STUDY OF CRISIS IMPACTS IN RURAL AREA

(Sociologist Report)

A report prepared by

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and

The World Bank
Washington, DC, USA
June 22, 2000
# TABLE OF CONTENT

## CHAPTER I
### INTRODUCTION ......................................................................................................1
  * Background and Purpose of Study .................................................................1
  * Method of study ..............................................................................................4
  * Method ............................................................................................................4
  * Scope of Study Area .......................................................................................4
  * Target of Study ..............................................................................................4
  * Selection of Villages .......................................................................................6
  * Scope of Subject Matter ...............................................................................7
  * Structure of Report .......................................................................................7

## CHAPTER II:
### IMPACT OF THE ECONOMIC CRISIS AND HOW RURAL HOUSEHOLDS COPE ....8
  * The Change of Land Ownership Patterns ....................................................8
  * Change in Labor Migration Patterns ............................................................13
  * The Change of Migration Pattern and the Occurrence of New Job Alternative ....16
  * The Change of labor use and utilization .......................................................18
  * New Employment opportunity ....................................................................24
  * The change of purchasing and loan pattern at domestic level ......................24
  * Susceptible group in rural area ....................................................................24
  * household of civil servants ..........................................................................27
  * household of farmhand and farm laborer ....................................................27
  * The Change of Cost Priority at Domestic Level ...........................................28
  * Java .............................................................................................................29
  * Education ....................................................................................................29
  * Health .........................................................................................................29
  * Outer Java ....................................................................................................30
  * Local food habit ..........................................................................................31
  * Community’s self-help spirit .......................................................................32
  * Lending and borrowing practices ................................................................33
  * Change of Household’s need fulfillment priority .........................................34
  * Education ....................................................................................................34
  * Health care ..................................................................................................35
  * Change of institution and social network ....................................................36
  * Change of maintenance function of common facilities and infrastructure ....42
  * Change of “farming system” .......................................................................43
  * Changes in Cropping pattern .....................................................................43
  * Price of Commodities before and during the crisis, Manado, 1999 .............44
CHAPTER I
INTRODUCTION

Background and Purpose of Study

Many people still tend to view the ongoing crisis in Indonesia as merely an economic crisis, since it was initially triggered by a monetary problem, that is, the depreciation of the rupiah against the US dollar. But the effects have been more than just economic. Various social institutions at different operational levels, from the center to the village, have gone weaker, and the many economic difficulties have spilled over into upsetting social relations. Several data gathering efforts and research studies have already been carried out by various for identifying and estimating some of these socio-economic effects of the ongoing crisis. The RAND Corporation, the University of California, and the Demography Institution of the University of Indonesia, for example, have conducted a survey on a fairly large number of households and compared their conditions before and after the crisis struck. The Central Bureau of Statistics (CBS) has also done a survey in 100 villages. The World Bank, assisted by the CBS, has studied the effects of the crisis in all the sub-districts of Indonesia. On top of that, recently the Center for Strategic and International Studies (CSIS) has carried out a similar study to assess the effects of the crisis in this country.

These studies have yielded assessments and estimates which vary somewhat in their views about the extent to which Indonesia has been impoverished and how far the country has fallen into poverty. Various predictions and arguments concerning the level of poverty in Indonesia have come up. The World Bank study, for example, estimates that the increase in the number of people below the poverty limit amounts to between 3% and 7% only, from 11% in 1996 to 14 - 18% in 1998. This estimate is supported by results of the survey of 100 villages of CBS. Meanwhile, the survey carried out by RAND shows that the rate of poverty is much higher, with an increase of 25% (when using inflation figure supplied by the CBS). Furthermore, when the
calculation is done using the inflation figure obtained from RAND’s own survey, the increase is much greater, about 80%. On the other hand, the ILO and the CBS give an estimate of 27 - 29% increase. The Center of Studies of Gajah Mada University, as reported by Bisnis Indonesia in its 29 December edition, estimates that between 130 million and 140 million people have fallen below the poverty limit, and this means an increase of 54% (Recent Development, AKATIGA, 1999).

The varied predictions about the changes in poverty figure illustrate the differences in the definitions and views of poor people. The variation in the poverty thresholds alone show a wide range of poverty definitions. Also, given the nature of poverty in Indonesia where a lot of HHs lie within a narrow expenditure band defining poverty thresholds, a small drop in the poverty cutoff can significantly increase the number of people counted as poor.

Presently, the current discussions are not focused any more on the increase of the number of poor people during the crisis, but instead, the above-mentioned macro studies are trying to find out how much poorer the people have become on account of this crisis. Essentially the studies show that the effects of the crisis have not been as severe as originally predicted/assumed. An interesting point about the World Bank study is the regional effect: Java has been more seriously affected than the areas outside Java; urban areas have been more severely affected than rural areas. On the other hand, the RAND study focuses on the effects of the crisis at the household level (this is interesting since the study is longitudinal). The effects of the crisis have been heterogeneous and have been especially hard for those who are dependent on the services and construction sectors. Nevertheless, the crisis has resulted in new opportunities in the export trade. Education and health investments though, have decreased considerably.

Most studies, which are conducted quickly and at a large scale, tend to miss details such as heterogeneity and variations of social effects in different areas in Indonesia¹. Moreover the macro results of quantitative studies often disguise the dynamics and variations of crisis solutions that are closely related to the social and cultural conditions specific to each particular location. Besides, the variations of adaptation among people in crisis are quite important for
understanding the end-results of the effects of the crisis in different parts of Indonesia. (Recent Development, AKATIGA, 1999)

In complementing the picture described by the macro studies, micro studies adopt a more qualitative approach that focuses not only on economic variables, but also on social and cultural factors affected and effecting change. becomes highly important. Few studies have explored and identified the social effects of the crisis at the social level.

The crisis should be understood, not merely as a matter of losing a job or an earning opportunity. The crisis occurring in Indonesia should be understood as a multi-dimensional crisis which has resulted in not only economic effects on the society that are physically obvious, but also effects that are invisible in the short-term. The latter include changes and problems of social norms, changes in the patterns of relationship in the society, prejudice, distrust, fear, the strong drive to question the rules of conduct that have been agreed upon so far, as well as pressures within family units. A number of qualitative studies show that the present crisis has inflicted damage upon some local institutions which so far have existed and developed in the rural society. The institutional damage at the local level appears to be greater due to the government’s top-down approach to development, resulting in central government oriented policies and regulations that tend to ignore the initiatives appearing locally. These facts have, not only damaged or ruined the local institutions that have been in existence, but also discouraged the initiatives and creativity of rural society.

This report is mainly a qualitative assessment of the effects of the Indonesian crisis on rural households. It is meant to complement a more formal and quantitative effort undertaken by the Center for Agro-Economic Research (CASER) with World Bank assistance and ASEM funding. Our qualitative analysis, carried out in May 1999, aims at complementing CASER’s initiative by providing illustrations of the social dimensions of the crisis. In addition, it attempts to better understand the local coping mechanisms that emerge and continue to sustain local activities during crisis. Furthermore, it tries to obtain a broader understanding of the crisis that
has occurred amongst the Indonesian rural people. It is \(^1\)hoped that the result of this study will provide a more-detailed and realistic picture of the crisis, and a deeper understanding of the results of available quantitative studies.

**METHOD OF STUDY**

**Method**

Data used in this study were collected from in-depth interviews with a number of respondents who were regarded as being able to give complete and thorough information on particular local developments and issues. This method was also used to collect sensitive information (e.g. on criminality), particularly data that could not be obtained through formal surveys. Data was also gathered through focus group discussion (FGD). These FGDs were a way of clarifying and cross-checking important issues.

**Scope of Study Area**

**Target of Study**

On Java, the study was conducted in Central and East Java. North Sulawesi (Menado) and NTB (Lombok and Sumbawa) were selected to represent the Outer Islands. The selection of the two provinces on Java was based on considerations of the likely intensity and diversity of crisis impacts, because a number of studies already show that certain pockets on Java have been more seriously affected by the crisis than others (e.g., urban areas have been more vulnerable than rural areas). Central Java, for instance, is an agricultural area with a slower rate of economic growth than either East or West Java. Its rural area is considerably larger, and its urban area is not quite as dynamic. On the other hand, East Java is a well-developed center for industries. This study took some CASER sample villages in each area. The criteria of selection were based on the diversity of the villages’ main commodities. It was assumed that the different commodities in each village had brought about different effects of the crisis on the villagers. It was also expected that the selection of different villages would make it possible to obtain varied

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information concerning the effects of the crisis on the villages producing different commodities. The comparison among the villages was then used as a basis for comparing the conditions and effects in wider areas (Central Java and East Java).

This report also tries to compare the conditions on Java versus the Outer Islands, using above mentioned criteria. The places selected for comparing with Java villages were North Sulawesi (Menado) and NTB (Lombok and Sumbawa). In these places, cash crops dominate rather than wet irrigated ricefields as on Java. Exported commodities such as cashewnuts, nutmeg, cocoa, and tobacco profited through the rapid fall of rupiah currency compared to US dollars. For more explanations about selected villages, see following Table 1.1.
### Table 1.1

**Selection of Villages**

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<th>Java</th>
<th>Out of Java</th>
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<td>Province</td>
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<td>East Java</td>
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<td>Central Java</td>
<td>Kwadungan Gunung</td>
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Scope of Subject Matter

The issues explored in this study relate to the impacts of the crisis and the rural HH and village strategies for coping with them. These were confined to the following main issues:

* Changes in land ownership.
* Changes in employment and migration patterns.
* Changes in relationships at the household level (patterns of spending and borrowing, health and education)
* Changes in institutions, social networks and safety nets at the village level.
* Changes in gender relations.
* Impacts of relief programs.
* Illegal activities

Structure of Report

This report is divided into 4 (four) chapters. The first chapter is an introduction and consists of the background and purpose, as well as the methods used in this study. Chapter two attempts to expose the effects of the crisis in the villages studied and the reactions or efforts made by rural villagers to cope with them. This chapter describes in detail the changes in land ownership, employment, and changes in relationships within families (spending and earning patterns), as well as changes in village institutions or social networks; in health, education and other social services; in the incidence of crime and social disturbances, and in gender relationships. This report does not present the results for each individual village studied, but summarizes the findings in the villages according to the issues. The third chapter describes and contrasts the crisis impacts and the critical coping strategies in Java versus Outside Java. The analysis focuses on the differences and similarities of the impacts and coping behaviors. The last chapter summarizes and provides some policy recommendation both for Java and Outside Java. The policy recommendations are both general and locally specific, with general recommendations comprising of measures for problems which relatively identical throughout Indonesia.
CHAPTER II
IMPACT OF THE ECONOMIC CRISIS AND HOW RURAL HOUSEHOLDS COPE

Nearly all levels of rural society have experienced some crisis impact, although with varying intensity. These impacts differ according to the rural HH’s regional location (Java vs. Off-Java), the sector of its main income earning activities, and the socio-demographic characteristics and initial endowments of the HH. Different impacts experienced by HHs at varying social levels in turn result in the different responses and coping strategies.

The impact of the crisis in the Outer islands, especially in North Sulawesi and NTB was relatively less severe compared to the effects on Java. Because the former exported cashcrops, these main local products enjoyed hefty returns with the onset of the crisis owing to the higher value of US dollar relative to the Indonesian rupiah. Farmers on Java, who are mostly rice producers, were not as fortunate because they supplied domestic agricultural demands alone. Employment overseas also helped some rural HHs cope with hardship, although this phenomena was already going on even before the crisis. Temporary labor migration, mainly rural to rural, to areas like South Sulawesi (particularly from Lombok) because of rising labor demands there on account of growth in the local tree crops economy, also contributed to alleviating rural hardships from the crisis. Overseas and domestic migrant workers always send regular remittances to their families at home and this helped many rural HHs survive and even prosper during the crisis. In brief, the features of the crisis in North Sulawesi and NTB are very different with the effects on Java, which suffered more severely in many ways.

The Change of Land Ownership Patterns
There is a noted difference between land ownership patterns in Java and Outside Java. In rural Java the distinct occurrence in several surveyed villages is land polarization or the imbalance in land ownership, with a few number of people owning large scale tracts of land within a village. In Sungunlegowo Village, East Java, for example, the average area of land ownership is about
2.5 ha. Yet, at least 3 HHs own fishpond areas of some 50 to a hundred ha. each. In Gerih Village, the situation is more critical because only less than 20% of the villagers people own land while the remaining are farmhands. The condition of the two villages mentioned above is slightly different to that of Wiyureja Village, which has much better land ownership distribution with the average farmland ownership of some 1/4 to 1/8 ha.

The similar condition also occurs in Central Java villages. In Karangwungu Village, for example, where most of the people make their living as farmers, with each HH working on a minimum of 2 (two) stakes of field or approximately 4500 square meters. In two other villages of Central Java (Cepogo and Kwadungan Gunung), a relatively more balanced land ownership pattern exists (compared with the overall survey results).

In certain villages, where a large number of former residents work as Indonesian workers overseas, such as in Malaysia, Saudi Arabia or South Korea, land sales and purchases are beginning to occur. It appears clearly in Gerih Village, which is known as a “tourism” village, where most of its overseas Indonesian workers send portions of their income to the village who then spend it on land purchases, whether for cultivation purposes or for building a house. Several families, many of whom previously worked as farmhands, have become cultivating landowners through this means. In general, the land sellers prefer to sell off their land to families of overseas Indonesian workers because they usually dare to pay a slightly higher price than the prevailing market price. The inflow of remittances from overseas Indonesian workers has improved of village land prices. Although these land transactions in Gerih village have been happening even before crisis, the number of transactions have increased since the crisis, because overseas Indonesian workers in most countries can afford to send a larger rupiah remittances as the result of increase in the US dollar’s value.

