Economic Empowerment Based on Local Potential through Healthy Rice Cultivation Program (Dem Area)

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ABSTRACT

The Healthy Rice Cultivation Dem Area Program is a national program in the context of increasing farmers’ knowledge and skills in implementing rice cultivation which has been carried out by the Ministry of Agriculture of the Republic of Indonesia since 2018. This research was conducted in the village of Purwawinangun Working Area UPT BP3K Gunung Jati Cirebon Regency. The variables studied include economic empowerment and local potential variables to the success of the DEM AREA program. To find out the variables studied, descriptive data analysis was used with primary and secondary data, multiple linear regression analysis, and the F test and the T test (different test of two average paired samples). The results of the research showed: (1) The implementation of local potential-based economic empowerment in Purwawinangun Village, Suranenggala District, Cirebon Regency through 3 stages, namely: the awareness stage, the transformation stage, and the capacity building stage, (2) The economic empowerment variable significantly affected the success of the DEM AREA program, (3) The local potential variable significantly affected to the success of the DEM AREA program, and (4) Economic empowerment and local potential variables have a significant effect simultaneously (simultaneously) to the success of the DEM AREA program.

Keywords: Empowerment, Economy, Local Potential, Dem Area

INTRODUCTION

Agricultural development in the context of increasing the competitiveness of farmers can be pursued through institutional development. As mentioned by Siti Aminah and Narni Farmayanti (2013) to realize a highly competitive agribusiness and agro-industrial farming system requires the organization of agricultural institutions which capable to carry out the vision and mission of agricultural development, able to anticipate the challenges of agricultural development, able to take advantage of opportunities and consistently. For this reason, it is necessary to have high quality and reliable agricultural human resources, characterized by independence, professionalism, entrepreneurship, dedication, high work ethic, discipline and noble morals also global character. So that farmers and other agricultural businesses players will be able to build efficient and competitive farming businesses (Danim, Sudarwan, 2012). One effort to improve agricultural human resources is through agricultural extension activities (Department of Agriculture 2011).

Measures to achieve farmers’ welfare have focused on a number of more specific activities, for example efforts to facilitate increased farmer income through empowerment, increased access to agricultural business resources, institutional development, and protection of farmers (Mardikanto, 2012). One effort that can be done is an economic empowerment based on local potential that is able to foster the development of the community’s will to entrepreneurship or run a creative economy to fulfill their needs and increase their income in order to be able to realize a better standard of living and realize Indonesia’s economic growth towards a more positive direction through community groups assisted by the government through its empowerment program (Achmad Faqih, 2010). Economic empowerment is a community activity which in essence helps to meet the needs of his life through the utilization of local potential in the community with the support of empowerment from the government or related agencies (Achmad Faqih, 2015). Community economic empowerment is strengthening the ownership of the factors of production, strengthening distribution and marketing mastery, strengthening the community to get adequate and appropriate salary / wages, strengthening the community to obtain information, knowledge and skills (Currie and Schütz, 2000) and (Harwood, H., and Rowan, 2004).

