GREEN KAMPONG: URBAN POVERTY INITIATIVE PROGRAM FOR TRANSIENT POOR FAMILY IN BENGKULU, INDONESIA

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ABSTRACT

Urban poverty is still a thorny issue in almost all cities in Indonesia. Urban poverty is grouped into two different characteristics: chronic and transient. Chronic poverty experienced by those who are under the poverty line, while transient poverty experienced by those who are around the poverty line. Unlike the chronic group that is often the target of poverty reduction policies, transient group is often overlooked. They do not exist in the scheme of poverty reduction programs. In fact, the number of transient poor population is about 46 percent, compare to the chronic population that is only 11%. With almost having similar condition with the chronic group, transient group is characterized by unstable income, large spending on food, limited access to drinking water, live in the surrounding slums, and having a low quality sanitation. The question is, how the survival strategy of the neglected transient is able to cope with their difficult life. And the most important thing, what program should be done by the government to deal with transient poverty? This paper will discuss the economic living conditions of transient poor families in urban Bengkulu City, Indonesia, reviews their survival strategy, initiatives and experiences. It also talks about ongoing Green Kampong project promoted by the University of Bengkulu that integrates incomes generation efforts for the transient poor and the commitment of environmental protection through the vegetables planting in every idle land in the kampong area.

Key words: *Transient poor, Poverty alleviation program*

INTRODUCTION

Public policy to reduce poverty on the one hand and survival strategies on the other hand are two different things that should be met. Public policies to reduce poverty in Indonesia are designed in a comprehensive scheme targeting the poor below the poverty line. These policies have been able to reduce poverty significantly in the last 10 years, from 17.75 percent in 2005 to 10.96 percent in 2014. However, the success of poverty reduction in poverty has given rise to new problems with the presence of transient phenomenon of poverty. Transient poverty describes the condition of the people who were around and slightly above the poverty line. Transient poor are groups of people who have been swayed by various economic policies. Their real economic conditions have caused them to sometimes be on top but also at times be under the poverty line. Schematically, they have been excluded from the target of poverty reduction policy, which means no longer receive subsidies and various government assistances. From community perspective, they argue that public policies to reduce poverty should also touch and handle transient problem is poverty. On the contrary from the government's perspective, the group that escaped from the poverty line should be independent, have a strategy to survive and increase their own income. Without debating these two different perspectives, the paper will discuss about the transient poor conditions and how their strategies to survive. This paper will also discuss the initiative of the University of Bengkulu to accompany groups of transient poor to increase their income through the introduction of the concept of green kampong.

RESEARCH METHOD

The research method chosen in this study is a qualitative method. A qualitative approach includes the construction of social reality and cultural significance, focusing on interactive processes, events, authenticity, not value-free, theory and data is integrated, situational or contextual, and the involvement of the researcher (Creswell, 1994). Furthermore, Creswell (2013) explains that the qualitative method has the characteristics of natural setting, researcher as a key instrument, multiple sources of data, the inductive analysis of data, of participants' meaning, emergent design, theoretical lens, interpretative, and holistic account. Qualitative researchers tend to use natural setting or the natural environment of the parties who will be interviewed, do not gather in one room, and does not undertake engineering situation. The data were collected through documentation, behavioral observations, and interviews with the participant. Analysis was performed with the guidelines of data derived from many sources, not just one source, for example from interviews, observation, and documentation. Qualitative researchers build patterns, categories, and the themes from the bottom up (inductive), by processing the data into information units (see Figure 1). This inductive procedure guided the implementation of chronological stages of research. Participants' meaning implies that researchers focus on efforts to understand the meaning conveyed by the participant of the problem or the issue of the research, not the meaning conveyed by the researcher or the other authors in the literature. Emergent design, meaning that develops research, not strictly in the preliminary draft methodology. Theoretical lens means qualitative researchers often use a certain perspective in their research, such as the concept of culture, ethnography, gender differences, a sense of knowing the class that emerged from theoretical orientations. Research is interpretative, meaning the researchers make an interpretation of what they see, hear and understand.

