

Poverty Dynamics : Review Of Handling In Dumai City

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Abstract: Dumai city is one of the developing regions in Riau Province with potential natural resources. However, the natural wealth is not accompanied by a reduction in the poverty rate, but the increasing number of people who are below the poverty line. This paper describes the causes of poverty in Dumai City. This paper also describes the policies of Dumai City Government applied through poverty eradication program in the study area. The research is based on primary data and secondary data. The result of the research explains that the policy program of Dumai City Government in eradicating poverty is done through three areas of development, namely education, health and economy. The education sector is directed to pre-eminent Kindergarten, Primary, Primary and Secondary Schools. Free school fees are provided to children in the 4 (four) levels of the education. The health sector is provided free of charge to the poor who want to seek treatment at the Community health centers. Services in local public hospitals are also provided free of charge to the poor. While in the economic field, the poor are given assistance in the form of rice, compensation for residents whose families died, gradually sheltering house facilities and money support on religious holidays.

Index Terms: Poverty Dynamics, City Government Efforts

1 INTRODUCTION

Throughout Indonesia's history, poverty has become a serious problem. Almost all experts have been mobilized to overcome the problem of poverty. Poverty has caused many Indonesians not to raise their standard of living so that they live in the backwardness, such as many children who are unable to follow proper education and quality, poor people who can not afford to seek medical treatment, lack of public facilities and infrastructure, limited job opportunities, lack of social security for poor families and so on. Even worse, poverty in Indonesia causes many poor people to meet their daily needs. Poverty in Indonesia has caused many new problems and caused many people who eventually behave badly, such as stealing, killing, and so forth. The poor are willing to risk their efforts to make goods for the benefit of the rich, and many of the workers who work all day just to get a piece of money to eat. In fact, poverty has made Indonesians trapped in cultures of begging, begging, dependency culture, in particular relying on life expectancy from the good of the government through the provision of aid. The situation mentioned above seems to be a phenomenon that has no end. The general public thinks that the Indonesian government is not serious in handling poverty problem, even the government is considered not concern to the fate of people who are below the poverty line. The study in this study is about poverty. Discussion starts from poverty in Indonesia which became a development topic for a long period of time before the enactment of regional autonomy. At that time, the poverty rate in Indonesia reached 24.2 percent compared to 17.7 percent in the 2006 autonomy period. The figure is still very large when compared with the population of Indonesia which reaches approximately 253,609,643 people (Detik Finance, May 2014) The income inequality is a major factor in the widespread national poverty. Poverty affects not only individuals but also between sectors, groups and regions. World Bank data show that the number of poor people in Indonesia in 2002 reached 60 percent This is due to the government's inability to access capital resources, facilities and infrastructure that support the community to improve their lives, and weak government employees in managing the existing natural resources. The large poverty rate requires the central government to implement a 'decentralization' system or better known as 'regional autonomy'. The income and human resource development approach is between the work patterns of regional autonomy needed to overcome the problem of

poverty. In addition, cultural approaches, behaviors and circumstances that exist in poor communities, such as improving employment are also needed to reduce poverty. Therefore, through this system of regional autonomy, real steps are needed in social investment, such as building a positive cultural or activity value, eliminating laziness, using free time, and seeking new policies to enable the Indonesian state to escape from the cycle of poverty. The city of Dumai is one of the richest areas in Riau province that has become municipal and separated from Bengkalis district since 1999. In 2012, the poverty rate in Dumai City reached 10.76 percent or 305,838 inhabitants, then increased to 13, 46 percent by 2014 (Population Census of 2014). The large poverty rate in Dumai City prior to the implementation of regional autonomy is due to the unilateral development of planning, ie the policy made by the Dumai City Government does not look at the circumstances of the surrounding community. This policy is considered inconsistent with the current state of society in Dumai City, because the number of programs made by the City Government does not reflect the state and interests that are favorable for the poor in Dumai City. Coupled with several programs that have been designed well, but in the implementation is not right target. When the regional autonomy system was introduced in 1999, the Dumai City Government has not yet undertaken a bottom-up development plan, which is to look at the current state of local people and then make the right policy. It is still top-down, namely the development of the government to the public unilaterally. The way clearly demonstrates the 'unconformity' of programs made by the Dumai City Government with the current state of the poor in the region. This caused the Dumai City Government policy difficult to achieve the expected goals in its efforts to raise the living standards of the poor. Based on the huge natural resource potential of Dumai City and the increasing poverty rate every year in the area has prompted researchers to make a more in-depth study of the causes of poverty in Dumai City and the Dumai City Government's efforts to eradicate poverty in the region through research on "Poverty Dynamics: Review of Handling in Dumai City". To achieve each objective of the study, some of the study issues that shape the course of the study are expressed as follows:

1. What are the factors that cause poverty in Dumai City?

2. How does the City Government attempt to eradicate poverty in Dumai City?

Based on the above problem formulation, this study is generally aimed at assessing the policy aspect of the City Government in its efforts to eradicate poverty in Dumai City. For that, this research will first know the causes of poverty in Dumai City. It serves as an analytical tool to examine the reality of success and failure of Dumai City Government in its efforts to eradicate poverty in the study area. More specifically, there are 2 (two) objective studies to be achieved, namely:

- 1) Knowing the factors causing poverty in Dumai City. This is very important to look at the background of the study that started from the poverty factor in Dumai City which continues to increase after the era of regional autonomy.
- 2) Analyze the performance of the Municipal Government through the policies of its programs in eradicating poverty significantly in Dumai City. This is done to see the policy link made by Dumai City Government with its application in the field in handling poverty problem.

In general, the study of poverty alleviation programs in Indonesia needs to be done, this is because many Indonesians who have long been under the poverty line. This situation causes many Indonesian citizens who perform undue actions, such as stealing, begging and so forth. The study of poverty problem in Dumai city also needs to be done, because Dumai City became one of the cities in Riau Province which has developed since becoming Municipality. However, the development and potential of Dumai City is not in line with the condition of the community, where the poverty rate continues to increase every year. In particular, the review of the handling of the Dumai City Government in the era of regional autonomy in addressing poverty is necessary because the program in the era of regional autonomy is designed by the Central Government to be applied both at central and regional levels so that poverty can be reduced and decreased across the archipelago. The Dumai City Government's efforts to reduce the poverty rate in the city also need to be done, since the City Government policy has been implemented but has not given maximum result in raising the living standard of poor people in Dumai City. The importance of this study is expected to contribute positively, especially in providing input to the Central Government in general and the Regional Government in particular on the issue of poverty. In addition, the assessment can be expected to result in the best analysis to see how far the success of the Dumai City Government program has had a positive impact on eradicating poverty in the study area, especially through effective and efficient evaluation.

2 REVIEW OF LITERATURE

2.1 General Concept of Poverty

Poverty has many dimensions because it is a universal phenomenon. Therefore, poverty is very broad and has a different perspective according to the people who experience it. There is no special purpose of poverty that can be accepted and used by all countries at any time regardless of the structure of society and the development stage of the respective country. In general, poverty describes and encompasses various socioeconomic circumstances. Poverty is a syndrome of situations that includes elements of food shortage and low levels of health, low income, unemployment, improper housing conditions, low levels of education,

