



Governance Brief

Poverty in Rural Forest Communities and its Management

A Case Study in Malinau District

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Does the local government's increased access to forest resources in the district have an impact upon poverty? Regional autonomy provides district governments with the authority to improve the welfare of communities in their districts.

Malinau District in East Kalimantan has the opportunity to develop the livelihoods of its communities. Even though it has abundant natural resources, Malinau has yet to be able to guarantee a better standard of living for the majority of its people. The population of the district at the end of 2003 was around 43,844 spread across nine subdistricts, with the majority living in remote villages in or around forests. In the same year approximately 47% of households or families were recorded as being poor (Malinau District Rural Community Empowerment Office, 2003).

The aim of this case study paper is to look at the impact of regional autonomy on two poor communities in this wealthy district, i.e. Sebinuang (North Malinau Subdistrict) and Metut (South Malinau Subdistrict). Visits to these villages took place between June and August 2004. The data-collection methods used were field observations and direct interviews. The number of respondents was 20 households in Sebinuang Village and 33 households in Metut.

Forests' Contribution to Family Incomes

Despite modernization and development dynamics, the role of the forest has yet to be replaced in fulfilling the economic needs of families in Metut and Sebinuang. The forest is the main source of family income, for consumption and as an income source.

Figure 1 shows that non-timber forest products (particularly eaglewood or gaharu) are the largest source of income in Metut at around 37.64%. This is followed by farming at 32.56%, compensation from timber companies at 12.6%, and by wages, fishing and collecting firewood with a total of 18%. In Sebinuang wages or salaries provide the largest contribution at around 34.98% followed by income from farming at approximately 22.97%, non-timber