RESULTS AND DISCUSSION

The high poverty incidences in Indonesia have created a need for empirical studies and sustained generation of new knowledge and innovations to design poverty reduction strategies. Most of the earlier studies on poverty have basically been static focusing on poverty incidence, gap, and severity at a point in time. Whereas such studies provide very valuable information on poverty characteristics and distribution, they do not necessarily provide a good indicator of welfare stability over time. There are a lot of movements in and out of poverty as well as within poverty itself. Poverty is dynamic, in that the poor are not poor all the time. Poverty trends focus narrowly on inter-temporal changes in aggregate poverty in which
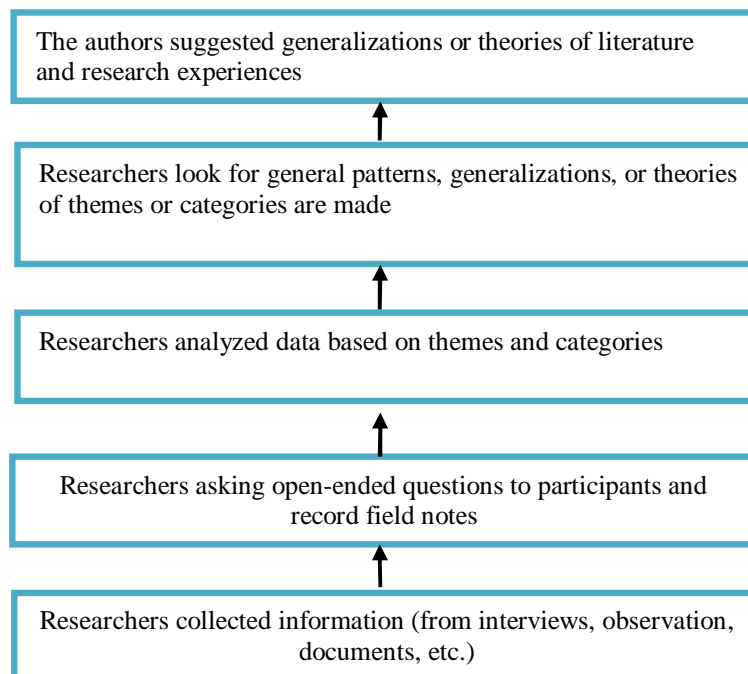

Figure 1. Inductive logic in qualitative research *(Source: Creswell, 2013, p.96)*
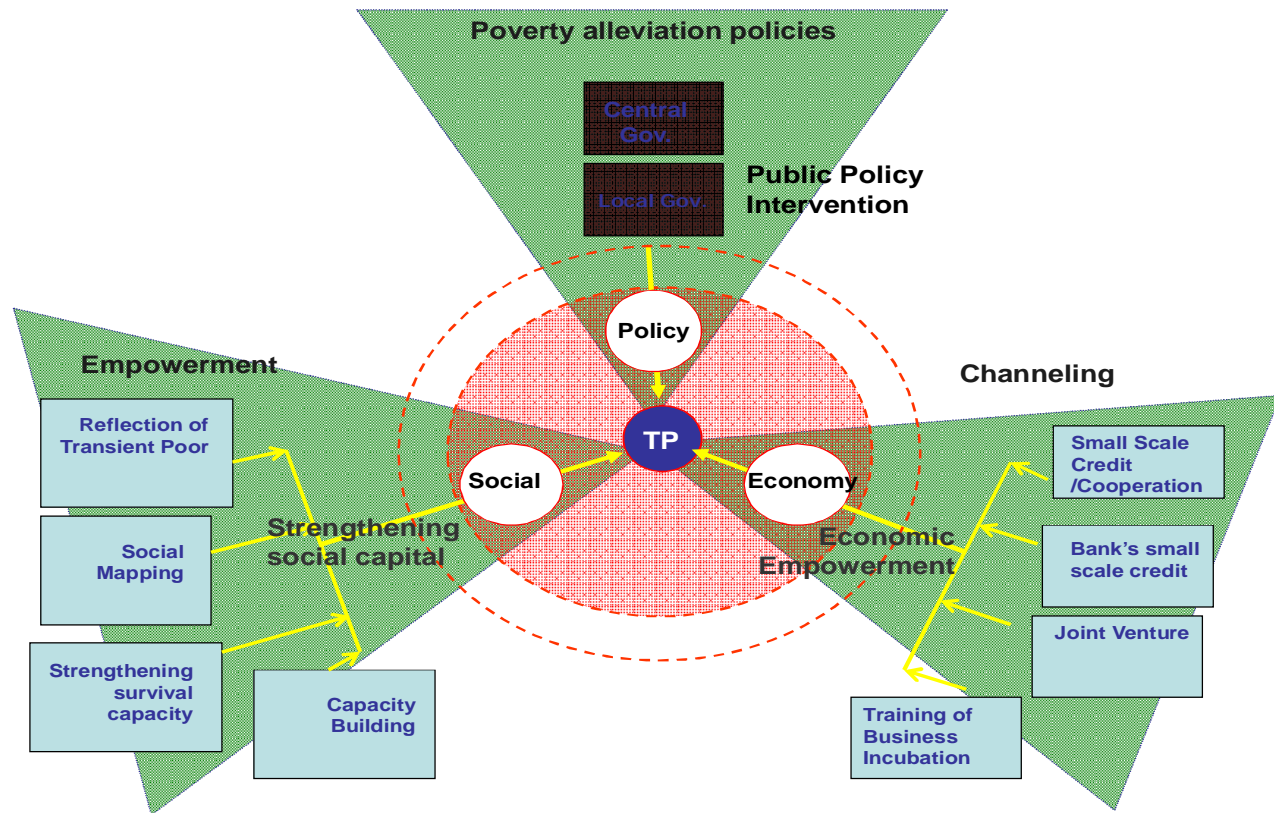
Figure 1. Inductive logic in qualitative research *(Source: Creswell, 2013, p.96)*

