

The Factors Causing Changes in Community Livelihoods Around the Industrial Area in Sirnabaya Village, East of Telukjambe District, Karawang Regency, West Java Province

Juliati Prihatini¹, Siti Zulaika²

Staf Pengajar IPDN (Institut Pemerintahan Dalam Negeri)^{1,2}
Jalan Raya Jatinangor-Sumedang Km.20 Jatinangor, Sumedang 45363 Jawa Barat,
Indonesia

Correspondence Email: julie_pri@yahoo.com

ORCID ID: 0000-0003-3595-355X

ABSTRACT

Sirnabaya Village in East of Telukjambe District has less productive land, yet it has strategic location for industrial area, that the land was sold to business owners causing the local people change their livelihoods from agricultural sector to industrial sector. The presence of the industry around the village is not automatically able to hire a large number of workers from local people, due to the fact that the required skills do not meet the requirement. This study aims to find out the factors causing changes in community livelihoods. The method used in this study was descriptive qualitative. The data collection techniques conducted through interviews and documentation. The result showed that the presence of industry has a multiplier effect on local people, yet the effect brings benefit to the government.

Keywords: Agricultural Skill, Industry, Livelihood Change, Salary

INTRODUCTION

An agricultural country is a country which the economy relies on or supported by the agricultural sector. Some areas in agricultural countries are widely used as agricultural land and majority people in agricultural countries have a work as farmer. Thailand, Vietnam, China, Philippines and Africa are the example of agricultural countries. Indonesia is categorized as an agrarian country, therefore most the Indonesian choose farmer as the profession. In 2013 agriculture census, the number of farmers in Indonesia was 16.55 million, as many as 8.61 million farmers growing crops such as rice and corn. Around 1.25 million farmers growing shallots, garlic, chilies, and oranges, and as many as 4.72 million planted oil palm, rubber and coconut (The Central Bureau of Statistics, 2013). One of the regions in Indonesia whose mostly their people work as farmer is Karawang. Karawang Regency is located in West Java, it has an area of 173,730 ha. As many as 98,615 ha used as agricultural land and produces 1.4 million tons of rice, this makes Karawang the largest rice-producing area in West Java so that called as rice granary area.

However, the rate of industrial development in Karawang Regency has caused the conversion of agricultural land to 150 ha per year, the land which previously produced rice has been turned into industrial areas, factories, and business centers (Karawang Regency Agricultural Service, 2013).

“In determining industrial estates, the government still pays attention to soil fertility through the stipulation of sustainable food agriculture (LP2B) as many as 89, 400 ha from 98, 615 of rice fields. Yet, LP2B does not have a legal law to protect the land from the investors.” (In interview with The Head of Karawang Regency Agriculture Service, August 10th, 2018).

The shrinking of agricultural land causes the decreasing number of farmers. In 2003, the number of farmers reached 3,501,867, then it decreased in 2013 amount of 31.37% around of 2,298,193 over the last of ten years. The decreasing number of farmers has an impact on the farmers' income. The policy issued by government regarding the cost of goods sold (HPP) for rice and grain was not useful enough because many farmers considered that the quality standards set were quite difficult.

According to Wibowo (2018), since the last few decades the industry has become part of the globalization process, especially in the process of global economic restructuring. The industry is increasingly accepting its role in the process and consequently must structuring it in order not to hinder the process of global reform. Correspondingly, the function of law has changed as the market economy system, clearly different from the legal function in the planet system. Industrial development results change in the socio-economic aspect of society, these changes include professions, the number of professions, the number of opportunities in profession, business opportunities, income levels and the number of facilities and infrastructure. The change of profession is clearly seen in industrial development. Changes in profession can be caused by various things such as the level of less productive agricultural land, the cultivated small area of land, and the lack of interest in the farmer profession among young people, they prefer profession outside the agricultural sector such as industry and service. They have assumption that working in industrial sector will get better salary without having an experience of crop failure and also working in industrial sector has a higher status than working as a farmer, and also the factors causing profession changes include internal factor (education, skill, experience, soil fertility, social status, and productivity of plant commodities) and external factor (job opportunities, the presence of industry, government policies, and UMK or district minimum wage).