The rise in the frequency of land sales the villages surveyed has not resulted in any significant change in land use patterns. In other words, the land is still allocated mainly for agriculture. The land use phenomenon is found also in surveyed villages in Central Java. In Karangdowo, for example, reported land sales cases also have increased. Mostly, the motivation for the land
sales in such village is not to meet the basic needs, but to pay for the HH’s education needs, or in particular, the children’s tuition fees. For the people in Karangdowo village, spending on education takes higher priority than spending for higher quality food and other needs (clothing and shelter). For educational needs, everything will be 'sacrificed' including the selling of precious articles they own such as jewelry, livestock, and agricultural land. A case found out in Karangdowo village shows that educational costs, inclusive of the living costs of the children studying in university, have increased considerably such that the amount of money remitted by parents has nearly doubled.

A respondent with two children who are still studying at University of Indonesia - Jakarta and the Bogor Institute of Agriculture said that the regular amount of money sent for his two children has almost doubled. For his eldest child, he must send Rp 500,000 per month inclusive of boarding and other living costs. Meanwhile for his second child in Bogor he must send, on average, Rp 400,000 monthly. To meet his children’s demands, he was willing to sell his inherited land. It is in accordance with his principle of life; ……bekel dunyo bakalan entek, bekel elmu langgen ngante mati…. (wealth will be used up, but knowledge will remain imperishable till death…)

There are two interesting cases on transfers of land use titles occurring in Gerih Village (as wet rice agricultural-based village) and Sungunlegowo (as a fishpond-based village).

First : Many HHs that own agricultural land do not have other means of livelihood other than farming. The general tendency of these HHS during the crisis is to maintain or cultivate their agricultural land than to release it to others. The main motivation to work on their own land or extend their cultivating land by renting in land comes from the sharp increase in the rice price. This makes it more beneficial to work on their own agricultural land themselves than rent it out even when rental rates for agricultural land in many PATANAS villages rose by nearly 100% on average. In certain villages such as Karangwungu, the rental price of agricultural land almost tripled. Because the risks faced during the crisis are also perceived to be greater, since the price of medicines and other key necessities also fluctuate widely, HHs prefer to take control of their own direct needs particularly when their own output prices are high. For them, it is more beneficial to work on their land themselves than rent it, as risks are made more directly
manageable. The occurrence also happens in other agricultural and husbandry-based villages. The similar case also occurs in Sungunlegowo village which is based on fishpond farming. The drive to control and maintain own fishpond areas is quite high because of the sharp increase of output prices such as shrimp and any kind of fish during the crisis. For example, prices of 20-25 length-shrimp increased by more than 300%, or from Rp.30.000-Rp.32.000 before crisis to Rp.100.000-Rp.120.000 during the crisis.

Second: For people who own agricultural land but also have other regular income sources other than farming (such as civil servants), their tendency is to rent out their land for longer periods of time, owing to the increased rental price of land. The income earned from land rent, besides being deposited, is also used for house renovations or other large-cost needs such as their children’s education fees or holding celebrations.

The increase in land rents in Gerih Village has encouraged the respondent, who is a land owner and also the principal of a senior high school, to rent out his rice field for three years. He used the income received from the land rent to renovate a house and saved the remainder for his children’s education. The changes in land rents at the time are as follows:

- Rents for land group I increased from Rp. 3 million/ha to Rp. 6-7 million/ha
- Rents for land group II increased from Rp. 2.5 million/ha to Rp. 5 million/ha
- Rents for land group III increased from Rp 2 million/ha to Rp. 4 million/ha

It is fairly difficult to observe the change in land title patterns or the change in land title structure as the consequence of crisis over a relatively short period. However, land transactions in several surveyed villages, though still few in number have increased.

Unlike in Java where population densities are high, the sizes of land owned in North Sulawesi and NTB are relatively larger compared to those on Java. In NTB, average land owned totals from 5-10 ha. per household, while in North Sulawesi it is common for the farmer to have more than 100 ha of land per household. These farmers acquired landholdings by various processes, such as by inheritance or by opening new land from forests and adat land. Rice cultivation in NTB and North Sulawesi is mainly for local consumption while the cash crops (cocoa,
cashewnut, nutmeg, tobacco and coffee) are exported commodities which are an important sources of both family income and local *devisa*. Nevertheless, the crisis had impacted labor supply availability, as more people had shifted to off-farm occupations, which are more rewarding, such as in opportunities abroad (e.g., in Malaysia, Brunei, Saudi Arabia, Hong Kong, Korea, and so on.). In its turn, the labor scarcity raised daily wages to three or four times higher than before crisis.

An informant in Lombok mentioned that before the crisis the daily wage rate for a farm laborer was Rp 5,000, but after the crisis this increased to Rp 15,000-20,000. The cost of ploughing using pairs of cows increased from Rp 150,000 per ha to Rp 300,000 – 500,000 per ha.

Farmer tenants in NTB experienced significant changes in sharing arrangements of the harvested rice, with general decreases in the tenant’s share. This lower share was applied by the landowners supposedly to balance the high daily wages demanded by farm laborers. On their part, the daily farm laborers follow a strategy of serving only the highest offers which include better quality of free meals and plenty of free cigarettes. In Manado, farmer-owners had to pay wage laborers in advance, prepare better meals to lure the laborers to work for them, because laborers tend to choose jobs which give them the greatest satisfaction. In both places, laborers had many reasons to shift from one employer to another. It seems that farm laborers have become less committed to rural employers because of some moral responsibility, but have shifted employers according to calculations of economic gains.
In general, there have been no significant land price increases both in NTB and North Sulawesi owing to the crisis. But in Karang Baru, Lombok, land rents rose because the recent demands for tobacco cultivation by a certain cigarette factory. The change in the cropping pattern from garlic to tobacco started with the heavy rains in 1996 which destroyed great portions of garlic plants. At the same time, a certain cigarette factory from Java wanted to expand its Virginia tobacco plantation and begin to rent in lands in Lombok. Since then, land rents increased gradually from Rp. 1,000.00/ha to Rp 5,000.000/ha at present. Although the crisis period is not the prime mover of the changing of cropping pattern from garlic to tobacco in Karang Baru, the crisis period contributed in accelerating tobacco’s spread to neighboring villages as tobacco cultivation promises higher income and also higher labor absorption.

Change in Labor Migration Patterns
The crisis in Java has resulted in changes in manpower and migration patterns. Over the crisis, there has been an increase of return migrants to rural areas, triggered by (1) the collapse of the formal sector in urban areas which had earlier taken in many rural labor migrants (2) the increased attractiveness of the rural economy on account of rising agricultural commodity prices in general. This is also true for fishpond villages, although exact numbers of return migrants remain sketchy. This inflow of labor to villages has not significantly affected the manpower available for rural agriculture since return migrants, who are mostly young people, have different work preferences. In general, they prefer to avoid working in farming activities, preferring unemployment to working as farm laborers. On Java, farmhand work is still dominated by older people who are domiciled in the village.
Among the villages surveyed, the highest number of urban-rural migrants were found in Gerih village, East Java. This village has been known as a “migrant village” since most of its people work as unskilled laborers, travelling to various regions to look for a job, and even to other countries as overseas Indonesian workers. Only a few number of people reside in this rural area and make their living as farmers. In general, village residents with jobs travel to the big cities and work as unskilled laborers in factories or in various development projects. About half of these village migrants are routinely contracted to work in a number of projects outside Java, such as in Sulawesi. However, with the crisis, many of these laborers have returned because contract terminations, job discharges or the closure of firms.

In most places, information concerning job opportunities in factories is obtained from recruiters who directly come to the rural area. These recruiters are usually people from the same village or at least know or having a lot of acquaintances in the village. Generally, one recruiter is able to recruit 30 or more people to work for the same company, and people recruited by such means are directly accepted by the company without any lengthy procedural requirements. A Residence Identity Card is usually all that is required for direct hire by the company. In most instances, company owners rely on their own stable of “faithful recruiters” to provide and guarantee the labor they require. In turn, family and/or village relations --i.e., one rural origin or family-- tends to be the criteria used for labor recruitment. Individuals recruited in this way often feel they owe a debt of gratitude to the recruiter who gives them opportunity to work. For this, recruited laborers usually will work better and be more dedicated.

Return migrant workers have hardly routine daily activities. They sometimes help with preparing the land for cultivation (e.g., for cassava and vegetables) to meet the family’s living need, or help their parents with fishing in the river.

Fishing or catching snails and eels has become more popular in the current crisis situation. However, the young return migrants, who lived and worked in urban areas in the past, are not
attracted to this or similar activities. For them, such a job is not interesting. It requires much energy, is dirty, and the income earned from the activity is just barely enough as compensation. There are only a small number of the newly unemployed who are interested in catching snails or fishing in a river. They are mostly heads of family who have wife and/or children dependents. They generally engage in such job to fulfill daily food needs.

Harvesting snails is a laborious activity. It is not limited to only one village or sub-district, but can extend to out of-town and even encompass an entire province (e.g., Central Java). Harvesting snails is generally undertaken in a group of 15-20 people who rent a truck to take them to a place for searching snails and then to transport the snails for sale to known buyers. On average, each participant obtains a maximum of 15 kg. Every kg costs Rp 3000 thus the income they earn is some Rp 15,000 (gross). From this income, a truck fee of Rp 3000/person and meal and cigarette costs are subtracted. In the end, the net income each participant earn is only Rp 5000 - Rp 7500 on average, even though they work for almost 24 hours. Searching for snails, according to most young return migrants, is considered not remunerative or equal to the sacrifice the activity demands. There is also a loss of prestige with engaging in such activities.

X, a 23 year-old bachelor from Gerih village had worked in a company for around 2 years. In October 1998 he was dismissed from the company. After having been dismissed, there is hardly a routine job that he works on. He sometimes helps plant in the backyard of his home to meet daily needs. He considers jobs, such as fishing, searching for snails and eels, or farming, as dirty tasks requiring a lot of energy. However, since his choices of available jobs are few, he does the job of searching for snails despite its meager returns in order to meet his and his family’s living needs.

There is a tendency of different activities and orientations between male formerly labor-unemployed and female formerly labor-unemployed. The female one tends to work anything
available in rural area to spend time and earn income for helping their family. Being unemployed according to half number of them is a luxurious thing. Meanwhile, the male tends to select job and choose a light, clean job which can bring in sufficient profit.

Urban-rural migration also occurs in Sungunlegowo Village as agricultural based village. Half of the migrants are inhabitants from the local village who return to their village because they are fired from the job and the other half of them come from the neighbouring village with motivation to look for and take job opportunity provided in the village. The newcomers are usually enticed with the income gained by farmers and embankment labors which is increased sharply due to the increase of shrimp and fish price during the crisis. The entering of newcomers to Sungunlegowo Village both as labor and ‘small scale supplier’ have not so far shown disturbing indications or occurred competition among the people existing previously. The fishpond owners and croupiers tends to be pleased with the presence of the newcomers because they can meet labor demand particularly unskilled labor as carrier and as embankment cleaner. Job opportunity as embankment cleaner and carrier tends not to interest the local people. They are more interested in working as person who carries passengers by motorcycle or small scale supplier than working as embankment carrier because they can get relatively a larger income.

The Change of Migration Pattern and the Occurrence of New Job Alternative
In several villages surveyed, the increased migration to rural area results in the impact of the occurrence of new alternative job. In Karangdowo Village for example, during crisis garment industries arise at domestic level. They generally use the remaining clothing from large scale factories. The type of product made of the remaining clothing is children, both male and female clothes. The demands of the products are actually quite a lot, but due to the crisis the basic clothing price which was previously only Rp 6.000/kg becomes Rp 21.000/kg, as such the respondents do not afford to extend their business. To increase their capital, the respondents receive loan from BRI (State-Controlled Bank) by mortgaging their home. The loan is used to meet the raw material needs so that their business is getting smooth again currently as that before crisis. At present the respondents is beginning to recruit manual labors. All the labors
are female and come from the nearest neighbouring area). The wage system prevailing is wage contract work system of Rp 325/ piece for shirt and Rp 275 for coat.

Other type of business occurring during crisis is domestic doormat made from scraps of clothe. It is found in Karangdowo Village – Central Java. Clothing scraps are obtained from Pedan, while the products are marketed out of Java (Padang, Medan). The buyers usually come directly to the product manufacturer, choose and transport the products. Total labors are 6 people and come from the neighbouring village. The number of doormats finished in one day is averagely 50 pieces. The wage system set is contract wage by averagely Rp 300/piece. Besides the wage, the labors get lunch and snacks. The funding resource of respondents is obtained from BRI by mortgaging their land deed and house of their parents. The loan is paid every month to their parents inclusive of interest.

