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THE IMPLEMENTATION OF REGIONAL BUDGET POLICY SUPPORTING EMPOWERMENT IN AN ATTEMPT TO FARMER WELFARE

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ABSTRACT

This research aimed to identify and manage the budget policy of Kendari City Government in order to society prosperity through sustainable empowerment, especially farmers to support the rice commodity which are potential more to be managed as part of food security program due to Kendari is vulnerable of flood disaster that could break supply of rice, and reduce unemployment. In addition, to develop food management system holistically. The method used was explanatory research using SEM (Structure Equation Model) analysis, by 113 respondents. The results of the analysis showed that the variable implementation of financial policy influenced the empowerment of the community by bottom up in order to welfare the farmers because a bottom up empowerment provided farmers to solve their own problems as the basic of their problems occurred at rice production management, either in management, watering, seedlings or even the harvest amount. As it originated from the farmer problems while the top-down empowerment did not have any significant effect on the implementation of budget policies.

Keywords: *Budget policy implementation, empowerment, farmer prosperity.*

I.   INTRODUCTION

Kendari is the capital city of Southeast Sulawesi Province that has uniqueness because it has a large area of rice and rice field area managed by society, where the city development did not make agricultural land affected by housing construction or building construction for business facilities that usually occur in other capital cities in Indonesia (Central Bureau of Statistics, 2015).

The development of agriculture in urban areas has been carried out for long time by the Kendari city government. Kendari generally is not only the center of economic activity, especially trade and service sector, but Kendari also has considerable potential from other strategic sectors such as agriculture. The important role of the agricultural sector for society welfare has already become main concern by Kendari City Government. Vision of government is that to establish Kendari in 2020 as a livable city based on ecology, information and communication, a comprehensive paradigm of sustainable city development, in which there is harmony among nature, human and culture. Vision of Kendari City Government as a livable city is closely related to the use of natural resources, especially in agricultural sector by adapting recent information and communication carried out in harmony and synergy with the improvement of Kendari society's welfare. The agricultural scale of two sub-districts located at Kendari City suburbs, Baruga and Mandonga Sub-districts, people depend more on their agricultural products. They have potential to be developed more as Kendari City is vulnerable with natural disasters, especially flood. Last year flood broke food distribution, made community got really difficult to fulfill their basic needs at that time, especially rice. By rice production from suburbs area, it is at least able to contribute rice to the community where flood and food insecurity happen almost every year.

Besides that, by any effort to improve the urban farmers' welfare, it will reduce poverty in Kendari City because farmers can maintain their livelihoods to provide better life for their families. This happened because averagely farmer did not have a high education. They immediately helped directly their parents on rice fields when they were still teenagers. Therefore, they only had skill rice field management down from generation to generation, while their own skills needed in globalization era were very minimum and unable to compete with other urban communities

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(Abdolmaleky, 2012). There is a tendency for their children will no longer continue their parents work as farmer because they think agriculture could no longer support their lives in the future because the development of technology and information demands city development that prioritizes more to a better residential concept so it can shift the agricultural region in the suburbs area. This is different from the agricultural concept in developed countries. Agriculture is an alternative economic source needed mostly there in city development, working at empty spaces suitable for producing rice as in the future the staples will be less because land functions are significantly reduced while the needs is increasing (Asfaw et al., 2012).

In terms of marketing side, Kendari City government must make new policy that is more pro-farmer by establishing an organization under local government managed professionally, guarantees that farmer production can be accepted by larger community so that urban farmers are no longer bothered with marketing their products which has become a problem for farmers so far because the involvement of local governments is still less. The policy implemented by Kendari City is supposed to be side with urban rice farmers by awarding them religious tourism in increasing their morale, togetherness, motivation, and also to release their boredom and making them able to maintain the land with emotional bonding.

II.   MATERIALS AND METHODS

The location of study was conducted in Kendari City, Southeast Sulawesi, Indonesia. This place was chosen as a research location because: (1) this location run urban farming with strategic farming area (2) Potential for agricultural production was increasing significantly (3) it could overcome food insecurity during natural disasters that often occur. (4) To overcome unemployment in urban areas. The analysis used in this study was statistical methods, namely, Structural Equation Modeling (SEM). This research was used to test a theory, presented a fact or described the statistics showing the relationship among variables and those that had characteristics to develop concepts, understand or describe many things.

This research variable consisted of independent variables and dependent variables, which were described as follows:
a. The independent variable (independent variable), in this study, it was the Budget Policy Implementation variable.
b. Dependent variable (dependent variable), in this study, consisted of top down approach model of farmer empowerment, bottom up model of farmer empowerment, and farmers' welfare.

