THE ANALYSIS OF DETERMINANT FACTORS OF POVERTY
AND ITS EFFECT TOWARD ECONOMIC DEVELOPMENT
OF ISLAMIC SOCIETY: CASE STUDY AT SERDANG
BEDAGAI REGENCY AT NORTH SUMATERA PROVINCE

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Abstract: In the last two decades, Indonesia has experienced contrasting episodes in terms of economic growth and changes in the poverty rate. Prior middle 1980s until middle 1990s, Indonesia experienced a high economic growth and a rapid reduction in poverty. During the economic crisis period of 1997-1999, however, the economy contracted substantially and poverty increased significantly, wiping out many years of progress. Post-crisis, economic growth slowly recovered, but the poverty rate declined much faster falling to below the pre-crisis level. These contrasting episodes of growth and poverty trends provide the opportunity to empirically assess the relationship between economic development and poverty. Study of this relationships, usually divide the economy into three sectors: agriculture, industry, and services. The mechanism of the relationships between economic development and change in poverty must be better understood in order to formulate the most effective strategy for poverty reduction through macroeconomic policy. Therefore, this research tries to examine more specific than previous studies, that is the effect of determinant factors (such as: level of formal education, level of social economic, agriculture land ownership, Islamic job tradition) of poverty toward economic development. This research is done at Serdang Bedagai Regency at North Sumatera Province. The research hypothesis states that level of formal education and agriculture land ownership effect economic development significantly. Otherwise, level of social economic and Islamic job tradition insignificantly effect economic development.

Keywords: level of formal education, level of social economic, agriculture land ownership, Islamic job tradition, poverty, economiyy development.
1. Introduction

In this life, religion is one of primary factor in realizing patterns of human (world) perception which is on its innings will also influence the way of human life history. This perception also determines of human views in this world (Soedjatmoko, 1984: 207). In its relationship with human problem, strength and contribution that given by religion in effort for safety for all mankind, contain much in its teaching values. In one party, teaching value will shows the relationship between religion goals for “safety” with a purpose of human life, so “safety” have come to be deservedly reached and laboured by any human, whatever its religion confidence.

Hereinafter, if religions make and look into human safety as their main mission, as expressed by Kleden (1978: 7) “religion also will push and agree for activities that run in efforts to maintain that safety, so religion function will be always called and active”. Among human problem that being faced by mankind in several of world clefts, especially in the developing countries is poverty problem with various reasons and its consequences. Among problem that emerges in seeing religion role for human problem solving, especially poverty is existence of various religions, as in Indonesia, which (all of them) offer safety from their way.

At others, this condition can generate dynamics in “race pursue of human achievement”, but this also can generate conflict, especially, caused of mission problem of each religion to disseminate its teaching values. In consequence, one who believe feel called to save others through invitation to embrace their religion. This condition will mean that starting point of religion spreading is glorious motivation, namely invite people up at safety (Departemen Agama, 1978: 133). Nowadays, with existence of poverty problem as one of human problem being faced by mankind, of course that thing is mission and also as main challenge for religion to response. The complexity of poverty problem, related to all human life aspects, then analysis or study about the cause of poverty will cover various aspects: social, politics, culture, economy, and religion, and nature environment, etc. In consequence, study about the cause of poverty, besides will be tied of someone's area or someone scientific discipline, also will very depend on type of that poverty.

From above description, seen that type of poverty can be differentiated between temporary poverty and structural poverty, or between natural poverty and artificial poverty. Nataatmaja (1985:109) explains that temporary poverty is poverty that resulted from bodily or soul handicap, or calamity consequence. In line with that as expressed by Sastrapradedja (1986: 132-134), “structural poverty is poverty that resulted from exploitation social structure in pattern of
relationship or interaction at economy institutions, politics, religion, family, culture, etc. Hence, poverty which arising in a society, not as consequence of factors that existing on his/her-self, like: lack of education or lack of calorie, but as consequence of exploitation (Rahardjo, 1993).

To be more comprehend about above structural poverty, statement of Suseno in Banawiratma (1981: 38) “Poverty is not a desire of it-self (for example: he/she is lazy, gambler) or richman (for example: he/she is gluttonous person), but consequence of structurezation of economy processes, politics (that only a small group control production mediums and decision making in society life), social (for example traditional rights of upper society) culture (for example difference accesses to education) and idiology, that society are keep close from injustice, poverty and show it as a consequence of mere objective factors.

