

The Problem of Entrepreneurial Spirit of Indonesian Fishermen in the Global Era

¹Vina Salviana D. Soedarwo, ²Ihyaul Ulum and ³Uci Yuliati
¹Department of Sociology, Faculty of Social and Political Sciences,
²Department of Accounting,
³Department of Management, Faculty of Economic and Business,
University of Muhammadiyah, Malang, Indonesia

Abstract: The phenomenon of fishermen's poverty and low levels of their household prosperity in Indonesia become a problem that is not easily solved by the local and central government although, they have implemented many economic improvement programs. At the regional level, the department of fisheries and oceans resources has a lot to do counseling through fishing groups such as counseling on the use of fishing gear or fish processing to enhance their entrepreneurial spirit in order to be able compete at a larger (national) scale. But, there has been no significant change in their prosperity. Based on the above phenomenon, the objective of this study was to determine the causes of low entrepreneurial spirit of the fishermen and any constraints facing them. The selected location of the research is Lekok port, Pasuruan regency, East Java. Participatory Action Research (PAR) method with rapid rural appraisal approach was adopted in this research. Research subjects in this study were the fishermen in UPT Lekok. Also, one key informant is the head of Fisheries Port Lekok. The results showed that the factors causing fishermen's poverty and their low level of welfare were very complicated such as low education, limited knowledge of fish processing and minimal access to marketing. As a result the fishermen can not compete in the global era, especially in the Asean economic community era in East java.

Key words: Entrepreneurial spirit, fishermen, global era, programs, access

INTRODUCTION

The richness of the ecosystem in Indonesia such as mangrove forest, sea-grass and coral reef is the bio-and non bio-sources potential to support the life of the people around coastal regions. The data from the Ministry of the Marine and Fisheries showed that the potency is very great since 70% of the area of this country is sea. Regardless of the fact, the problem of poverty happening to the people living around the coastal regions still appears.

The data of the showed that in 2011 the number of poor fishermen in Indonesia was 7.87 million persons or 25.14% from the total number of poor people amounting 31.02 millions people. The government has been trying to improve the fishermen's prosperity but at the level of implementation, no significant change in their economic condition happens.

The fishermen's poverty has been studied from the economic aspects using the Economics discipline and from the fishes processing aspects applying the fisheries and marine science. The results of the researches have been contributing to programs for improving the fishermen's prosperity. But a classical problem namely a low level of their economic condition, especially those living around the coastal regions, still exists.

There are many sociological problems that have been contributing to their poverty such as their low level of education and limited access to obtain adequate facilities and infrastructures for processing fishes as their additional incomes beside fishing. Even, in fishing, they are still often in conflicts with their own fellow fishermen.

One of the coastal regions in East Java in which fishermen dwell is the one in the region of Pasuruan regency with the population of 1,531,025 persons of which 30% are farmers and fishermen. Dealing with fishermen,

the Department of Fisheries and Oceans showed that there were 392 Kelompok Usaha Bersama (Joint business group) with members of 5,765 fishermen and in this area there are still thousands of fishermen that have not joined in the groups. Based on the interviews with the Head of Department of Fisheries and Oceans in Pasuruan regency, fishermen's average education level was low. This condition was supported by the head of Fisheries Port Lekok and their average family income was ranging from Rp. 1,000,000 to 1,200,000/month. This income is lower than the UMK (city minimum income) in Pasuruan, Rp. 2,700,000-/month.

The department of fisheries and oceans has made many elucidations through the groups above, either on the use of catching tools or fish processing with the purpose of improving their entrepreneurial spirit in order to be able to compete at a wider (national) scale. But these efforts have not significantly changed their prosperity. But one important thing that has been successfully solved is physical conflicts among them, said the head of department of fisheries and oceans.

There is one interesting phenomenon: is there something wrong with the programs regarding the fishermen's prosperity? Therefore it is necessary to study factors causing poverty among fishermen's households although most of them have involved themselves in the market activities. Moreover, it is also important to study what empowerment model is suitable to reduce their poverty.

Formulation of the problems: From the above phenomenon, the problems are formulized as follows:

- What is the image of the fishermen's entrepreneurial spirit besides fishing?
- What is the formulation of an empowerment model suitable for fishermen's families to build their competitive entrepreneurial spirit and to improve their prosperity?

A research on the economic condition of fishermen's households in Madura bay (Mimit *et al.*, 2012) showed fishermen's poverty. Factors influencing their poverty are ages, education and fishing experiences. Fishermen in Madura bay do not have any other alternative jobs and their main basic necessity of life is fishing. The use of catching tools 'payang' usually called one-day fishing is mostly made by the fishermen in Madura bay and also by other fishermen in coastal regions in Indonesia. This payang is still relatively traditional.