unwarranted employment, negative living attitudes and conservative thoughts. Therefore, the concept of poverty is not only limited to the failure to meet the needs of material only, but also spiritual needs (Osman Rani Hassan and Abdul Majid Salleh, 1988: 31). Experts have explained the purpose of poverty based on their respective fields of science. Economists define poverty from the perspective of the amount of income, sociologists also define it from the cultural perspective and social stratification of society, whereas health experts define poverty from the perspective of food substances and calories. The definitions they put forward have the basis of equations that can be put forward in terms of defining the concept of poverty, namely in terms of lack of either lack of income, lack of nutrients or other deficiencies. All this explains that poverty is a deficiency (Amartya Sen, 1981: 22). However, the definition of poverty from the point of deficiency raises many problems because this concept is a social norm whose function is different based on time and place. In addition, the definition also differs based on the circumstances of the public. They can not describe the phenomenon of the reality of poverty between one society or the state with other people or countries (Mohd Taib Dora, 1997: 14). The policies and strategies used by a country in tackling the problem of poverty are always different based on the development phase at any given time. In the 1950s and 1960s, the emphasis of development was given to a growth model that emphasized investment and growth output (Domar 1945, Harrod 1939, Lewis 1954, Solow 1957) in the hope that it would eradicate poverty and improve the quality of life. On the other hand, absolute poverty increases, income distribution becomes severe and unemployment rises in most developing countries (Todaro, 1996: 14-15). In the 1970s also, the strategy emphasized more on the provision of basic needs (basic needs) and the rumors of the quality of human life that includes health, education and food and agrarian reform and integrated village development. At that time, the debate about development became warm because poverty remained acute and persistence. Furthermore, in the era of the 1980s, the world was generally hit by economic crisis problems and most developing countries were forced to make structural alignment to reduce the impression of the crisis. So in this phase, the emphasis is on improving the distribution system of poverty eradication programs (Chamhuri Siwar and Nor Aini Hj Idris 1996: 22, Todaro 1996: 62-68). In the 1990s, the United Nations Development Program introduced a theory of approach in assessing poverty. The approach used is through the human development approach described in the form of Human Development Index (Human Development Index). This concept was originally introduced by the Pakistani economist Mahbub al-Haq. The concepts include education level index, life expectancy index and purchasing power parity index (Purchasing Power Parity). This approach not only examines the poverty of the economic dimension (income), but also includes the educational dimension (reading figures), and the health dimension (life expectancy) (Edi Suharto, 2009).

Poverty From Various Perspective

Poverty is also multi-dimensional. Therefore, according to some experts / scholars, poverty revolves around the following:

1. Poverty as a personal failure (personal failing)
2. Poverty as structural failure (structural failing)
3. Poverty as cultural characteristics (cultural characteristic)

4. Poverty as labeling (as label)
5. Poverty as a separator and restriction of opportunities (restriction of opportunity).

The tendency of experts to poverty is profound. Many of them have described the meaning and causes of poverty. Achmad Efendi (2011), explains the problem of poverty of the population from various perspectives. From the perspective of sociology, Achmad explains that poverty among others occurs due to the limited social interaction and mastery of information. From an economic perspective, poverty occurs due to the limited means of production, lack of income, bargaining for low prices, lack of savings, and a lack of job opportunities. As from the psychological perspective, poverty is due to feelings of inferiority, laziness and feelings of isolation from community life. While from a political perspective, poverty is related to the limited range of facilities and opportunities, discrimination, and a weak position in the decision-making process. Soerjono Soekanto (2011), stated that from a sociology perspective, poverty is defined as a situation where a person is unable to maintain and maintain himself in a group life, and is unable to utilize his energy, mental and physical. In his previous writings, Soerjono Soekanto (1995: 406) argued that poverty is defined as a state in which a person is unable to maintain himself according to the standard of living of a group and is unable to utilize his mental, mental, or physical strength in the group. Amartya Sen (2011), Nobel Prize winner, mentions that from an economic perspective, poverty is categorized as having no good knowledge and skill from a person. This is due to low education. From a political perspective, poverty is characterized by limited space to participate in political programs both in determining party policy and as participants. Poverty according to Amartya Sen is also interpreted as the inability of a person to meet the needs of his life the most basic. According to the contemporary Islamic figure, al-Ghazali (1994), that poverty is someone who works but his income is not sufficient to meet the needs of life both the needs of his own life and family. From the perspective of Islam, poverty is divided into two: (i) spiritual poverty, which is poor in the spiritual sense due to the lack of performing the deeds of worship, such as prayer, kaji and others, and (ii) material poverty, that is poor in material terms, charity, tithe and so forth. The Qur'an and Hadith many touch these two elements. Other experts who define poverty are John Friedman (1979). He describes that poverty is the inequality of opportunity to accumulate the basis of social power, such as production capital, financial resources, social and political organizations. It is therefore mentioned that poverty is related to social aspects and aspects of natural resources. According to Jeremy (2006: 20) also, poverty is a state of absolute deficiency or the absence of basic needs for a person to survive. A population is said to be poor if it is characterized by low levels of education, work productivity, income, health and nutrition and the welfare of its life of deprivation. While Nugroho, Iwan and Dahuri (2004: 165-168) stated that poverty is an absolute and relative condition that causes a person or group of people within a certain area does not have sufficient property for basic needs in accordance with the values or norms that take place in in society, due to natural, cultural, and structural causes. Structural poverty occurs due to the limited quality of natural resources and human resources. Structural poverty is caused directly or indirectly by various rules or laws and decisions in development. This poverty in general can be known through

the economic transformation that goes unbalanced. Cultural poverty is more poverty caused by the attitude of individuals in a particular society that reflects the lifestyle, behavior or culture that traps itself in poverty. In other words, a person is said to be poor if his income is at a level impossible for that person to obey the norms and norms in society. The main character who talks about "culture of poverty" is Oscar Lewis in many of his writings. He explained that poverty is not just a matter of economic paralysis, disorganization or scarcity of human resources, but poverty is also in some aspects positive because it provides a solution for the poor to overcome the difficulties of life. Dadang Juliantara (2004: 140), describes five factors that are considered to be directly related to the phenomenon of poverty, namely: (1) Low capacity of agricultural resources, (2) Remote location and limited physical facilities and infrastructure, (3) Limited control of capital and technology, (4) Weak ability of official and unofficial institutions to support development, (5) and low social access of society to existing business opportunity.

2.2 Characteristics and Dimensions of Poverty

From the various definitions described above, it can be concluded about the characteristics of poverty so as to facilitate the measurement and how to overcome them. According to Jeremy (2006), poverty is divided into two, namely:

- 1) Absolute poverty, is the poverty of a person because he has no possessions. Included in this category is the person whose life is always in distress. The absolute poor are of the elderly, lean and dull, fleeing from a war zone in Central Africa or a hurricane in Southeast Asia and people in dry regions such as Zimbabwe or Ethiopia who are born appearing thin, lying and helpless because of malnutrition so infected with flies.
- 2) Relative poverty, ie comparing a person with others around him, especially those who are more fortunate than him.

Absolute poverty is indicated by a level of poverty below primary needs. Whereas relative poverty is a level of poverty in relation to the ratio of absolute poverty line or the uneven or uneven distribution of income (welfare) (ADB, 1999: 26). According to Sayogyo in Mulyanto Sumardi (1990: 21), absolute poverty is addressed to a person whose income is less than 320 kg of rice per year for out-of-town rates and 480 kg of rice per year for inner city areas. The calorie that people need to live per day is 1,821 calories or the equivalent of about 0.88 kg of rice for feeding purposes only. A more appropriate way to determine the absolute poverty line is to calculate the Minimum Living Dimension (KHM) for each home, such as basic needs in the form of food, housing, health, education, transportation, and community participation. This measure will vary from one place to another according to the type of basic needs of each (Mulyanto Sumardi, 1990: 22). Another version in defining absolute poverty is to measure the minimum level of income sufficient to meet the Minimum Physical Requirement (KFM) of food, clothing and housing to ensure survival. This KFM number differs from country to country, from one region to another and may vary from time to time. The United Nations Organization once established the International Poverty Line of US \$ 125 per person in a year based on the constant price of 1980. This means that a person who consumes less than US \$ 125 per year can be classified

as poor or in absolute poverty (Michael P. Todaro, 1996: 31-32). The relative poverty can also be seen by comparing the percentage of the population below the poverty line with the total population. To see the level of relative poverty or equity of economic welfare should be known based on the distribution of income. Distribution of income is often measured by dividing the population into 5 or 10 groups (quintiles or deciles) according to their earnings, then assigning the share received by each group. The income distribution can also be measured by the "Gini Concentration Ratio" or better known as the 'Gini Coefficient'. Gini coefficient is a measure of income imbalance, aggregate (total) welfare whose numbers range from zero (perfect equalization) to one (imperfection). In practice, the gini coefficients in countries with the majority of the population experiencing welfare imbalances are in the range of 0.50 to 0.70. Whereas for countries whose income distribution is uniformly distributed, the gini coefficient ranges from 0.20 to 0.35 (Michael P. Todaro, 1996: 150-151). Meanwhile, Kamal Salih (1984: 28) describes three characteristics of poverty that can distinguish between the poor and not poor

1. Vulnerability

The poor are easily plagued by unstable life calamities. This is caused by the impression of frequent inflation, such as falling crop prices, floods, diseases and dismissed from work.

