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# THE COMMUNITY DEVELOPMENT STRATEGY OF TOBACCO FARMERS IN LENGKONG DISTRICT OF NGANJUK REGENCY, INDONESIA

Munir M.\*, Doctoral Student of Environmental Sciences Fanani Z., Soemarno, Leksono A.S., Lecturers University of Brawijaya, Malang, Indonesia \*E-mail: pakmakinpps@gmail.com

# **ABSTRACT**

The purpose of this study is to find a community development strategy of Tobacco Farmers in Lengkong District in Nganjuk Regency. There are two types of research used in this study; case study and explanatory research. The research was conducted by survey method. The results showed the community development strategy of Tobacco Farmers in Lengkong Subdistrict in Nganjuk District, based on Analytical Hierarchical Process (AHP) results that the overall priority of the overall strategy obtained was First, Optimizing business efficiency value of 0.389; second, Access to capital 0.23, third, Optimizing Group Function; 0.19; fourth, Applying Appropriate Technology; 0,139; fifth, increasing bargaining position; 0.052.

# **KEY WORDS**

Strategy, empowerment, tobacco, farmers.

Community development aims to enable and make people independent, especially from poverty and backwardness / inequality / powerlessness. Poverty can be seen from indicators of fulfilling basic needs that have not been sufficient / feasible. The basic needs are including food, clothing, housing, health, education, and transportation. While backwardness, are including low productivity, weak human resources, limited access to land while dependence on the agricultural sector is still very strong, weak local / traditional markets because it is used to supply international trade needs. In other words, the problem of underdevelopment concerns structural (policy) and cultural (Usman, 2004).

The application of the concept of economic empowerment according to Newstorm and Davis (1997), is more focused on efforts to empower the community by giving greater authority as the main actor in every decision making. The granting of greater decision-making authority to the community will encourage empowerment efforts as strengthening the ability of the community (empowerment) to empower itself (Mubyarto, 1994). Community empowerment basically places the community as the main actor to have more power towards a prosperous society. According to Subejo and Supriyanto (2004), Empowerment is a deliberate effort to facilitate the community in planning, deciding, and managing local resources that are owned through joint work and networks so that the main purpose of empowerment is more to provide and improve the ability and independence of the community economically, ecologically and socio-cultural.

Empowerment here does not only include strengthening individuals and communities, but also planting, renewing and integrating value systems such as; honesty, trustworthy, sincerity, hard work, frugality, openness and responsibility in carrying out development activities which are an important part of the empowerment process (Mardikanto and Soebianto, 2012).

The potential strength of the agricultural sector, which predominantly occupies rural areas, has long been a national asset to support community welfare (Setiawan, 2012). Five main problems in the agricultural sector that contribute to the decline in the economy of rural farming communities are; 1) Mental attitude of the people who have not seen the agricultural sector as the main livelihood 2) Lack of community knowledge about entrepreneurship in agriculture, 3) Lack of knowledge and access to information so that agriculture is still managed traditionally by only sticking to the concept of farming. 4) Weak capital to reduce interest in agricultural business and 5) Weak agricultural institutions (Mangowal, 2013).

In order to agricultural development to take place, farmers' knowledge and skills must continue to be improved and changed, because farmers are continue to accept new methods, their ways of thinking change. They develop different new attitudes towards agriculture, towards the natural environment, and towards themselves (Mosher, 1991). Agribusiness is all activities, starting from the procurement and distribution of production facilities to the marketing of products produced by farming and fishing businesses and agroindustry, which are interrelated with each other (Hafsah, 2003).

The management of tobacco commodities from upstream to downstream in reality has contributed to the creation of employment opportunities that have an impact on the creation of community welfare. The multiplier effect obtained from tobacco agribusiness significantly impacts the contribution of economic growth at the regional and national levels. Indonesian cigarette production is a formidable agro industry. At the time of the monetary crisis around 1997 and thereafter, the cigarette industry continued to survive, even its production increased by around 2.5% per year.