Local Potential is the power, strength that is owned by the region with hidden capacity and has not been implemented or used properly in order to become an outcome that can be utilized through the development of human resources, natural resources, infrastructure and this is in line with the DEM AREA program for healthy rice cultivation aimed to improve the ability of farmers in the development of rice farming based on local resource. The ability of a region in the form of resources that can be used, exploited and taken advantage of for further development so that it can improve and create adequate regional capabilities (Sujali, 2009). In Purwawinangun Village, Suranenggala District, Cirebon Regency, almost most of the residents work as farmers, including women and men who are not aware of the potential in their area that can be used to increase income to fulfill their daily needs. Purwawinangun village has very good local potential, it is natural resources that can be utilized to improve their economy from the agricultural sector with extensive rice fields. Farmers in Purwawinangun Village, Suranenggala District, Cirebon Regency are one of the recipients of the DEM AREA Program and are a tangible form of community empowerment that has a common goal of improving a better standard of living by relying on local potential in Purwawinangun Village, which is then used by farmers to achieve goals together in terms of fulfilling the need for food and increasing farmers’ income. This research aims to determine the implementation of economic empowerment based on local potential and determine the effect of economic empowerment and local potential to the success rate of DEM AREA.
RESEARCH METHODS
The research was carried out in Purwawinangun Village, Suranenggala District, Cirebon Regency. This research was conducted in January to August 2019. As the object of research is farmers who receive support from the DEM AREA program with 75 respondents as farmers.
The research design uses descriptive quantitative methods by using a questionnaire as an instrument to find out information from respondents (Sugiyono, 2017). Descriptive research method is a method of examining the status of a group of people, an object, a condition, a system of thought or even a class of events in the present (Wijaya, 2000). The purpose of this descriptive study is to make a systematic, factual and accurate descriptive, picture or illustration about the facts, properties, and relationships of the phenomenon under investigation. The data used are primary data (through interviews and questionnaires) and secondary data. The analytical method used is the data validity test, reliability test, multiple linear analysis, T-test analysis, F-test analysis and determinant coefficient (Riduwan, 2007).

RESEARCH RESULTS AND DISCUSSION
The Implementation of Economic Empowerment based on Local Potential on the DEM AREA Program in Purwawinangun Village, Suranenggala District, Cirebon Regency
The implementation of economic empowerment based on local potential is one of the activities in the community for the common interest and welfare to improve a better standard of living. Based on the results of the research showed that the empowerment carried out has provided benefits for farmers so that they have the knowledge, insight, and skills that can lead them to independence, this is seen through observation and strengthened by the results of interviews by researchers.
According to Achmad Faqih (2016), empowerment contains two tendencies; the first is the process of empowerment which emphasizes to the process of giving or transferring some power and strength, secondly giving the ability to the community so that individuals become more empowered. The stages of the economic empowerment process go through various stages as follows:

1) Awareness Stage
Economic empowerment activities based on local potential for farmers can be seen from the activities of farmers by building economic awareness and realization of the potential of the community especially farmers by means of discussion through several community meetings at a certain time, helped by extension workers and facilitated by village officials so that people have an open mind to be able to develop their potential and find opportunities to increase income. This was done with patience because at that time not so many residents welcomed the discussion activity so that the discussion participants were only a few people who later became the mobilizer of farmers.
Based on the results of observations and interviews that the awareness carried out by extension workers and village government in the community of Purwawinangun Village, especially farmers, finally produced results, namely the formation of the Farmers Group Association (Gapoktan) in Purwawinangun Village by focusing on sea fish product processing activities in the form of shredded fish with the product which at that time only make salted fish from other regions and not from Purwawinangun village. Sea fish floss (shredded sea fish) was chosen because of the results of the Gapoktan (Farmers Group Association) proposal who accidentally saw the same product in one supermarket, then he bought what was later learned and understood the ingredients of the product and he felt capable which was finally discussed at the Gapoktan members meeting together with the extension workers and the village officials who were then agreed to by some members and who were present at the meeting that Gapoktan members would producing shredded fish (fish floss).

2) Transformation Stage
Based on observations and interviews at this stage Gapoktan members have the courage to determine the direction of their own production activities because the level of participation of members has increased compared to the beginning of Gapoktan, Community participation in following economic empowerment activities based on local potential in Gapoktan is quite good. It can be seen from the community's response to the activities in groups that were previously not very welcoming, but now the community is more interested because the activities of Gapoktan have been running and there are products which are familiar to the community.
The training provided to Gapoktan members is usually carried out by related parties such as the food security service and extension workers in a planned manner at a regular meeting of Gapoktan members by providing insight into the production tools as well as some skills in using production tools and discussing about innovations from the coming Gapoktan products but there is also some training that is done spontaneously. While the changes and the results obtained are Gapoktan members and administrators have a change in thinking, have skills in processing food from agricultural products, and have a sense of confidence and communicate more smoothly and strengthen a sense of family.