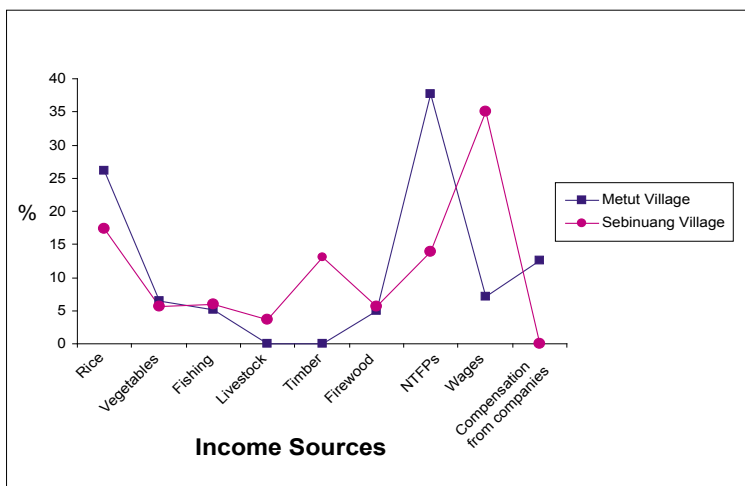


Figure 1. Annual contribution for each income source

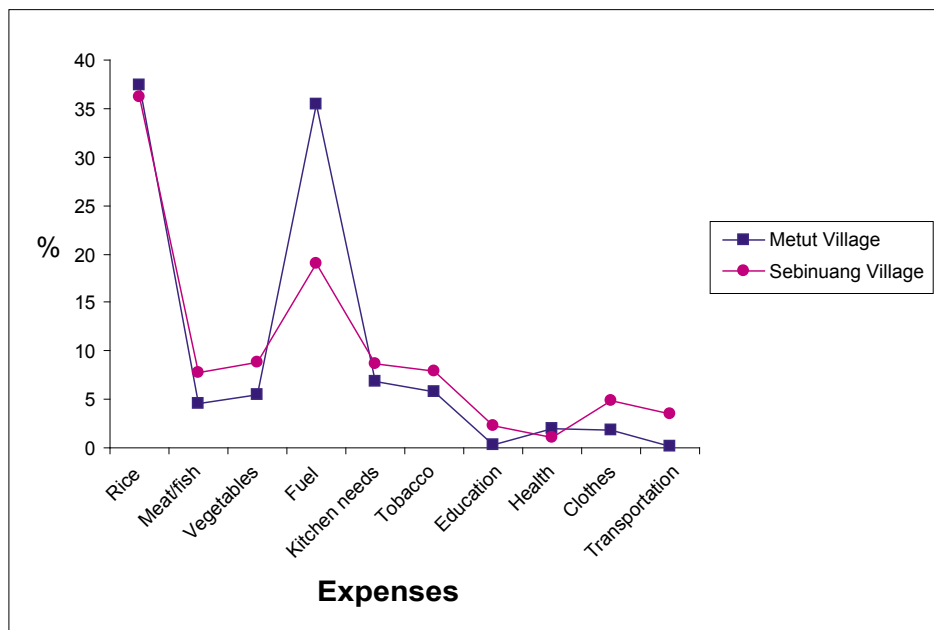


Figure 2 Average yearly expenditure

forest products at 13.94%, commercial timber at 13.10% (in Metut no respondents fell timber for commercial purposes) and fishing and firewood which together do not exceed 16%. The size of the contribution of wages to income in Sebinuang is closely related to the limitations of the surrounding forest both in terms of quantity and quality. Several families receive monthly cash income from incentives as village and customary authorities. Other incomes come from day work as labourers in other places such as the subdistrict town or in Malinau the district capital town. Looking at the percentages above, the contribution of the forest is slightly, though not significantly, larger in Metut than in Sebinuang. Influential factors are, among others, access to the forest and markets as well as the availability of alternative income sources besides the forest. Villagers in Sebinuang living near the subdistrict and district towns have the opportunity to earn a living outside the forest and work as labourers. Villagers from Metut, which is located in the middle of the forest, on the other hand, are far removed from the economic dynamics of people living in or around urban areas. These villagers have little

chance to be involved in businesses outside the forest, which is the only thing supporting their families' economic needs.

Are Local Communities Poor?

Sayogyo's poverty line approach was used to determine livelihood levels in this research. The Sayogyo poverty line is defined as total family expenditure divided by the local price for rice and the number of members in the family (Sayogyo, 1977 in Seldadyo, et al. 2003). Data on expenditure was collected by collecting information about family spending over a certain time period and adjusted to prevailing local prices. Yearly per capita expenditure is presented in Table 1 and Figure 2.

Table 1 shows a difference of approximately 40% in spending between the two villages. This difference is due mainly to the higher prices for essential goods in Metut, which are between 30 and 100% higher than in Sebinuang. Basic household goods, particularly those that have to be bought with cash dominate the amount of overall expenditure. If Sayogyo's poverty line (Sayogyo 1971), which states that

Table 1. Yearly Per Capita Expenditure (2003/2004)

Village	Expenditure (Rupiah/ household/year)	Average size of family (number of people)	Per capita yearly expenditure	Per capita yearly rice consumption (Kg)
Sebinuang	4,235,305	3.8	1,114,554	318
Metut	7,081,758	4.5	1,573,724	315

Note: At the time of this study rice cost Rp 3,500/kg in Sebinuang and Rp.5,000/kg in Metut

Table 2. Rice Consumption in Sebinuang and Metut (2003/2004)

Village	Annual expenditure for rice (Rp/year)	Average size of family (number of people)	Rice price (Rp/Kg)	Average per capita yearly rice consumption (Kg)	Average monthly consumption
Sebinuang	1,532,500	3.8	3,500	115	9.6
Metut	2,651,515	4.5	5,000	118	9.8

poverty is a level of consumption for food and non-food items equal to less than 480 kg of rice in urban areas and 320 kg rice for rural areas, is applied, then these two villages are considered poor.

From Table 2, average monthly per capita rice consumption in Sebinuang and Metut is 9.6 and 9.8 kg respectively. BPS calculates poverty figures using a food intake indicator of 2,100 calories per person per day (Anon, 2004a). Rao in Seldadyo et al. (2003), using the figure of 2,150 calories as recommended by FAO, found that a person requires 16 kg of rice per month to fulfill this number of calories. Therefore, the two study location villages, fall short of this amount by approximately 6.2 and 6.4 kg rice/person/month.1

Traditional subsistence farming methods cannot guarantee a rice yield sufficient to fulfill family consumption needs until the following year's harvest. In reality, for Punan communities in general, this lack in rice consumption can be substituted by forest sago (*Eugeissona utilis*) or cassava, which are the main traditional sources of food of the Punan people. Specific research has yet to be carried out on the calorie content of these two food types.

Local Perceptions of Poverty

Figure 3 shows various perceptions of poverty. A lack of food is most commonly associated with poverty in the two villages. This lack is not meant only in terms of fulfilling daily food needs, but also relates to nutritional value, variety and continuity. The clothes people own are very limited in that there are almost no special clothes for any particular activities. There is little difference too in the way respondents in the two villages see housing conditions. The houses there are commonly constructed from used materials scavenged from company camps. A number of families are unable to buy or provide most of the building materials needed, and have to live with their parents or close relatives.