Other job with increasing interested people is shrimp peeler in Sungunlegowo Village – East Java. Such type of job has been existing before crisis, but the number is increasing after crisis. Women, both single and married are interested in the job since it enables to gain a large income. A shrimp peeler can benefit Rp 6,000 – Rp 7,000 for 1 kg shrimp. They generally buy shrimps from the TPI (Fish Public Sale) of 3-5 kg shrimps. The shrimps are later peeled and sold to peeled shrimp supplier. Everyday, every shrimp peeler can earn profit of Rp 25,000 – Rp 35,000/day on average. The income of shrimp labor can be improved by selling the remaining peeled shrimps or using them for mixture ingredient of shrimp floured chips. Thus, the shrimp peelers generally also work as seller of chips or petis (condiment of fermented shrimp).

Although new jobs occurring since the crisis are still in a small number and still absorb a small number of labor, the cases mentioned above show that the crisis on one hand results in positive impact in the form of the new creativity from the villagers to survive in the crisis strikes. It is important to be responded immediately especially by the government so that initiative or creativity occurring currently does not take place temporarily but can be more encouraged in order to make it as an alternative which benefit villagers.
The Change of labor use and utilization

Almost all the PATANAS villages surveyed encounter an increase of labor wages. The wage increase taking place in every village supported by two parties, both employers and labor. Both of the parties relatively agree to increase labor wages as an attempt of adjustment with the increased price of basic needs. The process of wage increase is not followed by the fluctuation or objection from one party. The employers, in this case, realize the demand of wage increase during crisis due to the increasing price of rice or paddy. The profit gained according to most of informants interviewed are half part of labor rights. The awareness or wisdom owned by rural level society tends to arise or is greater in the current crisis situation.

The wage of farmhand in agricultural based villages is increased by averagely Rp 2000 – Rp 2,500 from Rp 7,000 before crisis to Rp 9,000 – Rp 9,500 after crisis. The wage of female labors is only half amount of male labor wage. The increase of farmhand is done by land owner to adjust with the increase of basic needs price, besides as an attempt of spreading profit evenly that is obtained by land owners because of the double increased paddy price.

Based on the field survey finding, it shows that the highest increase of wage or income takes place in embankment village. In Sungunlegowo Village: labor wage is increased by Rp 15,000 - Rp 20,000 (depending on the harvest produce) and Buren by Rp 7,000. Other manpower phenomenon is found out in a village in which most of the villagers work as farmers (agricultural village) while currently, it is very difficult to obtain labor for working in wet rice field. The difficulties of farmhand do not in fact a matter suddenly occur when the crisis takes place, but has become a problem for the past 5 years. At the time of crisis when a lot of people want to work on their own land due to the sharply increased paddy price, the problem of labor shortage becomes a significant problem. When the cultivating or harvest season comes, the land owner should wait for their turn to cultivate or harvest their wet rice field patiently.

At present, the farmhands currently work on or harvest the field in group. The produce obtained will be divided evenly based on the amount of harvested plant produced by each farmhand. Job as farmhand is generally done by old people. Job as farmer even farmhand
absolutely does not interest young generation to engage in such job. In general, young people in
the rural area surveyed prefer to work as factory labor than as farmhand. Factory labor is
considered more clean and has higher status in rural area than farmhand. Other advantages from
working as factory labor is the addition of experience of life and getting along with urban
society. Even in crisis situation - when the number of urban-rural migration is high due to the
job-discharge--, people who previously worked as factory labor are not interested in working
as farmhand. Most of them choose to be unemployed than work as farmhand. The formerly
labor unemployed has a great expectation that one day the Indonesian economy will be better
so that they can return to work in factories in urban area.

Other phenomena often met in rural area surveyed are the difficulties to obtain construction
labor. It is felt in rural area which tends to gain profit in the current crisis situation
(Sungunlegowo). When their income is increased due to the increased price of export oriented-
embankment or sea commodity, the willingness to renovate their own house is quite high.
However, the fact that it is hard to obtain construction labor makes half of embankment owners
delay their willing for renovating house or they prefer to allocate the profit of embankment to
other needs such as motorcycle, electronic goods, etc. In such village, it is hardly known the
term monetary crisis but they know monetary crisis as “mentor (motorcycle)” crisis that is crisis
relative to nonavailability of motorcycle.

The crisis impacted to labor pattern through the increase of the migration of daily farm laborers
abroad as TKI (Tenaga Kerja Indonesia) under both formal and informal procedures, part of
them are those who displaced from work because of bankruptcy (PHK, Pemutusan Hubungan
Kerja, Discontinuity of Work Relationship).

During the crisis, more workers in Lombok outmigrate not only to other Indonesian islands
(Bali, Sumbawa, Sulawesi), but also to other countries in Asia (Malaysia, Brunei) and to Saudi
Arabia as well. There are several unregistered organization for recruitment and providing
transports for those applicants for employment opportunity.

Especially for those migrants abroad, they work as drivers, mechanics, construction labourers
and send remittance to their families in Lombok every month at average Rp 300,000.- to 500,000.- per household unit. For those who outmigrate to other Indonesian islands usually they worked in plantation (pepper in Sulawesi), as farm labourers or sharecroppers (in ricefields of Sumbawa) or as construction labourers (in growing tourism sites at Bali), while most of them who outmigrate aboard joined industrial labor works.

The phenomenon of migration had existed even before the period of crises, and it increased during the peak of crisis until presently. People became accustomed to the reasonably higher price of working abroad and took advantage of the high rate of Malaysian ringgit compared to Indonesian rupiah.

Wage rate in Malaysia for first new comer in oil palm estate during the time of survey (April 1999) was 15 ringgit per day or Rp 22,500 (Rp 1,500 per ringgit), while for professional workers with more skill may receive 25 ringgit or Rp 37,500 per day. During the peak of crises, when one ringgit reached Rp 3,000 – 4,000 (period of September to December 1998), the migrants to Malaysia received triple as much. As those migrants sent back remittance to their families, some people in the villages shared the windfalls and survived the crises that time.
In Lombok the majority of people is Moslem, and the migration to Saudi Arabia not only to obtain material value but also to get immaterial benefit. The migrants combined their efforts of working and by the same time also pilgrimage to Mecca (“naik haji”). They managed to depart to Saudi Arabia about four months before the “Hajj season” and after hardworking and savings, they went to Mecca. In Karang Baru, Aikmel for instance, there are four agencies for organizing the migrant’s departure and maintain networking with their counterparts in Saudi Arabia. Those agencies are not within the bureaucracy, they even maintain flexible approach to administer the pilgrimages, for example by subsidized the sea fare in case of inability of the candidates to pay full cost. The matters can be straightened up after they came back to Lombok. Nevertheless, much of the new “haji” then experienced split statuses : they got increased social status but decreased in economic status, because they have to pay back their debts.

The increase of migration brought effect to the relatively scarce availability of farm-labourers during the peak season in Lombok. In Sumbawa the condition is different, the employment opportunity in farming is still high and the scarcity of farm labourers happened because all farmers given first priority in working in their own land. Therefore there are migrants from Lombok and Bima came to work as farm labourers in Sumbawa. Their bargaining position is higher compared to Lombok’s farm labourers.

The scarcity of laborers in Lombok, especially, made the daily wages increased about 300% compared with before crisis. The farmers cope this condition with increasing use of family labors and enliven the traditional basiru system of mutual-reciprocal collective works, as also in Menado (North Sulawesi) with mapalus system. The mapalus system in agriculture is manifested through kongsi and aksi, unique arrangements of work in which farmers in a neighborhood organized themselves in working reciprocally, with delayed payment until the harvest time.

“Mapalus” is a concept of social value, while Kongsi and Aksi are system of social norms which are more operational. Those system have similarity of employing labourers through delayed payment, but Kongsi is more organized with limited membership compared with Aksi and more strict in applying sanctions to the members who were not participated in the Kongsi work activities (case of Pakuweru and Sapak villages).
A *kongsi* members comprised limited participants in one sub-village or *kampung* (hamlet) level, and it had its board of director, comprised a chairman, a secretary and a treasurer. The secretary keeps the record of farmers presence during the work, and there is certain sanction for people who had promised to come, but came late or did not present at all.

To attain effective performance of those mutual-help activities, in which both sides can be benefitted by the work exchanged, the manager of the *aksi* and *kongsi* should carefully plan the procedure of work implementation, and the paying of the laborers.

As soon as the Job Seeker Committee secured certain “contract work” with certain people in the neighbourhood who need help in farmworks, the Kongsi members start to work collectively. The works performed by Kongsi are not immediately paid by the work receiver after the work was done, but the payment is delayed until December (the month of Christmas and New Year festives). It means that Kongsi comprised a yearly paid works. Therefore each November the Kongsi Board of Executives started to inform the work receiver to prepare for paying the Kongsi members according to their work-records. Usually during November-December the fields are ready for harvest, and funds are ready through the sell of those harvested products.

The *kongsi* is a formal organization which characterized by the existence of written Anggaran Dasar (Constitution) and Anggaran Runah Tangga (Operational standard of Procedures), a Board of Executives (Chairman, Secretary and Treasurer), and the Committee of Job Seeker (persons who hunting for workjobs). The members of Kongsi comprised 25 – 30 people, mainly male, who had skills in working in ricefields or dry lands included maintaining coconut plantations. All members have to participate in Kongsi works, and in case of late in joining the works is fined Rp 2,000 per hour, and if not reported to work without any reason for the whole day is fined Rp 20,000 per day. The only accepted reason is in case of illness. The Secretary kept notes of each member’s participation in terms of work-hours and work-days, each workday is rewarded Rp 12,000 ( 8 hours a Rp 1,500). Each member is supposed to contribute 2 days per week for collective work in the Kongsi where he belong, so he still has plenty of time for working in his fields. There are variations in some villages, for instance up to 3 days per week for this kind of collective work.
Formerly, before crisis, many people unwilling to join a *kongsi* because of its strictness in applying the fine for people who did not participate. But during the crisis, the *kongsi* is considered as a safety valve of labor scarcity problem, therefore more and more farmers participate to reduce cost of production. In this system, the endorsed labor is calculated on personal base, each reciprocal work is taken into account to calculate the share of each participant immediately after the harvest time. The payment usually took place during the end of the year, while people need funds to celebrate Christmas and New Year festivities. Other sub-system of *mapalus*, is *aksi* with different norms compared to *kongsi* that is without sanction and more vast coverage of participants of a village level.

The increasing activities of the *kongsi* needs a fulltimer to record the members performance in participating in the *kongsi* activities. In Pakuweru, North Sulawesi for instance, this task is executed by Clara, the daughter of the *kepala kampung* (chief of the hamlet) who had finished her education in Highschool. During the interview she admitted that she had to keep day-to-day record of each member’s participation, in order to prevent any quarrels during the paying period after harvest. But according to Clara, as far as she remember during the past three years, she never found any quarreling over the amount of payments.

The migration pattern in Menado (North Sulawesi) is different compared to NTB. In the former, the migrants prefer to migrate to industrial sectors abroad, for instance to Hongkong, Korea, Thailand to seek occupation as factory laborers, while in NTB they mostly prefer to work in Saudi Arabia, Brunei, Malaysia in the service sectors (as drivers, construction laborers, house keepers, etc). NTB migrants usually combined their economic-oriented migration purpose with spiritual drive: after worked about four months in Saudi Arabia and earn much money then they went to Mecca to perform Hajj pilgrimage. This condition prevailed even before the crisis, but during the crisis the drive for migration was increased because of the high rate of US dollars they may receive if they worked abroad.
New employment opportunity during the crisis is brought by the exertion of Government program of agricultural credit (KUT, Kredit Usaha Tani), by which more lands were cultivated with foodcrops and horticulture and needs more labors. Or in the program from the PU Department (Department of Public Work) in maintaining village roads and drainage systems, in which the participants are remunerated by food (2.5 kgs of rice for 5-7 hours work per day).

The increased prices of cashcrops production such as copra (husked and smoked coconut), cocoa, nut-meg in North Sulawesi, and cashew-nut and tobacco in NTB, offers employment to people, also for those who displaced from their former occupation in offices or private enterprises. But according to the interviews with several displaced people, their first priority to seek for work is to get back to their old position as “white-collar” workers in the cities, while agricultural works are their last priority to work on. The scarcity of farm laborers is common phenomenon in the villages in Indonesia since the young educated people regard working as farmhand in rural area as degrading their social status. This attitude are supported by their parents who want to see their offspring lived in more decent life through pursuing more education than they did. Therefore, only few young displaced people engaged in agriculture, while they still hope to work in office again in the near future. Most of them work in the townsite as motorcycle (ojeg) drivers, pedicab (becak) drivers and sporadic daily workers in the markets.

The change of purchasing and loan pattern at domestic level

Susceptible group in rural area

As the result of studies carried out by other institutions, this study finds out that the heaviest burden of crisis impact is encountered by lower income bracket of society. Most of informants
interviewed in this study admit that the group of society who are most hit during the current crisis is the poor who we have known i.e.; farmhand, mixed work-labor, small scale business, poor widow with large family dependents (more than three children).

The old poor people besides having lowered income during the crisis, also has been having difficulties and obstruction to access production resources and assets (land, and funding resources) since a long time ago, and information (such as poverty recovery program). The unextended information for the poor in turn hinders them from various facilities which are actually accessible. The facilities of cheap rice distribution in Sungunlegowo Village— nota bene as the village getting positive impact of crisis due to the increased price of shrimp—are in fact distributed evenly for all existing members of society, without considering more specifically to the most susceptible society who need a help during the crisis.