Cigarette tax increases every year, in 2008 reached to Rp. 44 trillion. Tobacco and tobacco products industries are able to provide jobs directly and indirectly around 6.5 million people, consisting of 2.5 million tobacco farmers, clove farmers around 1.5 million people, cigarette factory workers 500,000 people, street vendors and retail about 2 million people, while the financial, printing, transportation and other sectors involve around 1.5 million people. The agricultural sector in Nganjuk Regency, especially tobacco, plays a huge role in the GRDP because of 70% comes from the sector. The success of tobacco in certain seasons is positively correlated with the increase in GRDP. However, the carrying capacity of land in Nganjuk is unbalanced, causing various problems. Planting tobacco on land with a slope of more than 15% can cause erosion.

The above problems require a holistic approach that involves all parties in utilizing local potential by making plans, implementation effectively and measurably, so that the approach taken is not only based on seeing symptoms or symptoms as the focus of program implementation, but must be able to touch the core issues and aspects of sustainability program. One of the efforts to manage local resources can be done by creating an integrated agricultural area empowerment model through programs to improve the ability of human resources, optimizing the use of natural resources, increasing the added value of physical and technological resources, and optimizing social and cultural resources by focusing more on efforts empowerment of local or rural communities (Sulistiono, 2008). Crowe's research, (2008) states that easy access to natural resources is an important requirement for the community / community to be able to improve their welfare. The preservation of natural resources is very important to be maintained to be sustainable. Damage to natural resources is known to affect productivity which can ultimately increase unemployment (Owiler, 2002). Therefore natural resource management must be carried out with the principle of sustainability. The purpose of this study is to find a strategy for empowering the community of Tobacco Farmers in Lengkong District in Nganjuk Regency.

# **METHODS OF RESEARCH**

There are two types of research used in this study; case study and explanatory research. The research was conducted by survey method. Based on the purpose of this study, the determination of the sample and location of the study was done purposively. The place of this research is the Tobacco Farmers in *Lengkong* Village, Nganjuk, with the object of all staff employees and elements of leadership and village administrators of the *Lengkong* Village, Nganjuk. This research was conducted for 10 months, which started from 10 June 2019 to 11 March 2020.

# **RESULTS AND DISCUSSION**

The strategy of empowering the community of Tobacco Farmers in Lengkong Village in Nganjuk Regency. Based on the results of research and discussion, explanation in more detail below using Analytic Hierarchical Process (AHP).

Functional hierarchy is very helpful to bring the system towards the desired destination. In this study the hierarchy used is the functional hierarchy. The hierarchy formed consists of five levels. The first level is the goal, which is Analyzing the strategy for developing business sustainability of Tobacco farmers in Nganjuk Regency, Lengkong District. The second level is the criterion where there are five kinds of criteria, such as fertilizer application, seed use, production level, disease control and marketing, the third level is actor or subject, that is, there are financial institutions, private entrepreneurs, farmers and related institutions. While level four is the target, which consists of expanding business, increasing production and productivity, optimizing the use of resources, increasing income and improving quality and the last or level five is an alternative consisting of access to capital, optimizing business efficiency, applying appropriate technology, increasing bargaining position and optimizing group functions.

There are five criteria used as determinants of the Tobacco business development strategy model in Nganjuk Regency, Lengkong District, those are: fertilizer application, seed use, production level, disease control and marketing. From the data of the next research results the criteria weight was calculated. By using the Expert Choise software, we get the results of the weight and Consistency Ratio value of each criterion and the perpetrators / actors are as follows:

Criteria	Weight
Provision of Fertilizers (PPK)	0,350
seed use (PB)	0,306
production rate (TP)	0,173
disease control (PP)	0,112
Marketing (PM)	0,058
CP (Consistency Patio)	0.008

Table 1 – Weight and Consistency Ratio Value for Pairwise Comparative Matrix Between Criteria

Table 1 shows the weight and the value of consistency ratio (CR) for the pairwise comparison matrix between the criteria obtained a value of 0.008, meaning the matrix of the criteria is said to be consistent, because of the CR value <10%. On the other hand, it is also known that the criteria for "fertilizer application" has the largest weight of 0.350 or 35%. The second position is occupied by the criteria of "seed use" of 0.306 (30.6%), the third position is occupied by the criteria of "production level" of 0.173 (17.3%), fourth is the criteria of "disease control" of 0.112 (11.2%) and the last is "marketing "By 0.058 (43%).