Change brings negative and positive impact, positive impact due to industrial development provides benefits both directly and indirectly from the previous conditions. One of the positive impacts is the creation of business and profession opportunities for the community, improving infrastructure so it makes easier for people to carry out their daily activities. The negative impact due to industrial development is the occurrences of environmental pollution such as clean water pollution and air pollution. Another negative impact that happened is potential conflict due to social jealousy between local people and immigrants in terms of easy access to get jobs, especially in the industrial sector.

Kuwartojo in Setyawati (2002) defined the industry as an activity to produce goods in bulk, with good quality for later sale and trade. To maintain its primacy, some workers are employed with certain equipment, techniques and methods, and work patterns. Industry according to scale divided into four types, 1). Large industry, producing industry business which have more than 100 employees, 2). Medium industry, producing industry business which have 20 to 100 employees, 3). Small industry, producing industry business which have 5 to 19 employees, and 4). Home industry,

producing industry business which have 1 to 4 employees. In 1989, Karawang Regency was designated as an industrial area, as many as 19,000 ha was allocated to the industrial sector with a total of 8,900 units of companies (Burhani, 2013). Nowadays, Karawang Regency has 6 operating industrial areas, they are industrial area in Cikampek, Karawang International Industry City (KIIC) in Karawang, Mitra Karawang, PT Timur Putra Nasional in Karawang, Kujang Fertilizer in Cikampek and Surya Cipta in Karawang. The development of the industry raised a dilemma, one side of the industrial area is needed, on the other hand, it threatens the fragility of food security. The presence of this industry give contribution as much as IDR 18 trillion per year to the government of West Java Province which makes Karawang a district that has the highest minimum wage (UMK) in West Java, as much as IDR 4 million (The Regulation of West Java Governor, No.561/Kep.774-Yanbangsos/2020).

The license regarding the development of industrial estates in agricultural areas seem enforced. The presence of the industry was expected to improve welfare to Karawang people, especially youth. Unfortunately, what happened is stiff competition, because the industrial estates were dominated by immigrants who have better quality of skill and competence rather than local people. Based on the data held by The Department of Manpower and Transmigration Offices of Karawang Regency the number of unemployed reached 114,004 people in 2016. Ironically, while Karawang Regency has 8,900 industrial units (In interview with The Department of Manpower and Transmigration Office of Karawang Regency, 2016).

As many as 94% local people in Karawang Regency have their last education at elementary school, junior high school, and senior high school. The problem is, senior high school do not have the preparation method for 'ready for work', the skill taught is limited to theory, not practice. However, The Department of Manpower and Transmigration Office attempts to increase the capacity of local people through competency based-training (PBK) activities such as computer engineering, electrical engineering, welding engineering, lathe engineering, office administration, automotive engineering, sewing and pattern making technique, and computer assembly (PLC). Apart from these activities, the government also organize entrepreneurship based-education and training activities such as culinary, creative industries, and beauty classes. In addition, the cooperation between The Department of Manpower and Transmigration Offices and trade industry players can be a solution and is expected to improve the skills of 5000 local people in order to reduce unemployment (The Regulation of Karawang Regent, No. 28/2011)

RESEARCH METHOD

This study used descriptive qualitative method. The data collection techniques conducted through observation, interviews and documentation. The number of samples is 10.157 people from 11.040 people. In deciding the sample, the Slovin formula was used (Amirin, 2011):

$$n = \frac{N}{1 + N(e)^2}$$

Information:

n = size of sample

N = size of population

e = the number of allowances to inaccuracy due to tolerable or desirable of sampling errors, for example 5%

$$n = \frac{N}{1 + N(e)^2} = \frac{10.157}{1 + 10.157(0,05)^2} = \frac{10.157}{26,3925} = 385 \text{ people}$$

The interview technique used accidental and snowball technique which were conducted to 30 informants. Data analysis technique used include sorting and electing the data used, presenting the selected data in a brief description, then drawing conclusion (Miles & Huberman, 2009).

RESULTS AND DISCUSSION

The results showed that the factors of change profession caused by internal and external factor. Internal factor includes education, skill, experience, the land fertility, social status, and plant productivity, while external factor includes availability of job opportunities, the presence of industrial sector, and district minimum wage (UMK).