The impact of crisis is also felt by middle and high income bracket societies in rural area. Almost all informants interviewed complain the sharp increase of various daily products. Although the middle and high income bracket of rural area are shocked with the increase of various basic needs, they have ability to solve the problem because they have allowances or savings. The informants representing such levels also take several strategies to keep survive by not using up all their savings, that is by reducing their consumption on meat, and chicken. It is appeared from the result of the FGD of mothers in almost all villages surveyed both in East Java and Central Java.

In the PATANAS villages with embankment agricultural basis (Sungunlegowo Village) where most of its people works as embankment farmers, they even declare that they are not inflicted to the crisis impact. Crisis is understood as the increase of almost all sea and embankment commodity by most of the people there. In such case, the income of almost all income brackets of society even is increased, although the wage increase of the embankment keeper is relatively small than the profit obtained by embankment owners and suppliers, and they greatly rely on “the generosity” of their employer.
Based on the result of the FGD, it shows that in general the families in rural area are able to control various needs, particularly their daily consumption. They bear high cost or even they cannot avoid from the contributions given to their family, neighbors, or relative who is holding a party --for marrying or circumcising their children. In East Java and Central Java villages, it is generally prevailed a custom to give money between Rp 5.000 - Rp 10.000 for every person who invites them. The amount of money given usually depends on the close relation level with the person. If they have a very close relation, they do not only give money but even noodles, sugar or other daily needs. Usually, the amount of money or the goods contributed will be noted by the person who invites to be returned if the contributor is having a party. The cost for visiting a party in rural society is quite high because within one month there are 4-5 people who hold a party so that the total additional expenditure can reach Rp 50.000 per month. The custom has been prevailing for a very long time and tends to be maintained by rural society as a form of community self-help. It is also considered as one of “savings mechanism” that will be taken or obtained the result if household units hold party.

Nearly all respondents interviewed also show a tendency of the lowering of accumulative real wages at family level. The sharp increase of various basic needs requires every domestic unit to respond to keep survive and fulfill daily living needs. Based on the FGD result, it shows that the part of society who make the biggest attempt to do various responses at domestic unit level is women in the status either as wife, mother, or daughter in one household unit. The general
strategy taken in domestic units in East and Central Java is by planting any kind of vegetables for domestic needs.

Household of civil servants

The response and strategy carried out by women at domestic level vary depending on the main job of the domestic unit concerned. For a housewife whose her husband works as civil servant (teacher), response and strategy carried out is by changing, and modifying the structure of family meals. With permanent income (when the interview takes place, civil servant has just received additional income of Rp 150.000 while the cost of various daily needs is increased sharply, housewifes are demanded to be capable of managing domestic finance. The first strategy taken is by cutting secondary needs or needs which is not too urgent such as clothes, recreation, having meal outside of their home when they visit their relatives, swimming or playing to children leisure places. As the substitute, they usually will make cookies of cheap ingredients for their children, or entrust two or one of their children to their sister or brother who will go for recreation. Other needs delayed are clothes and shoes for children. As the substitute, their children have the secondhand-shoes or secondhand shoes given from their family. Other strategy taken is to make any kind of food to sell; ice and cookies.

Household of farmhand and farmer laborer

In general, the burden of farmhand’s family during the crisis is added because besides the increase of daily basic needs price, it is added by the burden that one or some of their children is/are fired from the job. The number of family dependents to be fed is increased every day. In fact, the member of family who seeks for a living usually are not added or even decreased, thus the income received by the family is reduced. The average daily income of labor’s family is only Rp 7.000. To help fulfill family needs, most of housewifes cultivate any kind of plants such as vegetables (amaranth, cassava, papaya, cowpea, pumpkin, etc.) in their backyard. Hence they do not have to spend money for buying vegetables every day. The money is allocated to buy needs of rice, tofu, fermented soybean, cooking oil, refined sugar, and other spices. The average cost is currently between Rp 5000 - Rp 7500/day, even it can reach by Rp 10.000
with rice. The cost is getting increased if they buy other needs such as cigarettes for their children of Rp 2,150 minimal once for 2 days.

In case there is a financial shortage for daily living cost, the mechanism most relied on by family in rural area is by borrowing money from their close relation-relative or neighbour. The payment can be done more flexible when the family has obtained the substitute money. However, generally, family in rural area always keeps the faith given by paying their debt or loan in time (as they promise).

In several cases, other strategy done by the family to keep fulfilling their daily needs is by having a loan to the BRI with the certificate of their house where they are residing. In one case, a respondent has just borrowed Rp 500,000 to BRI for two month. The fund is used to repay debts to the neighbor and relative which is getting accumulated. If they do not pay immediately, people usually do not want to lend the money again even a bit. Moreover, if there are urgent needs, neighbor or relative is their support to rely on. Thus, they put more emphasis to repay their debt to their relative or neighbor immediately by borrowing to Bank. For repaying the installment and interest expense, the respondent admits that he is helped by his children or their son or daughter-in law.

The Change of Cost Priority at Domestic Level

This subsection had to be presented separately between Java and Outer Java, because of different features of the crisis impact to the change of cost priority at domestic level.

Java

From the educational and health aspect, the qualitative study result in Java shows that there is no significant change. However, from educational aspect, there is indications of decreasing number of study registration and school drop-out..
purchasing power at domestic level. The lowering purchasing level will influence the cost allocation in education and health, since the main budget will be allocated more for food needs.

Education

Impact of economic crisis to education i.e.:
- Reduction of educational cost i.e. purchasing of books, uniform, etc.
- In some villages, (i.e. the cases of Wiyurejo and Gerih villages) there are found some households who have to stop their children’s education, since they are no longer be able to pay the educational fee. For the children themselves, they have to bury their ideal to conduct a higher level of education. In some villages, school registration rate tends to decrease. The mentioned cases are particularly found among poor or vulnerable rural households. Impact of economic crisis to education hits both girls and boys in the same way.

Nevertheless, in some villages (the case of Sungunlewowo village), economic crisis has given a “positive” impact in one way, but “negative” in another way. In the mentioned village, young people are reluctant to follow a higher education program. They are more interested to work, since the working opportunity (in some sectors) is more available. Moreover, the possibility to get a higher profit is more open too.

Sungunlegowo Case
A young man who is a son of a large-scale shrimp agent, decided to stop studying and is no longer be interested to follow a higher education level. He is more interested to be involved in his parents’ business which gives much profit and luxury to him and his family.

Health

There are some changes regarding the health status of the people during economic crisis. Prior to and during the crisis, people make use of the existing health facilities i.e. community health center (*puskesmas*), midwife, and medical aide. In terms of health cost, there is a small increase for using the mentioned health facilities. Government’s subsidy to the community health center i.e. the supply of cheap medicines (generally known as *generik* medicines) has indeed lighten the people’s burden. However the cost of midwife and medical aide, which is relatively higher
than the cost of the community health center, is still affordable by some respondents of the observed villages. Nevertheless, the term “affordable” should be criticized, since it could also means a “compulsion” for the people to pay a certain amount of money for health cost. There is no choice for sick people for not being cured either by visiting the doctor at the community health center, or making use of the medical aide or midwife service, although they have to borrow money from their relatives or neighbors to pay the cost.

Impact of economic crisis to health status is as follows:

- The use of traditional medicines tends to increase. The higher cost of the so-called “modern” health services – including the increasing price of the “modern” medicines – has led many people to try the traditional medicines to cure for their sickness. Prior to the crisis, the cost of medical aide service (including the medicines) was Rp 7,000.00, while during the crisis it become Rp 17,500.00.

It is found that the number of people who seek for help to the community health center or the medical aide tends to decline. People tend to postpone visiting the mentioned parties until they really ill. They will try every effort to cure the illness by themselves, by consuming the traditional medicines or the medicines which are sold freely in the market.

A respondent confessed that during economic crisis the frequency to visit medical aide is declining. He said that the medical aide is visited in certain circumstances only i.e. the illness cannot be cured by the free sold medicines. In other words, he seek for medical help only when he become really ill i.e. cannot get up from his prone position.

**Outer Java**

In the followings, the condition of NTB and North Sulawesi is described applying same frame of thought in comparing the households experiences in facing the crisis. NTB (Lombok and Sumbawa) nearly resembled Java in the characteristic of the agricultural community, although in NTB is dominated by dry land agriculture (Lombok) and cattle raising (Sumbawa). North Sulawesi (Menado) is mixtures of irrigated/semi-irrigated rice fields and dry land plantation of exported crops (cocoa, nutmeg, cashew nut and clove). Both NTB and North Sulawesi had
lower population density compared to Java. Rural households in both NTB and North Sulawesi maintain harmonious relationship and mutual-helps attitude, which helped them to face the crisis beside the government support of several “poverty programs”.

If compared with Java condition described above, the crisis in North Sulawesi and NTB did not affect much the consumption pattern pertained within the society. This can be attributed at least by some reasons, as the followings:

Local food habit
Both North Sulawesi and NTB people have different food habit compared to people in Java. Rice is not an important staple food and they combined rice and maize or sago as daily menu. In NTB before the 80’s, the people’s daily menu was non-rice food, because only after the success of GORA program did people begin to include more rice in their daily menu. GORA (Gogo Rancah, Submersible Rice planting method) program was initiated by the Government to increase wet rice production through utilization of local water availability, while before GORA was introduced NTB only produced very limited dry rice which was insufficient for supplying the people’s need. In North Sulawesi, people consumed sago flour in addition of rice for daily menu. People consume many forms of sago and maize processed food, for instance *papeda* and *bubur menado* are famous as Menado’s favorite dishes.

During the crisis, with price of rice increased about 300%, people in NTB had no difficulties in decreasing portion of rice in their daily consumption, they regarded the change of food habit as to “back to the past before GORA” as said by an informant. Or they only consumed rice during the lunchtime or dinner. Baked banana and cassava also preferred for breakfast. In North Sulawesi, high income from exported cashcrops was sufficient to buy rice and foods therefore no significant change occurred in the people’s food habit. But there are shifts of consuming fishes instead of meats, in the coastal villages of Menado. This is mainly because the price of meats is higher than price of fishes, while fishes are abundant and easy to catch in those villages.
Community’s self-help spirit

Both in NTB and North Sulawesi villages, the spirit of helping others in needs is high. The exchange of foods and simple daily needs between the neighbors are common practices. Especially in Menado (North Sulawesi) the mapalus spirit putting forth the credo of “in your owned wealth, there are parts of it which is to be shared with the others”. One has to share his wealth with the others, and one has to share the other’s burden as well, to attain the harmony of the community. The words “Sitou ti mou tu mou touw” (A good person is he/she who give livelihood to the others) coined by the late Dr Sam Ratulangi, the North Sulawesi prominent Christian scholar and inspired teacher, often referred by the prominent leaders to remind people to enlivened the self-help spirit among themselves.

Meanwhile in NTB with mostly Moslem inhabitants, the spirit of self-help also based on Moslem norms of ukhkwah Islammiyah which giving priority to help their Moslem brotherhood in needs. Both in NTB and North Sulawesi, the role of religious institutions (mosques and churches) are important in manifesting the self-help spirit of the people. Collective funds are organized by those religious institutions, volunteered by better-off people through monthly or weekly meetings and channeled to people in need within the community.

In NTB the farming activities are collectively worked using the basiru system. The scarcity of laborers during the crisis is coped by enlivening this system, while for acquiring money for daily consumption, the number of women doing begabah increases.
Rice harvesting uses “basiru system” or mutual-help work in which each harvester group receives 10% of the quantity of their harvested rice (i.e. 100 kg per 1 ton harvested rice). Price of rice before crisis Rp 500/kg and at present increased to Rp 1,000.-/kg, but since the daily wage rate also increases, the farmer households in Lombok and Sumbawa can cope the crisis. The government program of Social Security Net also helps to cope the crisis, and the extended Farm Credit (KUT) led to the increase of employment opportunity because more unutilized land then opened for farmings.

Women in Lombok actively engaged in *begabah* group, worked together in harvesting and threshing rice (*rampek*) with collective remuneration 10% of the harvested and threshed rice (one quintal per ton rice). Presently more women engaged with farming activities, said an informant only in hoeing they did not participate because hoeing is valued socially as a male work.

**Lending and borrowing practices**

The farmers still managed to apply production inputs despite of the high prices during the crisis. Instead of decreasing the dosage, the practices of borrowing fertilizers are commonly found, with some extra expenses. One sack of fertilizer (a 50 kg) priced Rp 55,000 had to be paid back after harvest by a sack (a 80 kg) of rice priced Rp 80,000.

The need for funds for production lead to moneylending practices with high interest rate. In Lombok for instance a moneylender demanded 50% interest rate after one session of tobacco planting. It was a common practice before crisis but with lesser intensity.

During the slack season while the farmer family’s stock of rice decreases, and less work opportunity, the farmers in Mogoyunggung and Pakuweru (Bolaang Mongondouw) have to borrow money from the RMU (Rice Milling Unit) owners, but under condition that they have to pay it later after harvest by selling their rice products on reduced price (for instance while the market price is Rp 2,500.-/kg they had to sell by Rp 2,250.-/kg, which means 10% lower). An informant commented that it resembles credit scheme with 5% interest rate per month. During the crisis, the practice of moneylenders seems to increase. Some informants reported about practice of an individual moneylender with 25% interest rate per month. If someone borrowed Rp 100,000 for a month he had to pay back Rp 125,000, and for 3-4 months Rp 150,000. -
Other practices of moneylender are through organized cooperative (Koperasi Sejahtera). It offers consumption credit with 16% interest rate per month. Nevertheless, the farmers apparently still having difficulties in accessing the bank for credit, with prerequisites of collateral (land titles or written proposal) therefore they still depend on those moneylenders. Rumors were spread about the scheme of KUT (Agricultural Enterprise Credit) launched by GOI that it is said not to be paid back by the farmers, and therefore so many proposals of opening new agro-business issued to the village authorities in charge. But then it turns out as only political issues prior to the General Election which is not true.