2. Limited choice

The poor generally do not have a vast choice of living when compared to non-poor groups, such as work options, children's lessons, life pleasure and eating.

3. Limited access

The poor are also depressed by their position, which undermines the spirit of self-defense because it is not in power, has no right that can be used to change circumstances, such as land ownership or other property, including lessons that can empower the owner to obtain various benefits in society and economy.

From some of the characteristics of poverty, there are 4 (four) dimensions of poverty which include financial dimension, capability, social exclusion and participatory dimension. Of the four dimensions can be summarized into dimensions of income and non-revenue dimensions (United Nations, 2004: 29).

2.3 Poverty Measurement Indicators

In general, a person's income or household income is used as a guide in measuring poverty. This is because the lack of income is calculated as a contributing factor to poverty (Kamal Salih 1984: 29, Belfield et al 2015). In addition, non-income (non-income) deficiencies can also be used as a measure of poverty, such as a lack of supply of educational facilities, infrastructure, health and lack of other physical facilities (Abul Hasan M. Sadeq, 2002: 136). There are two approaches in using income as an indicator of poverty measurement, namely the absolute and relative way (Townsend, 1979). The absolute way is defined as a minimum standard in the standard of living of a person or of a family determined on the basis of basic necessities, such as food, clothing, and housing. The income needed to meet that need is calculated and is called the poverty line. A person or family who has an income amount below the required income is called 'poor'. While the relative way is defined as an attempt to compare poverty with the state of society's overall level of living, that is by linking poverty with the distribution of income in society (Kamal Salih, 1984: 30).

The usual approach used in measuring poverty levels in terms of non-food is with the Human Development Index (Human Development Indexes). The Human Development Index includes three basic components, namely life expectancy, education level index as well as purchasing power parity index. The life expectancy index is related to the average age of the population to survive. The education level index consists of the average index of school length and the index of literacy/reading ability. The average age index of schooling can be calculated through the school participation component, grade or grade that has been/has passed, and the level of higher education completed. A good reading is reading and writing skills for 15 years and over. Based on this indicator will be known index of education that can determine the progress of education of a nation (Dadang S. Ansori, 2002). Aside from the education level index, there is also a health index consisting of a nutritional health index and an ability to meet minimum consumption needs. Jamasy (2004) argues that the indicator of poverty can be seen from 4 (four) forms which each form has a different meaning. These four forms are absolute poverty, relative poverty, structural poverty and cultural poverty. Jamasy writing is also in accordance with other writings, such as Gordon, D (2005), or United Nations (1995 & 2004). Here is an explanation of each form of poverty indicator according to Jamasy (2004):

1. Absolute poverty occurs when a person's income level is below the poverty line or some income is not sufficient to meet minimum needs, such as food, clothing, housing, health and education needs to support life and work skills. This absolute poverty is guided by sustainable standards, not influenced by time and place in one country. The parable of the absolute poverty indicator in a country is the percentage of the population that feeds under the category sufficient for the basic needs of the human body as much as 2000-2500 calories per day for adult males.

2. Relative poverty, occurs when a person's income is above the poverty line, but is relatively lower when compared with the income of the surrounding community.

Structural poverty, that is, the poor condition caused by the influence of rules or development laws that have not reached the whole society, causing income inequality. Structural poverty arises because of the inability of the system and the social structure in providing job opportunities. The social structure is not able to relate between the community and the various resources that exist both natural resources and sources derived from the government or others. Those belonging to this group are farmers, sand miners and those who are uneducated and trained. The most important role of structural poverty is the government. This is because the government has the power and the rules to determine and change the poor are not poor. Structural poverty is the poverty that arises from the existence of a lame correlation structure, resulting from the lack of a symmetrical relationship that puts humans as objects. The structure of poverty arises because of the hegemony and the government or the people in power, and the people who will be marginalized more marginalized. But in the last few decades, there has been an upside-down phenomenon. Some developing countries whose populations experience structural poverty, are able to rise and thrive in the global market (Saifur Rohman, 2011).

4. Cultural poverty (culture), namely poverty that is guided by the attitude of people or society caused by cultural factors.

Such attitudes do not want to try to improve the level of life, lazy, spright, and not creative, although there are trials from outside parties to help. The culture of poverty arises as a result of the cultural values of the poor, such as lazy, easily subject to fate, and lack of work ethics. The characteristic of this culture of poverty is a community that hesitates to integrate itself in key institutions, indifference and suspicion of discrimination by society at large. Scholars criticize those who are poor because poverty has concerns about the future and is more likely to "live for the moment". This "blame the poor" perspective is stereotyped and can't be applied to all "underclasses". Sayogyo in Syahrizal (2006: 8), classifies poverty rates based on annual per capita expenditures measured on the basis of equivalent value to local rice. In areas outside the city, the criteria for poverty can be explained as follows:

1. The poorest or poorest, ie when the annual per capita expenditure of 180 kg.
2. Very poor, ie if the annual per capita expenditure of 180 kg of rice to 240 kg of rice.
3. Poor, ie when expenditure per capita every year 240 kg of rice up to 320 kg of rice.
4. Almost poor, ie when per capita expenditure in each year of 320 kg to 480 kg of rice.
5. Not poor, ie if the expenditure is greater than 480 kg of rice per capita per year.

Central Bureau of Statistics (BPS) uses indicators of the poverty line approach based on per capita caloric adequacy standard in one day, which is 2,100 calories. BPS uses two poverty lines, namely:

1. Very poor, ie if the entire income can only meet the needs of 2100 calories.
2. Poor, ie, if the income is either able to meet the needs of calories or can meet the minimum needs for health, education, housing, clothing and other minimal needs.

Chamhuri Siwar in Mohamad Khairudin Mohamad and Ahmad Syahir Sarani (2004: 6), explains that poverty can be measured through Poverty Line Income (PGK) representing basic intentions, such as shopping for food and beverage, clothing, house rental, education, health and recreation. Furthermore, Chamhuri Siwar explained that the World Bank sets the size of the poor, those who earn U \$ 2 per capita in one day. This poverty line or poverty threshold approach is quite popular and it is also used by the World Bank which revises it from time to time. Another indicator to look at poverty is from the cultural view of the poor, the impression of poverty that perceives the structure of society in a relatively long time. This reduces the people's desire to develop themselves and says that what happens to them is destiny. In the context of religious doctrine is called 'jabariah'. A person's poverty has been determined by birth (before birth). Islam seems to have no respect for "free will" and freedom (hurriya) based on qadha and divine will (Syamsiah Badruddin, 2009).

2.4 Causes of Poverty

All forms of skim created to overcome the problem of poverty always look to the causes of poverty in a region / region. This is because the objective of knowing the cause of poverty is fundamental to achieving the success of the scheme. In the economic system there are two main causes of poverty; namely because of macro and micro causes. The macro-

poverty includes low Gross Domestic Product (GDP) and uneven distribution of income. A country can be said to be poor because the per capita income of the country is low, this is because the country's GRDP is low. Similarly, the population becomes poor because of uneven distribution of income, it is because the source of income is focused on some people alone resulting in poverty for others (Abul Hasan M. Sadeq, 2007: 115). As for the cause of micro poverty includes many things, such as a person is said to be poor because of unemployment and disability. Or he is poor just because he was born from a poor family and did not get the same opportunities to get education and training, access to decent work and access to suitable facilities and infrastructure. The same thing in the causes of poverty is also expressed by Muslim scholars who distribute poverty to poor material and poor spirituality. This not only sees poverty because of lack of income, but poverty is also defined as a lack of income, which includes the lack of science, piety and faith that can lead to poor souls. Strong faith and devotion resulting from science can lead to a person's rich soul, while low faith and piety result in a poor soul (M. Syukri Salleh, 1994). Apart from that, seen from the causes, poverty is divided into 2 parts:

1. Natural poverty, the poverty that occurs as a result of a person's physical and the environment as an object, so that the person is difficult in performing activities or work. Viewed from individuals, poverty can occur due to laziness, lack of skill / skills, intellectual shortcomings, physical weakness and absence of sincerity to achieve success. Then, poverty can also occur because of the poor with low self-esteem of poverty, because they can not get out of the poverty that has been entrenched.
2. Structural poverty as a relative part, where there are groups of people who are poor, while others are not poor. The applied socio-economic system allows the focusing of power and resources on certain parties, which hampers opportunities for others. This causes many poor people who can not use access and economic means and other facilities that are actually provided for them.