The condition of fishermen in Bangka Bart regency is different from those in Madura bay (Alpharesy *et al.*, 2012). The fishermen in Bangka Barat region have side jobs as workers in tin mining. Ironically, their average incomes as fishermen were lower than as mining workers, namely Rp. 1,650,000/month and Rp. 3,375,000/month, respectively (Alpharesy *et al.*, 2012). It seems that jobs as fishermen are inherited from their parents and result in low incomes.

Indonesian fishermen who had got people's empowerment programs such as Pemberdayaan Ekonomi Masyarakat Pesisir (economic empowerment of coastal people) in Donggala regency welcome the programs since the programs may improve their economic condition (Roslinawati, 2014). But, research results suggest that such empowerment programs should be integrately applied, using a clear classification such as social, economic and cultural characteristics. The government, in this case, the Department of Fisheries and Ocean in Donggala regency, should reinforce the program by making good coordination with various stakeholders to improve the economic condition of the coastal people and to make the program successful.

Less coordination with stakeholders was also found in Salviana *et al.* (2016)'s research on empowering weomen's productive age through the development of life skills model based on local potency. Moreover, this research was able to the formulize a proper empowerment model of the people for the community of volatile oil distillers and farmers and also traders of cananga flowers and the formulized empowerment model is participative-integrative in nature. It is an empowerment model involving many concerned parties with the purpose of making people aware of their capability and power and this in turns may improve their motivation and skills to do productive businesses that may improve their prosperity (Salviana *et al.*, 2016).

The concept of entrepreneurship (Zimmerer and Norman, 1996) means as "... the result of a disciplined, systematic process of applying creativity and innovations to needs and opportunities in the market place", meaning that entrepreneurship is a discipline that may be learned by and taught to anyone, including farmers that may not be able be entrepreneurs. Suryana (2003) states that to be a successful entrepreneur not only enough to have talent but also adequate knowledge on various aspects one wants to work on.

As an entrepreneur, one should has some characteristics (Scarborough and Zimmerer such as desire for responsibility, preference to moderate risk, confidence

in their ability to succeed, desire for immediate feedback, high level of energy, future orientation, skill to organizing and value of achievement over money.

The next development is that entrepreneurship means as a mindset that can empower ordinary people to accomplish the extraordinary. It seems that this concept is more properly used to understand the condition of fishermen's households with low level of prosperity because their routine work in their daily survival to catch fishes and sell them is based on some knowledge from their ancestors. According to the knowledge possessed by human capital is one of the components of intellectual capital (Ulum, 2015). It is also the case of knowledge inherited from the ancestors that is traditionally possessed by these fishermen which is traditional intellectual capital.

It is in line with opinion given by Theresia that human capital is a skeleton of human and economic development in all countries. Human capital is an important capital in the process of development. It cannot be denied that human being are the main actors in development so that they occupy a very central position in the process of development. Especially, Indonesia has agreed to become part of ASEAN Economic Community (AEC) with a pattern of integrating the ASEAN economy by forming a free trade among the members of the countries. And ASEAN will become a market and base of a single production that enables ASEAN to dynamics and that may compete at the global era. In the condition of this free trade, a mechanism should be made and steps should be taken to strengthen a new economy-initiated implementation, accelerate a regional integration in sectors in priority and to facilitate business movement, talented and competent man powers. It is a preliminary step in realizing the AEC.

From some concepts above, it means that fishermen are human capital in the development and they may compete in the global era through the people empowerment planning using an entrepreneurship approach intended to change their mindset to make them willing as entrepreneurs so that they not merely maintain their traditional intellectual capital they possess. Moreover, entrepreneur spirit should also grown up to motivate them.

MATERIALS AND METHODS

It is a Participatory Action Research (PAR), a research involving researchers to play roles (Densin and Lincoln, 2009). PAR is implemented with a more

comprehensive practice characteristic. The participants do and learn any changes resulted in during the process. As a method or a research type, PAR possesses the following characteristics: planning a change, learning and observing processes and consequences of a change, studying a process and its consequences, re-planning, learning and observing, studying and so on.

A Rapid Rural Appraisal (RRA) approach was also employed, an approach to understanding a village quickly (Chambers, 1996), an understanding through a preliminary stage namely an exploration with understanding of the research subjects. The next step is to balance any bias, a principle that researchers do not teach but to listen subjects. They researchers looked for poor fishermen community and to search for their main attention.

The location of this research is Lekok port, Pasuruan regency. The subjects were groups of fishermen who are always related to the head of Fisheries Port, especially transactions of fishes caught by 15 fishermen. The data needed in the RRA method is secondary data source in the form of bundles of reports kept in the office of fisheries port Lekok, Pasuruan. Moreover, the primary data were obtained through semi-structure interviews with subjects individually or in groups.