Farmers also depend on traditional system of “ijon” in acquiring money for daily consumption. “Ijon” means to borrow money through selling unripe crops at low price. Through this system, the creditor entitled to harvest and sell the products at higher price. New arrangement of “ijon” of cashew-nuts in NTB is established during the crisis: farmer can sell the cashew-nut Rp 500/kg while still at flowering stage, Rp 700/kg while still at young fruit stage and Rp 1,000/kg at early blossom stage. Meanwhile before the crisis there was only one stage of “ijon”: Rp 1,000 at near ripe stage, which means that the cashew-nut farmers had developed alternative strategy of economic transaction to cope with the crisis although it may decrease their income in the future.

*Change of Household’s need fulfillment priority*

The change of household’s need fulfillment priority during the crisis is experienced by the lower level people (about 60 - 75% of the population in both NTB and North Sulawesi). The increased price of education and health facilities and transportation cost caused people to decide priorities in its fulfillment, as described in the following section:

*Education*

Even before the crisis people used to meet the rising cost of living of their children (paying the lodging room in the towns, increasing price of education facilities such as buying textbooks and
photocopies etc) by selling their cattle, or secure some portion of their cashcrops productions. Both in NTB and in North Sulawesi the crisis has impacted to several people told their sons to quit studying and apply to the outmigration both to Java and other places abroad, meanwhile for females there is a tendency to limit the participation to only the adults, while the girls are confined to help to do household chores and helping the mothers in household industries. The later is dominant in Lombok and Sumbawa Moslem communities who adhere to Moslem tradition of giving more priorities to male members of household to earn income for the family. But there is some exception that also the daughters had been urged to resume their study in vocational trainings to prepare them pursuing work abroad, but in more skillful sector with higher salary such as paramedics, baby sitters, and other “white collar” occupations. Those occupation are considered more prestigious, and safer because it placed the girls in more decent living among intellectuals.

**Health care**

The crisis also impacted to the increasing expenses of health care, because the increasing price of medicines and health services. Most of people cope this condition by refrained to see medical doctors for the sickness they thought can be cured by buying medicines in small kiosks or cigarette stalls. Those relative cheap medicines also being combined with traditional medicines *jamu* made of local herbs, which is usually helps temporarily.

The increasing price of milk for babies forced some families to substitute feedings by using boiled rice juice and crushed banana. But in some villages in NTB had received milk distribution at subsidized price from Ibu Peduli (Mother Cares) organization. During the crisis, there is no information of malnutrition and hunger, or at least no one mentioned that during the Focused Group Discussions among the villagers. There is no information of people cease in participating with the birth-control program (KB), since the pills and other facilities (IUD, Condom) are provided by the KB Clinic at subsidized prices.

**Change of institution and social network**
The other dimension of Indonesian economic crisis is the broken social institution i.e. that which is established, grown up, and developed among rural people at the grassroots level. The broken institution is worse at the mentioned level, due to the top down government development approach i.e. the application of the center oriented policies and regulations, which tends to ignore people’s initiative. Moreover, the mentioned situation tends to extinguish the initiatives and creativity of rural people.

Community social activities such as mutual cooperation (gotong royong) is lessening, although it is not yet disappeared. Mutual cooperation was previously the characteristic on Indonesian rural people. The cooperation may takes form of helping each other in building a house or public facilities. Currently, people’s assistance tends to be regarded based on its economic value. As a result, time allocation for collective social activities tends to decline. Nevertheless, there are some social activities which are still exist i.e. arisan and religious gathering. Arisan refers to a regular social gathering whose members contribute to and take turns at winning an aggregate sum of money. The decline of social activities occurs in all observed villages in Central and East Java. Prior to the crisis, arisan and religious gathering are a media for maintaining communication and friendship among each other. Arisan is also regarded as an informal saving mechanism. The saving is generally used for high cost needs. During economic crisis, both arisan and religious gathering extend their activities. The members of the arisan and the religious group collect some money voluntarily to be given to poor households in their village. The collected money is to be given directly (by the group member) to the target group. Such an event is also used to directly identify and observing the poor households in the community who need help.

Lending daily needs to each other can easily be found among rural people. The goods to be lent may vary from cooking ingredients to money. The lending mechanism is regarded as a form of togetherness among them. Those who are lent, may return the goods/the money they borrowed by giving non material assistance (in various forms) to the lender. The mentioned mutual assistance is commonly occurred among close neighbors or relatives.
Mutual assistance among rural people occurred regardless the difference among them i.e. the religion. The case of Karangwungu village show that people collecting and distributing daily needs and money, without looking at the religion of the needy. The people of Karangwungu are divided into moslems, christians and the believers. The social activity is conducted during religious events of the mentioned religion.

Social institutions which still exist are those established and developed by the local people. The case of Gerih village is an example where a credit institution which is established at the neighborhood association level is able to accumulate millions rupiah of fund. The starting capital of the mentioned institution was only Rp 20,000.00. During economic crisis, the Gerih’s informal credit institution still able to operate i.e. to lend money to its members. On the contrary, some formal credit institutions are no longer be able to operate due to the crisis. Even though the Gerih’s credit institution provides credit for a limited amount, it fulfills the urgent needs of the members. The amount of the credit range from small scale credit (for daily needs) to medium scale credit of Rp 300,000.00 – Rp 500,000.00 for additional fund of the members’ business capital.

The maintenance of public facilities such as the village’s roads, the roads’ electricity, the village’s hall, the mosque, the mushola (small building or room set aside in public place for performance of religious Islamic duties), are conducted collectively. Each household within the neighborhood association contributes Rp 1,000.00 for the maintenance of public facilities. With regard to the crisis, in all observed villages, there is no change in the mechanism of the mentioned activities.

An interesting phenomenon is found in Karang Dowo village where there is an indication of “rebellion” to inheritance system which has been existing for generations. The rebellion however is - to a certain extent - stimulated by economic crisis. The system gives the property right of land to the oldest son only. The other sons may receive a part of the land’s products - owned by their oldest brother - for their whole life, while the daughters may inherit household furnishings and jewelry. When the oldest son is died, the property right of land may be given to the next oldest son (and his family).
As previously mentioned, economic crisis has stimulated the “rebellion” of the existing inheritance system. In particular, the increasing economic pressure (to fulfill daily needs) is the factor that stimulates the people to questioning the system which is regarded as unfair. During field research, there were two cases of inheritance accusation which are handled by the local village officers. One of the litigant is a housewife who regards the system as unfair. Actually she felt the unfairness long before economic crisis, but during the crisis the feeling is stronger due the stronger economic pressure. The brave to accuse the system is inspired by TV news coverage which shows various accusation in various regions of Indonesia.

The inheritance system which gives special rights to the oldest son, has raised the feeling of unfairness to the other siblings. Furthermore, it raised another social impact i.e. young single women in the mentioned village tend to marry oldest sons in order to gain “life security” i.e. the special inheritance rights. On the other hand, the oldest sons tend to make use of his special rights by marrying more than one woman. The last phenomenon is found during Focus Group Discussion (FGD). Nevertheless, the tendency is lessening due to the higher education level of young people of the village. There is a tendency for well educated men to marry the well educated women. Nevertheless, for some parents, they still tend to look for oldest son(s) to be their son(s) in law.

During field research, the two accusation cases are still being processed. According to the head of the village, it is difficult to solve the accusation problem, since whatever the solution it may affects other people in the village. If the cases are positively responded i.e. the claim to change the inheritance system is fulfilled, it is estimated that other similar cases may be claimed as well. On the other hand, if the cases are negatively responded i.e. the claim to change the inheritance system is rejected, it may made some people feel unsatisfied and that they are treated unfairly. In order to solve the problem, the village head decided to discuss the problem within the respective family. He is optimistic that at the family level, the solution is more likely satisfy all related parties.
Example of an accusation case:
A widower with four children feels that the economic pressure become harder due to economic crisis. Her income as a farm laborer is declining as compared to the tripled rocketting prices which leads to the worsening of her family’s welfare. The pressure even become harder since she has to bear it all alone without a husband’s assistance. Furthermore, she has no land to be relied on as an economic source for her and her family.

The accusation of inheritance system is an interesting case that may represent similar cases in other parts of Indonesia (North Sumatra, East Nusa Tenggara, Bali, etc). Substantially, many inheritance systems give special rights to sons to inherit land, based on the assumption that they will become the head of the family who are economically responsible to fulfill the family needs. The assumption however cannot be applied to widowed women (and their families) who have to bear the (economic) burden all alone. The accusation indicated an unfairness of wealth distribution system for sons and daughters.

The increased needs of people usually bring change in the institution, which are no more suitable to fulfill people’s need. The crisis impacted to the increasing needs of people to cope with the crisis. Both NTB and North Sulawesi experienced the increasing needs of people to organize themselves to meet the prerequisites set by the Government in extending JPS (Jaring Pengamanan Sosial, Social Security Net) and KUT (Kredit Usaha Tani, Agricultural Enterprise Credits) programs.

The LKMD (Lembaga Ketahanan Masyarakat Desa, Village Assembly for Planning) as a part of village government participated in the JPS program, is supposed to propose village development plan through deliberation and consents of the members representing the village needs. It is different if compared to before crisis condition, in which the Village Head himself takes the decision and LKMD was only placed as legitimator of the plan. Therefore the change in LKMD’s role is substantial, but need longer time to reach any consensus.

Even before the crisis, local institutions in both NTB and North Sulawesi, such as religion
praying organization (*keleman* in NTB and church organized fraternity groups *kolom* in Menado) had took part in mobilizing collective funds for helping people in need. During the crisis, those local organization were more actively came to the fore in managing to cope with the crisis.
This local self-help movement proved effective enough in channeling the JPS aids for the poor people in the villages, although in some villages the priority of selecting recipients of the aids was done not following the procedure stated by the government. According to the rule, the recipients should comprised people who had recognized as Pra Sejahtera (lower stratum in the poverty indicators according to the pre-survey of the BKKBN, National Bureau of Family Planning). But since more villagers demanded that they were also eligible to receive the aids, the Village Head, as a coordinator of the JPS at village level had to distribute the aids to all households in the village. Formerly, only Pra Sejahtera household who eligible to receive each 10 kgs of rice at reduced price of Rp 1000/kg (while the market price was Rp 3000/kg), but then it turned out that each household received on average 5 – 6 kgs per household. An informant, a Village Head, said that the Sub-district Head had scolded him about that, but he responded that he made the decision in difficult situation because all villagers had intimidated him to do so.

This means that the local institution and social relationship during the crisis had a tendency of shifting from formerly decided vertically top-down to bottom-up and horizontal orientation. This

Just like in Java, people in the NTB villages assembled every month to join the local rotary fund system (arisani). In Sengkol traditional groups of Thursday evening prayers or reciting Al Qur’an (Kelem Jum’at or Yasinan) turned to be effective to combat the crisis for the members. The members donated primary contribution of Rp 10,000,- and every week each member contributes Rp 200 – 800,-. Every month from about 25 members a sum of Rp 20,000,- can be collected, and one of those traditional groups even claimed that it had capital accumulation of Rp 5,000,000 or equivalent to 2 tons of rice. The members of this Kelem organization may borrow capital for farmings and to be paid back after harvest. This Kelem organization according to participants of Focused Group Discussion was originated from traditional basiru system in which people reciprocally helped each others for mutual benefit. It had existed for long time, even before crisis, as one elderly participant said that he had heard about the kelem since his childhood when his parents actively participated in that activities.
is related to pertinent cultural focus of “reformation” since the decline of the Suharto’s *Orde Baru* (New Order).

Within the low economic level households, during the crisis, female labor forces were more actively engaged to works outside their domestic chores, especially in NTB. Most of them involved in agricultural works as family labors to reduce hired labors in the condition of labor scarcity during the crisis. This brings some shifts in the household institution in the form of reducing allocated time for doing household chores, thus affected the allocated time for the girls in the family to go to school. There is a tendency of withdrawal from the school among the children of low economic level households. But for the better off family that was not the case because the parents can still meet the needed cost for education, although there is no information about the percentages of those two categories.

The social relationship between kinship in NTB and North Sulawesi during the crisis became more close and helpful. Exchange of foods and money between households is a common practice, but during the crisis it is increases spontaneously.