Nowadays, the estimation amount of structural poor resident in the third world are 900 million people, 700 million people for example life in country side and 200 million life in cities that are bursting in its unfoldment (Sudjatmoko, 1984: 91). As well as the things with poverty in Indonesia that still enough high, said by Swasono (1984: 1), “picture hits poverty in Indonesia not excitement. The existing poverty is massive. Generally, this poverty is structural poverty as a consequence of formed of a social structure that result certain society group is unable to be productive in its economy life”.

Also, in case of one province in Indonesia, namely North Sumatera. From view of industrial sector, almost 90% of industrial company exist in this province, locate in “region” that its resident majority is Islam. Today, from 22 Regencies/Municipalities in North Sumatera, Sub-province Serdang Bedagai has 179 industrial companies and this is second biggest after Medan city (North Sumatera in Figures, 1988). Nevertheless, it believed that most of owner is not comes from Islam people, but come from other religion, especially from China ethnic. Islam people only majority as worker with lower fee, with their percapita income below/under regional minimum fee (Rp. 505.000,-). Therefore, do of Tanjung Beringin District, Sub-province Serdang Bedagai, North Sumatera Province (See table 1). A long time ago, this district is the capital city of kingdom that its prosperity can be pledged and their percapita income is high. It can be proven that the district direct four metropolises, such as: (i). Tanjung Beringin city; (ii). Sei Rampah city; (iii). Mata Pao city; and (iv). Bandar Khalifah city, that led by a King called “Sulung Laut” (Sally, 1986). Even this king name is immortalized in the form of firm at Wazir street, Medan. Now, the fourth metropolis has becomes capital city od some district under Serdang Bedagai Regency.
Table 1. Amount of Resident According Adherent of a Religion for each Village (Year-end 2005)

<table>
<thead>
<tr>
<th>No.</th>
<th>Village Name</th>
<th>Islam</th>
<th>Christian</th>
<th>Budha</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Pematang Cermai</td>
<td>2449</td>
<td>1207</td>
<td>-</td>
<td>3656</td>
</tr>
<tr>
<td>2.</td>
<td>Pkn. Tanjung Beringin</td>
<td>9371</td>
<td>573</td>
<td>526</td>
<td>10470</td>
</tr>
<tr>
<td>3.</td>
<td>Bagan Kuala</td>
<td>1114</td>
<td>-</td>
<td>-</td>
<td>1114</td>
</tr>
<tr>
<td>4.</td>
<td>Nagur</td>
<td>4166</td>
<td>26</td>
<td>120</td>
<td>4312</td>
</tr>
<tr>
<td>5.</td>
<td>Total</td>
<td>17100</td>
<td>1806</td>
<td>646</td>
<td>1952</td>
</tr>
</tbody>
</table>

Source: Tanjung Beringin district office

That situation is a problem that must overcome by all parties by conscript whole potency and existing resources; among other: to function religion as one of authorized capital to all leader and their residences. The previous condition either theoretical or empiric overview indicate that Islam people in Tanjung Beringin district, Sub-province Serdang Bedagai, North Sumatera, experiences of structural poverty, like lack of education level, socioeconomic level, ownership of agriculture farm, and Islam work culture. This working paper studies about determinant factors of poverty and its effect to economy development of Islam people in Tanjung Beringin district, Serdang Bedagai regency, North Sumatera.

2. Theoretical Background

2.1. The Wide of Farmland Ownership

Generally, primary factor of production in farms is land/ground. Second factor is human energy that often supported by animal energy, or even energy of human creation like: machines. To get machines and peripheral other needed the third factors of production that is money or capital (Sugihen, 1996: 107). Hence, the increasing or decreasing of agro product very relates to the three factors. Meanwhile, Statistical Central Bureau (in Sayogyo: 1977) divide farmer status at 3 groups, that is: (i). Farmer which is work in others ownership landfarm; (ii). Farmer which is work in his landfarm; and (iii). Farmer which is have a broad landfarm. Broad farm domination influences level of household earnings.