As seen from the time pattern, poverty is divided into:

1. Persistent poverty (persistent poverty), which is chronic poverty or descent. This situation usually occurs in remote areas where natural resources are very limited.
2. Cyclical poverty (cyclical poverty), which is poverty that follows the pattern of the entire economic cycle.
3. Seasonal poverty (seasonal poverty), namely poverty that is often found in the case of fishermen and farmers of food crops due to weather factors that change.
4. Instant or temporary poverty (poverty), which is poverty that occurs due to natural disasters or the impact of certain policies that cause reduced levels of welfare of a community.

2.5 Poverty Eradication Theory

Knowing the cause of poverty is the first step to determine any scheme that aims to reduce poverty. This is done so that regulations designed to reduce poverty do not deviate far from the expected goal. In the previous section of the explanation has been mentioned about the factors causing poverty both from macro and micro economic systems. In this section, we will explain various ways to overcome the problem of poverty both based on Islamic perspective and conventional perspective.

1. The Perspective of Islam

As a religion that emphasizes balance (tawazun), Islam emphasizes both the world and the hereafter. In Islam one can improve spiritual things by improving his worldly life. Sharia (Qur'an and Sunnah) teaches Muslims how to deal with the problem of poverty. The Qur'anic verse gives a shadow that Allah SWT provides sufficient sustenance for His servants. Among the verses are as follows:

وَلَقَدْ مَكَّنَّاكُمْ فِي الْأَرْضِ وَجَعَلْنَا لَكُمْ فِيهَا مَعَايِشَ قَلِيلًا مَّا تَشْكُرُونَ

Meaning: "We have placed you in the earth, and We have created for you in the earth (the source) of livelihood. Very little are you grateful "(Surah 7: 10). Then the word of God:

فَإِذَا قُضِيَتِ الصَّلَاةُ فَانْتَشِرُوا فِي الْأَرْضِ وَابْتَغُوا مِن فَضْلِ اللَّهِ وَاذْكُرُوا اللَّهَ كَثِيرًا لَّعَلَّكُمْ تُفْلِحُونَ

Meaning: "When the prayer has been fulfilled, you will be scattered on the earth; and seek the grace of God and remember Allah so much that you may prosper "(Surah 62: 10). Some Muslim thinkers argue that poverty can be overcome in various ways according to the cause. Muhammad Ridwan (2014) argues that poverty can be overcome by referring to the teachings of the Qur'an. Among the steps that must be done is work and try, life sparingly and not exaggeration, conscious to charity and issuing zakat. Yusuf al-Qardhawi (2009), explains that the dimension of Islam that can liberate its people from poverty is zakat. Nowadays, zakat is not simply known as the classical form, but zakat has expanded, such as zakat investment and zakat profession. If Muslims who have excessive possessions are aware to issue their zakat, then the level of poverty in Indonesia can certainly be reduced.

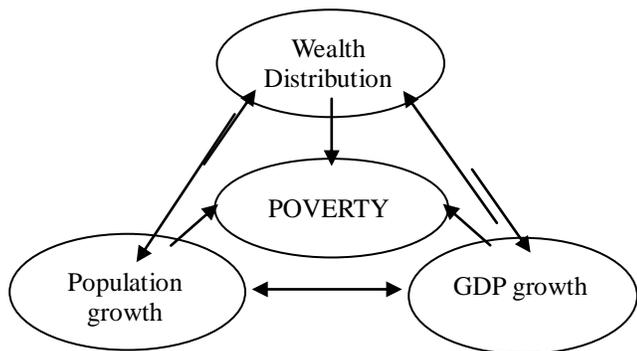


Figure 1 : The Dynamics of Poverty Reduction

Source: Assessment Analyst from Various Sources

Figure 1 above confirms that if the income distribution goes equally in line with GRDP growth and population growth, then automatically the poverty rate decreases. Some of the factors that have an effect on reducing poverty in Islamic perspectives are as follows:

a. Economic growth

There is a positive relationship between GRDP and incidence of poverty. This can be seen in countries that can reduce poverty with the support of growth rates and high economic development. Of course poverty is always present in all countries with high economic growth as well as industrialized

countries. But the poverty level is so low and always followed by high income (Ismail Sirageldin, 2000). Islam offers a system that enables to supplement income by providing moral employment opportunities and encouraging them to work diligently. Islam also teaches the ethics of humble consumer behavior. Such attitudes can generate savings that can be used for efficient capital investment that is believed to lead to capital formation and economic growth (Abul Hasan M. Sadeq, 2007). Naturally, a growth strategy is a long-term process. In order for the process to succeed, the growth strategy should be focused on adding and enhancing the determinants of existing economic growth. Such factors include quality education, health and other determinants of human capabilities, promising investments, effective and efficient market behavior, and democratic and practical development with the role of legislation. The poverty reduction component is placed within this framework to derive rules based on equality in human capability development and access sharing. This is part of a very important growth strategy that can support poverty reduction. Appropriate investments in education and quality assurance especially in primary level education will give a positive impression in eradicating poverty (Ismail Sirageldin, 2000).

a. Wealth Distribution

Islam recognizes the election as well as the freedom of a person to seek sustenance. Islam does not support the distribution of income or wealth to individuals in society equally. This is because Islam recognizes the difference between human beings both in terms of ability, efficiency and intelligence that can create a healthy competitive environment in business and work. Islam expects that economic inequality among peers can improve human resource development and community development (Nasseri Taib, 1990: 80). However, it should be borne in mind that while Islam recognizes the inequality of income distribution, Islam does not allow the gap between the rich and the poor to the extent that harm the harmony of society. Therefore, the teachings of Islam always reduce the gap between the two groups, namely by requiring the rich to spend some of his property and given to the poor and needy. Among the concepts of income distribution in Islam are zakat, infak, alms and waqf. From the distribution system based on this Islamic perspective, it is expected that the gap between the rich and the poor can be reduced so as to form a harmonious and prosperous society. In addition, the system also serves as a social security for the disabled or elderly in society so that their lives can be guaranteed.

a. Job Opportunities

Islam not only imposes the responsibility of overcoming poverty on the part of the government and the rich alone, but Islam always gives support to everyone to combat poverty that happens to itself, that is by working. This is because working is the most basic effort to eradicate poverty in a family. By working, someone will get a salary that can be used to meet the life of self and his family (Al-Qardhawi, 1997: 39). Islam has advocated to seek sustenance on this earth in a lawful way. Any good and lawful work, such as farming, trade and so on are religious activities and are included in worship to Allah, the One and Only God. In addition to Islamic Shari'ah, the work can also provide a source of income to meet the needs of each life. All glorious endeavors are endowed by God and become worship in Islam. In another sense, the lawful work

which is accompanied by intention because God is a worship that has a spiritual value. In addition, halal business also generates goodness in the world through socio-economic values and subsequently produces goodness in the afterlife because of eternal spiritual value. Therefore, the government should always provide employment opportunities for the population so that poverty can be reduced (Al-Qardhawi, 1997: 54).

Islam and Justice

The issue of justice is very important in Islam. The Islamic economic system strongly emphasizes how a just economic system will be able to overcome the problem of poverty. Chopra (1985) emphasizes the eradication of poverty, socioeconomic justice and equitable distribution of income as a feature that can not be delayed in the Islamic economic system. The category of justice is one of the main objectives of Islam, and therefore the Islamic economic system is desperately trying to eliminate "all forms of inequity, injustice, exploitation, oppression and wrong-doing" (Chopra 1992: 209).