**Change of maintenance function of common facilities and infrastructure**

The villagers maintain function of common facilities and infrastructure through collective works in the mutual-help activities. In NTB the activities is known as *gotong royong* or *basiru* and in North Sulawesi as *mapalus*. Both are voluntary works performed by the villagers since long ago. In these activities, people prepare their meals on work collectively and nobody got paid for his work performed. But since the extended JPS program the system had changed, because for maintenance works the Government paid 2,5 kgs rice per worker participated in public infrastructure maintenance activities. This program aimed to extend employment to the people during the crisis. The objects of the maintenance work are village roads, drainage system and Village Meeting Hall.
Change of “farming system”

Changes in Cropping pattern

The change of cropping pattern during the crisis can not be distinguished with the unfriendly climatic condition, which make things even worse. For instance, the heavy rainy season at 1998/1999 brought the change of cropping pattern in Karang Baru, Aikmel (Lombok), the “garlic” type village. Productivity of garlic as former commercial crop in Lombok decreased since 1994 and even more by the spreading of thrips pest after heavy rain. An informant said that the high cost of farming (Rp 6,000,000. - per ha) and expensive seedling (Rp 3,500,000 per ha) made garlic farming not feasible. His last harvest only sold at Rp 936,000. - and he prefer to plant rice afterward, because at least he can have rice as his own source of food stock.

But in the other hand, the rise of price of cashcrops because of the US dollar elevation also induced the change of cropping pattern. For instance, other informant in the same village had changed his entire garlic and red onion farms to tobacco, because of the decreasing income from those former crops and the rise of tobacco price. Back in 1997, he still invested on garlic and red onion. He compared his investment on seeds with the outcome in harvest time: from Rp 250,000. - investment on garlic seed used per hectare he got Rp 8,000,000.- after harvest, while from Rp 1,500,000.- investment on red onion he got Rp 8,000,000. But after that, heavy rainfalls nearly destroyed all of his crops. Fortunately, he had planted tobacco (Virginia) since 1994 initiated with an offer of some tobacco-processing factory to be a supplier cigarette factory. Formerly (in 1994) he sold unprocessed tobacco to the cigarette factory supplying agency and have net benefit of Rp 15,000,000. - per hectare. Then beginning 1996 he built his own drying chimneys and begins to sell processed tobacco straight to the cigarette factory. He got net benefit Rp 40,000,000. - per hectare.

More lands were rented for tobacco plantation at present, and gave increase of the rent of land. If formerly the yearly rent was only Rp 1,000,000.- per hectare, now it can reach Rp
5,000,000.- per hectare. The cropping pattern in Karang Baru now changed from rice-rice-garlic to rice- first dry season tobacco (March to July) -second dry season tobacco (August to December). The production credits extended by the cigarette factories also contributed to the increasing interest in tobacco planting. The credit package comprised fertilizer cost and labor cost, and provision of an extension officer who gave technical aid in production and processing.

Tobacco plantation also gave more employment to about 300 laborers per hectare per season (5 months), while for each drying chimney employs 10 –15 laborers. Every 2 ha tobacco plantation usually served by one drying chimney. A plant supervisor who took care of 4 ha plants received Rp 1,000,000 per season (5 months) and a chimney operator who works for 3 months of processing received Rp 1,000,000, but he had to control the fire and smokes night and day to maintain good quality of dry tobacco.

During the crisis, tobacco plantation provided employment to many people. The good relationship between the cigarette factory and tobacco farmers also developed certain system of credit for consumption, to be paid after harvest.

Meanwhile Kauditan (Menado) farmers, especially the landowners benefited by the increase of exported farm commodities, such as: Copra, cocoa, nut-meg, fuli and vanilla during the crisis, because of the high price of those exported commodities. The following table depicts price difference before and during the crisis:

Table 1. Price of commodities before and during the crisis, Menado, 1999

<table>
<thead>
<tr>
<th>No</th>
<th>Commodity</th>
<th>Before crises (Rp/kg)</th>
<th>During the crisis (Rp/kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Cocoa</td>
<td>5,000,-</td>
<td>13,000,-</td>
</tr>
<tr>
<td>2.</td>
<td>Copra</td>
<td>1,500-2,000,-</td>
<td>3,000-4,000,-</td>
</tr>
<tr>
<td>3.</td>
<td>Dry Nutmeg</td>
<td>20,000,-</td>
<td>70,000,-</td>
</tr>
<tr>
<td>4.</td>
<td>Fuli</td>
<td>50,000,-</td>
<td>125,000,-</td>
</tr>
<tr>
<td>5.</td>
<td>Nutmeg pit</td>
<td>10,000,-</td>
<td>30,000,-</td>
</tr>
</tbody>
</table>
The farmers in Kauditan (Minahasa ethnic) let people from Buton (incoming ethnic from South East Sulawesi, in effort to find land because of land scarcity in their own origin) rent or sharecropping their ricefields, while they shifted activities to work in their dry land plantations of nut-meg and vanilla. This change of interest gave opportunity to the Buton farmers who need more land to cope the crisis. This condition of exchange had happened even before the crisis, but the crisis had eventually increased the intensity of this mutual relationship. Still, the incoming Butonese is regarded as lower stratum, because the practice of intermarriage between those two ethnic groups is still limited, in the sense, no Butonese male allowed to marry Minahasa female, but a Minahasa male can marry Butonese female.

The incoming Butonese worked the ricefields in Kauditan are non-permanent residents. They built temporary huts to live in, and apparently regarded by the Kauditans as having lower social status within the Minahasan society. The chance of uplifting their social status through intermarriage with local Minahasa people seems very limited. The gender theory about uplifting women social position through marriage apparently not happened in this case.

**Changes in Production inputs**

The crisis impacted to the increasing of agricultural input factors, including the wage of daily laborers. Both in NTB and North Sulawesi daily wage rate of farm laborers increased from Rp 5,000 per day before crises to Rp 15,000-20,000 per day, while the cost of ploughing using pairs of cows increased from Rp 150,000 per ha to Rp 300,000 – 500,000 per ha.

The increase of wage rate is also because of increasing rate of outmigrations for seeking jobs to other parts of Indonesia and abroad (to Hongkong, Singapore, Brunei, and Malaysia) during the crises. Low income stratum in the society benefited by this condition, but still unable to cope
with increasing prices for daily livings.

The crises also effected to the increase of agricultural production inputs. Urea fertilizer costed Rp 15,000,- per sack (a 50 kg each) before crises and increased to Rp 57,500. - per sack, while pesticide increased from Rp 6,000.- to Rp 40,000.- per kg and herbicide from 4,000 to 21,000 per kg. Unable to cope with the price rise, most of the farmers apply withdrawal strategy, namely reducing the input application (fertilizer cut by half up to one-third of the recommended dosage), or reducing the size of their cultivated land down to 50 %. Nevertheless, this strategy may result with decreasing rice productivity in the near future.

**Sharecropping and Marketing System**

In Sumbawa, former harvest-share system in rice was “Cinggu –five” where the owner received from every 5 kg harvested rice 4 kg (80%) and the harvester 1 kg (20%). But since the crisis the system was changed to “Cinggu-seven” where from every 7 kg harvest the owner received 6 kg (85% ) and the harvester still 1 kg (15%), which mean decreasing bargaining position of the harvester.

But in Lombok, from every 11 kg the owner received 10 kg (91%) and the harvester 1 kg (9%), which is much lower compared to Sumbawa. But this is also because the pertinent labor scarcity related to the high rate of migration abroad (to Arab Saudi, Malaysia, etc) even before the crisis.

Concerning with the changes or shifting of intensive foodcrops to less intensive cashcrops, there are cases of increasing cultivation of cashew nut (Sumbawa), banana and tobacco (Lombok).

Especially in PIR-Trans (Cashew-nut) Sukadamai, at Sumbawa the allocated Lahan Usaha I which was designated for foodcrops is planted with cashew-nut trees since the rise of cashew-nut price during 1998. The price of cashew nut increased from Rp 2,500/kg (before crises) to Rp 7,500/kg.
Banana’s price in Karang Baru, Lombok had substantially increased from Rp 750 per “tandan” (stumps consisted of 6-9 bunches) before the crisis to Rp 6,000. The price increase was due to more demands from outside, even from Bali. Formerly each “tandan” sold equivalent to 2 kg of grain rice (priced Rp 300 – 350/kg), while after the crisis equivalent to 6 kg (priced Rp 1,000 per kg). But since banana is commonly planted in the homeyard and village drylands, there was no substantial change in shifting the use of land from foodcrops to banana plantation.

Meanwhile farmers at Bebides, Lombok, practiced more notable change from foodcrops (rice, garlic and red onion) to tobacco. Since 1990 the representative of PT Jarum (big cigarette factory in East Java) expands their supply areas to Lombok, and then followed by other factories (PT Bentoel, PT Sampoerna, etc). During the crisis, tobacco plantation provides employment opportunities to the farm laborers in the dry season both in farming and drying chimneys (“tobong”). The shifts from garlic and red onion plants to tobacco plants in this area, said an informant) was promoted by the losses experienced by farmers during past heavy rainfall at 1998/1999 cropping season. Other informant commented that the productivity of garlic as former commercial crop in Lombok had declined since 1994 and also because of increasing thrips (kind of pest) attack after heavy rain. Shifts to tobacco brought increased income (up to Rp 15,000,000 per ha for unprocessed tobacco leaves and Rp 40,000,000 per ha for processed leaves), compared to Rp 8,000,000 per ha in garlic and red onion plants. The cigarette factories extend production credits to the tobacco farmers (comprised fertilizer cost and labor cost) which contribute to the increasing farmer’s interest in tobacco planting.

**Change of Gender relationship**

A qualitative research shows that economic crisis has led to changes in the division of labor at the household level. As compared to the time prior to economic crisis, women’s work burden is now increasing.

Economic crisis has led to the increasing number of urban-rural migration. Laid off man laborers (i.e. the husbands) who previously work in urban industries have to go back to their hometown.
At the household level, the return men cause changes and raise problems. In cases where the husband is a migrant worker, all domestic matters are the wife’s responsibility. It is found that the responsibility is not just the routine household chores, but also covering the responsibility to gain financial income to fulfill the household needs until the time the husband return home and giving his income to the wife. In the case when the laid off husband go back home, all the responsibility to fulfill the household needs fall on the wife’s shoulders. The laid off husbands or young single men are reluctant to work as farm laborers. They tend to be unemployed men and being economically dependent to their wives or their sisters. As a result, the task of fulfilling the household needs totally fall on the women’s shoulders. During economic crisis, the total women working hours increase up to 3-4 hours per day or equivalent to the total 11-12 hours daily.

A case of a mother with 6 dependents of whom three of them are laid off workers, two sons, and one nephew. As compared to the time prior to the crisis, the total expenditure of her household is four times higher. The needs which have to be fulfilled are not just the household matters but including the cigarettes for her two sons. On the other hand, there is no increase of her income. In fact the income is declining due since she is no longer receiving money from her sons. She does every effort to fulfill the needs i.e. by planting various vegetables and cooking ingredients in the house's field. She also offers assistance service to her close neighbors or relatives to get an additional income of Rp 2000-3000 per day. The money is commonly spent to pay the children’s educational cost and to pay any other social cost such as giving a financial contribution to the neighbors’ ceremonial feast.

It is interesting to look at the way women adapt to the crisis. Some strategies which are developed to adapt to the crisis i.e.:

1. Making use of an empty field, no matter how small the field is.
2. Reducing the quality of meals by leaving out certain kind of foods i.e. meat and sugar (the case of Central and East Java). The mentioned strategy is very closely related to an effort to reduce the household cost.
3. Offering services (in various forms) in order to get an additional income to buy the household needs i.e. cooking oil, kerosene, tofu, soy bean cake (tempe), cooking ingredients.
4. Borrowing money to close relatives or neighbors to fulfill urgent needs such as an illness of
the family’s members or having a family’s ceremonial feast. Trusting each other is the base of the mentioned strategy.

The present research however does not cover the psychological pressure and the violence faced by women with regard to economic crisis. Nevertheless, some qualitative research shows that in certain communities, the working separation faced by the husbands or other male relatives, have increased the psychological pressure as well as the tendency of domestic violence faced by women (Chandrakirana, 1999).

The case of small scale enterprises shows that economic crisis has made them reducing the production cost i.e. the labor cost. The mentioned strategy is particularly found in the garment and doormat industries in Karangdowo village. When saving the labor cost is no longer be possible, changing the paid labor into the unpaid family labor is another strategy applied by employers. Those who become the victims are women, since most of the laid off labor in the mentioned industries are women. In other words, in small scale rural enterprises, there is a tendency to employ family labor, girls or female relatives in order to reduce the production cost.

With regard to economic crisis, in certain households in Karangdowo village, some women (i.e. the wives or the daughters) have to work for the first time, in order to fulfill the household needs. Single young women have to work as domestic helpers – either in Indonesia or abroad – to lighten the harder economic burden faced by their families. The family background of the women is mostly farm laborers or landless farmers.

Traditionally both NTB and North Sulawesi lives in patrilinial relationship, in which male is dominant in decision making process concerned with the household affairs. Male members of the family got better access to political and social rights than female, who in turn is considered as having authorities in domestic sector.

During the crisis, female members of the family is eligible to find jobs to increase household
income, especially if the household head lost job because of displaced from the offices or private enterprises because of the crisis. In Lombok (NTB) rural area, women seek jobs in neighboring villages as farm laborers, and in Menado they helps in coconut processing (copra factory). Formerly they worked only in their own land, but during the crisis they add part time work in helping their neighbors and got extra meal (in-natura payment). Although the women have more access to income sources, but following traditional patrilinial usage pertained in Sasak and Dompu (NTB), an Minahasa (North Sulawesi) ethnics, rural women practically only got limited control on the household properties. Of course in the urban setting women achieved more access and control in gender relationship through higher education.

