

Social Capital And Economic Behavior Of Farmers

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Abstrac: The purpose of this study to analyze the relationship between social capital affects economic behavior in producing coffee plants in improving coffee farmers' income. This study was conducted in the district of Bantaeng, South Sulawesi. Subdistrict Tampobulu selected purposively. The study lasted for four months of April to July 2014. The data used in this study consist of primary data and secondary data. It can be concluded that social capital is trust, networking and institutions affect economic behavior, namely the production of coffee plants. Trust improving technology adoption Robusta and Arabica coffee cuttings while distrust led to rampant theft of coffee is still green. Networking affect the price of coffee and institutions influence the behavior of farmers in obtaining venture capital through middlemen. It is expected that future studies should be focused on the factors that influence the innovative behavior in increasing the production of coffee plants.

Index Terms: social capital, economic behavior, coffee farmers

1 INTRODUCTION

This study analyzes the relationship of social capital and economic behavior of farmers. Studies on social capital has been done before, among others, by Ilham (2003)[1] which discusses social capital in the community of fishermen City Kendari, Southeast Sulawesi, Nikoyan (2013)[2] who analyzed the social capital in the farming community manager Community Teak Plantations Ecolabel and Pranadji (2006)[3] which discusses strengthening social capital to empower rural communities in the management of dryland agrosistem. While the study of social capital and its impact on the economic welfare of farmers has been done by Laola (2011)[4] in which he analyzed the welfare of farmers in Buton and Muna Southeast Sulawesi Indonesia and Suandi (2007)[5] who analyzed the social capital and economic welfare families in Jambi province. Ahlerup, et al. (2009)[6] analyzed the institutions vs. Social capital in the growth process and Fidrmuc and Gerxhani (2008)[7] analyze the determinants of individual stock of social capital, measured by civic participation and access to social networks. According by Putnam (2000)[8], social capital is connections Among individuals social networks and the norms of reciprocity and trust worthiness that Arise from them. Furthermore Bourdiou (1980)[9], said that social capital is the aggregate of the actual or potential resources the which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition. This study analyzed the relationship of social capital affects economic behavior in producing coffee plants to increase the income of farmers.

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2. MATERIALS AND METHODS

Location and Times of Study

This study was conducted in the district of Bantaeng, South Sulawesi. Subdistrict Tampobulu selected purposively. The study lasted for four months of April to July 2014.

Types and Sources of Data

The data used in this study consist of primary data and secondary data. Primary data is data obtained through structured interviews with respondents using questionnaires and direct observation of the phenomena of the object being studied. Secondary data was collected through the agency / organization related through archival footage and documentation.

a. Determination of Sample

Source of data derived from the respondents selected by random sampling. The samples based on population size. Of the 806 existing farmer population, then as many as 95 respondents selected as the study sample. This is done based on the formula Slovin (Ginter, 2008), namely:

$$n = \frac{N}{1 + N\alpha^2}$$

Specification:

n = number of samples

N = population size

α = error rate = 10%

Data Collection

The data collected consisted of

- Social capital (trust, networks and Institution)
- Economic Behavior (Production)

Data Analysis

Analysis of the data used is descriptive and an explanatory analysis. This analysis explains the phenomenon of social reality that is found appropriate facts.

3. RESULTS AND DISCUSSION

A. Overview Research Areas

Research area is upland areas that have diverse communities that produce products and horticultural crops of corn, vegetables, fruits and livestock supply the needs of the low-lying towns and villages. This area is producing coffee plants and some other export crops such as cloves, cocoa, tea and vanilla. When the economic crisis hit Indonesia in the late 1990s, including the export crop farmers in the study area is not too felt the impact of the crisis due to using commodities as the backbone of the rural economy. Land use for agricultural plateau showed a trend (trend) increased, along with the increasing conversion of productive agricultural land to non-agricultural use in the lowlands. There are four things that reflect the condition of agriculture in the highlands at the moment. First, farming less profitable for farmers so that the economy can not meet his family. Second, the decline in the carrying capacity of the environment addressed by the increasing environmental degradation and low productivity of the land. Third, increasing the monthly rainfall at certain times due to climate anomalies that trigger an explosion attack plant pests and diseases, resulting in crop failure and loss of material is not small (Anyamba et al., 2006)[10]. Fourth, the loss of the ability of people to build social capital so that they are not able to control environmental damage and is dependent upon the venture capital coming from outside. Labbo village as the study area, has a total area of 13.08 km² or 18% of the total district area Tompobulu. Covering an area of 85% of the total area planted with coffee plants Labbo village, so that their products are becoming one of the main sources of income for the people. Coffee crop has been cultivated since the 1960s, and farmers harvested once a year and will continue again next year. When running normally, farmers can obtain 1000 kg / ha However, during this 2000s era coffee income dropped dramatically. Based on these problems, it can be analyzed that people still rely on cropping patterns cropping patterns ancestors or still traditional. Coffee harvesting process is done in two stages, namely the examination, as well as picking, and post-harvest. The next process is grinding coffee is cracking skin and then drying in the sun.