There are four performers who found in all criteria. The four perfomers are Financial Institutions, Private Entrepreneurs, Farmers and Small Institutions. Furthermore, the weight of each performer is calculated using the Expert Choise software.

Table 2 shows the consistency ratio (CR) weights for the pairwise comparison matrix between actors / actors based on the criteria for fertilizer (PPK), seed use (PB), production level (TP), disease control (PP) and marketing (PM) < 10% (CR <10%) means the matrix of the criteria is said to be consistent. The "Financial Institution" actors have the highest weight of 0.428 (42.8%) in the KDP criteria, 0.413 (41.3%) in the PB criteria, 0.394 (39.4%) in the TP criteria, 0.453 (45.3%) in the PP criteria and 0.383 (38.3%) in the PM criteria.

Table 2 – Weight and Consistency Ratio Value for the Pairwise Comparative Matrix for Actors / Perpetrators Based on PPT, PB, TP, PP, and PM Criteria

Dorformoro / offondor	Weight					
Performers / offender	PPK	PB	TP	PP	PM	
Financial Institutions (LK)	0,428	0,413	0,394	0,453	0,383	
Private Entrepreneur (PS)	0,284	0,280	0,298	0,289	0,278	
Farmers (P)	0,188	0,182	0,199	0,176	0,158	
Related Agencies (IT)	0,100	0,125	0,108	0,081	0,181	
CR (Consistency Ratio)	0,002	0,006	0,002	0,004	0,002	

There are five goals in each criterion. The five targets are business expansion, increased production and productivity, optimizing the use of resources, increasing income

and improving the quality of outreach. Next weights are calculated for each target using the help of Expert Choice software and the resulting weights are as follows:

Table 3 – Weight and Consistency Ratio Values for Inter-Target Pairwise Comparative Matrix Based on Fertilizer Giving Criteria (PPT) and LK, PS, P, IT Performers

Target		Weight				
Target	PPK-LK	PPT-PS	PPT-P	PPT-IT		
Business Expansion	0,233	0,302	0,286	0,297		
Increased Production and Productivity	0,251	0,172	0,294	0,402		
Optimization of Resource Usage	0,257	0,243	0,120	0,132		
Increased revenue	0,127	0,159	0,129	0,095		
Tobacco quality improvement	0,132	0,124	0,171	0,073		
CR (Consistency Ratio)	0,002	0,010	0,002	0,010		

Table 3 shows the results of the AHP analysis (in the Appendix) of the consistency ratio (CR) weight for the pairwise comparison matrix for targets based on the criteria for the provision of fertilizer (PPK) with financial institutions (LK), private entrepreneurs (PS), farmers (P) and agencies Associated (IT) is smaller than 10% (CR <10%), meaning the matrix of the criteria is said to be consistent. The target "Optimization of Resource Use" has the highest weighting of 0.257 (242%) in PPT-LK, then the target "Business Expansion" has the highest weighting of 0.302 (30.2%) in PPT-PS, the target "Increased Production and Productivity "Has the highest weight of 0.294 (29.4%) in PPT-P and 0.402 (40.2%) in PPK-IT.

Table 4 – Weight and Consistency Ratio Value for Matrices of Target Between Matrices Based on Criteria for Use of Seeds (PB) and Actors of LK, PS, P, IT

Torget Ducinese Evnension		Weight			
Target Business Expansion	PB-LK	PB-PS	PB-P	PB-IT	
Increased Production and Productivity	0,254	0,302	0,286	0,301	
Optimization of Resource Usage	0,249	0,172	0,294	0,388	
Increased revenue	0,254	0,243	0,120	0,135	
Improvements to the quality of outreach	0,119	0,159	0,129	0,101	
Target	0,124	0,124	0,171	0,075	
CR (Consistency Ratio)	0,000	0,010	0,002	0,010	

Table 4 shows the results of the AHP analysis (in the Appendix) of the consistency ratio (CR) weight for the pairwise comparison matrix for targets based on the criteria for Seed Use (PB) with Financial Institutions (LK), Private Entrepreneurs (PS), Farmers (P) and Related agencies (IT) are smaller than 10% (CR <10%), meaning the matrix of the criteria is said to be consistent. The targets "Optimizing the Use of Resources" and "Business Expansion" with the highest weighting of 0.254 (25.4%) in PB-LK, then the target for "Business Expansion" has the highest weighting of 0.302 (30.2%) in PB-PS, targets "Increased Production and Productivity" has the highest weight of 0.294 (29.4%) in PB-P and the target "Increased Production and Productivity" has the highest weight of 0.388 (38.8%) in PB-IT.