households remain anonymous while poverty dynamics focuses on inter-temporal changes in poverty of specific households.

In our existence, there is the 'sometimes poor' (transient) intermingling with the 'always poor' (chronic). By definition, transient poverty is temporary with households experiencing movements into and out of poverty while the chronic-poor experience persistent poverty over a reasonably long period of time (McKay and Lawson, 2002). Transient poverty may be as a result of work failure, crop failure, or low demand for casual labor while chronic poverty may be attributed to trapped powerless situation. The design of poverty reduction policies and strategies is a fragile exercise. Increasing research on welfare mobility has shown that the determinants of chronic poverty are likely to be different from those of transient poverty; and so are the appropriate respective policy responses (Jalan and Ravallion, 2000; Mckay and Lawson, 2002; Duclos and Araar, 2006). Studies on poverty dynamics provide useful insights into what determines movements into and out of poverty and why some households remain trapped in poverty. Haddad and Ahmed (2003) notes, chronic poverty is a more serious situation than transient poverty. Seeing from different perspective, I should argue that even though transient poor people are in the position above the poverty line, they still having similar problem and situation with those of the chronic poor. Accordingly, effective and well founded anti-poverty programs entail knowledge of the relative importance of transient as opposed to chronic poverty.

Transient poverty

Three urban kampongs surveyed in Bengkulu City, Malabero, Sumur Meleleh, and Pasar Bengkulu, are similar in their size, heterogenity of socio-historical background, tenancy structure, and in levels of economic development (market access). The three kampongs, fishermen settlement, are located close to all city facilities. Average household sizes are large between 5 to 8 people, reflecting the stronger prevalence of an extended family system in all three kampongs. The welfare of individuals in household is measured by real consumption per capita. In the survey, information on the household expenditure on non-food items, quantity of food items consumed, their prices, and the share met by domestic production was collected. The sum of

annual expenditures on those items was converted into real consumption per capita, by dividing the household total consumption, by the household size, and by the consumer price index.

Average consumption per capita is high although intra-kampong variation is much larger than inter-kampong variation. In the survey, a household is defined as a unit of co-residence and shared consumption. A typical joint family in the region, where married sons/daughters live together with the household head who owns their family land along with their wives and children, is treated as one household, as long as they share a kitchen. The actual number of household members was used in this paper as a measure of household size.