In the data collection technique, a transect walks principle was also employed, meaning that researchers were walking with informants or research subjects to pass a place for selling fishes while doing activities of observing, interviewing, discussing, introducing technologies and finding problems.

In the data analysis, some stages were made as follows: after obtaining data from the bundles or reports in the Office of fisheries port Lekok Pasuruan and also from the transect walks in the RRA principle and a reflective cycle of the PAR what to do is to act, to observe then to act and to act then to restudy and the last, to make some changes together with the subjects (fishermen) in order to improve their socio-economic condition.

An analysis of tendency was made related to the fishermen's consideration in the past and possible changes they will make dealing with new technologies the fishermen will use to make them to better improve their entrepreneurial spirit and to be able to have a competitive power at either regional or eve national market. The last stage of the data analysis was that together with the research partners and subjects, the researchers made a map or diagram of resources and findings to formulize a model of empowerment of the fishermen's households with a spirit of competitive entrepreneurship (Fig. 1).

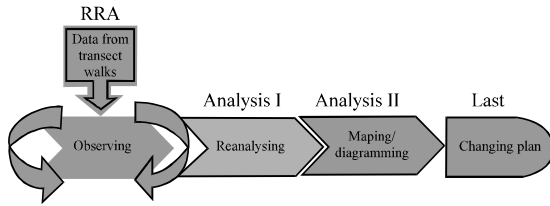


Fig. 1: Circulation of data analysis in the PAR and RRA principle

RESULTS AND DISCUSSION

Data analysis: The fishermen’s social-economic condition around the Lekok port was low. This statement was supported by the head of the fisheries port Lekok and their average income was around Rp. 1,000,000-1,200,000 months. This income is certainly low compared with the minimum wage in Pasuruan regency, Rp. 2,700,000. The department of fisheries and oceans has been making elucidations through the abovementioned groups, either on the use of catching tools or on fishes processing to raise their entrepreneurial spirit that makes them able to compete at the wider (national) scale. But no significant change happens to the fishermen’s prosperity.

The results of fishes caught in the fisheries port Lekok are usually bought by traders from Malang, then they are sold in markets in Malang. The price of each type of fish is different, for example Krasak fish, Rp.70,000/kg, Lempu Rp 30,000/kg, Teri Nasi Rp 40,000/kg, Kuniran, Rp 20,000/kg and Cenggala (wet), Rp 20,000/kg. The fishermen still adopted the knowledge on fishing and fishes processing inherited from their ancestors, for one generation to the next. Their knowledge of fishes processing was limited to drying or salting fishes or processing fishes into kerupuk and then selling them in markets around Pasuruan. This certainly will not give significant added value. The local fishermen still maintained a nyaur-nyamek principle, meaning “catching fishes, selling them”. This principle makes their lives stagnant and trapped in a routine “catching fishes and selling” them in the markets, from morning till afternoon. Young generation who cannot continue their study at school also inherit the same principle. As young fishermen, they did not possess some entrepreneurial spirit to process fishes in order to get some added value.

The research results as as follows. First, there is a problem of low entrepreneurial spirit among fishermen caused by various factors such as low level of education, inherited and very simple knowledge on catching and processing fishes, nyaur-nyamek mindset developed from one generation to the next and lack of information on AEC that should permeates into local areas including the fisheries port area such as in Lekok pasuruan.

Due to such condition, it is necessary to change their mindset namely to urge them to be willing to become entrepreneurs. It is in line with Taulbert and Schoeniger’s opinion that entrepreneurship is a mindset that can empower ordinary people to accomplish the extraordinary. To change their mindset, however, is not an easy job to do, especially when it is formulized in a model of people empowerment. The change of this mindset may begin from “what to do to the fishes caught so that they will not be merely sold in wet or dry conditions in order to get added value from the fishes.” Therefore, it is necessary to find out a technique of processing fishes which is in line with the local natural sources to improve their incomes and to contribute to the national economy especially in facing the global market.

Second, a formulation of proper empowerment model for fishermen’s household to develop a competitive entrepreneurial spirit and to improve the fishermen’s prosperity in Lekok port is an empowerment with a strategy of changing mindset and of involving fishermen’s participation supported by the fisheries port Lekok and higher education to build small scale businesses. The model of the fishermen’s household empowerment is the development from the participative-integrative model (Salviana *et al.*, 2016) that has been tried out in the community of the volatile oil distillers with raw materials of cananga flowers and also in women productive age groups.

This model is in line with the socio-economic dynamic happening in Indonesia in facing the AEC where people “like or dislike” should be ready in encountering any challenges of economic competition in the free market era. The people living in a subsistent economic condition cannot do nothing but should also move and change into a more competitive mind to improve their socio-economic condition.