Current conditions are far better than they were several years ago, when some families lived together in dwellings with roofs made from leaves and walls from tree bark. Forty-two percent of respondents in Metut and thirty-five percent in Sebinuang said that health was quite an influence on poverty. This connection between health and poverty felt by the majority of villagers in Metut relates to villagers' lack of access to health facilities in the village or the surrounding area. If they need medical treatment, they have to

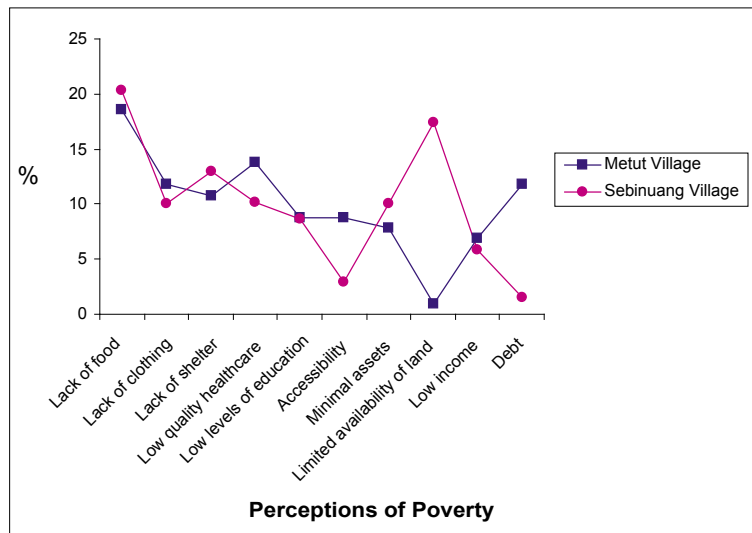


Figure 3. Variabilitas Persepsi Responden Mengenai Kemiskinan

go to another quite distant village requiring expenditure for transport. The lack in terms of education relates more to the low levels of schooling among villagers. In Metut, 50% of villagers are illiterate and a further 17% never finished their primary schooling. The figures in Sebinuang are 20% and 37%. Another contributory factor to community poverty, particularly in Sebinuang is the limited amount of farming land or forested areas.

In Metut, 36% of people see debt as one aspect showing the seriousness of community poverty conditions. The system put in place by business people means that eaglewood gatherers in the communities are completely dependent and are in constant debt to them. Meanwhile, the small and uncertain income from the occupation is out of balance with the work involved and family living costs.

Why are Communities Poor?

Community poverty is multidimensional in character with complex contributory factors. Poverty has been going on for a long time among the Punan communities in the two research villages and they continue to be poverty stricken despite the implementation of regional autonomy. Based on the observations made, the causes of poverty in these two villages can be grouped generally into internal and external factors. Internal factors, among others are:

- Low levels of human capacity,
- Culture,
- Low motivation,
- Consumptive lifestyles, and
- Too few people.

The low capacity of local communities directly affects their socio-economic conditions. Their history and tradition of forest survival skills, and their wisdom in managing and utilizing forest resources are not enough to be able to withstand intervention from outsiders who exploit the natural resources around them. As a result, villages like Sebinuang, which no longer have any farming land or forest, are becoming increasingly marginalized.

This low capacity also affects communities' chances of competing economically and socially, including for government jobs, and even their ability to access the bureaucracy. Local communities' unpreparedness in facing modernization is another factor causing their increased economic and political marginalization.

Communities living in natural surroundings rich in food sources also tend to be consumptive; their cash earnings are commonly used for celebrations. There is no Punan community representation in regional government bureaucracy to help them rise from backwardness. Their role in the economy is almost completely ignored. Others, whether acknowledged or not, still see the Punan as isolated and backward. This background of economic, social and cultural isolation is part of the reason for their lack of motivation, and their economic sluggishness, which is all the more pronounced when compared with the development of other communities around them. The small population in one village is also part of the reason for the community's slow socio-economic development (in line with District Head Decree No. 176/2004, Sebinuang was joined with four other resettlement villages to become Lubok Manis Village). Villagers all tend to have the same livelihood - farming. Small populations make it difficult for communities to develop because marketing of products is limited to themselves (Anonymous, 2004b). Small populations also affect regional government, in the sense that the government pays more attention to and prioritizes larger regions/villages with bigger populations for the sake of effectiveness and efficiency. Some external factors causing poverty are:



- The half-hearted villager resettlement program (respen) in the past,
- Forestry policies that do not cater to the interests of forest communities and even marginalize them restricting their access to management and utilization of forest resources,
- Policies that weaken community political systems and local values,
- The economic and monetary crises which have affected all aspects of the economy,
- Population pressures from increasing numbers of outsiders crowding out communities (especially the Sebinuang resettlement community), with the logical consequence of growing demands for space and land and more extensive utilization of forest land.