2. The Theory of Conventional Sociology

Apart from the four ways of eradicating poverty based on an Islamic perspective, there is also a conventional sociology theory that scholars can understand in terms of poverty and the effort to eradicate poverty. These theories are isolated but sometimes overlapping, sometimes appropriate and sometimes contradictory. Among the theories are:

- a. Neo liberal theory
- b. Social democratic theory
- c. Marginal theory / culture of poverty
- d. Theory is characterized by development
- e. Structural theory / dependence
- f. Political economy theory

The neo-liberal approach is quite popular in Latin America. Implementation began in the early 1980s because of the debt economy (economic debt) burdened by the implementation of the economic model of import substitution industrialization (ISI). Under this ISI, Latin American countries seek to promote and develop domestic industries by imposing tariffs or quotas to safeguard them from imports. But Latin America is forced to import capital goods to upgrade these industries. Unfortunately, the steep prices of these imports have led to high borrowing and debt. As a way out of great debt, the intergovernmental financial agencies have pledged massive economic aid on condition that they implement "neo liberal reforms". However, these introduced reforms failed to generate high economic expectations from the givers (the agents concerned) as well as the recipients (Latin American countries). The social democratic approach also states that capitalist society desperately needs a state that aims for the welfare of the state (welfare state). This is because the capitalist system is wasteful and inefficient because it does not care about the situation of the poor, the elderly and the poor. The social democratic approach holds that the rich or the rich should help and help the weak. This approach is considered important because the country will be able to regulate unfavorable impressions of the capitalist system such as low wages and unemployment. The marginal theory assumes that urban poverty is the result of a culture of poverty centered among a particular society. Oscar Lewis (1966) is a leader of

the theory of marginal theory that puts the concept of Culture of Poverty. According to Lewis, people in the world become poor because of the culture of poverty that has apathy character, that is surrendered only to fate. In addition, poverty in this theory also occurs due to unfeeling family systems, lack of education, lack of willingness to foster a good future, the number of crimes and violence that often occur. Development-oriented theories also emerge from developmental theories, especially the neo-liberal theory. This theory seeks the root cause of poverty from economic problems and society as a whole. Adam Smith (1776) in his book *An Inquiry into the Nature and Causes of the Wealth of Nations* explains that power is in the hands of giant trading companies, such as the East India Company. To safeguard their interests, protectionist movements are enforced so that the practice of competition becomes very limited. This protectionism is in the form of high tariff setting for imported goods. This then makes the price of domestic productivity goods become cheaper. Structural theory assumes that poverty in the world must be seen from the world economy and the global political structure that causes the country to become 'backward' and its people become poor. This theory is a very popular theory and many scholars talk about it, especially Marxist-oriented scholars who talk about imperialism. Among the famous scholars who discussed structural theories at length were Paul Baran, Mathias Vernengo, Furtado, Samir Amin, Paul Sweszy, Walter Rodney and Andre Gunder Frank himself. (Andre Gunder Frank, 1967) Last in conventional economic theory is the theory of political economy. This theory has its roots from the classical writings of Karl Marx and Engels (1962) who gained his intellectual stance from famous economic figures, such as Smith (1937), Pye (1966) and Mill (1970). Political economic theory has concerns about social wealth, class relations and conflicts, as well as the impression of the development of society from one level to another. The political economy approach also tries to explain the existing social relationships among members of society in all processes of expenditure, exchange and use of goods and services.

3 DESCRIPTION OF DUMAI CITY

Geography position

In geogafi, Dumai City is in a position between 101°23 "37" - 101°8 "13" East Longitude and 1°23 "23" - 1°24 "23" North latitude, with an area of 1727.38 km² adjacent with areas such as:

1. North side adjacent to Strait of Rupat.
2. Eleven East adjacent to Bukit Batu Sub-district, Bengkalis Regency.
3. South side adjacent to District Mandau, Bengkalis Regency.
4. West side adjacent to Tanah Putih Sub-district and Bangko Sub-district, Rokan Hilir Regency.

Some of Dumai City consists of lowland in the North and partly in the southern highlands. Generally, the soil structure consists of red yellow podzolic soils made of sedimentary rock and alluvial as well as soil organosol and gley humus in the form of paya or moist soil. Viewed topographically, Dumai City is located on a peatland of 0 - 0.5 m deep and its mean height is 2 meters above sea level and has a coastline of 134 km. Dumai city is strongly influenced by the sea climate with wind speeds blowing an average of 6 - 7 knots per hour and rainfall of 75 to 130 rain days per year. The rainy season occurs from

September to February. While the dry season or drought occurs in March to August. The climate of Dumai City in general is tropical with temperatures between 25°C Celsius to 32°C Celsius, with humidity levels between 82 - 84 percent. Dumai City has 16 rivers that can be sailed by pompong boat, canoe, and boat with a total river length of about 222 km. This river empties into the East coast of Dumai City or in the Rupert Strait and the Malacca Strait as a traffic lane. Buluala River, Mosque River and Senepis River is the longest river.

Demography

The total population of Dumai City as of December 31, 2013 is 280,067 people consisting of 134,983 men and 145,084 women with household head count of 70,003 people. The largest population density in downtown Dumai is 3,240 people, East Dumai 1,237 people and the lowest is in Medang Kampai with a total population of 21 people and residents of Sungai Sembilan District 31 people. For more details, the population in Dumai City in 2013 can be seen in table 1 below.

Table 1 above shows that the largest number of residents are domiciled in East Dumai Subdistrict, which is 60,640 people (21.65%) followed by South Dumai Subdistrict as many as 50,924 people (17.96%), Bukit Kapur Sub-District of 44,031 people (15.72%), Dumai Kota sub-district as many as 42,356 people (15.12%), West Dumai sub-district as many as 40,319 people (14.40%), Sungai Sembilan subdistrict as many as 31,072 people (11.09%) and the least Medang Kampai District as many as 11,355 people (4.05%). While the largest number of male and female population in East Dumai Subdistrict is 31,098 people (21.64%) and 29,242 (21.66%) and the least is in Medang Kampai sub-district with 6,038 people (4.16%).

History of Dumai City Development

Dumai is a small hamlet on the east coast of Riau Province on the east coast of Sumatra, Indonesia. Dumai is a fishing village with very limited facilities, so the fishermen can not do much activity, plus the people who are difficult to get out of town. All that is due to the state of the squalid environment, the damaged roads, the very few electric lights and also the limited supply of clean water. For a long time, Dumai evolved into a small town and subsequently became an administrative city for twenty-three years. This is the concern of residents from out of town to come and work in Dumai. Dumai city adjacent to Melaka Strait, is the result of the division of Bengkalis Regency. The basic philosophy of increasing the status of governance is to shorten the Spane of Controle and speed up service levels and increase community participation in governance, development management, community empowerment and exploit development opportunities from economic potential. Dumai City was established based on Law Number 16 of 1999 on April 20, 1999 on the Formation of Dumai Level II Regional Municipality. In the early formation of government territory, Dumai City has three sub-districts, thirteen villages and nine villages and has a population of 15,699 people with a density of 8,385 inhabitants per-km². Then Dumai Town developed into five Subdistricts and thirty two Villages. In carrying out its governance as the bearer of the mandate of the Unitary State of the Republic of Indonesia (NKRI) as well as in the provision of services to the public to shorten control and open new areas, Dumai City currently has 7 (seven) District and 33 (thirty three). Based on the Regional Regulation (Perda) Number 9 and Number 26 Year 2005

No	districts	Head Household	Man	Women	Amount
1.	Chalk Hill	11.132	23.159	20.872	44.031
2.	Medang Kampai	2.975	6.038	5.317	11.355
3.	River Sembilan	7.685	16.364	14.708	31.072
4.	West Dumai	10.040	20.758	19.561	40.319
5.	East Dumai	15.100	31.398	29.242	60.640
6.	Dumai City	10.547	21.620	20.736	42.356
7.	South Dumai	12.524	25.747	24.547	50.294
	Total	70.003	145.084	134.983	280.067

Table 1: Total Population of Dumai City Sub-district Year 2013

formed a new Organization and Administration Unit (SOT) and has also been inaugurated by the leadership. The Regional Regulation describes one Regional Secretariat, one DPRD Secretariat, ten Regional Offices, four Bodies, and three Offices as Regional Technical Institutions. To provide direction, support, unity of movement for all stakeholders in realizing the desired future state and in accordance with the established formula, Dumai City makes the vision and mission of the city. The vision of Dumai City is "To realize a port city of trade, tourism and clean, healthy, harmonious and beautiful industries in the East Coast of Sumatra region which is cultured Malay and Islami in 2015.

Dumai City Economy

Economic growth of Dumai City without Oil and Gas for five years - 2008 to 2012 - is relatively high at above 8.30%. Table 2 describes the economic growth of Dumai City without oil and gas in 2008-2012 in percent.