B. Social Capital and the Production of Coffee

This study analyzes the three main elements of social capital include: trust, networking and institutions (institutions). The results showed that all three elements of social capital is trust, networking and institutions have strong relationships in increasing coffee production together.

1. Trust

Trust is a tool to build relationships that can reduce transaction costs, ie costs incurred in the process of exchange and the cost to make contact, contract and control. Mutual trust can reduce the cost of monitoring (monitoring) on the behavior of others so that people behave as desired. Casson and Godley (2000)[11], defines trust as accept and ignore the possibility that something will not be true. Trust facilitate co-operation. The thicker the mutual trust that is built up stronger cooperation between individuals. This implicit confidence of the people concerned, will be the group, will be families, communities and even nations. Building trust takes a long time. One of the important things in increasing the production

of the coffee plant is the adoption of technology. In adopting a technology needs trust (trust) which binds farmers in social relations, social structure with fellow members of farmer groups in the community that allows members to achieve the goals of individuals and their communities. The use of new technologies supported by traditions and social customs and beliefs. Farmers in the study area was initially seek Robusta coffee plants since 1960. In 1980, Arabica coffee began to enter. Furthermore, in 1995 it was realized that connect the Robusta and Arabica coffee plants will produce superior coffee. In conducting the plant cuttings of robusta coffee with coffee arabica, robusta coffee plants act as rootstock, and scions are yielding varieties of arabica coffee. Implementation of the connection technique in the field is done by using the method siwangan, namely by cutting half of robusta coffee canopy above the connection. This method in addition to encouraging the growth of healthy connections, also still be obtained yields of up to 55% Robusta coffee. Innovation planting continued (cuttings) coffee plants in the study area is successful because of the trust that builds critical awareness of farmers so that farmers do collective work by adopting the new technology to produce superior coffee. In the study area occurs distrust caused by the rampant theft of coffee plants are still green in the trees since 2009. This incident made the farmers to harvest the coffee though immature to avoid theft of coffee. As a result, the value of the harvested green coffee sales fell and hurt farmers. Overcome this problem, in 2011 the government issued a rule that prohibits traders are still buying green coffee. This rule can reduce the theft occurred because the coffee green coffee still not sold on the local market. Moreover occurred a significant price difference between green coffee and coffee red as ripe. Traders set the price of green coffee is only Rp 5,000 / kg and red coffee Rp 8,000 / kg.

2. Networking

Networking main research areas that affect the production of the coffee plant is between farmers and traders who had been in existence for a long time. Traders buy coffee farmers brought suit the prevailing market price. The coffee brought many are still in the form of logs. PECO is partly shaped coffee was out skin horns because it is dried for a day (dry content of 13%). Action is still low postharvest This causes the exchange rate received by farmers is also low. Pressed by the economic needs of farmers often bring coffee spindles and sell granted to traders in the market and buy the necessities of life. While coffee Peco even slightly higher price than the spindles still not able to achieve the best price that can be generated if the farmer is able to change it in the form of rice coffee. This inability is due to the lack of a coffee grinder to change Peco coffee to rice. This can only be done in Makassar, the capital of the province within 145 miles. And farmers' access to Makassar still difficult by the lack of transportation support.

3. Institution

Social institutions is one of the essential elements and social capital apart from the trust and social networks. Institutions or organizations are systems that become a vehicle through which people were to interact according to patterns of official (Soekarno, 2003)[12]. In the institutions, people can interact with each other, but it is bound by the rules that have been agreed. Institutions (institutions) include; shared values, norms and sanctions, and rules. Middleman is the institution most

responsible for the economic behavior of farmers. In the study area are bonded labor system in which farmers take money to middlemen who paid when farmers harvest their coffee crops. Coffee prices paid to farmers middleman very low and hurt farmers. Farmer access to banking institutions are still lacking that few farmers who save in the bank. Patron-client ties between middlemen and farmers closely enough so that the middlemen become the first choice for farmers who suffered economic hardship and need cash in a short time. Share value established between the two in which the farmer as client protection while middlemen as patron economic benefit in the form of devotion and high return rates from farmers. Among them there are also norms become an unwritten agreement and binding on both. The norms mentioned above will undergo a process over time and eventually the norms that will be a certain part and social institutions. Soekarno (2003)[12] said the process was termed Institutionalization or institutionalization process, a process that is bypassed by a new norm to be part of one of the social institutions. Social institutions are considered as the rules when these norms restrict and regulate the behavior of people within the institution is located. Institutionalization process was not stopped so alone, but may progress further to a social norm not only institutionalized only in people's lives, but has been internalized in his life. By Polanyi (1957)[13] called embedded in the lives of farmers.

4. CONCLUSION

It can be concluded that social capital is trust, networking and institutions affect economic behavior, namely the production of coffee plants. Trust improving technology adoption Robusta and Arabica coffee cuttings while distrust led to rampant theft of coffee is still green. Networking affect the price of coffee and institutions influence the behavior of farmers in obtaining venture capital through middlemen. It is expected that future studies should be focused on the factors that influence the innovative behavior in increasing the production of coffee plants.

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