Table 5 – Weight and Consistency Ratio Value for Inter-Target Pairwise Matrix Based on Maintenance Management (TP) Criteria and LK, PS, P, IT Performers

Target	Weight			
laiget	TP-LK	TP-PS	TP-P	TP-IT
Business Expansion	0,254	0,302	0,286	0,303
Increased Production and Productivity	0,249	0,172	0,294	0,382
Optimization of Resource Usage	0,254	0,243	0,120	0,136
Increased revenue	0,119	0,159	0,129	0,104
Improvements to the quality of outreach	0,124	0,124	0,171	0,075
CR (Consistency Ratio)	0,000	0,010	0,002	0,009

Table 5 shows the results of the AHP analysis (in the Appendix) of the consistency ratio (CR) weight for the pairwise comparison matrix between targets based on Maintenance Management (TP) criteria with Financial Institutions (LK), Private Entrepreneurs (PS), Farmers (P) and Agencies Associated (IT) is smaller than 10% (CR <10%), meaning the

matrix of the criteria is said to be consistent. The targets "Optimizing the Use of Resources" and "Business Expansion" having the highest weighting of 0.254 (25.4%) in the TP-LK, then the target "Expansion of Business" has the highest weighting of 0.302 (30.2%) in the TP-PS, the target "Increased Production and Productivity" has the highest weight of 0.294 (29.4%) on TP-P and the target "Increased Production and Productivity" has the highest weight of 0.382 (38.2%) on TP-IT.

Table 6 – Weight and Consistency Ratio Values for Inter-Target Pairwise Comparative Matrix Based on Disease Control Criteria and LK, PS, P, IT Performers

Target		Weight			
	PP-LK	PP-PS	PP-P	PP-IT	
Business Expansion	0,254	0,302	0,286	0,303	
Increased Production and Productivity	0,249	0,172	0,294	0,382	
Optimization of Resource Usage	0,254	0,243	0,120	0,136	
Increased revenue	0,119	0,159	0,129	0,104	
Improvements to the quality of outreach	0,124	0,124	0,171	0,075	
CR (Consistency Ratio)	0,000	0,010	0,002	0,009	

Table 6 shows the results of AHP analysis (in the Appendix) Weight consistency ratio (CR) for the pairwise comparison matrix for targets based on Disease Control (PP) criteria with Financial Institution (LK), Private Entrepreneurs (PS), Farmers (P) and Agencies Associated (IT) is smaller than 10% (CR <10%), meaning the matrix of the criteria is said to be consistent. The targets "Business Expansion" and "Optimization of Resource Use" having the highest Weight of 0.254 (25.4%) in PP-LK, the target "Business Expansion" has the highest Weight of 0.302 (30.2%) in pp-ps, target "Increased Production and Productivity "has the highest Weight of 0.294 (29.4%) in PP-P and the target" Increased Production and Productivity "has the highest Weight of 0.382 (38.2%) in PP-IT.

Table 7 shows the results of AHP analysis Weight consistency ratio (CR) for the pairwise comparison matrix for targets based on Disease Control (PP) criteria with Financial Institutions (LK), Private Entrepreneurs (PS), Farmers (P) and Related Institutions (IT) ) is smaller than 10% (CR <10%), meaning the matrix of the criteria is said to be consistent.