Table 2: Economic Growth of Dumai City Without Oil and Gas Year 2008-2012 (%)

Business field	2008	2009	2010 *	2011 **	2012 ***
1. Agriculture	4,06	3,97	3,57	2,83	2,94
2. Mining & Quarrying	9,8	9,59	8,88	21,79	18,05
3. Processing Industry	8,70	8,21	8,37	7,51	10,30
4. Electricity, Gas, Water Supply	4,03	2,13	3,68	6,86	6,93
5. Building					
6. Trade	8,73	8,62	8,42	7,67	9,01
7. Transportation & telecommunication	10,15	9,53	9,58	9,01	8,76
8. Finance	8,52	8,35	8,82	9,12	8,90
9. Services	5,66	6,30	8,29	9,92	9,89
	9,01	9,08	9,35	8,80	8,75
PDRB	8,66	8,43	8,60	8,34	8,59

Information :

*) improvement figures

**) temporary figures

***) numbers are very temporary

Source: Dumai Regional Revenue, 2014

1. Regional Income

The regional income figure is the production generated by the economic units in a region, to be used as an indicator to measure the economic progress of a region.

Gross Regional Domestic Product (GRDP)

GRDP in 2008-2012 at current market prices follows from 7.906.906.29 million rupiah in 2011 to 9,331,382.74 million rupiah in 2012. Similarly, the GRDP figure at constant 2000 prices based on business field amounting to 1,771,906.27 million rupiah in 2008 rose to 2,454,778.89 million rupiah in 2012.

Table 3: Gross Regional Domestic Product (PDRB) of Dumai City Without Oil and Gas at Current Market Price by Year of Business (In Rupiah) Year 2008-2012

No	Business field Industrial Origin	2008	2009	2010	2011	2012
1.		295.636,19	336.819,28	390.367,80	434.367,42	484.844,11
2.		20.270,63	24.206,75	28.720,97	37.441,40	47.598,11
3.		972.700,18	1.287.585,29	1.714.302,67	2.149.127,26	2.569.762,41
4.	Agriculture					
4.	Mining & Quarrying	32.492,44	38.437,36	46.199,38	53.724,85	59.974,51
5.	Industry and Processing					
5.	Electricity, Gas & Drinking Water	825.974,14	875.532,59	952.523,73	1.107.799,15	1.331.188,59
6.	Building	1.025.881,86	1.340.519,58	1.749.009,62	2.157.948,76	2.528.940,50
7.	Trade, Hotel & Restaurant					
7.	Transportation & Communication					
7.	Finance, Rental & Services	577.172,96	681.365,19	808.979,57	950.482,59	1.122.722,78
8.	Company					
8.	Services	128.346,55	156.486,47	209.109,24	264.837,79	321.073,64
9.		446.384,23	536.425,58	640.189,16	751.177,08	865.278,10
PDRB/GRDP		4.324.859,17	5.277.378,10	6.539.868,14	7.906.906,29	9.331.382,74

Source: Dumai In 2013 Figures

Table 4: Gross Regional Domestic Product (PDRB) Dumai City Without Oil and Gas at Constant 2000 Prices by Year of Business (In Rupiah) 2008-2012

No	Business field Industrial Origin	2008	2009	2010	2011	2012
1.		135.952,66	141.352,59	146.403,98	150.542,58	154.975,11
2.		10.167,85	11.142,95	12.132,90	14.776,40	17.443,55
3.		89.532,17	96.882,76	104.995,58	112.882,78	124.514,76
4.	Agriculture					
4.	Mining and excavation	12.622,91	12.891,48	13.365,77	14.282,81	15.273,05
5.	Industry and Processing					
5.	Electricity, Gas & Drinking Water	307.820,14	334.354,24	362.499,67	390.289,15	425.440,23
6.	Building	508.306,87	556.766,48	610.088,17	665.056,56	723.324,78
7.	Trade, Hotel and Restaurant					
7.	Transport and Communications					
7.	Finance, Leasing and Company	379.885,31	411.801,98	447.914,74	488.746,73	532.236,31
8.	Services					
8.	Services	38.183,59	40.588,17	43.953,97	48.312,20	53.088,25
9.		289.434,77	315.713,06	345.221,14	375.607,65	408.482,85
PDRB GRDP		1.771.906,27	1.921.293,70	2.086.575,92	2.260.496,97	2.454.778,89

Source: Regional Income Dumai City, 2013

Regional Revenue Per Capita

In order to know the success of economic development of a region, in addition to PDRB also need to see the development of GDP per capita. Per Capita GDP at current prices in 2008 amounted to 17,782,279.30 million rupiahs, up compared to 2007 which amounted to 14,327,996.42 million rupiah. Similarly, at constant prices of 7,623,221.02 million rupiah in 2008, an increase compared to 2007 amounting to 7,055,469.34 million rupiah. Then per capita regional income in 2008 based on the prevailing price of 16,302,788.68 million rupiah, up compared to the year 2007 amounted to 13,105,210.26 million rupiah. The per capita regional income based on constant price in 2008 amounted to 6,948,498.83 million rupiah, up compared to 2007 which amounted to 6,437,936.95 million rupiah. For more details, see table 5 in more detail, from 2004 to 2008 below.

Table 5: Per Capita GRDP and Per Capita Regional Revenue (In Rupiah) 2004 – 2008

No	ITEM (Year)	GRDP Per Capita	Per Capita Regional Revenue
I.	At Current Prices:		
	2004		
	2005	9.141.501,99	8.357.161,09
	2006 *)	10.389.360,43	9.497.953,33
	2007 **)	12.032.511,04	11.000.121,60
II.	2008 **)	14.327.996,42	13.105.210,26
		17.782.279,30	16.302.788,68
	On the basis of		
	2000		
	Constant		
	Prices:		
	2004	5.890.517,03	5.385.110,70
	2005	6.244.862,62	6.709.053,39
	2006 *)	6.649.413,58	6.079.655,71
	2007 **)	7.055.469,34	6.437.939,95
2008 **)	7.632.221,02	6.948.498,83	

Note / Note: *) = Fixed Rate

**) = Preliminary Figures

Source: Regional Income Dumai City, 2013

b. Regional Potential

Geographically, Dumai City lies in a strategic position and has excellent potential, among others: 1) Dumai City is directly opposite Rupa Strait and Melaka Strait, located on a busy sea transportation line, to become one of the port of Ocean that is very potential for export and import activities.

2) Dumai city is located in the middle of the land connecting lane that connects North Sumatera Province and West Sumatra Province as well as liaison for Riau Land and sea connections with neighboring Malaysia especially Melaka, Negeri Sembilan and Singapore. Therefore, Dumai City is designed to be a trading center as well as a Free Trade Zone.

The state of Dumai City transportation is as follows:

1) Land Transportation

For the smoothness of land transportation that supports the intensity of the flow of goods and people high enough, the Dumai City Government set up a passenger terminal at seven Seven ha Road Kelakap Tujuh and the goods terminal at Bukit Jin Jalan Kedampungan Bukit Datuk area of six ha.

2) Sea Freight

Dumai City provides a port, this is because Dumai City, which is the gateway to the eastern part of Sumatra, not only serves domestic purposes but also serves destinations to neighboring

countries such as Malaysia and Singapore. The ports are as follows:

a) Pelindo International General Port with a depth of 11 meters, can accommodate vessels with the size (weight) 20-30 thousand dwt and can unloading general goods of 5.6 million tons per year and 4 million tons per year and 2,500 boats per year.

b) Port of caltex/chevron to transport crude oil and fuel oil (BBM) with ship weight of 60-70 dwt and depth of 16 meters.

c) Pertamina Port for transporting crude oil and fuel with a size of 60 dwt ship weight and a depth of 16 meters harbor. Of the two ports, 4,847 boats go in and out each year.

d) Port of Dumai industrial zone carrying vegetable oil and NPK fertilizer with ship weight 50 dwt and depth of 14 meters.

Air Freight

Dumai city has an airport called Pinang Kampai. The airport is destined for Fokker 28 and Fokker 100 aircraft. The runway length is 1,800 meters and 30 meters wide and developed to 2,250 meters long and 45 meters wide. This air freight service is managed by PT. Pelita Air Service for the return route between Dumai-Jakarta.

Other potentials owned by Dumai City include:

1) Industrial Estate

Dumai City has five industrial estates, one export dock with three standard tankers and several smaller docks. This area produces large NPK fertilizer.