**Criminality and illicit activities**

According to field research, it is not found the increasing rate of criminality in the observed villages. Nevertheless, there are found a new kind of criminality. For instance, the increasing unemployment rate in Gerih village has raised some problems and some “prospective” criminality. The laid off men spend their time by gathering with each other which usually takes time from 7 p.m. onward. To kill the time, they are singing and playing guitar. The mentioned activities however is disturbing the people, since they do that at night when people are ready to go to bed. Some single women are also feel disturbed by them, since they are often flirted (by the men) on their way to pray to the mosque. Some respondents also said that their activities tend to become a criminal one i.e. forcing the pedestrians to give them cigarettes of money. Another indication is the lost of the people’s chicken.

With regard to the mentioned tendency, so far there is no response from the local apparatuses. Both the people and the apparatuses tend to give the solution of the problem to the religious leaders i.e. by giving them advice directly or indirectly through their families.

The case of Wiyureja village of East Java shows a different phenomenon i.e. the plundering of Perhutani plantation area. The plundering is stimulated by the harder economic pressure (due to the crisis), but also inspired by TV news coverage on the mentioned action in some regions in
Indonesia. Most of Wiyureja people claim a certain part of Perhutani land as theirs. Both the local apparatuses and the Perhutani staff can do nothing to stop the plundering. A compromise between Perhutani and Wiyureja people i.e. the people may process the claimed land, but the property right of the land is on the Perhutani’s side. The compromise is not yet made in a written format. It is declared verbally only.

The plundering of fishpond (as it is the case of Cirebon) is not found in Sungunlegowo village. The application of buren labor system is effective to prevent the plundering. The system gives an opportunity to the labor to clean up and to collect the rest of fishpond harvesting. The system is also regarded as a way to give additional income to the landless people. Nevertheless, income from the buren laboring cannot be relied on, since it is determined by the types of the fishpond and the harvested commodity. In certain cases, ‘the buren labor’ \(^2\) may gain hundred thousands rupiah due to the relative large amount of the unharvested fish or shrimp.

In certain villages (i.e. the case of Gerih, Wiyurejo and Karangwungu), there are tendency that people are responding emotionally to certain cases. The case of people’s protes of the

\(^2\) Buren labor is a labor who works permanently for a fishpond owner. The payment received by the labor is in the form of fish produced from the rising tide and the rest of large harvest. When the large harvest time comes, the fishpond owner is entitled to the overall fish or shrimp gained from catching. The fishpond owner usually leaves some part of them which is added with fish and shrimps hidden in fishpond soils for the buren labor. The average income gained by the buren labor can attain half of the produce obtained by the fishpond owner.

The phenomena of buren labor are phenomena commonly occurred in Sungunlegowo Village before the economic crisis. During the crisis, total buren labors tends to increase, such job is mainly filled by labors coming from neighboring villages. When the crisis takes place, the buren labor phenomena becomes a receiver for labors who had been dismissed from their jobs. The buren labor phenomena in Sungunlegowo Village help to press down the increase of criminality figure; in particular those who come from neighboring villages due to “temporary prosperity” as a positive impact of the crisis felt by the community of Sungunlegowo Village.
PDMDKE program at Gerih village, the case of stoning and threatening the local apparatuses in cheap rice distribution program at Wiyurejo village, are among other examples. The mentioned cases tend to raise hostility and suspicion among people.

In NTB and North Sulawesi, criminality and illicit actions are reported increases during the crisis. But in most cases, the criminals were outsiders, both from nearby towns and neighboring villages. There is no records on the percentages of criminal action increase before and after the crisis.

The common practices of illegal actions are cattle thieves in NTB and raids on coconut and other cashcrops in North Sulawesi. Keeping cattle (buffaloes and cows) are an important side occupation for NTB farmers. The role of animal husbandry is very important both in Lombok and Sumbawa; despite of its simple management such as not placing those animals in proper cage and let them roam freely instead. People often quarrels about damaged plants eaten by animals belong to someone else, but there are always solutions for things like that in daily village life. The practice of letting cattle uncaged induced cattle theft every 3 – 5 months, as said by an informant in Sengkol, Lombok Tengah. During the crisis, the thievery increased and spread every where in Lombok Tengah and Lombok Timur Subdistricts. The thieves even use trucks in their criminal actions. Therefore since two years ago the people under the guidance of local Sub-district Police organized Pemburu Jejak (Tracing Hunter) Teams, which in Sengkol alone comprised more than 60 members. They grouped in 10 – 15 members per team. To be a member, one had to pay Rp 85,000 and received uniforms and one Citizen Band Radio for every Team Leader.

The Pemburu Jejak Team is much appreciated by the farmers and they supplied information and helps, which led to the capture of the thieves. Mosque loudspeakers even used for informing people in the case of theft and the team then rolls to action in tracing the thieves’ whereabouts.

The villagers always excited in helping the Pemburu Jejak in tracing the route of stolen cattles. Volunteers are easy to recruit, and foods are plenty supported by neighboring villages. There are two kinds of Pemburu Jejak: one category is the group with yellow T-shirts, which only concerns with locating the thieves whereabouts and let the Police do the arrest, and one category with green military outfits, which can do the arresting and “do
In Sumbawa, the rate of cattle ownership is higher than in Lombok (there are plenty households with cattle ownership about 100-200 cattle at their disposals), and they let the cattle roams in the forest. But since the access to forest and transportation to market is much difficult than in Lombok (which is more open), the rate of thievery is lower, and there is no information about mass actions in responding to combat that kind of criminal action.

Fast establishment of tobacco plantations at Lombok also induced thievery. The owner of tobacco plants had to provide extra cost for night watchmen if he did not want to loose his tobacco leaves before harvest time. Competition between tobacco suppliers for cigarette factories, as said by an informant, is high and induced criminal actions in their effort in fulfilling targeted supply. He gave examples that certain tobacco plants owner pays a foreman Rp 1,000,000 per season just to watch his 4 ha plants.

Moneylenders also take advantages in the fast establishment of tobacco plantations. They offered credits up to 50% interest rate to farmers who want to expand their plantations, since the credit scheme offered by the cigarette factories only comprised cost for fertilizers, pesticides and labor, and the farmer still need capital for renting additional land (land rent Rp 2,500,000 per ha per season).

Smuggling local drinks (captikus, made from fermented palm juice) often happened in Menado, and tends to increase although there is no further information about the quantity. The informant only mentioned about several cases of police raids in the villages in search of excessive stocks, which he recalls happened more often than before crisis.

**Government Program for Coping with the Crisis**
The social safety net program is hardly reached by the target group. Some factors which contribute to mentioned condition i.e.:

- The low access of information.
  Information on social safety net program does not reach all levels of people. There is a tendency that the information only reaches the local prominent figures. In all observed villages, it is found that many people do not know the program.

- The implementation of social safety net program does not apply a participant method.
  The mentioned situation is closely related to the government’s formal rural institutions which apply a top down approach in implementing the social safety net program. As a result, the emerged needs are not the people’s needs but the local apparatuses’ needs. Furthermore, the policy’s direction in coping with the crisis is determined by the local apparatuses and those who are close to them. The people themselves are just following the determined program.

**The Cheap Rice Distribution Program**

In the surveyed PATANAS villages, there are found some social safety net program. The cheap rice distribution program is found in almost surveyed villages. The rice subsidy is come from the BULOG. According to the social safety net program, the rice distribution is directed for the poor households categorized into pra sejahtera and sejahtera 1. Nevertheless, at the implementation level, the rice is distributed to all people. At first, the cheap rice is distributed to the poor households only. Nevertheless, the mentioned prioritization raises complaints from the others. And finally the rice is distributed to all. According to the local village officers, complaints is related to the fact that impact of economic crisis hit every body, not just the poor people. Therefore, the people suggest that the social safety net program should directed to all villagers not just directed only to a small number of people. As a result, it is found that the cheap rice is also distributed to the relatively well off family.

The case of Wiyurejo village shows that the DOLOG’s rice is distributed freely to all villagers i.e. the pra sejahtera received 10 kg of rice, the sejahtera 1 received 7.5 kg of
Another social safety net program is the PDMDKE program i.e. the rural physical development program. The implementation of the program in Gerih village (Ngawi) raises conflicts, because the local people are not involved in the decision making process in making use of the PDMDKE fund. The local appurtenances decided to use the PDMDKE fund to buy a tractor. On the other hand, the people insisted to sell the tractor and the money should be distributed equally to all villagers. The people’s request is followed by a threaten to the local appurtenances that they will burn the tractor if the appurtenances reject the request. Finally the appurtenances follow the people’s request.

Another social safety net program comes from Department of Agriculture namely the “pump” program i.e. the installation of pumps in agriculture land. The program is accepted happily by the farmers, since it solve the problem of water scarcity during the dry season. Moreover, the program will prevent the rural people from a worse impact of economic crisis.

The pump program was officially dedicated on 27 April 1999. Currently, there two pumps which are located in two clusters of Gerih village. The villagers regard the program as an important one. The program was conducted based on the people’s agreement. Those who then decided to do the program are the representatives of LKMD/ LMD, local appurtenances, the prominent figures, and the farmers’ group. Six representatives of prominent figures are chosen as those who responsible for the program, while two people are chosen as operators. The success of the program lies on the application of participant method in which the target group themselves identified their own needs.

The social safety net program in Sungunlegowo village takes form of building market stalls. As it is the case of other villages, the program direction is more decided by the local appurtenances, the local prominent figures, and those who are close to the appurtenances. The people tend to follow the determined program. The case of Wiyuredja village show that the PDMDKE fund of Rp 33,450,000.00 is used to repair the village’s road.
The KUT Program

The qualitative research shows that KUT program does not reach its target group. Those who have access to the program is the relatively well off people. The KUT fund is distributed through the local cooperative. At the implementation level, the KUT program face a problem i.e. it is hard to collect the borrowed money. People assume that the KUT program is the government’s charity program, therefore the fund does not need to be returned. On the contrary, the small scale farmers who are regarded as unable to return the money, are indeed showing a good performance i.e. return the borrowed money on time.

Both in NTB and North Sulawesi received Government support for poverty eradication and JPS. During the Fiscal Year 1998/1999, Government of Indonesia had launched Program Jaring Pengaman Sosial (JPS, or Social Security Net Program) to help people to cope with the crises. The Program comprised of distributing “sembako” (Sembilan bahan Pokok, or Nine kinds of primary needs), in the form of rice (10 kg allotment per household), at subsidized price (Rp 1,000/kg at the expense of Rp 2,200,-/kg market price). Meanwhile, Food For Work, in which each participant engaged in maintenance works of infrastructure and public facilities receives 2.5 kg rice.

In “sembako” (Cheap Rice Program) distribution, the delivery is arranged to reach the most poor people (Pra Sejahtera or Below the Proper Living Standard households) according to prior censuses performed by the Ministry of Social Welfare and Poverty Alleviation (Menteri Koordinator Kesejahteraan Rakyat dan Pengentasan Kemiskinan). But since the people still adhered to the principle of conformity, usual practices were to distribute the rice in egalitarian way, which was on the contrary to the Government Instruction.

For instance in Mogoyunggung the allotment for 150 household was distributed to 600 households (ca. 5 kg rice each, instead of 10 kg per household as planned before). But it was after the villagers protested fiercely to the Village Head, and the later had to comply although after that the Sub-district head (Camat) scolded him about not following the procedures as instructed by the Government. LB, the Village Head said that he had to cut through the procedures because he was threatened by the villagers everyday. Even the Camat could not guarantee his safety.
Food for work, for instance in NTB the government allocated funds Rp 50,000,000. - for fiscal year 1998/1999 was used to build common wells and village drainage system. Every participant was paid by 2.50 kg rice per day and 1 kg for village savings per day. This project employed everyone who willing to participate, even the better-off people. Formerly the aid was designated only for lower economic level people, but then it was changed based on village usage of conformity. But then some people argued that the aid was not properly distributed, and only circulated among the village head’s relatives.

Another funds of Rp 150,000,000 was allocated through P3DT (Government aid for poor villages) was disbursed through Food for Work program to build 1.200 km village road 6 meters wide in Sukadamai, based on the proposal of the Village Assembly (LKMD).

Those examples depicted the dynamic of village society to cope with the crisis, by using local/traditional procedure. Some procedures had changed with strong tendency shifted to more democratized way although it was not commensurate with the initial government policy.

The community itself also had its own way of capital accumulation for development. Remittance from migrant workers performed as greater part of development funds in the villages both in NTB and North Sulawesi.

Migrants to Freeport from Karegesan, Minahasa, shown significant amount of remittance to their family at home, about Rp 300,000,- - 1,000,000,- per month in average, while migrants worked in Balikpapan (oil refinery) contributed in average Rp 200,000 – Rp 500,000. In Bolaang Mongondow migrants worked in Manado contributed lesser (on average about Rp 150,000 – Rp 300,000 per month per household), while from Rumoong Atas (Minahasa) the workers migrated abroad for instance to Japan, Hongkong, Singapore, Holland, and Taiwan. Most of them works as technician and mechanist in industrial site. They contributed on average Rp 1,000,000 to 1,500,000,- per month to their families at home. Jakarta and
CHAPTER III
CONCLUSION

STUDY OF CRISIS IMPACTS IN RURAL AREA

According to the field-finding, there are several matters deduced: that the crisis has made very
heterogeneous impacts in both inter-region within one province and inter Java-outside Java.