According to human capital theories, household earnings are largely explained by the age and education attainment. Thus, head of household age and education attainment were incorporated into the model. Household size and sex of the head were also included. Household dependency burden (dependency ratio) is also an important welfare explanatory variable. Dependency ratio is measured as the number of individuals aged below 15 or above 64 divided by the number of individuals aged 15 to 64. Other variables included income diversification; fishery technology adoption; and access to credit and markets. Technology adoption and access to credit and markets determine the economic returns to household production. While use of advanced fishery technology enhances their productivity, credit availability assist households to bridge short-term liquidity gaps especially in obtaining fishery inputs. Data on the distance to the nearest market where households could either sell their fishery product or procure fishery inputs was also gathered.

On average, households had an annual expenditure of Rp. 3.762.000 (US$ 376) per adult equivalent. Applying the poverty line of US$ 1 a day, their condition can be identified as slightly above the line. Accordingly, most of the people in the three kampongs are transient poor. Turning to household economic variables, about 41 percent of the households reported having accessed credit either in cash or in kind. Qualitative data indicated that funds accessed are either used to procure fishery inputs or meeting pressing and urgent social needs such as school fees and medical bills. Most of the household are about 3 kilometers away from the markets.

Most of the households in the sample were found to be male headed (84 percent). On average, the household head was found to be 54 years old. Majority (54%) of the household heads had only achieved primary level education. About 25 percent of the household heads lacked formal education. Only 17 percent and four percent had secondary and post secondary education respectively. The average household size was four members. A sizeable number of households were found to have a large number of members who were either too young or too old to work (dependency ratio of 43%).

Chronic poverty declines with permanent income for all households but with female-headed households generally experiencing more chronic poverty than male-headed households. The age of the household head is positively related to the two components of poverty. Female headed households are likely to be chronically poor compared to male-headed counterparts. Both male and female-headed households, experience the increasing transient poverty as permanent income increases, reaching a maximum and then declines. By and large, female-headed experience higher transient poverty levels compared to households headed by their male counterparts. This result concurs that chronically poor households are likely to be headed by women.

Generally, relatively households with larger members experience more chronic poverty. The results indicate that relatively large households size tend to experience more transient and chronic poverty. Chances of households with high number of either too young or too aged members to be poor are very high. As household size expands, households experience reduced expected chronic poverty reaching minimum threshold (three members), then thereafter, chronic poverty increases. Dependency ratio is positively related to both transient and chronic poverty. While this observation confirms the preposition that larger families are more likely to fall into poverty, however, it also shows that extremely small households are disadvantaged. The transient poverty slightly increases with household size. This finding confirms results from Krishna *et al.* (2004) that relatively large households are vulnerable to chronic poverty.

We notes that transient poverty is not strongly correlated to the number of fishing products. Transient poverty increases as the price of rice increases. Rice is the Indonesian staple food crop and it is indeed grown by the majority of the rural households. Chronic poverty declines with the value of the physical assets owned by families. Assets include aggregated value of items such ox ploughs, wheelbarrows, bicycles, radios, televisions, livestock, motor vehicles and fishing equipment including the fishing boat. These results underscore the importance of physical assets in income generation thereby keeping chronic poverty way. However, the relationship between transient poverty and households assets is not apparently strong. Probably, the constraints

that hold back assets from uninterrupted income generation are possibly the same factors that to some extent cause transient poverty. Also, assets are fixed, in the short-term and thus not easily convertible into 'money at call at short notice' to intervene in case of transient poverty. In case of short-term consumption or income interruptions, household will be more inclined to seek casual labor or dispose off small livestock such as chickens, ducks, or goats.

Poverty, whether transient or chronic, is a decreasing function of education. Households headed by educated heads are unlikely to be chronic or transient poor. Heads with primary education or no formal education have less income earning opportunities to effectively cushion their households from seasonal welfare disturbances. From the field, it can be underlined that poverty components decrease with the highest level of education attained by the household head. The households headed by heads without formal education dominantly contribute to transient and chronic poverty respectively. Educated heads have higher income earning potential and more alternative income earning opportunities, and thus better able to improve the quality of their respective households' welfare. These results underscore the importance of education in poverty reduction. The importance of education in chronic poverty reduction is also highlighted in earlier poverty dynamics works in Indonesia.