2) Dumai city has supporting facilities for trade and economic facilities of the city, namely some traditional markets and modern shopping centers. The situation is expected to attract the interest of the domestic community coming from the richer hinterland area compared to Duri, Bagan Siapi-api, Bagan Batu, Bengkalis, Bukit Batu and Rupa. The above developments give a positive impression, namely the regional economic progress. But at the same time, there were also negative impressions such as the high population growth caused by migration. Therefore, the number of job seekers or unemployed workers will increase. If this is not resolved soon, there will be an increase in social gap between the people of Dumai City. Today, in Dumai City has been built large companies. In 1978, a state-owned oil company, seven state-owned oil company, was built. Thus, income and job seeker acceptance for this company are all decided by the Central Government. The situation does not provide an opportunity for residents to have the skills / skills in competing in the city of Dumai, because the skill is very low. Opportunities that exist only work as laborers / laborers with a lower income. Similarly in various industrial areas, several large companies have been built, especially oil palm processing companies whose raw materials are imported from cities adjacent to Dumai City such as Rokan Hilir Regency, Rokan Hulu Regency, Siak Regency and Districts of North Sumatera Province (Medan) where all the workers are from outside the region. The above developments give a positive impression, namely the regional economic progress. But at the same time, there were also negative impressions such as the high population growth caused by migration. Therefore, the number of job seekers or unemployed workers will increase. If this is not resolved soon, there will be an increase in social gap between the people of Dumai City. Today, in Dumai City has been built large companies. In 1978, a state-owned oil company, seven state-owned oil company, was built. Thus, income and job seeker acceptance for this company are all decided by the Central

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4 POVERTY CAUSE FACTORS IN DUMAI CITY

Prior to the enactment of the regional autonomy system in 1998, a study was made of poverty in Dumai City precisely in Basilam Baru Village (Desmaniar, 2002). The study aimed to find out the poverty situation of 80 household heads in the respective places. The study was also conducted to determine the causes of poverty in Dumai City. The benchmark for assessing poverty in the assessment sites is structural poverty thinking, such as educational facilities, infrastructure, clean water, health and transportation facilities. While the cultural aspects also seen from the essence of life, such as human work and position in space and time, and the nature of human

relationships with the natural surroundings and fellow human beings. The result of the study explains that cultural factors have no significant effect on the causes of poverty in Dumai City, but the structural aspects indicate that the causes of poverty are derived from external factors and the absence of government policies derived from the desires of the lower or poor. Therefore, the answer to the problem of poverty is to provide facilities and infrastructure to open new areas. Following the 1999 regional autonomy, a poverty assessment study was conducted in Dumai City by Sujianto (2009) entitled 'Poverty Reduction Policy, Local Cultural Review'. The result of the study explains that poverty in Dumai City is not only individual, but also primitive tribal, no social security, and living in isolated areas. Portrait of poverty of Dumai City community in this study can be seen from several factors:

1. Factors from within (internal), such as behavior, choice or ability of a person in life.
2. External factors, such as social environment, cultural environment, deportation of illegal workers from neighboring countries, and structural factors. Table 6 explains the factors causing poverty in Dumai City according to Sujianto in his study mentioned above.

Table 6: Factors Causing Poverty in Dumai City According Sujianto

No.	Factor	Item	Description
1.	Internal	Mental Factor	- One's behavior - Option in viewing opportunities - Ability to live life
		Supporting Factors	- The level of the economy is lacking - Low education - Prolonged pain
2.	Eksternal	Social and Cultural Environment	- Deviant life habits like drugs and drunkenness - The inability of parents and children to get out of the poverty cycle
		Social and Cultural Environment	- Deviant life habits like drugs and drunkenness - The inability of parents and children to get out of the poverty cycle

Source: Sujianto (2009: 21)

5 REGIONAL GOVERNMENT EFFORTS TO PROVIDE POVERTY IN DUMAI CITY

In practice, Dumai City Government has implemented various activities for the benefit of the people. The education sector is directed to pre-eminent Kindergarten, Primary, Primary and Secondary Schools. Free school fees are provided to all children classified as poor at three levels above, namely elementary, junior and senior high school. In the health sector also, free treatment is given to all residents who seek treatment to the Community health centers. Services at the Regional General Hospital (RSUD) are also provided free of charge to the poor specially for the third grade. To alleviate the burden of life of the poor are also given assistance in the form of poor rice (Raskin), compensation for the dead, identity cards, family cards, trade permits, gradually sheltering houses and money support on religious holidays. In the education sector, various types of higher education services have been created in Dumai City, such as the College of Management Sciences, Islamic High School, Technology High School, Marine Science UNRI, Nur Bunga Tanjung and the Computer Academy. Dumai City has government support facilities and community services through a turnkey project, namely Masjid Raya Al-Manan, DPRD Building, Mayor's Officials, goods station in Bukit Jin and AKAP station in Kelakap Tujuh. Dumai City also has five industrial estates, namely Pelintung

industrial area, Lubuk Gaung industrial area, Bukit Timah industrial estate, Bukit Kapur industrial estate and integrated Dock Yard development zone. The fastest growing industrial area is the Pelintung industrial estate. To improve service to the community, Dumai City Government built an Integrated Service Office (KPT) which is expected to provide better service to the community. In addition, Dumai City has the means of supporting trade and economic facilities of the city, namely some traditional markets and a modern market. Development carried out so far indicated by Dumai City Revenue and Expenditure Budget (APBD) from 1999 to 2001 is relatively small. This is due to the transitional period of the beginning of the regional autonomy period in Dumai City government. Implementation of regional autonomy is also considered not maximal, especially the budget or development budget and the authority to plan and run the development. Although the development budget is still small and the authority is still limited, but the mechanism of planning, implementation and monitoring of development still follow the rules or regulations that are mostly done by the Central Government. Starting from fiscal year 2002 to 2010, the authority of regional autonomy is increasingly clear and the financial distribution of development is getting bigger. Therefore, regional autonomy can be fully implemented by Dumai City Government. In fact, Dumai City Government undertakes development by relying on the established system

of planning, implementation and supervision, so that it is directed to improve the welfare of local communities. Along with the amendment of provisions of the Central Government to the implementation of regional autonomy, the development carried out in fiscal year 2005, regional heads or regional heads during the period of six months after being inaugurated shall draw up a planning strategy document or called Regional Medium-Term Development Planning (RPJMD) 2006-2011. This document is the development operational guidance by all the Local Government Work Units (SKPD) that assist the regional head to carry out development in various fields and sectors for the benefit of Dumai City residents. From various fields and development sectors, Dumai City Government classifies into 2 (two) affairs, namely compulsory business and affairs of choice. Among the virtues of its development is to eradicate poverty. Based on the Presidential Regulation of the Republic of Indonesia Number 5 of 2010 on the National Medium-Term Development Plan (RPJMN) 2010-2014 among its program priorities is to overcome the problem of poverty and annually issued Presidential Regulation No. 15 of 2010 on the establishment of Poverty Reduction/Poverty Reduction Coordination Team both at the level of Central Government, Provincial and Regency/Municipality level throughout Indonesia. To realize the above government regulation, also issued regulations of the Minister, Governor, Regent and Mayor on poverty alleviation in the region. Various poverty alleviation programs implemented by the Regional Government throughout the territory of the Republic of Indonesia. However, the finances and types of activities that the Central Government distributes to the Local Government vary from one to another. Among the programs in question are the National Urban Empowerment Program (PNPM-P), the Kecamatan Development Program (KDP) and the Integrated Areas Development Program (P2KT), social assistance for physically disabled, elderly and neglected children. In addition, there are also several programs or activities of the Central Government that are generalized to all the City Government or Local Government, such as cash assistance (BLT) of Rp. 100.000.- every month for poor household heads, 15 kg of rice aid for every poor household head, free medical treatment for every poor, School Operational Cost (BOS) to alleviate the burden of poor students from elementary level (SD) to the upper level (high school). Aside from the poverty eradication activities set by the Central Government, local governments can provide budgets for other activities for the local poor (TKPK Kota Dumai, 2007). Therefore, the Dumai City Coordinating Poverty Reduction Coordination Team (TKPK) took the initiative to create a budget for 2 (two) objectives:

1. Reducing the burden of spending on poor household heads by:

a. Provision of compensation for the poor who died of Rp. 1.000.000.- (one million rupiah) if the deceased head of poor household, Rp. 750.000.- (seven hundred fifty thousand rupiah) if the wife of the head of the household is poor, and Rp. 500.000.- (five hundred thousand rupiah) if the child dies or is dependent on the head of the poor household concerned. This program runs from 2007 to 2008.

b. The provision of financial aid for poor children achieves as the first champion to the fifth champion in a fellow school of poor students. This program began to be applied from 2007 to 2009.

c. In the field of infrastructure, gradually built a habitable home for the poor with a value of Rp. 20,000,000.- (twenty million

rupiah) per house. This program runs from 2007 to 2010.

d. Poor rice subsidy (Raskin). Raskin is not all funded by the central government. Every kilogram of raskin, the head of a poor household must pay Rp. 1,600.- (one thousand six hundred rupiah) from the price of per-centrifugal rice amounting to Rp. 4.966. Therefore, the money of Rp. 1,600 is budgeted at the Dumai City APBD, so the distribution of poor rice becomes totally free. This program is implemented from 2007 to 2010.

e. Mass marriage and free birth certificates for residents from 2008 to 2010.