In general the crisis impact in Java region is worse than that occurs outside Java particularly in
export commodity based-regions. Due to the rising of US dollar value, the export commodity
based regions gain a multiple income than that before the crisis. An analysis of the differences of
the crisis impacts take place in Java and outside Java will be presented in this chapter by
following the writing structure arranged for chapter two.

Since the crisis that has occurred in Indonesia is not only an economic crisis but also a
multidimensional crisis, dynamics occurred at community level are very fast. The changes found
out during the research will also be different from the dynamics that occur at community level
currently. However, it is obvious that the changes happen in Indonesia due to the
multidimensional crisis area absolutely not easy at all to be predicted. The crisis impacts occur
at community level cannot only be viewed at one point of time but it must be viewed intensively
at other points of time to overview in detail the changes at community level. Such matter is
essential –particularly for decision makers and other institutions having interest with the direction
of changes at Indonesian community level – in order not to incorrectly formulate a program or a
policy planned on behalf of society affected by crisis impacts.

The Change of Land Ownership Patterns
Number of migrants in North Sulawesi and NTB increased, in their efforts to take advantages of
the increasing US dollar and other foreign currency value against rupiah, which allow them to
have more income and remittance from working as migrant laborers. The increasing income then being invested by buying land and other valuable things such as to build and/or renovate houses, buy car and motorcycle, cattle, etc. But in North Sulawesi and NTB the change of land title compared to before crisis, was not significant. Nevertheless, the crisis had impacted labor supply availability, as more people had shifted to off-farm occupations, which are more rewarding, such as in opportunities abroad (e.g., in Malaysia, Brunei, Saudi Arabia, Hong Kong, Korea, and so on.). It is a bit different to the condition in Java, where there is hardly found out a change on land ownership pattern. In another word, people in general keep maintaining the land they own as a valuable asset. From several cases in Central Java, the selling of land is carried out only to meet priority demanded such as educational cost. It is a bit different to the condition in Java, where there is hardly found out a change of land ownership pattern. In another word, people in general keep maintaining the land they own as a valuable asset. From several cases in Central Java, the selling of land is carried out only to meet priority needs such as educational cost.

Change in Labor Migration Patterns

The Change of Migration Pattern and the Occurrence of New Job Alternative

There was no change of migration pattern in Outer Java, except the outmigration abroad was increased during the crisis. Migration to rural area not significant, because the entrenched laborers were mostly “white-collar” workers who received substantial money compensation. Government Program to combat the crisis opened new employment in the form of Food for Work in constructing and rehabilitates public utilities.

The condition mentioned above contradicts that happen in Java. A qualitative research shows the occurrence of a fairly large number of migration flow tendencies from urban to rural area. Such condition apparently takes place in one of village researched in East Java. Nearly all its population previously worked in urban area return to their village because of job dismissals. The tendency of migration flow change from urban to rural area also happens in other rural areas with different intensity. Most of them return to their hometown become unemployed and
additional dependants burden for their families. Thus, rural area tends to bear a much more heavier burden than urban area due to the existing crisis. Rural area in crisis situation becomes the only hope and stepping stone for most of urban labors that have been fired until they can get a job.

A number of new jobs appear during the crisis. Types of new jobs are types of jobs exerting the advantages of garbage for making products. Cloth garbage for example is used by a number of household units for making doormats, small size tablecloth, and children wear. Such products are distributed to the nearest local market. Other types of jobs engaged as an alternative for unemployeds in rural area are catching snails for snail floured chips. Even though such jobs are types of jobs that have existed before crisis, but the intensity as well as people engaged in such jobs is increasing at the time of this research conducted. The income gained from the types of new jobs cannot meet daily needs (subsistent condition), but such activities is positively viewed for using time as such it can function as a protection to prevent from activities directing to criminality.

Change of labor use and utilization

The change of occupation resulted from the entrenchment in North Sulawesi and NTB to some extent had changed the labor use of office work to non-formal jobs such as ojeg driver, service sector as middlemen in trade, etc. But the magnitude of labor absorption in agriculture was not like in Java, because those who had migrated to towns and cities to work “white-collar” job had agricultural works as their last choice.

The change of purchasing and loan pattern at domestic level

The Change of Cost Priority at Domestic Level

Different with condition in Java, which depicted significant change of purchasing and loan pattern at domestic level, the interviews with Outer Java respondents revealed that not such change occurred there. The increased daily wage rate because of the labor scarcity help low-income people to earn sufficient money for fulfilling daily needs.
**Education**

To some extent, the Outer Java households still can afford to pay the tuition fee of their children. But there also some information about the dropout’s children from school to help their parents in income earning. This condition had been prevailed even before crisis, and it is a common feature for the low income household to get their children to participate as supporting laborers by doing small chores such as helpers in transporting the products during harvest, look after the cattle and chickens, etc. For middle level households the tendency of school dropouts decreases, even during the crisis. An informant said that he wants to send his daughter to school for nurses in Java to get higher education, to support her in getting more credibility before applying to work abroad.

This research shows a tendency that even during crisis, most of population in Java still put education as the top priority. Other needs; such as daily consumption, cloths are main needs pressed to keep continuing the study of their children. Even it finds out a case of land selling for educational cost. Education remains a hope for most of people to improve their living standard. Although this research also finds out a school dropout case or the condition of stopping education to a higher level –and it indeed takes place in rural area that obtains a positive impact from crisis, but such tendency has already taken place far before crisis.

**Health**

Like in Java, the Outer Java informants mentioned that the health care can be afforded through doctor or health aide’s treatment for upper and middle class households and by buying pain-reliever medicine from street vendors, or by buying traditional medicine for low income level households. The crisis tend to impacted to the low income level households, who could not afford to pay the increased price of milk for their babies and therefore had to change the menu with local substitute, for instance with boiled rice water and banana.

**The changes of institution and social network**
The field findings denote that the crisis does not result in the occurrence of new institutions and social networks at local level. The field phenomena found out shows that at local level (rural area), people tends to rely on saving clubs, Koran recitation club (in Java) and social network (Mapalus, Kongsi, and Aksi in North Sulawesi) as a media for helping the lower income bracket in solving their daily problems due to crisis. Such social institutions have been actually existing before crisis, but the situation of crisis has made the intensity of the institutions’ activities are more intensive or more developing from those before crisis. Koran recitation and saving club previously only used as communication media inter social members (ties of friendship) has developed into donation activities of rice, educational funds for unaffordable people who are hit by crisis. Societies at rural level living in Java rely more on personal and family relationship to settle problems occurred during crisis. Mutual aid works done collectively still continue to be done for party activities, etc. On the other hand, it is hardly found out an organized collective effort undertaken.

In North Sulawesi and NTB, the local institution such as LKMD, keleman and kolom, gain more meaning as organization which functions as local implementers of Government Program to combat the crisis. If LKMD is considered as formal organization to legitimate Government JPS and KUT, keleman (in Lombok Moslem community, NTB) and kolom (in Menado churchgoers community) are primordial organization with additional function of capital development for helping people in need during the crisis. Social networks of those local institutions may involve more than one village, and help them to overcome the crisis.

Compared to Java with mutual helps in labor exchange for agricultural works, people in Menado, North Sulawesi enliven the local tradition of Kongsi and Aksi with the spirit of mapalus system. The difference lies in the prime-mover of the activities, in Menado the people exchanges work with money by certain “credit” system (i.e. paid after harvest), whereas in Java it is compulsory to exchange work with work. It is not the amount of money, but normative fulfillment of social norm is more important.
Other interesting field-finding is that official institutions on rural area; handicraft training organization for society, Village, Rural Society Defense Organization, etc. do not undertake much help for lightening social problems occurred due to crisis. Officials tend to wait for instruction from their higher authority. It can be an evidence that the organizations existing at rural revel have top down character which make an impact on the disappearance of initiative and creativity of both officials and society to utilize the available resources in their surroundings to solve their problems.

**Change of maintenance function of common facilities and infrastructure**

There is no special change occurred in the maintenance of public utility and infrastructure at rural area due to crisis. People at rural area through routine mutual aid works conduct maintenance of facilities and infrastructure such as road, water embankment, road lights facilities which is funded from collective donation done before crisis as well as during crisis. There is some dispensation given for unaffordable members of society –but it hardly finds out during the research any member of society who uses such dispensation. The responsibility and equality are still kept firmly even during the crisis.

In North Sulawesi and NTB, *mapalus* and *basiru* system also applied in maintaining function of common facilities and infrastructure. Therefore the crisis was not much affected to the maintenance function. But the Government Program of JPS (Social Safety Net) implemented during the crisis had changed the normative compulsory work to remuneration oriented work, by paying the workers with 2,5 kgs of rice per daywork.

**Some change of farming system**

In this research –particularly in Java—there is no change found out in agricultural system related to crisis. The pattern and type of vegetation existing in Java region is relatively not changed between that before crisis and at the time of this research conducted. The change of vegetation pattern and type will heavily depend on the condition of existing land, thereby although export oriented hard plant is quiet advantageous, it is hard to do in Java region.
It is a bit different to the condition in North Sulawesi and NTB farmers had changed their cropping pattern from intensive foodcrops with relatively low price to less intensive cash crops (i.e. from rice, onion, garlic to cashew-nut and tobacco), because of the increasing market price following the international market.

**Change of gender relation**

The crisis gives a real impact on women at rural level in Java. The burden of women is increased since women are triggered to have a strategy in facing the price increase of various basic needs with unchanged even decreasing income – due to their family’s job dismissal.

The return of family members who have been dismissed from their job from urban area also contributes an additional burden for women so that women is encouraged to do additional work – as domestic servant, etc. — to add or recover domestic necessities as well as needs of their children or other unemployed family members – such as for buying cigarettes, etc. A strategy generally taken by women and their family to survive during crisis situation is to reduce daily menu’s quality and omit other needs, as generally done in Java by omitting the consumption of meat, sweet drinks, milk for children under five years old, etc. If such condition keeps continued longer it can be estimated that the danger of nutrition lack and mortality increase will threaten most of rural people, in particular children and children under five years old.

Women at rural level is also triggered to exert their capacity for working when there is a party held as a compensation from the decrease of donation given for the person who invites.

In North Sulawesi and NTB, both are patrilinial communities. Although women can manage to help the household by working outside their household chores, their income is still considered as part of household income.

**Policy of Crisis Impact Solution**
Most of various crisis solution programs applied in the Social Saving Net Program both in Java and outside Java are not reached the target because the arrangement and implementation are not participative. The implementation of Social Saving Net Program at rural level is an evidence of the low social participation towards the policy and program purposed for them. The existing policy and program tends not fitting both in the target category and not touching the real problems faced by society. Society in Social Saving Net program tends to be an object of a program or policy set by a political elite at national level as well as rural level.

Various kinds of study regarding ineffectiveness of Social Saving Net programs have been discussed. The mistakes or weakness of distribution, monitoring and evaluation systems become the main points of the weakness of Social Saving Net programs. It actually shows the weakness of democracy system, in which participation in decision making particularly has never become the main purpose of every program.
CHAPTER IV
POLICY IMPLICATION

1. Heterogeneous crisis impacts in a wide range of regions in Indonesia require program and policies for handling different crisis impacts according to the kind of problems occurred. The uniformity of crisis impact solution program; through Social Saving Net program and other type of programs is not only reached a false target but also tends to make a new problem that is more complicated at social level.

2. Rural area and its village community is still a sanctuary during the crisis, a hope and a stepping stone during urgent situation inclusive of crisis situation. The gap of rural-urban development has so far attracted a huge migration flow of people to urban area. Village community should be considered as an active and dynamic resilient system, which can adjust itself in coping the crisis through its own social safety mechanism. The rural-oriented development should be urged as such which envisaged rural area attractive for people to live on, and does not only take position as a safety shutter during urgent situations.

3. The Government intervention should incorporate people’s participation. The program planning process which tend to have a top-down character, generally causes less successful crisis solution programs. The involvement of society at local level in the process of program planning, implementation, monitoring and evaluation is very limited so that they tend to be an object of program implementation. The involvement of society starting from the planning process of program until the evaluation process is very important to enable the formulation of program or policy that straightly suits a situation and problem occurred.

4. Local food habit, which not only depends on rice as main dish in the daily menu, should be widely extended to the people. It is important to be socialized both in Java and outside Java. More knowledge of the importance of attaining diversification of foodcrop, rather than
only of rice, shall be extended to the farmers, along with the policy of increasing food sustainability and the techniques of implementation.

5. The general pattern at domestic level in Java is the pressing of daily consumption need by omitting or reducing nutrition intake and other essential needs in a long term which can affect negatively the people’ health. The target of nutrition addition program currently needs to be broadened not only for children under five and other children but also for women and the elderly as groups most affected by the crisis impact. The family nutrition addition program is ideally conducted selectively, intensively and continuously in order to give positive impacts on people’ health.

6. The crisis gives a distinct impact for men and women. The formulation of policy and program should not only consider the female aspects but also involve women from the starting process until the final process of a program/policy so that it can minimize other problems that will in fact enlarge the burden and impacts on women. The involvement of women in the arrangement process of programs as well as policies can be carried out by using local institutions closely linked with women, such as arisan (saving club) and pengajian (Qur’an recitation club).

7. The Government program to deal with lingering effect of the crisis, such as corporate farmings, should be envisaged through participatory planning and evaluation using existing village institutions (arisan, pengajian, keleman, kolom, aksi, kongsi, etc).