In the beginning, the farmer rights for continuously use its farm is based to the local tradition of society tribe. That landfarm becomes its property because of he/she already open it or already labour it since along time ago. After resident amount in a level society increase and all fertility farms have been used, then if a family (without farm) want to extend its farming, they must buy that farm property or rent that its rights already in others hand. Hence, the
multifunction of land will be expanding. As stated by Mubyarto (1986) that poverty problem always twines rural resident which is caused by the available farm. In general, impotent resident is farmworker and as farmer by ownership or farm domination is narrow. Penny and Ginting (1984) state that, landfarm has close relation with farmer earnings source and on the contrary, landfarm that laboured has close relation with job opportunity and other factors of production utilization. Process of decreasing of landfarm ownership seems as a sustainable process (Tohir, 1952; Su'ud, 2005; Sinaga and White, 1980; Ginting; 1990). That is why, needed someone that looked have new idea or have a broad landfarm and then through a deliberation, he/she possible to motivate all or some of countryside society to develop their economy (Everett, 1976: 56).

Feudal landlord system (land/ground ownership exist on-hand small number of certain people) and work on landfarm is delivered to one who require agriculture farm by rent (in the form of cash or in other form that generally base agreement or habit) or with sharing holder system (in many form sharing holder). This system is existed in some part of world, especially, some countries in Asian continent, Africa and in Latin America (South America). Land/ground ownership personally with various of widths in many places, its farming system tend to relied on market economics system. Thus, there is strive farming commercialisation. Land/ground domination by country or land/ground domination by farmer in collective (organization) as the same manner as generally existed in socialist countries (like ex Uni soviet, Bulgarian and others), produce big plantation system or follow the pattern of ranch. In between plantation is often existed other form of land/ground ownership.

2.2. Islam Work culture and Education
Islam places work culture not just as simply motto or simply statement, but place it as the central theme from creative action in people development. To realize a strong person and society, only maybe if carrying out the essencial work with all its dignity assessed as foundation of every moslem people, ustadz, muballigh, workers, politician, figures and become one of habit or specific culture within household of Islam people. Household role that learn work philosophy to their children, sample or best attitude of old fellow in glorifies work culture that believe have religious service value.

God Graduation to Islam people by give beautiful title "Khairu Ummah" (The Best Society) only become chaffy concept if there is no spirit of works and effort to inculcate an ideology that work and have the creation is beautiful. Only persons that esteem value work of his society will be able to
make its society as the taft society, whereas lazy person and bounce of beggar is only will sacrifice its society and even generation as the people that handcuffed in small fish class. Wajduhu Ka’adamih (there is and there is no is the same) will not become calculated. This is a harsh insinuation that ought to make Islam people is woke up, and its hurt it-self when sees this situation and will become eating by everyone who have high work culture, although he/she is one heathen. Prophet Muhammad ever utter that “later, will come an era where Islam people as a dish that fought by peckish people. Not because of the small number, but its quality as effervesces that unsolved have no wight. Life without direction, move creative await wind blows. In other word, Islam people must becomes people that have spirit to become people that reckoned and can give influence to its environment (Rahmatan lil’alamin), so quickly can be reckoned. Those who have work culture haves a kind of spirit to give positive influence to its environment. The existence of his/her-self is measured by how far potency that gives meaning and influence that circumstantial for others. “I there is because I give influence, and I there is because I give meaning for life”.

With those spirit, we saw at range of prophecy and early Islam movement that award to the meaning of work spirit has been accepted by all followers of Rasulullah with attitude sami’na wa aha’na, that is obedient attitude. This condition can be seen at attitude of Rasulullah SAW that is become a most monumental history in the case of rightfully proud of works and spirit for have the achievement by it self. Logical consequence from this teaching have meaning that whoever that intentionally or make hobby to slouch do not want to work, unproductive life, and even do not willing to have meaning, then he/she has believed as a God for its carnal lusts and walk on errant street because not scruptious for the life and even indirectly can be categorized as one who disobey enjoy healthy as award from God (who is praised and most high). No wonder Rasulullah SAW make du’a : “Yes God, I shelter to you from anxiety and complaint, and I shelter from iowliness and indolence, and I shelter from stingy and tight-fisted attitude, and I shelter from debt entwise and human terror”.

Conotation from this work understanding, don't be interpreted as just accept fee or don't be also interpreted that work equivalent with formally work as a private sector employee then feel proud because has had uniform clothes, even though not show anything achievement in its job. Culture that comes from Sanskrit “buddhayah” plural form from budhi with the meaning mind or everything related to mind, values and mental attitude. Power kindness means to power kindness as the same manner as in English recognized culture with the meaning to manage or do something (agriculture) which next expand as the
mode of human to actualization the feels (value), creativity and its masterpiece/performances.