1. Improving the economy of the poor. The initial program is to provide very detailed data on the poor and one of them is livelihood data or the work of the poor. If the poor have jobs, they will be professionally trained by the SKPD in accordance with their duties and functions, such as the poor working in the agricultural sector, the SKPD of Dumai City Plantation, Plantation and Forestry Office is responsible for implementing the program. When the poor work in the penticulture sector, SKPD of the Livestock, Fisheries and Marine Agency of Dumai City is responsible for running it. If the poor work as small traders, home industries, SKPD Dinas Koperasi Usaha Kecil Menengah and Dumai City Community Empowerment are responsible for implementing them. Furthermore, if the poor do not have permanent or unemployed jobs, the SKPD of the Dumai City Manpower and Transmigration Office is responsible for implementing them. If the poor are abandoned groups, then those responsible for running it are the Dumai City Social Service. Furthermore, other programs running from 2007 to 2010 are as follows:

1. Development of economic institutions through Economic Effort Based on Savings and Loans (UEK-SP) in each Kelurahan. UEK-SP's function is to provide business capital assistance to poor household heads of Rp. 500,000,000. (five hundred million). This money is managed by community groups appointed by local communities. The money is distributed to local communities that require venture capital with predetermined requirements. This program is implemented in revolving.

2. Provide rice seedlings, palawija and palm oil, distributed to the poor as needed.

3. Distributing livestock germs and necessary tools, and

4. Train the selected job seekers as needed.

The two objectives of the Dumai City poverty eradication program mentioned above, TKPK Kota Dumai in 2007 formulated a concept of implementation through the Three-T (3T) pattern, namely Planning, Measured/Target (target group) and Integrated (integrated). Explanation 3T concept is as follows:

1. Planned. The prepared program has been prepared comprehensively and has already calculated the impact and consequence with the steps:

a. Planning and discussion of internal programs by the relevant agency or SKPD.

b. Discussion of proposed program or activity plan together with Poverty Reduction Coordination Team (TKPK) of Dumai City established based on Dumai Mayor Decree.

c. Proposal and discussion of programs or activities with BAPPEDA as the institution or SKPD responsible for formulating the overall development program of Dumai City.

2. Measured target (target group) with the following stages:

- Develop the target plan of the poor by the relevant agency / SKPD agency.
- SKPD adjusts and determines the name and address of the poor in the designated location.
- Compile a list of poor people's goals.
- Internal discussion of agency / SKPD from target group.
- Submission of the name and address of the target group of the poor to the Poverty Reduction Coordination Team (TKPK) of Dumai City.
- The final discussion of the target of the poor is in accordance with the name and address (target group) between the Dinas / SKPD institutions and the Dumai City Poverty Reduction Coordination Team (TKPK).

3. Integrated (Integrated), integration of programs between SKPD implement poverty eradication program through the following stages:

- The Poverty Reduction Coordination Team (TKPK) facilitates discussion between SKPDs that will implement poverty alleviation programs / activities.
- Dumai City Poverty Reduction Coordination Team (TKPK)

facilitates discussion of agreement and understanding of each SKPD task in order to adjust the program / activity.

- The Poverty Reduction Coordination Team (TKPK) of Dumai City submits the duties of each SKPD to serve as guidelines for implementing integrated poverty alleviation programs / activities.
- Internal evaluation of TKPK on the result of work / activity and guidance that has been implemented by each SKPD.
- A joint evaluation through meetings between TKPK and all SKPDs that have implemented poverty alleviation programs / activities.
- Improve the program or activity for subsequent budget year by SKPD concerned.

However, this pattern is no longer continued, but rather uses the pattern of sectoral routines by each SKPD. This condition primarily affects the immeasurable target and the right number of poor people to be released from the poverty cycle. As an illustration of the magnitude of the allocation of funds and types of activities of poverty alleviation program Dumai city with the pattern of sectoral routines fiscal year 2011-2014 can be seen the following tables.

No	SKPD	Program/Activity	Number of Goals	Budget Fund (Rp)	Source of fund
1.	Department of Cooperatives SME and PM	Facilitate the development of small and medium enterprises with a target of 5 SME business centers - Distribution of Livestock Seeds - Plastic pond cultivation in the yard area - PMT Recovery Toddlers	7 Subdistricts	342.377.300	APBD of Dumai City
2.	Department of Fisheries and Marine Affairs	Intensive system upgrading and incentives for farmers/farmer groups.	130 KIM	1.594.146.125	APBD of Dumai City
3.	Public health Office	Education and Training skills for job seekers.	92 KIM	551.675.000	APBD of Dumai City
4.	Department of Plants and Forestry	Implementation of early childhood education/provision of operational costs.	100 people	89.080.200	APBD of Dumai City
5.	Department of Manpower and Transmigration	Facilitation of business management for poor families.	190 KK	993.675.000	APBD of Dumai City
6.	Education Authorities	Procurement of supporting facilities and infrastructure for poor families.	75 people	437.356.800	APBD of Dumai City
7.	Social services	- Counseling of housewives to build a family of sejah-tera (P2WKSS).	12 months	184.161.000	APBD of Dumai City
8.	BKBPPA	-Business management guidance for women in managing business (UP2K)	12 months	450.000.000	APBD of Dumai City
			7 districts	57.625.000	APBD of Dumai City

			35 people	66.888.350	
				43.723.600	

Source: Dumai City Development Planning Agency, 2012

Table 9: Poverty Eradication Program in Each Dumai City Device Work Unit (SKPD) Fiscal Year 2013

No	SKPD	Program/Activity	Number of Goals		Budget Amount	Source of fund

1					2.851.315.000	
2	Public health Office		1 year		547.340.000	APBD of Dumai City
3	Department of Plants and Forestry	Health services for the poor and the network.	25 people		162.720.000	APBD of Dumai City
4	Department of Manpower and Transmigration education authorities	Intensive system upgrading and incentives for farmers/farmer groups Education and Training skills for job seekers.	96 people		133.705.000	APBD of Dumai City
5	BKBPPA	Implementation of early childhood education/provision of operating costs Counseling of housewives to build a family of sejahtera (P2WKSS) Business management guidance for women in managing business (UP2K)	2 school		697.722.100	APBD of Dumai City
					276.383.200	APBD of Dumai City
	AMOUNT				4.169.185.3	

4 CONCLUSION

Dumai City Government has undertaken regional development especially related to poverty eradication since regional autonomy in 1999. Although the program has been effective after three years of regional autonomy, the implementation has been continuously improved and improved. This is because the goal of eradicating poverty has not gone maximally as described in the sub-topic explanation before this. Local government policies implemented through poverty eradication programs are more focused on 3 (three) important areas; namely education, health, and economics. These three areas are believed to be able to raise the standard of living and reduce poverty in Dumai City. Nevertheless, the programs that are being undertaken to date need to be further strengthened, in addition to cooperation from all walks of life among the upper class to the lower rural communities living in the countryside. Finally, we all hope that poverty eradication programs in Indonesia generally and in Dumai City in particular not only be the responsibility of leaders who hold the reins of government, but is the mandate of all citizens living in it. Therefore, the development of standard of living in a better direction becomes the joint task of both the policy elements through poverty eradication program until the awareness of the community to want to work and change the pattern of life into a civil society respected by the community in other areas.

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