 per wallet (purse) crafted. Women in Semanggi package yeast produced by a local factory, working from home and earning Rp.2,500 per day.

At Banaran, more than 100 people have applied to the Ministry of Manpower, and gone abroad as migrant workers and now remit most of their wages back to the village.

Laid off industrial workers who did not return to villages have taken to pedalling pedicabs (*becaks*) or scavenging and selling junk for recycling. Operating capital is borrowed from “*Bank Plecit*”. These are moneylenders operating privately who lend at daily and weekly rates, charging 10 - 30 per cent interest per month. The *becak* drivers and scavengers are caught between high interest rates and lack of certainty of daily income from scavenging. They have no other access to capital. Some have returned to their villages to settle there and take up agricultural activities. Women have their local savings/small loan groups (*Arisan*) in every community, which provides small capital by lottery to each member in turn which is a source of capital to women in petty trade/home-based trades. More about the *Arisan* is described in Chapter 5: Institutional Analysis.

For consumption purposes on a day-to-day basis, poor families seek credit from pawnshops in urban areas and *warung* (village store) in rural areas. The pawnshop is preferred over moneylenders because there is possibility of buying back pawned items. Borrowers are aware that the pawnshop gives them a lot less than the market value of the pawned item and charges 10 per cent interest per month. The *Warung* is very useful as it offers goods when needed, even when cash for payments is not immediately available.

Exorbitant food prices since late 1997 have been countered with a reduction in the number of meals taken from three to two, or even one per day. The staple is stretched further by mixing good quality rice with poor or mixing rice with cassava or corn to make porridge. Accompaniments such as meat, fish or eggs are out of reach, as are even soybean cakes, the poor family’s source of protein. Vegetables are eaten if grown by the household, or aquatic weeds collected by rural women are substituted for vegetables. Rice is eaten with just salt or desiccated coconut or a little salted, preserved fish that is also caught and processed rather than bought. In Kawangu, Waikanabu, Genengsari people reported foraging in the forests for wild roots and tubers to add to diets during the pre-harvest months. In Padamukti, women catch snails and shrimp in flooded rice fields, and in Pegambiran they collect shellfish from the beach. All these are however not for eating. They sell them to buy staple cereals. The same strategy is adopted by those who keep domestic animals. Chicken and duck eggs or goat are not for the family’s consumption. During the food-scarce period they are sold one by one to buy rice, corn or cassava that can fill the stomach more. Protein foods are too expensive to consume, even if they are not bought.

People are aware that their diet is now poorer both in quality and quantity but say: “*the important thing is to fill the stomach, regardless of the quality of one’s diet*”. The implications for long term effects on growing children, especially under five, are grim.

Those who cannot procure food at all resort to asking neighbors and better-off relatives for food. Sometimes a poor family may distribute its members to several other households during meal times. For the particularly disadvantaged, e.g. disabled people, widows with many small children or those suffering long-standing illnesses, several Java communities reported a form of rice-aid called ‘*Perelek*’ or ‘*Jimpitan*’. It is usually organized by the PKK women’s group, the neighborhood units (RW/RT), communal religious teaching groups

(*Pengajian*) or religious institutions such as the *IREMA* (Youth association of the mosque). The following example from Galih Pakuwon explains the concept.

“*Jimpitan*” for the Galih Pakuwon community is a highly valuable institution: Two kinds of *Jimpitan* are common. “*Jimpitan*” using rice requires every participating household to contribute 1 cup of rice every month. The collection from this activity is used for giving rice loans to poor families that really needed help. Repayments are taken as the same amount of rice borrowed, when the borrower has the rice to repay. For rice given to old, disabled persons, no repayment was required.

The “*Jimpitan*” using money requires every participating family to contribute Rp.200.-/week. The collection is used for helping those who need additional capital for business. The repayments include a small administration fee. Repayable can be made in instalments after the business yields some profit. These “*Jimpitan*” systems were established in every *RT* and coordinated by the *RW*. The members of its management were also active in *pengajian* and therefore, trusted by the community.

(*Site Report, Galih Pakuwon*)

The seeking of help from one’s better-off neighbors is extended beyond food and money to things like water supply and electricity connections. These are illegal connections from one house to many, for which the poor connector pays an agreed seem per month to the legal owner. The latter can cover his costs plus make a profit on these arrangements.