The population in this study was in Kendari City, Southeast Sulawesi Province, especially in two sub-districts namely Mandonga and Baruga, located at suburbs of the city. The number of population relied on rice farming as their main income to support their families and also as food support, especially rice, was 751 people. The sampling technique used by researchers to obtain these samples was proportional stratified random sampling. Basically, researchers used a percentage rate 15% of the total population to determine the number of study samples. Population (N) of 751 people, the number of samples taken in this study was equal to

$n = 15\% \times 751$

$n = 112.65$ people

Based on the above calculation, the number of samples was rounded to 113 people.

III.   RESULT AND DISCUSSION

The direct effect analysis among the model construct could be compared to evaluate the effect of each construct on the direct effect which was nothing else but the coefficient of all the coefficient lines with one arrow at the end, while the indirect effect was the effect that appeared through an intermediate variable (intervening variables) and total effects were the effects of various relationship. The test results were presented as follows

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Hypothesis Result of Direct Pact Research

Independent Variable	Dependent Variable	*Direct Path Coef. Effect*	(P *Value)*	Desc.
Budget Policy Implementation	Top Down Model Empowerment	-.079	0.574	No Sig
Budget Policy Implementation	Buttum Up Model Empowerment	0.404	0.017	Sig
Top Down Model Empowerment	Farmer Welfare	0.304	0.035	Sig
Bottom Up Model Empowerment	Farmer Welfare	0.242	0.040	Sig
Budget Policy Implementation	Farmer Welfare	0.600	0.000	Sig

The hypothesis test result of this study could be explained as follows:
1. H1: stated that there was a positive and significant influence between the variable of budget policy implementation and the top down model farmer empowerment. From the results of the analysis in the Table showed that the path coefficient value of the variable effect budget policy implementation had a negative and did not effect significantly to the empowerment of top down model by -.079 with a probability value (p) of 0.574 (greater than p> 0.05) . Thus that hypothesis 1 in this study was rejected.
2. H2: indicated there was a positive and significant influence between the variables of budget policy implementation significantly and the buttum up farmer empowerment. From the analysis result in Table 5.18, showed that the path coefficient value of the variable effect of budget policy implementation had a positive and significant effect on the buttum up farmer empowermeny by 0.242 with a probability value (p) of 0.017 (smaller than p <0.05). Thus that hypothesis 2 in this study could be accepted.
3. H3: stated that there was a positive and significant influence between the top down model farmer empowerment to the welfare of farmers. From the analysis result in table 5.18, showed that the coefficient value of top-down model farmer empowerment was positively and significantly related to the welfare of farmers was 0.304 with a probability value (p) of 0.035 (smaller than p <0.05). Thus that hypothesis 3 in this study could be accepted.
4. H4: stated that there was a positive and significant influence between the variable of the buttum up model farmers empowerment and the welfare of farmers. From the analysis result in Table 5.18, showed that the coefficient value of the variable buttum up model farmer empowerment that positively related and significant to the welfare of farmers was 0.242 with a probability value (p) of 0.040 (smaller than p <0.05). Thus that hypothesis 4 in this study could be accepted.
5. H5: stated that there was apositive anda significant influence between The variable of budget policy implementation to the welfare of farmers. From the analysis result in Table 5.18, showed that the coefficient value of the variable effect of budget policy implementation that positively and significantly related to the welfare of farmers wass 0.600 with a probability value (p) of 0.000 (smaller than p <0.05). Thus that hypothesis 5 in this study could be accepted

Measurement Results of Final Model
Based on the analysis of the model that can be obtained by SEM (Structural Equation Modeling) analysis using AMOS software, could be seen below:

Table 1. Evaluation criteria Goodness of Fit Indixes final stage

Goodness of Fit Index	*Cut-of Value*	**Model Result**	**Explanation**
Chi-square	Expected small	76.826	Good
Probability	≥ 0.05	0,001	Good
AGFI	> 0.90	0,823	Good
GFI	≥ 0.90	0,902	Good
TLI	≥ 0.95	0,933	Good
CFI	≥ 0.90	0.956	Good
RMSEA	≥ 0.08	0,085	Good