Poverty Management Interventions of the Malinau District Government

As a new district established in 1999, Malinau continually uses the opportunity of regional autonomy to encourage multi-sectoral development. The 'Gerbangdema' village self-sufficiency movement has become the development mainstream colouring all development policies. *Gerbangdema* is implemented through eight inter-connected programs, i.e. (1) community resources; (2) economy; (3) infrastructure; (4) institutions; (5) health; (6) agriculture; (7) estate crops and forestry; and (8) women's empowerment.

The spearhead for implementation are the government offices directly involved in the programs. The Poverty Management Committee (KPK) takes no active role either in formulating regional poverty management strategies or in coordinating their implementation. Poverty management programs run by these offices are routine programs with the KPK playing no part. Research by Andrianto (2005) conducted in the same region mentioned that decisions made on poverty management activities implemented by KPK members, did not come from joint discussions or coordination between members, but from suggestions made by each government office independently of the KPK.

Generally, several aspects of regional government intervention in Sebinuang have been better than in Metut. A main factor leading to this difference is accessibility. Areas with good access tend to be more affected by development (positively and/or negatively) than the more isolated regions. The development of infrastructure such as roads, bridges, harbours, health, education and



Photo by Eva Wollenberg

other public facilities in subdistrict or district towns provides plenty of benefits to these areas, having an impact simultaneously on many aspects of villagers' lives. In economic terms, accessibility also influences prices for goods or basic needs. Sebinuang, which is not far from Malinau, is supported by easy vehicular access, helping prices to remain relatively stable. The same is not true for Metut, where distance and limited transport cause prices to rocket. This is made worse by the villagers' limited income sources and the unhealthy financially disadvantageous local market mechanisms, particularly for eaglewood sales. Low purchasing power influences the villager's ability to fulfill their basic needs as well.

Some important observations on the implementation of these poverty programs are: the inactivity of the Malinau District Poverty Management Committee (KPK); programs not touching on communities' basic economic needs; development prioritizing procurement/improvement of infrastructure and recruitment of staff in and around government centres affect the limited amount of funds available for empowerment programs; weakness of government institutions; a lack of facilitation for ongoing programs; programs implemented with a short-term project approach and not executed simultaneously; no effective cooperation with NGOs on empowerment; lack of effective mapping and identification of local needs as the basis for creating programs; and the lack of community participation in planning and decision making; in economic terms, poverty management programs have not yet succeed in reducing forest-dependency among communities. For the villagers in Sebinuang

and Metut, reduced income from the forest, is not due to unavailability of alternative income sources other than the forest, but to the shrinking space available to them and the decline in the quality and quantity of their forests.

While development in the region continues, for the villagers in Sebinuang and Metut the forest remains vital in economic, social and religious terms, as well as for conservation. Even though the forest does not free them from the cycle of poverty, it can at least contribute towards fulfilling their daily food requirements in line with local standards.

Recommendations

- Considering how important forests are to traditional forest communities as a livelihood source (for food reserves, shelter, medicines, religion and conservation), the Malinau District Government should formulate forestry policies that can contribute to regional development while at the same time protecting the land rights and forest resources of traditional communities.
- The Malinau District Poverty Management Committee (KPK) should start developing a strong commitment to the management of poverty in the region and work with non-government stakeholders who can provide creative, innovative and adoptive initiatives in the formulation and implementation of programs.

- Poverty management programs and specific regional/village needs should be synchronized through participatory planning processes and facilitation by parties committed to poverty management.

Endnote

¹ No BPS data was found for calculating how much rice is required to provide 2,100 calories.

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Photo by Christian Cossalter



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CIFOR's Forests and Governance Program examines how decisions relating to forests and forest-dependent communities are made and executed. Its aims are to increase community participation, empower vulnerable communities, improve the accountability and transparency of decision makers and those holding power and to support democratic and inclusive processes advancing fair representation and decision making among all parties.