The unaffordability of the essentials has resulted in the inevitable cost-cutting for non-essentials. Unfortunately children’s schooling also comes under this category. Children have dropped out of schools in large numbers and been pressed into earning, in both urban and rural areas. The government’s Social Safety Net scholarships were aimed at keeping these children in school but it is unclear to what extent they are reaching this group. Only one site in this study reported any poor households receiving them. Even then the scholarships were too few and eligible recipients many.

The landless sharecrop or do wage labor in groups on rich land owners’ fields. The wage laborers are experiencing stiff competition from the new jobless who have returned to villages from the cities. Some lucky landless farmers have been allowed to cultivate forest land newly cleared by *Perhutani*, the State owned forestry concession company (reported only in Genengsari). The farmers have no idea how long they will have the use of the land, however. In Banaran, those who can afford to buy their food grains with remittances from relatives working abroad, have moved to cultivating tobacco, which brings good cash returns. For the rural landless, living near a forest has advantages. Gathering and selling firewood is an activity involving whole families when other work is not available. Genengsari villagers living on the edge of a teakwood forest are often caught stealing teakwood by cutting branches. There is no social stigma attached to being arrested for this activity and to going to jail periodically. All in the name of survival.

In the eastern islands crops are reportedly damaged by typhoons every year in February. The NTT farmers’ strategy is to delay planting upto late November (beyond the proper planting season, which is October, when rains arrive), so that the crops are still low in the fields in

February and suffer less damage from storms. They also plant tubers and bulbs, like onion, garlic and low growing vegetables, which survive storms well, as insurance against damage to rice and corn crops. A strong plea was made at all three sites in NTT for help from the agriculture extension service for fighting the damage to crops from locusts, bugs and rats and livestock diseases. They have repeatedly complained to Agriculture Extension Service Centers about crop pests and had no response. The extension worker is rarely seen in their remote villages.

Community contributions together with some external assistance have been used to build public water supply and sanitation facilities at four sites. Poor communities have contributed cash and labor to build water facilities at two sites by digging wells and laying PVC pipes from spring to the village. At Genengsari, they have pooled community contributions to hire a bi-weekly truck service to the nearest market town, and bought 12 boats for transportation during floods for 6 months every year, in Padamukti. Compacting the village road through *gotong royong* (community collective self-help effort) is a weekly feature in Genengsari, because the village lacks the resources to make it permanently asphalted. The road is a lifeline link to the market 15 kilometers away, where they must go to sell the firewood they collect from the forest around Genengsari. The truck they have hired to make the trip twice a week damages the road as it passes over it-so it must be re-compacted every week. The rainy season makes this impossible for days, cutting off earnings.

During 1998 – 1999 a special food/cash-for-work-based employment generation program called *Padat Karya Desa* was implemented all over Indonesia, linked to infrastructure improvements in poor communities. The impression received from two out of twelve sites that reported having '*Padat Karya*' was that it had helped the poor there during the crisis. A man from Hunduburung hamlet in Kawangu explained: "*We could not imagine how we would manage to eat during the crisis. Our crops were destroyed by pests, there was no rain and it was difficult to find buyers for our tenun (handloom cloth). Luckily we got Padat Karya and our Kampung road also ended up better after the program*", although 10 kilometers still remain unpaved.

The *Padat Karya* a Program was reportedly used to build/repair roads and bridges at five sites. The funds however had not been sufficient to do a complete job of the repairs and constructions needed. There were requests for *Padat Karya* assistance to be made available from the government for deepening the river next to hamlets in Padamukti and Pegambiran, where people think it will mitigate frequent floods.

The women expressed helplessness about the problem of increased gambling and drinking in urban areas. Even children are being drawn into the gambling operations as bookies and beginner gamblers. This problem according to them could only be solved by making the activity illegal and enforcing a government ban on them.

Neighborhood security was something that they tried to address on their own. In urban areas there has been a significant increase in thefts and robberies over the past year and a half. Women complained of greater insecurity at urban sites. Poor communities had strengthened neighborhood security systems and community night watches had been organized at several sites. The police were never considered a solution. The youth group at Tanjungrejo opined

;“*the police always come too late when called and take bribes from the rich. Their only interest is to catch someone and extract a bribe*”.

Cities have seen much rioting and looting of shops during 1998. The impression obtained from urban Java sites (mostly from the youth) was that this had actually improved the lot of the poor, who had benefited from the looting and scavenging of wrecks thereafter.