From previous description, it's clear that Islamic work culture means to actualize all faith potencies, think, and dzikir, and knowledge to assign bliss value for universe and can show to the world that Islam is correctness, reflected from Islamic work culture that assign value add for environment. Core or source of work culture interaction in Islam is Al-Qur'an and as-sunnah that bound with one word, that is character, as the same manner as Rasulullah SAW, delegated to complete Akhlaq al-Kharimah and at his-self existed a very big example that is Excellency character (Qs. Al-Qalam verse 4).

God depicts in Qs. Al-A'raf verse 176 that human haves culture sinks, however God want to glorify he/she, but human is handcuffed at transient enjoyment. God (who is praised and most high), is insinuation of human type in the world as a dog. Rasulullah SAW said: “That faiths sometime go up and sometime go down, and then always (culture) innovates that faith by say La Ilaha Illallah Muhammadur Rasulullah”. Its impossible keep silence accepts chance without compendium, because God has given so much opportunity that awaits creative human hands to process it. Every Moslem person, the core important old fellows, must make its household as the field of job training for children. They must start aimed at any of thinking that have the character of innovative, not simply technical. Because has become obligate for all of us to send them become strong generation, as the same manner as firman-Nya in Qs. An-Nisa' verse 9 following: That means: “And people shall fear to Allah, in case of leave weak children, that they worry to (prosperity) they ...” (Depag. RI. 1989: 116).

In Islam is recognized work as the religious service value, even getting the highest position beside God. There are so many hadits that show award and glory position to all worker, for example hadits that express that “God who is praised and most high love a mukmin who become a worker very much” (HR. at-Tabrani), so work according to (Qs. Al-Zumar verse 39 and Qs. Al-Maidah verse 105) is an order and place it as the form of religious service. None of our actions is got out of divinity values. That means, any job type that we conduct must always in order to dedication to God and always principled that God always controls and observes our action. This condition can be comprehended from firman of God in QS. Adz-Dzariyat verse 56: That means: “And I does not create genie and human but so that they curtsey”. (Depag. RI. 1989 : 862).

Implication from this verse is all problem and jobs were conducted must always concerning the hereafter problems. Concern about materialism balance value through work action by spirituality value. That is clear, with the
existence of guideline to work properly and seriously and command to be good (*ihsan*) and prohibition to be ugly (*fasad*), so it's show that in Islamic work culture there is spirit to alter something becomes have more meaning.

2.3. Economy Development

Activity of economy development is always viewed as part of development effort that executed by a society. Economy development is a society effort to develop economic activity and increase its rate of return. Specifically, economy development is defined (Sukirno, 1981) as a process of percapita earnings level of resident increase on a long term. The above definition indicates that economy development entangles a process existence of change that happened continuously related to percapita earnings target. Particularly, agricultural economy development is a process that happened at agricultural sector in effort-improved percapita earnings of farmer society through productivity improvement. As well as the development of oceanic economy, that process happened at oceanic sector in effort to improve percapita earnings of coast society through productivity improvement.

Some problem that is faced in agricultural sectors for example, how to create a stable agriculture system. In case of how to maintain agricultural growth, especially agricultural growth in field of farming rice. Mellor (1987) in *Su'ud* (2005: 157) state that the progresses in technology of green revolution give big opportunity to agriculture to play the positive and important role in impecunious countries development. That thing can happen in switchover from country that its agriculture extrude become country which its service industry secofH extrude. Quick growth on job opportunity will needed for growth strategy on agriculture.

Fisher (1975) in its discussion about national development in Indonesia have a notion that Indonesia just leaves phase of industry and move up at transition phase from a national development. He mentions that one of dimension from national development that discussed in a short view is regional development evolution. According to Fisher (1975), the increasing in regional development will effect national development quickly. That is why, he mention two regional development analysis: *first*, concerning to regional centralize concept and *second*, concerning into regional homogeneity concept. In regional centralize concept, an area can be looked into from planology organization of various activity and resources. Each area is assumed heterogeneous and emphasis is put down at relation between the centers activity and resources in biggest planology. Every central assumed have back area (hinterlands) or environment of influence area (zones of influence) which is matching with
hierarchy in and outside area. In the context of area development at Tanjung Beringin district, concept of centralize regional, seems more synchronized.