Characteristics of transient poor

Characteristics of people, men and women, which can be categorized as a group of transient poor, among others:
1. Vulnerable, certainly not sufficient revenue to cover basic needs,
2. Divorcee or a husband dies, the husband as the owner of the main income source family,
3. Retired employees,
4. Old age, too old to start a new business/economic activity,
5. No permanent job, usually daily, weekly, or bulk payment system,
6. A weak bargaining ability, has no strong position in the employment contract, at any time on layoff without a clear reason and severance,
7. Having insufficient capital to diversify their recent business,
8. Having insufficient capability to perform access to economic resources,
9. Having limited network of productive economic activities,
10. Having access to public policy-making,
11. Having insufficient collateral to borrow money from the bank,
12. Closest reference to a poor family to borrow money,
13. Smart, they are people who are always looking for opportunities even though only small,
14. Tolerant, they are very helpful for neighboring poor families,
15. Strong, they never give up and always trying to survive,

Vulnerability and survival patterns of transient poor

Vulnerability of transient poor attached to their characteristics. Lacking these things, then this group is building its own ability to survive, survive on its position not to fall below the poverty line. The survival patterns of transient poverty group both men and women include:
1. As many as possible of household members were deployed to obtain extra income by making and selling cakes, sweets shop, kreditan goods, dried fish business, and so forth,
2. Perform a variety of work (odd jobs) at the same time,
3. Diversification of business/economic activities, including work on palm oil/rubber, vegetable itinerant traders, itinerant fish traders, motorcycle (ojeg), and so forth,
4. Pawn or sell goods,
5. Expanding access to borrow money from the stall, relatives, co-operatives, and used to repay debt and meet their basic needs,
6. Creating and maintaining social networks across transient poor or upper level people that can be accessed at

any time to borrow money,
Actively involved in many poverty programs and activities of social assistance in order to access its assistance.

Empowerment model for the transient poor

From these discussions, it is recommends a community empowerment model of transient poor. The draft model developed in this study is presented in Figure 2. In the model, the empowerment of the group of transient poor (TP) was reinforced by social empowerment, economic empowerment, and public policy support. In the early stages, the strengthening of social capital necessary to transient poor people through a process of reflection, social mapping, strengthening the capacity of survival, and capacity building. The concept of social capital can be categorized into two groups. The first group emphasizes on the network of social relationships (social networks), while the second group put more emphasis on the characteristics (traits) that are attached (embedded) in the individual human being involved in a social interaction. The first group emphasizes the networking aspect of social relations that tied the ownership of information, trust, mutual understanding, common values and mutual support. According to these groups, social capital will be stronger if a community has a network of cooperative relationships, both internally inside the community, or relationships that are inter-community cooperation. Synergistic cooperation network is a social capital which will provide many benefits to living together. Opinion of the first group was characterized by the theories of group dynamics arguing social capital as a group that has a high cohesiveness (Ancok 2003). Opinion of the first group was represented among others by and Cohen and Prusak (2001). Second opinion is represented by the theory of personality (traits theorist) arguing that a new cohesive working group would occur if the individual has a certain personality characteristics that support social interaction (Ancok 2003). The second argument is represented among others by Fukuyama (1995, 2000). Fukuyama (1995) defines social capital as the ability of individuals in the community work together for common goals. In other languages Fukuyama (1995) explains that social capital as a set of values and informal norms shared among members of the community that allows establishment of cooperation between them. In line with the opinion of Fukuyama, defines social capital as a trait (traits) are attached (embedded) in the form of individual self-life values and rules.

The next stage of the transient poor group empowerment is economic empowerment. Economic empowerment in the model develops more focus on channeling activity that is building partnerships with other group of people, government sectors, private sectors, financial institutions to generate their economic activity. Channeling is a form of activity aimed at encouraging partnerships between the transient poor with other parties (private/government/ institution concerned) in order to maintain their economic survival skills and will continue to be developed and to be well-established economic group. In this point, there should be a strong commitment from all parties to set off widest opportunities and actively encourage the transient poor community group to be able to access the economic potential resources.

The most important part of the application of this model is the concern, commitment, and seriousness of the central government as well as local government through its public policy to consent to the existence of transient poor and significantly assign more attention to the transient poor. Just as the chronic poor, the existence of transient poor group is also the responsibility of the government. Although aware of the fact that the government's financial capability to fund the implementation of poverty reduction policies is very limited, it takes an understanding of the strategic role that must be done by the government both at national and local levels. The strategic role of government should be conducted within the boundaries of where public policy is and that will be executed actually can benefit extensively for the poor, and more especially beneficial for society and the family of transient poor. The government can optimize the performance of sectorial agencies to implement policies to deal with the transient poor. The government can also appeal to all elements of the nation solve the problem of transient poor.