There were several instances of group action by the poor to solve problems, with variable results.

In Tanjungrejo, community pressure had forced the resignation of a corrupt neighborhood chief (Ketua RW) who had embezzled funds received under the Social Safety Net program to help the poor. In Galih Pakuwon, people are demanding greater compensation for their land taken over by a housing developer. They have also collectively demanded greater accountability from the Village Administration for inequitable distribution of aid intended for the poor, and claim that the poor community is treated better by the village officials after the protest. In Ampenan, poor fishermen complained to the Kampung official about use of dragnets by rich fishermen, which was causing the small-time fishermen's catch to dwindle. They managed to get a regulation from the Kampung Chief prohibiting the use of the dragnets, but it is not being enforced since the Kampung Chief's resignation. The fishermen have taken their complaint to Kelurahan Officials and the relevant government department (*Department Perikanan*), without getting a response. The rich owner of the dragnets and large fishing boats is a known to have friends among the officials and makes generous donations for their official functions, e.g. celebrating Independence Day.

Farmers have developed systems to pool resources and cut costs or help each other. On Java several sites have '*proyekan*' groups whereby several poor farmers with contiguous and small fields all work on one members' field by turns during planting, harvest or field preparation periods. They also buy agricultural inputs together in bulk. In Waikanabu and Kawangu (NTT), where livestock rearing is a preoccupation and livestock thefts are a major threat to assets, groups of farmers organize night watch systems to prevent thefts.

The "*Banjars*" organized by poor communities in Ampenan (NTB) and similar systems at two Java sites are examples of collective insurance against the economic burden of funeral and wedding expenses.

The variety and appropriateness of the strategies employed by the poor to solve their problems are nothing short of impressive. They provide evidence that is difficult to ignore the inadequacy of centrally designed poverty alleviation strategies. They make the strongest case for aid-giving agencies to adopt a learning approach when providing poverty alleviation assistance. Program implementers need to first learn how the poor are currently battling their problems in particular communities and then provide assistance to reinforce those efforts in strategic ways. Failure to do so can at worst compound problems further or, at least, render the assistance futile for the poor.

Summary of Coping Strategies: Urban

FOOD	<ul style="list-style-type: none"> • Eat 2 meals a day instead of 3 / No side dishes / Mix rice of poor quality with good. "Cannot afford even tahu-tempe (soybean cakes). Children are getting no protein". • Sell chicken to buy staple. • Stop buying snacks from vendors.
INCOME	<ul style="list-style-type: none"> • Collect shellfish near beach to sell. • Wives find extra work (serving better-off families, making & selling snacks, piece rate work for small factories – things not requiring much capital). • Laid-off urban industrial workers take up pedicab pedalling, scavenging and selling junk. • Children withdrawn from school, trying to earn. "Organized begging gangs" appearing–prone to street crime. Hawking in the street • Migrate to Malaysia (males), Saudi Arabia (females). • Return to villages to become dependant on aged parents or agricultural wage labor
CRIME	<ul style="list-style-type: none"> • Increased thefts/robberies in the community.- revitalize neighborhood night watch systems. • Looting during riots / unrest.
CREDIT	<ul style="list-style-type: none"> • Pawn/sell furniture / fixtures/ jewelry/ utensils / clothes. • Borrow from private money lenders, private banks operating at community level, at 10-30% interest per month. • Arisan (Small informal savings & credit groups)
SMALL BUSINESS	<ul style="list-style-type: none"> • The only one flourishing is micro-lending, causing a one-way transfer of remaining assets of the urban poor to those with cash to lend for survival. • Gambling operators doing well. Children earning money as bookies; begin to gamble with what they earn. <p>(So called "informal sector boom" was not detected at study sites)</p>