From the evaluation of proposed model showed that totally evaluation of the model to construct turned out that there were no critical violations from various criteria so researchers could state that the model was relatively acceptable or in accordance with the data, so that the suitability test on other models can be performed. From the tested path showed there were no insignificant indicators seen from the probability value or p above 0.05 (level 5%) and t value was calculated above the t table value.
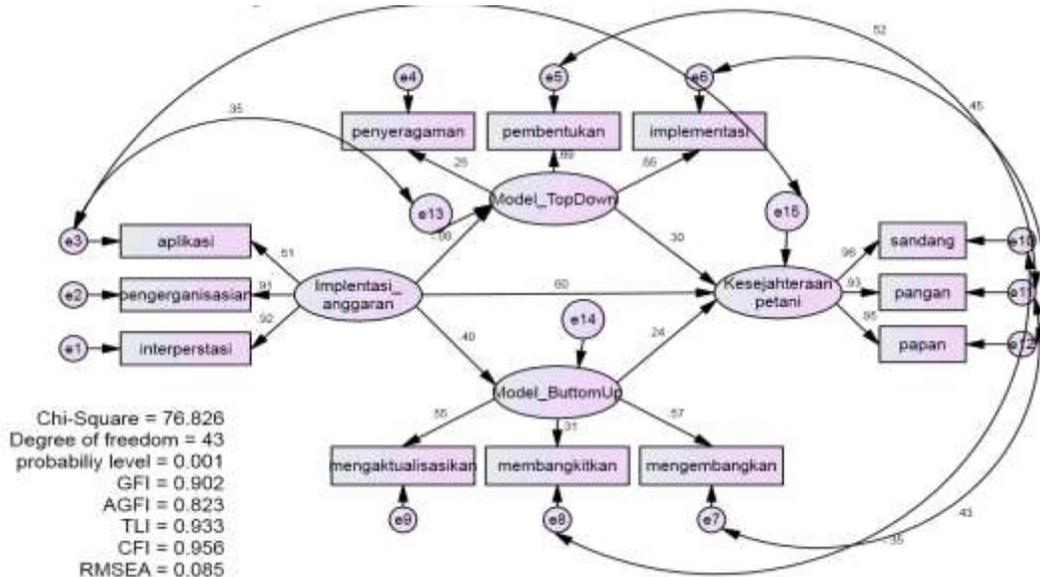

Figure 1. Link between variables

Connection among Variables

Connection of Budget Policy Implementation to Top Down Model Empowerment
From the analysis result, it showed that the coefficient path value of the variable implementation of budget policy was negatively related and insignificant to the top down model farmer empowerment. It was -.079 with a probability value (p) of 0.574 (greater than p> 0.05). This showed that the implementation of budget policy did not play a role or was not able to support the empowerment of the farmers with the top down model. Pressman and Wildavsky (1984) suggested that successful implementation depends on the interrelationship between how organizations and departments at the local level are involved in the policy implementation process. For this reason, collaboration, coordination and supervision are the foundation of implementation. Implementation will fail if the cooperative relationship in the deficit chain.

Connection of Budget Policy Implementation to Bottom Up Model Empowerment
From the analysis result of the model and the table above showed that value of the coefficient path influenced the variable policy implementation of the budget was positively and significantly related to the buttom up model farmer empowement. It was 0.242 with a probability value (p) of 0.017 (smaller than p <0.05). This showed that the implementation of budget policies could play a role to support the empowerment of farmers with the buttom up model.

The policy implementation of the bottom up model was initiated by the society, either directly or through community organizations (Orkemas). The bottom-up model gives space the implementer to always adapt the implementation strategy to the real situation they face (Ikhsan, 1999).

Connection of Top Down Model Farmer Empowerment to Farmer Welfare

From the analysis resut of the model and table, it showed that the influence of coefficient value to top down model farmer empowerment was positively and significantly related to the welfare of farmers. It was 0.304 with a probability value (p) of 0.035 (smaller than p <0.05). This showed that the empowerment of top down model was in the same direction and able to play a role in supporting the welfare of the farmers community. Hentihu et al. (2018) in the Policy Analysis of the Implementation of the Rural Community Empowerment Program found that the community empowerment model with the top down approach has a relationship and impact to improve the welfare of the farming community.

Connection of Bottom Up Model Farmer Empowerment to Farmer Welfare

From the analysis result of model and table, it showed that the influence of path coefficient value to the buttom -up model farmer empowerment was positively and significantly related to the welfare of farmers. It was 0.242 with a probability value (p) of 0.040 (smaller than p <0.05). This showed that the empowerment of bottom-up model farmers was in the same direction and able to play a role in supporting the welfare of the farming community. Puspaningrum and Agustina (2018) found that the development of bottom-up model farmer empowerment has impact to local community development to decide their needs in order to conservation and welfare improvement.

Connection of Budget Policy Implementation to Farmer Welfare

From the analysis result of the model and table, it showed that the path coefficient value of the variable effect of budget policy implementation was positively and significantly related to the welfare of farmers. It was 0.600 with a probability value (p) of 0.000 (smaller than p <0.05). This showed that the implementation of budget policies was one-way and directly able to play a role in supporting the welfare of the farming community. This means that if the policy implementation is getting better, the welfare of the farming community will also increase. Sukmawati et al. (2013) shows that implementation considers to have a significant influence on people's welfare. This indicates that the better of the policy implementation, the better welfare will be achieved

IV.   CONCLUSION

Based on the findings result of the implementation of government budget policies given to farmers carried out by top down and bottom-up approach in an effort to implement budget policies have a positive and significant impact on empowerment. The implementation of budget policies has a negative and insignificant effect on the top down model farmer empowerment. It means that the implementation of policies needs to create a mechanism that supports farmers in their productivity of agricultural products because there are some farmers' needs that are very urgent. They are not fulfilled due to the Kendari City government only expects budget from the provincial government. It is necessary to develop new methods in agricultural management to improve farmer income by adopting the development of technology and policies that support more the local wisdom.

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