1. Internal factors

a. Education

The total population of Sirnabaya Village is 11.040 people, as many as 10.157 people are productive with high school education qualification of 3,162 people (28.64%), junior high school and elementary school as many as 65.36%. This number is less than the population outside Sirnabaya Village and even outside Karawang Regency. There are only 2% of high school graduates continue their studies, while vocational high school graduates are not ready for work because the school does not have an adequate curriculum related to work practice. This becomes a burden for The Department of Manpower and Transmigration Offices, also it is not in line with Karawang Regent's Regulation No. 8 of 2016 concerning expansion of job opportunities.

b. Skill

Recognizing that the local labor has only graduated from elementary, junior and senior high school and their skills have not been able to compete with immigrants, to fulfill government policies so that the companies make policies by providing opportunities for local labors to do internships, it can help to improve their skills. Even after the internships needs to be selected again, and for those who have good skills will be appointed as employees. The average appointed as employees is 75%, but unfortunately, the age is limited to only 18-20 years.

c. Experience

Before becoming an industrial area, the profession of the people in Sirnabaya Village is farming. Experience as a farmer or a child of farmer embedded in their minds as farmers the results that obtained are not comparable to the energy and costs incurred. Based on the data, the sharecroppers only harvest 3 (three) times in a year. The average income of sharecroppers is only Rp. 7,750,000 per six months. While working in a factory, the UMK that received is much bigger every month Rp3,919,291.19 anyone can get more than if they have worked one year or more besides, they get the basic salary they will also get a bonus and if there is overtime, they will get any additional money.

d. The Land Fertility

Land fertility affects agricultural output, so it is an appropriate decision for the government to make a policy that infertile land and rainfed land are used as an industrial area. The industrial area in Karawang Regency is focused in the southern part bordering the Cikampek toll road.

e. Social Status

Local people thought that working as a farmer is not prestige compared to working in a factory. In their minds working in a factory would improve their social status compared to working as farmers. This can be seen from the salary received by factory employees; it is more than the salary that farmers get.

f. Productive Plans

Noticing to the land in Sirnabaya Village, including marginal land to increase productivity and trade of planted plants that do not produce as expected. The productive land that is converted by landowners through selling it to industrial managers because it is hard for farmers to irrigate their agricultural land.

2. External Factor

a. Availability of Job Opportunities

The stipulation of Karawang Regency as an industrial area certainly provides opportunities for the society in Sirnabaya Village and migrants to get job opportunities at the company. Moreover, government policy through Regional Regulation Number 1 in 2011 and District Regulation Number 8 in 2016 mandated those workers in industrial companies in Karawang Regency employ at least 60% of the local labor and 40% from outside. This further provides opportunities for local labors to obtain greater job opportunities. The reality is the proportion is even greater, which is 63% from local and 37% from outside, this is quite encouraging for local residents. This shows that local labor can compete with migrants. The contribution by the Department of Manpower and Transmigration Offices and the application of internships in the company before being selected for work at the company have been able to improve the skills of the local labors.

b. Industry Presence

The area of Sirnabaya Village is 11.51 km², aside from being used as an industrial area the rest is used for settlements, rice fields, estate, burials, public infrastructure, and offices. The presence of the industry in Sirnabaya Village is about 42 units, in addition to being able to absorb local labors and provides opportunities for other businesses such as opening food court, providing grocery supplier for factory workers from outside, boarding houses and other needs. These are the factors to encourage local society to change profession.

c. District Minimum Wage (UMK)

The district minimum wage (UMK) in Karawang is greater than other regencies/cities in West Java Province amounting to Rp3,919,291.19. This is also the factor that encourages local society to change profession in Sirnabaya Village.

CONCLUSIONS

From the result, it can be concluded that the factors causing changes livelihoods community in Sirnabaya Village include internal factors are 1). Education which has no correlation with 'ready for work' vision, 2). A lack of skill of local people causing they are not capable to compete with the immigrants, 3). The lack of land fertility in Sirnabaya Village which causes the village government makes policies to change the land into industrial sector, 4). There is an assumption among local people that being a factory worker is more prestigious than being a farmer, 5). Unexpected crop productivity. Meanwhile, the external factors are 1). The availability of employment is supported by government policies as an industrial area, as many as 60% hiring local people, there is a contribution of The Department of Manpower and Transmigration Offices, and the willingness of companies to provide internship opportunities, 2). The presence of industrial estates has an impact on increasing other business opportunities, 3). The district minimum wage (UMK) in Karawang Regency is the highest in West Java Province.

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