3) Capability Building Stage
The process of implementing empowerment at the stage of capability building in economic empowerment based on local potentials in Gapoktan aims to form the ability of independence and other forms of creativity, it is the administrator who is able to innovate and take the initiative to improve member skills through active participation in product competitions and facilitate members to keep learning and improving skills.
The results of the research are in accordance with previous research by Indah Dewi Rully Astuti (2018), the implementation of economic empowerment based on the local potential of prosperous Karanglo farmers through three stages, namely: a. Awareness by providing motivation through socialization and coaching, b. The transformation
stage is carried out by providing training and skills, c. The capability building stage is carried out by generating initiative and creativity and facilitating members to achieve independence.

**Local Potential**

According to Qualman, A. and J. Bolger (1996) and Hoffmann, (1997), local potential is the ability of an area in the form of resources that can be used, exploited and taken advantage of to be developed further so that it can improve and create regional capabilities adequate. Based on Kim Sangkyum (2016) research results stated that the development of local potential in Goolwa South Australia for sustainable tourism in order to increase the empowerment of local communities requires the participation of local communities in decision-making process so that local products are created. Local potential that are exploited and developed include human resources, natural resources and available infrastructure (Achmad Faqih, 2017).

Human resources in Purwawinangun Village are generally the same as many other villages that the majority depend their livelihoods on the agricultural sector through farming activities and the still strong awareness of mutual cooperation, especially when having a disaster or a problem so it will be resolved through discussion and helping each other so that they are more concerned with togetherness than living individually which does not care about the existence of the environment. Human resources are also an important factor in the formation of farmer groups that must have driving force and also carry out production activities which until now it continue to try to develop products in order to continue to be able to compete in the market and provide income for members of farmer groups. Natural resources are wealth stored in an area or region, as well as natural resources in the village of Purwawinangun which are still not fully utilized for the interests and welfare of the community towards a better life and are able to meet their basic needs. The utilization of natural resources in terms of the production process at Gapoktan Desa Purwawinangun is currently still limited because it can only utilize everything that comes from vegetable, in the form of plants or vegetables to be used as products such as sweet corn, soybeans and spinach. As for the utilization of natural resources derived from animals in the production process still cannot be utilized due to lack of knowledge, so training on the use of natural resources in the environment or activities from related parties is needed so that the natural resources derived from animal become a new product innovation from Gapoktan.

Facilities and infrastructure are supporting components of all types of equipment, work equipment and facilities that function as main equipment (tools) / helper in carrying out work and also in the context of interests that are related to production activities. Infrastructure is a set of tools used in a process of activities, both of which are auxiliary equipment and main equipment, such as tools and materials in terms of shredded fish (fish floss) production processes that must be available and on hand because this affects the production process in terms of product quantity and product quality.