Table 7 – Weight and Consistency Ratio Values for Inter-Target Pairwise Matrix Based on Marketing Criteria and LK, PS, P, IT Performers

Torget	Weight			
Target	PP-LK	PP-PS	PP-P	PP-IT
Business Expansion	0,254	0,302	0,286	0,303
Increased Production and Productivity	0,249	0,172	0,294	0,382
Optimization of Resource Usage	0,254	0,243	0,120	0,136
Increased revenue	0,119	0,159	0,129	0,104
Improvements to the quality of outreach	0,124	0,124	0,171	0,075
CR (Consistency Ratio)	0,000	0,010	0,002	0,009

Table 8 – Alternative Priority Tables with regard to criteria

Alternative	PPT	PB	TP	PP	PM
Capital access	0,229	0,230	0,232	0,230	0,288
Optimizing business efficiency	0,386	0,390	0,393	0,391	0,387
Application of Technology	0,138	0,140	0,140	0,140	0,139
Increased bargaining position	0,051	0,052	0,053	0,052	0,051
Optimizing Group Functions	0,196	0,188	0,181	0,187	0,195
CR	0,020	0,020	0,020	0,020	0.020

Table 9 – Comprehensive Priority

Alternative	Weight	Priority
Capital access	0,230	2
Optimizing business efficiency	0,389	1
Application of Technology	0,139	4
Increased bargaining position	0,052	5
Optimizing Group Functions	0,190	3

The targets "Business Expansion" and "Optimization of Resource Use" having the highest Weight of 0.254 (25.4%) in PP-LK, then the target "Business Expansion" has the highest Weight of 0.302 (30.2%) in PP-PS, the target "Increased Production and Productivity" had the highest Weight of 0.294 (29.4%) in PP-P, and the target "Increased Production and Productivity" had the highest Weight of 0.382 (38.2%) in PP-IT.

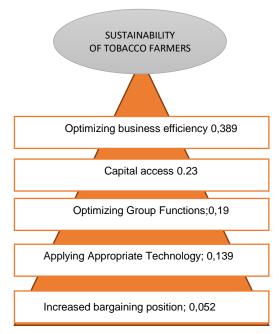


Figure 1 – Pyramid of tobacco farmer empowerment strategy

Table 8 shows the results of AHP analysis (in the Appendix) Weight consistency ratio (CR) for pairwise comparison matrix between criteria obtained CR values for the five criteria of 0.02, meaning the matrix of the five criteria is said to be consistent, because the CR value <10%. In addition, it is known that the priority of Tobacco business development strategies in Nganjuk Regency according to all criteria is to prioritize "optimizing business efficiency" which needs to be done first.

The main priorities / overall priorities are final conclusions from several main priorities obtained based on the criteria as well as the actors / actors and targets. Weight results for overall priority are presented in Table 9. The results show that the priority strategies that need to be carried out are as follows: Optimizing business efficiency; Access to capital; Optimizing Group Functions; Applying Appropriate Technology; Increased bargaining position.

Overall, the sustainability of tobacco farmer businesses is a result of the priority strategies for empowering tobacco farmers, illustrated by the prior pyramid. Where the priority pyramid of the model is composed of 5 alternative implementations as described above. As an example of the second alternative, Optimizing business efficiency has the largest overall Weight, which is 0.389 (38.9%) so it can be said that business efficiency optimization is prioritized to be done first.

# **CONCLUSION AND RECOMMENDATIONS**

Based on the results and discussion, it was concluded that the strategy of Empowerment of Tobacco Farmers Communities in Lengkong Village, Nganjuk based on Analytical Hierarchical Process (AHP) results that the priority strategies that need to be carried out are as follows: (1) Optimization of business efficiency; (2) access to capital; (3) Optimizing group functions; (3) Applying Appropriate Technology; (4) increasing bargaining position.

Suggestions for local government, recommended in the development of tobacco farmer development, prioritize the improvement of infrastructure to assist farmers in running their tobacco businesses. Physical capital related to the provision of infrastructure is very much needed by farmers. The availability of access roads for livestock businesses is very much needed by farmers, in addition to the availability of tobacco business facilities and infrastructure. The government is also needed to help farmers in marketing and the availability of tobacco business development houses.

Suggestions for the community, especially farmers, for the sustainability of the tobacco farmer's tobacco business, in order to be able to increase the human capital owned by farmers, especially the knowledge, skills, experience, and participation of family workers in helping the tobacco business. In addition to human resources, farmers also need to increase social capital, especially in terms of mastery and application of technology, empowerment, community involvement in agricultural activities and tobacco businesses, active in farmer groups, and extension agencies.

Suggestions for further research, in order to be able to develop and examine other factors that have the potential and influence on the sustainability of tobacco farmers.

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