Meanwhile, regional homogeneity concept state that a country is viewed as a different area in so many matter. Those differences in general terms can be measured in quantitative and qualitative regardless of difference location. To analyse that, homogeneous area can be weared to answer important problems that concerning differences between economy sectors in certain area. Su'ud (2005: 158) also state that Richardson (1977) in its discussion about concept of homogeneous area, have a notion that geography area can be correlated together become a single area if area is referred have uniformed feature. That features can have the character of economy (for example about its production pattern or its consumption pattern), geografic (for example about topography or climate), even political and social (for example about a faithfulness).

Herrick and Kindleberger (1983) say that to comprehend a development, must comprehend its part. According to them, part of development problem is product increasing and production in various of economic activity branches. Increase product need a number of inputs and use it effectively. Some of that input by Ricardo called with land/ground, labour, and capital. The relationship between production and input recognized as production function. Thirwal in Suparmoko (1989); Herrick and Kindleberger (1983); and Howe (1979) clarify that the habits of writing gross national product is often written only is capital and labour function. According to him, capital here has covered land/ground resources and other natural resources. It is the true condition because in general, land/ground or other resources mean nothing in goods or service production without application of capital. Despitefully, land/ground and other natural resources looked relative constant on a long term.

3. Previous Research And Current Condition
Base on library research, in the reality there are a lot of research that ever conducted referring to cause of poverty and its effect to economy development. Among researches is Penny, who done his study in Java island. This case very relevant with Java island condition that has farmland that growing narrow along with increase of resident amount. Penny finds that because of farmland is narrow hence this ownership can not give a competent life to farmer.

At this time, with growing of technology and high domination to supporting factors agriculture effort, cause case of farm ownership becomes growing important. Without enough farm ownership, the usage of this modern
agricultural equipment will be nonfunctional properly and exactly will generate larger expenditure. Beside treatment fare, it is of course the fare of worker replacement also will become burden for all farmer it self. Wahbah Az-Zuhaili, a moslem scholar of Suriah, state in its thesis, that poverty very have the opportunity grow at Islam countries that has no enough farm ownership. Despite that, it is of course those conditions are caused also by greed of arrogant state leaders.

Hereinafter, bad work cultures also have been focus by previous researchers. Individualistic work culture has caused the happening of high economy gap between Islam people. This gap will trigger the happening of conflict and act violence (outside religious tolerance). This gap finally will emerge poverty to all economic activity perpetrators that have no enough opportunity. Ali Mahmoud Hassan (Somalia Moslem scholar), tell that colonization motive for domination of economy resources of Islam countries is conducted by western countries. Long-term interest of western countries has pushed them to search resources from Islamic world. This expansion has eliminated the important aspects of Islamic society and Islamic country. As a consequence is horizontal and vertical conflict will emerge and the opportunity of backdown in economy development will be higher.

4. Conclusion and Idea
Education in Islamic is aim to getting higher someone education and become better to conducts its function as human. That means, Islamic people that have the higher education can give life prosperity for it-self and its relatives so it's can heighten economy growth rate. This condition in accordance with statement of Jasirizal (1997: 36) "human resource as one of factor that has major effect for the happening of structural poverty in Islamic people. More and higher education owned by someone it is of course prosperity will be reached. That is, human resource can influence way of thinking and membership owned by Islam people to be able to improve prosperity if sustained by acceptable education level. In consequence, can be anticipated that Islam people who have education can improve its life prosperity. That means, level of Islam people education can give positive contribution to economy development, and so do in Tanjung Beringin District, Sub-province Serdang Bedagai, North Sumatera.

Fulfill life need is compulsion for everyone in general, and especially Islam people. In consequence, Islam people is claimed to try hardly. In this case, he/she must conscripts and instructs whole ability (energy, mind and time) in effort to fulfill bodily and psychical needs. Bodily and psychical needs include individual and family need that cover clothing need, food, housing, education
and health. Meanwhile, Qardawi (1997: 99) command Islam people to manage nature resources (air or various of gas; dust, stoney, and mine goods; water; and wide variety flora layer, sea wealth, gravitation wealth, earth and sunshine.) to improve its economics level. Above statement of Qardawi, actually already inspire Islam people to improve their economy level, but unfortunately Islam people in Tanjung Beringin district is not regard seriously, hence poverty increase, though natural resources like agriculture and oceaninc very supports their viability and life.

The same thing with farm. Theoretically, more broad of land ownership will be more high their status in their society vis a vis (Sugihen, 1996: 127). This case frequently happens in Indonesia, especially Islam people in Tanjung Beringin district, nowadays. There only a few Islam people have farmland. Most of them only work in agriculural as a worker. Hence, the status of their life in that district is far below the other ethnic.

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