**The Success of the DEM AREA Program**

According to the guidelines for healthy rice cultivation (Ministry of Agriculture, 2018), has the aim of increasing the empowerment of rural poor communities in managing rice cultivation and optimally utilizing the resources owned or controlled to achieve high production results which ultimately have an impact on increasing the income of rural farmers. The success of the DEM AREA program includes outputs, outcomes, benefits, and impacts. The output is the result created from the DEM AREA program that can be felt directly from a process achieved in the short term in this case helping farmers to develop their farming through several stages or activities that have been carried out by Gapoktan members in the form of conducting training about the process of managing plant pests organism (plant pests), so that the resulting production increased from 5.4 tons / ha to 6.5 tons / ha. Outcome is the result created by the DEM AREA program that can be felt after the implementation of short-term activities. Now, after the DEM AREA program that helps develop Gapoktan from the cultivation process to the marketing process has an impact on increasing group capital such as having group cash, tools and materials and other supporting infrastructure. Gapoktan has given income to members so that it is increasing member savings. DEM AREA has helped farmers because it has improved knowledge and skills in healthy plant cultivation. Benefit is the value or results obtained from a business or activity, in this case the benefits obtained from the members of Gapoktan, namely the income that is earned every time participating in the production process. The DEM AREA program has a positive impact on reducing unemployment in the Purwawinangun Village, Suranenggala District, especially women who had previously only relied on their husband's income or waited for their husbands to give money for their daily needs. But this time is no longer due to the existence of Gapoktan which gives work to women so that they have their own income which is used to fulfill family needs. Impact is the impact (effect) of the DEM AREA program on the social economy and environment of Gapoktan members. The DEM AREA program has provided income to its members so that it can increase member savings and they are able to fulfill their basic needs in the form of food and other needs. The Effect of Economic Empowerment and Local Potential to the Success of DEM AREA The results of multiple linear analyze that illustrate the effect of economic empowerment and local potential can be seen in Table 1 below; as follows:
From Table 1 the Economic Empowerment Variable (X1) has a significance value of 0.000 <0.05, judging from the value of Unstandardized Coefficients on economic empowerment, a B value is 0.672. This shows the success variable DEM AREA (Y) is influenced by the economic empowerment variable (X1). Local Potential Variable (X2) has a significance value of 0.679 > 0.05. It can be seen from the value of Unstandardized Coefficients on the local potential value of B is 0.213. It indicates that the success of DEM AREA variable (Y) is influenced by local potential variables (X2).

The multiple linear regression equation \( Y = 1.771 + 0.672 \times X_1 + 0.213 \times X_2 \). The above equation contains the meaning that: A constant of 1.771 indicates the value of the dependent variable (Y). If the independent variables (X1 and X2) are ignored or assumed to be 0, it means that without being influenced by economic empowerment variables and local potential or zero value so the magnitude of the success of the DEM AREA is still indicated by a positive value of 1.771. The Economic Empowerment variable has a coefficient value of 0.67; it means that every change of 100 units of economic empowerment variables will increase the success of the DEM AREA by 0.672\%.

Local Potential Variable has a coefficient value of 0.213 which means that every change of 100 units of local potential variable will increase the success of the DEM AREA by 0.213\%.

Based on the results of research that has been carried out indicates that economic empowerment has a positive and significant value on the success of the DEM AREA program. In the economic empowerment variable, there are several indicators that influence such as strengthening production, strengthening distribution, strengthening marketing, earning income, obtaining information, gaining knowledge, acquiring skills.

According to Mardikanto in Achmad Faqih (2018) the strategy of empowering farmer groups basically has three directions namely: (1) partiality and empowerment of farmer groups, (2) stabilization of autonomy and delegation of authority in development management that develops the participation of farmer groups, and (3) modernization through sharpening the direction of change in the socio-economic and cultural structure and politics that comes from participation. This is in line with Pratiwi Mega Septiani’s Research Results (2017), that community economic empowerment through food processing allows to develop existing natural potential, strengthen community knowledge and abilities, increase group independence, increase community economy.

Based on the results of research that has been carried out it indicates that local potential influences the success of the DEM AREA program. In the local potential variable, there are several indicators that influence such as human resources, natural resources, facilities and infrastructure. In the indicator of human resources, Purwawinangun Village is generally the same as many other villages which the majority depend their lives from the agricultural sector through farming activities, and also the still strong awareness of mutual cooperation, especially when they are experiencing a disaster or a problem, it will be resolved through forum discussion and together to help so that they are more concerned with togetherness than living individually that do not care about the existence of the environment.

In the indicator of natural resources is the wealth stored in an area or region as well as natural resources in the Purwawinangun village that have been used for the interests and needs of the community. The utilization of natural resources comes from vegetable in the form of plants or vegetables to be used as products such as sweet corn, soybeans, and spinach. While for the utilization of natural resources derived from animals in the production process has not been fully utilized because of the lack of knowledge and skills. The indicator of facilities and infrastructure is a supporting component of all types of equipment, work equipment and facilities that function as main tools / helpers in carrying out work and also in the context of interests related to production activities that must be available and on hand because this affects to the production process in terms product quantity and product quality.