Green kampong

Conceptually, the village green is an attempt to help the transient community life through the development of urban agriculture. Urban agriculture is a new concept of development of urban agriculture in a narrow area. Unlike the traditional agriculture that requires extensive land in rural, urban agriculture want to optimize the narrow land and derelict land into productive revenue. The selected plants are short-lived vegetable crops in order to obtain economic benefits for the targeted communities. Agricultural products can be sold directly

to supplement the family income on the one hand and reduce expenditure on the other. The development of urban agriculture crops applying the concept of organic vegetables, hydroponic, and verticulture. Production costs were minimized through the self-management of urban waste in its territory to the need for fertilizers.

If every yard of the family home transient, any vacant land, and every village narrow land planted with vegetables then the area will be green. This is the basic concept of the village green. Application of this concept has two strategic objectives, first, helping the family to survive transient, and secondly, to develop an urban green areas that are environmentally friendly.

CONCLUSION

This paper investigated the measurement of transient poverty when each person's welfare level fluctuates due to exogenous risk. The sensitivity of decomposition into transient and chronic poverty components was explored with respect to the poverty line and to the expected welfare level, so that the social analysis be based on a solid theoretical base and be robust empirically. The theoretical investigation based on a comparative static analysis showed that poverty measures associated with prudent risk preferences are superior in assuring that transient poverty measures behave in a desirable way. The finding of this paper implies a warning against the blanket use of three measures of headcount, poverty gap, and squared poverty gap indices in the dynamic analysis of poverty.

The size of transient poverty and its relative importance in the total poverty convey a useful information to understand the nature of poverty across regions and across social strata, thereby potentially contributing to better targeting and adjusting poverty reduction policies when risk plays an important role. Therefore, it is critically important to use robust measures. Turning to policy lessons, the role of education in poverty reduction and especially on chronic poverty as emerged important. Poverty is both a cause and an effect of insufficient access to or completion of quality education. Education is critical to breaking the cycle of poverty. For the poor parents, the opportunity to obtain primary education for their offspring is the first empowering step in their journey out of poverty. Missed schooling opportunity is supposed to be taken as a serious `irreversible disinvestment'. The recently launched free primary education program in Indonesia is a step in the right direction. However, as shown in this study, the success of education in reducing poverty hinges on primary graduates excelling beyond primary schools. Thus, policies aimed at enhancing access to post primary education such as provision of secondary and post- secondary bursaries for students from the targeted households and regions will be appropriate.

Due to the connection between high chronic poverty and large families, family planning programs that educate households about the small family virtues (moral suasion) while supporting them in birth control need to be promoted to assist in reducing rural household sizes and high dependency burdens in the long run. Households headed by females were found to be likely chronic poor. Women poverty is largely as a result of deprivation in basic capabilities. Thus policies aimed at eradicating illiteracy and closing gender gaps in education would be appropriate. Also, absence of health services and clean water sources usually translate into added burdens for women. Cultural practices that restrict women's access to resources perpetuate women's economic disadvantage. This call for legal reforms and enforcement of laws relating to women's property ownership and inheritance, laws relating to age of marriage, and sex discrimination in the labor market.

Access to credit either in cash or in kind was found to reduce chances of households falling into chronic and transient poverty. Credit helps households to smooth consumption and expenditure in the face of short-term liquidity problems. Policy response would include promotion of community banks, private rural banks, savings and credit cooperatives, agricultural development banks, and credit non-governmental organizations. Rural communities also must learn to save the little they earn, thus promotion of a saving culture would be imperative. Programs that guarantee farm inputs credit would also be appropriate.

The analysis in this paper can be extended in several directions. Empirically, similar exploration using panel datasets with a time horizon, with more households, or for provinces with higher income could be interesting. They will complement the case here using a small household dataset with a short time horizon where the incidence of income poverty is very high. Controlling for social mobility will become important in empirical analyses using datasets with a longer time horizon. These are left for further research.

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