Summary of coping strategies: Rural

FOOD	<ul style="list-style-type: none"> • Collect snails in rice field to eat. • Fish in flooded fields to sell. • Eat less: 1-2 times/day / Rice-cassava porridge only / No side dishes / Eat with salt or desiccated coconut. • Reuse cooking oil. • Mix rice of poor quality with good quality. • Grow vegetables. • Beg rice from neighbors / Better-off relations. • Stop making snacks & drinks needing sugar. • Gather forest tubers / Aquatic weeds to cook and eat. • Sell chicken / goats to buy grains to eat in food-scarce pre-harvest months (Oct-Dec). • <i>Perelek</i> – rice contribution, collection and distribution to the neediest families
INCOME	<ul style="list-style-type: none"> • Collect firewood from forest to sell (Depends on availability of transport facility and road to both forest and market). • <i>Arisan saving and credit groups</i> • "<i>Proyekari</i>" work as a group on each others' land by turns • Steal teakwood from forest (Going to jail periodically when arrested, no social stigma attached). • Withdraw children from school. All able-bodied try to earn-doing foraging, field labor, serving better-off households. • Migrate to Malaysia/Singapore/Hong Kong (if having money to pay for passage). • Landless farmers share crop by cultivating rich landowner's land, diminishing returns for share croppers. • Cultivate land loaned by <i>Perhutani</i> (State owned Forestry Concession Company). • Try traditional remedies, often unsuccessfully, for crop pests (because assistance not available from Agricultural Extension Services).
CREDIT	<ul style="list-style-type: none"> • Pawn implements / utensils / clothes. Interest rate 10% per month. • Sell rice field/home if big cash needed. • Borrow from private money lender at 10-30% per month interest (not from Government Bank (BRI) – one needs which land certificate to borrow, nor from Government initiated village cooperative (KUD) which seems to be dysfunctional everywhere). • Borrow from better-off relatives / neighbors. • Get 2-5 day's credit from neighborhood shops / kiosks.
SMALL BUSINESS	<ul style="list-style-type: none"> • Closed down to cut losses. Raw material costs shot-up, but selling price cannot be increased because customers will not buy at a higher price. And no resources to access customers elsewhere.

4.5 Poverty Alleviation and Social Safety Net Programs: Did they help?

“*Krungu-krungu untuk bantuan, ning yo embuh*”. (I heard rumors about assistance for the poor, but no one seems to know where it is).

Such statements were heard frequently during the consultations. The poor are usually the last to know and receive the sketchiest information in the community, about government programs aimed at helping them. By the time they find out enough, the aid has evaporated or already been distributed, not necessarily to the poor. The consulted groups reported that to be able to benefit from these programs one has to be related to or friends with the village officials. This is a fact of life that the poor are resigned to living with.

Essential Commodities

An example is the **sale of cheap rice** to poor families. This form of assistance was found very helpful by the poor during 1998-1999. Rice was made available at a subsidized price of Rp.1,000/kilogram when the market price was Rp.2,500-Rp.3,000 per kilo, under the government's Social Safety Net (JPS) program. Unfortunately, only at one site out of twelve (Banaran, East Java) did the poor households get to buy their full allocation of 20 kilograms per family. Many of those entitled did not get even a single kilogram of rice in Tanjungrejo, Padamukti and Galih Pakuwon, while the well-off were allowed to buy 5-10 *karungs* (15-20 kilo bags) at Galih Pakuwon. At Semanggi, the poor got to buy only 3 kilos per family, and 10 kilos per family at Genengsari. These were the consequences of arbitrary decisions by Village Chiefs to distribute the cheap rice assistance amongst all households, whether or not they were poor/needy.

The identification of beneficiaries using outdated poverty-classification data from BKKBN (National Family Planning Agency) caused jealousies, complaints of mistargeting, and conflicts within communities. The criteria for classification were nationally standardized ones, e.g. poor are ‘those having homes with uncemented floors.’ The criteria could be irrelevant to local situations, e.g. where houses are built on stilts, with wooden floors. The people listed officially as poor based on such criteria 2-3 years ago may have cemented their floors in the interim period, but were still included whereas the new poor, who might be much worse-off, were not. In general people did not agree that the criteria correctly identified the poor who really deserved to be helped.

At the peak of the crisis, poor families in Pegambiran and Genengsari received assistance several times in the form of two kilos of rice from the national religious NGO network Nahdatul Ulama and a local transport company. It was distributed free. At Ampenan and Harapan Jaya, the poor reported benefiting greatly from the low-cost essential commodity bazaars organized through the village administration or PKK several times over the past year. Funds and material assistance came from the Navy Foundation and a private sector agency, the BS Bus Company.

Health Services

Help from the Health Services was mentioned at four sites out of twelve. Two were positive and two were negative examples. Groups at two sites were very happy about the Health Card (***Kartu Sehat***) received from the Social Safety Net program, which alleviates the burden of high cost of medicines and services. The card entitles them to free medical services and medicines at government health centers. Health cards were reported to have been received only in West Java (Pegambiran, Harapan Jaya).