This empowerment model involves the government, in this case the Fisheries Port, higher education and the fishermen themselves who were in a synergetic way involved and took part in implementing the program namely establishing a business of food products from fishes. The fishermen groups into processors and marketers of fishes were empowered through various activities. First, their mindset should be changed, namely they were willing to start-up business in food products from fishes. Second, they were given trainings and guidance on processing fishes such as making nuget, kaki naga and tempura with raw materials from fishes. The next stage is to train marketing, including how to pack products are interesting. From this process the expected output is that fishermen are skillful in processing fishes into food products and they have a marketing network that in turn may result in an outcome: fishermen as entrepreneurs (Fig. 2).

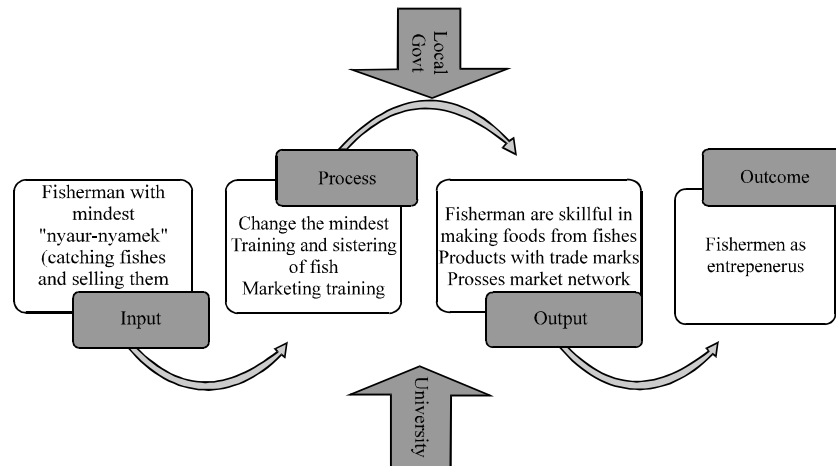


Fig. 2: The integrative-participative model of empowerment for fishermen community with entrepreneurial mindset approach

CONCLUSION

From the description above, it can be concluded that the fishermen’s spirit of entrepreneurship is very low due to various factors namely low level of education, inherited local knowledge that may hinder their socio-economic life and one important thing: a mindset adhering in their life namely a “nyaur-nyamek” principle (catching fishes and selling them) that makes their socio-economic condition stagnant. To improve their economic condition in facing the global economic era, a program of empowerment in this present research with the title of “The Integrative-participative Model of Fishermen Community with Entrepreneurial Mindset Approach’ is in a great need. It is a model of empowerment involving not only the people (fishermen) themselves but also higher education institution and local government or related institutions to work in a good synergy in order to empower the people to be able to be independent in creating businesses for the betterment of their economic condition and to contribute to develop the national economy. The model of the people empowerment is expected to be able to be applied in other communities so that it will be useful for improving the economy of the nation in this global era.

ACKNOWLEDGEMENT

Researcher gratefully acknowledge that the research was financially supported by the Ministry of Research, Technology and Higher Education of the Republic of Indonesia.

REFERENCES

Alpharesy, M.A., Z. Anna and A. Yustiati, 2012. Analysis of income and household expenditure patterns in the coastal fisherman's labour Kampak Bangka district West. *J. Marine Fisheries*, Vol. 3,
 Chambers, R., 1996. [Participatory Rural Appraisal; Understanding Rural Participative Approach]. Penerbit Kanisius, Yogyakarta, Indonesia, (In Indonesian).
 Densin, N.K. and Y.S. Lincoln, 2009. *Handbook of Qualitative Research*. Student Library Publishing, Yogyakarta, Indonesia.,
 Mimit, P., Soemarno, A. Efani and S. Muhammad, 2012. [Economic survey of household fishermen at madura strait East (In Indonesian)]. *J. Discourse*, 15: 15-19.
 Roslinawati, R., 2014. [Public Perception of coastal community Economic Empowerment Program (PEMP) in Donggala (In Indonesian)]. *Acade.*, 5: 1110-1117.
 Salviana, V., I. Ulum and U. Yuliati, 2016. [Fishermen households empowerment through entrepreneurship strengthening competitive spirit]. Ministry of National Education and Culture of The Republic of Indonesia, Indonesia. (In Indonesian)
 Suryana, 2003. [Entrepreneurship Practical Guide, Tips and Process Towards Success]. Publisher: Penerbit Salemba Empat, Jakarta, Indonesia (In Indonesian),.
 Ulum, I., 2015. *Intellectual Capital Model Measurement, Frame Scenes Work When and Organizational Performance*. UMM Press, Malang, Indonesia.,
 Zimmerer, W.T. and S.M. Norman, 1996. *Entrepreneurship and the New Venture Formation*. Prentice Hall, New Jersey, USA.,.