According to Bordat and Willman, S. (2011), local potential is the ability of an area in the form of resources that can be used, exploited and taken advantage of to be developed further so that it can improve and create adequate regional capabilities. Based on the Research Results Kim Sangkyum (2016) stated that the development of local potential in Gooolwa South Australia for sustainable tourism in order to increase the empowerment of local communities requires the participation of local communities in encouraging the decision-making process so that the promotion of specialization and local product created.

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**Table 1: Results of Economic Empowerment variables (X1) and Local Potential variables (X2) to the Success of DEM AREA (Y)**

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.771</td>
<td>2.101</td>
<td>.944</td>
</tr>
<tr>
<td>Economic Empowerment</td>
<td>.672</td>
<td>.031</td>
<td>.979</td>
<td>33.989</td>
</tr>
<tr>
<td>Local Potential</td>
<td>.213</td>
<td>.051</td>
<td>.020</td>
<td>.389</td>
</tr>
</tbody>
</table>

a. Dependent Variable: The success of DEM AREA

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Simultaneous Effect of Economic Empowerment and Local Potential on the Success of DEM AREA

Simultaneous test results through the SPSS 22 program (Table 2) are used to find out the significant level of influence of the independent variables together to the dependent variables namely economic empowerment variable (X1) and local potential (X2) on the success of DEM AREA (Y).

Table 2: Simultaneous Test Results of Economic Empowerment variables (X1) and Local Potential variables (X2) to the Success of DEM AREA (Y)

<table>
<thead>
<tr>
<th>ANOVA*</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression</td>
<td>1</td>
<td>1127,835</td>
<td>2</td>
<td>701,012</td>
<td>710,102</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td></td>
<td>27</td>
<td>.891</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>29</td>
<td>1322,400</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: The success of DEM AREA
b. Predictors: (Constant), Local Potential, Economic Empowerment

Table 2 obtained $F_{\text{count}}$ value of 710,012 and $F_{\text{table}}$ 0.891. It shows that $F_{\text{count}} > F_{\text{table}}$, while the significance value is 0.000 < 0.05. This means that economic empowerment (X1) and local potential (X2) together or simultaneously influence the success of DEM AREA (Y).

Economic empowerment and local potential are two variables that support the success of DEM AREA in terms of increasing the empowerment of rural poor communities in managing and optimally utilizing the resources they have or mastered to achieve household food independence, and seen from direct observations of farmers shows that there has been strengthening production, strengthening distribution, strengthening marketing. Farmers’ income is really perceived because it can help the family economy, gain knowledge, skills and information. This is in line with the results of Sulandari’s research, T (2016), stated that the food self-sufficient village program has had a positive influence on the substance of the affinity activities and food security of the poor in East Aceh. Ebi Febriansyah’s research (2018) revealed that the influence of the food self-sufficient village program in increasing farm income in Paal Merah Sub-district, South Jambi District and Olak Kemang Sub-District, Danai Teluk Jambi District showed that the food self-sufficient village program was very instrumental in increasing the income of farmers.

Partial Effect of Economic Empowerment and Local Potential to the Success of DEM AREA

Partial Test is used to find out whether partially the independent variable significantly influences to the dependent variable. The following is the output that shows the results of the partial test using SPSS 22 as follows:

Table 3: Partial Test Results of Economic Empowerment variables (X1) and Local Potential variables (X2) to the Success of DEM AREA (Y)

<table>
<thead>
<tr>
<th>Coefficients*</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Constant)</td>
<td></td>
<td></td>
<td>1.771</td>
<td>2.187</td>
<td>.899</td>
<td>.349</td>
<td></td>
</tr>
<tr>
<td>Economic Empowerment</td>
<td></td>
<td></td>
<td></td>
<td>.672</td>
<td>.024</td>
<td>.899</td>
<td>35.123</td>
<td>.000</td>
</tr>
<tr>
<td>Local Potential</td>
<td></td>
<td></td>
<td></td>
<td>213</td>
<td>.049</td>
<td>.020</td>
<td>2.501</td>
<td>.040</td>
</tr>
</tbody>
</table>

a. Dependent Variable: The success of DEM AREA

1) The Effect of Economic Empowerment Variables (X1) to the Success of DEM AREA (Y)