The other two cases were in NTT, where health services were inaccessible to the poor due to their distance from the nearest health center/health functionary and lack of public transportation. Groups in Kawangu complained that the Puskesmas (Primary Health Center) had distributed the "***Dana Sehat***" (Health Funds) assistance in a discriminatory way, only to families living around the Puskesmas. Those coming to the Puskesmas from far off villages often got little help as they were usually told that medicines were not in stock. In Waikanabu, the health worker visits one day per month, without prior appointment or information to villagers. The ***polindes*** (village childbirth assistance post) built with community contribution has never been occupied by the government midwife who was expected to take up residence there. People depend mainly on the traditional midwife and healer (***Dukun***) to treat their illness. One woman said: "*we are doubtful of the Dukun's capability to treat our ailment . The medicine she gives is the same for all different symptoms. Yet we have no choice, as the Dukun is the only person accessible*".

At two West Java sites, women mentioned having received government-supplied supplementary feeding twice last year for their children under five at the monthly village health post (***Posyandu***) organized by PKK.

Education

The Social Safety Net program includes the provision of scholarships to students from poor families who are dropping out of schools at an alarming rate due to the pressures of the economic crisis. The Ministry of Education has allocated scholarships for 3.3 million elementary and junior high school children from Social Safety Net funds during 1998-1999. These are estimated to cover the poorest 6, 17 and 10 per cent of enrolled students at primary, junior secondary and senior secondary schools. However, the actual need could be far more and proper targeting of these scholarship is proving to be a formidable challenge.

Poor men and women were aware of these special "***JPS scholarships***" being distributed in their communities only at three out of twelve sites, all in West Java. Their children however had not received them, by and large. They complained that the scholarships were too few and their claimants many. Moreover, the rules/criteria/targeting of the aid were not transparent. In Tanjungrejo, entire consultation groups said that none of their children received the scholarship. The neighborhood chief (***Ketua RT***) answered that he had registered all school-age children with the ***Pak Lurah*** (Head of the urban ***Kelurahan***) and assumed that all of them had received the scholarship, as his own child had. At Pegambiran and Padamukti, poor parents had been told by the school that either: a) all scholarships had

already been distributed, or b) their children's performance at school did not qualify them for the scholarships. The scholarships are actually need-based and not merit-based at all. At Pegambiran some poor children did receive the aid, although many others could not be helped. PKK was reportedly entrusted with selecting the recipients.

Recent Media reports confirm that the poor are unable to access these scholarships, caught between manipulations by local administration personnel and the schools. The schools seem to be applying their own rules and charging a variety of additional fees despite the Education Minister's public assurance to parents that no extra fees would be charged during the current economic crisis for text books, new uniforms, donations, PTA fees, etc. (Jakarta Post, July 25, 1999).

Capital for Income Generating Activities

Some form of capital credit assistance had been received from government programs like **IDT**, Social Safety Net (SSNAL), **PDMDKE**, **UEDSP** and **UP2K** at half the consultation communities. The general impression of the groups was that they had not been properly targeted at the poor and only certain selected groups seemed to benefit from aid programs every time (reported in Padamukti, Galih Pakuwon, Harapan Jaya, Semanggi, Tanjungrejo, Genengsari and Kawangu). These were groups close to village officials, their friends and relatives. At three sites the poor also reported that they were not considered creditworthy enough to receive SSNAL credit. The assistance was given by the village officials to people with established business or trading entrepreneurs. They were not poor.

Bapak Hawula Windi of Kawangu expressed his disappointment with the IDT program for poor, backward villages: "*Why bother to facilitate if the assistance is mistargeted? Even worse, the decision for selecting a group for receiving IDT assistance was made without consulting anyone within the community. Participants were appointed by the facilitator, resulting in poor people being left out of the lists of recipients*". In Tanjungrejo (East Java), no one knows what happened to Social Safety Net funds which were siphoned off by the RW Chief, who has since been removed from his position. Most groups that mentioned the government's village credit cooperative institution (**KUD**) concluded that it was not very useful to them. It did not figure among the top 5 ranks anywhere, on any rating dimension.

Waikanabu (NTT) was the sole exception where all poor families were reported to have received and derived sustained benefits from **IDT** and **Sapi Banpres** (livestock breeding aid) programs. They also had had a positive experience with the Food/Cash for work (**Padat Karya Desa**) program last year, which provided emergency relief work during the drought, along with agricultural tools. The Village Chief was instrumental in ensuring equity of aid distribution.