Table 3 above shows that the results of the T-test for the economic empowerment variables (X1) obtained $T_{\text{count}}$ value of 35.123 and $F_{\text{table}}$ 1.62, it shows that $T_{\text{count}} > T_{\text{table}}$. While the significance value is 0.000 < 0.05. This shows that economic empowerment (X1) influences to the success of DEM AREA (Y). Economic empowerment has a positive effect to the success of DEM AREA as seen from the results of the calculation of multiple linear regression analysis and it is strengthened by the results of direct field observations that indicate there has been a strengthening of production, strengthening of distribution, strengthening of marketing, and gaining new knowledge and information.

According to Scarborough and Vanessa (1997), Community economic empowerment is strengthening the ownership of production factors by satisfying demand, increasing the amount of production, increasing the type of product, strengthening distribution control by increasing demand, establishing a partnership, market orientation, product classification and strengthening marketing by introducing products, achieving sales targets, making market plans, understanding markets, strengthening communities to get adequate and proper salaries / wages in order to reduce the number of poor people, and reduce unemployment and provide additional income (Achmad Faqih, et al. 2016). This is in line with Oviawe Ilohan’s Research Results (2010) revealing that repositioning...
Nigerian youth in the African Continent for economic empowerment through entrepreneurship education requires skills, experience, managerial, note taking, creativity and innovation training to improve themselves and organizations.

2) The Effect of Local Potential Variables (X2) to the Success of DEM AREA (Y)

Based on Table 3 shows that the results of the T-test for local potential variables (X2) obtained T-count value of 2.501 and F-table 1.62, it shows that \( T_{\text{count}} > F_{\text{table}} \), with a significance value of 0.04 <0.05. This means that local potential variables (X2) influence the success of DEM AREA (Y). Local potential influences the success of DEM AREA because human resources have improved their skills in using production tools, natural resources can also be maximally utilized by farmers because the availability of raw materials has been used optimally for production and infrastructure facilities and has been used well for the production process.

According to Suryanegara (2007) local potential is the ability of an area in the form of resources that can be used, exploited and taken advantage of to be developed further so that it can improve and create adequate regional capabilities. Based on the Research Results Kim Sanjung and Kim (2016) stated that the development of local potential in Goolwa South Australia for sustainable tourism in order to increase the empowerment of local communities requires the participation of local communities in encouraging the decision-making process so that the promotion of specialization and local product created.

CONCLUSIONS

The implementation of economic empowerment based on local potential in Purwawinangun Village, Suranenggala District, Cirebon Regency through 3 stages, namely: the awareness stage, the transformation stage, and the capability building stage. The economic empowerment variable significantly affected the success of the DEM AREA program, it was proven from the analysis results obtained a \( T_{\text{count}} \) of 35.123 > \( F_{\text{table}} \) 1.62, with a significance value of 0.000 <0.05. This proves that the economic empowerment variables from the five indicators namely strengthening ownership of production factors, strengthening distribution and marketing mastery, strengthening communities to obtain information, knowledge and skills influence the success of the DEM AREA program. The local potential variable significantly affected the success of the DEM AREA program, it was proven from the results of the analysis and obtained a \( T_{\text{count}} \) value of 2.501 and \( F_{\text{table}} \) of 1.62, this indicates that \( T_{\text{count}} > F_{\text{table}} \), with a significance value of 0.04 <0.05. This proves that the local potential variables of the three indicators namely human resources, natural resources, and infrastructure have an effect to the success of the DEM AREA program. Economic empowerment variables and local potential have a significant effect simultaneously to the success of the DEM AREA program, this is proved by the value of \( F_{\text{count}} \) 710.012 > \( F_{\text{table}} \) 0.891, with a significance value of 0.000 <0.05.

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