Examples of capital credit assistance that have borne fruit include several from NGOs or the private sector. The NGO *Yayasan Wahana Tani Mandiri /FADO* is assisting the Renggarasi community in NTT with capital building through crop diversification training, seedlings and guidance for small business. The poor in Renggarasi feel that their well-being has improved significantly through this assistance. In Ampenan (NTB), the *Yayasan Ibu Hindun* provides credit assistance along with the training on income-generating activities and guidance for

proper credit management, The Church provides small business assistance in NTT, together with credit and saving schemes.

Livestock Assistance

In rural communities livestock, both large and small, represent the household's assets, investments and insurance against economic shock. Experience from the five sites that received livestock aid provides valuable lessons about how this aid should be designed.

At Genengsari, Waikanabu and Banaran, the **BANPRES** program provided cows and goats several years ago. Those who received them often shared the upkeep of the animals with those who did not, on condition that the caretaker would get every second offspring. This has resulted in almost every household now owning livestock in these villages. Indications were that the livestock continue to be a growing asset. During the pre-harvest, food-scarce months, people sell goats or chicken to buy staple food as and when needed. In the coastal community of Pegambiran chicken given for breeding were sold off by them. People have taken to catfish breeding in the many low-lying water-filled sites along the river. There is a good demand for catfish in the city and the environment is appropriate for catfish farming. They would like some guidance on proper methods of breeding and increasing production, but don't know where to get it.

At Semanggi, Galih Pakuwon and Renggarasi, livestock assistance did not work. At Semanggi the chicken were sold off immediately to buy other daily necessities. In this densely populated settlement the households had no space for chicken pens, and birds would just be stolen. At Galih Pakuwon and Renggarasi, the goats and poultry received from the government mostly died in the hands of the recipients soon after they received them. Those that did not were sold off in a hurry, to recoup some of the losses, as the recipients had an obligation to repay village governments for the revolving livestock aid. The recipients of the less-than-viable, skinny goats were thus victims of the program which caused them losses instead of gains.

Poor men and women pointed out that "*revolving aid*" type of livestock assistance to the poor was a financial risk for them, as they had no control on the type and quality of animals they would get. Nor could they be sure of getting livestock-care services when they needed them. They felt it is unfair not to let them select and procure their own animals, since the financial obligation to revolve/replace them fell on the recipient's shoulders.

Another factor is timing of the assistance during the pre-harvest season, when food is scarce; goats and chicken are traditionally sold to buy staple food. Livestock assistance should preferably be given in the food-secure time, after harvest, so that there is some time for producing offspring for the lean season. Giving goats and chicken during the lean period can result in all being sold off for consumption, if the family is poor. In short, the advice from the poor to aid agencies is to ask people what kind of livestock they prefer and why, for long term benefits. That would prevent waste of resources on things like providing fish fingerlings to people in Genengsari, which is a water-scarce area. All the fingerlings died within a week of being supplied.

Infrastructure Development Program

The village infrastructure program (P3DT) and the *Padat Karya Desa* were the two main interventions the consultation groups mentioned. In comparison to other kinds of assistance, benefits from infrastructure development have been relatively better shared. Both poor and rich had benefited from the drainage constructed around the Kampung at Pagambiran, the community water supply facilities at Galih Pakuwon, Padamukti and Tanjungrejo, the roads constructed at Genengsari, Galih Pakuwon, Waikanabu and Kawangu and the public toilet-washing-bathing facilities in Tanjungrejo.

Nevertheless, here too the bias against the poor was clear. The public toilets and washing-bathing places were built close to better-off households, although many of them had their own toilets. The public facilities were located far enough from most poor homes in Tanjungrejo and Galih Pakuwon, with the result that the poor continued to go to the river or forests nearby to defecate. The road in Genengsari stopped near the better-off homes, leaving the part going to poorer homes un-compacted. P3DT Funds meant for public toilets in a poor neighborhood in Galih Pakuwon were reportedly diverted to paving roads for a better-off part of the village. *Padat Karya* funds were not sufficient to complete the construction of roads leading from the village to the nearest market, in Waikanabu and Genengsari. They are hoping for another *Padat Karya* this year to complete it. The land contributed by villagers of Padamukti for construction of public toilets was known to have been compensated for the government, to the *Kepala Desa*. He never accounted to anyone for the funds paid to him.