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Institutional Merger of Farmer Groups in the Enhancement Efforts of Independence of Farmer Groups in Southeast Sulawesi, Indonesia (Case Study on Citrus Farming)

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Abstract

The agricultural sector was one of the priorities during the New Order era in Indonesia under Soeharto's leadership. The formation of farmer groups was carried out extensively in order to achieve self-sufficiency in food, but since the fall of the New Order, many farmer groups have not functioned, especially those that relied on government assistance alone. The government in the current reform era in Indonesia is trying to merge farmer groups into new institutions which are named the alliance of farmers group (Gapoktan). This research aims to understand the benefit of merging farmer groups. Field research was conducted in 4 villages of South Konawe Regency, Southeast Sulawesi Province where there was a merger of farmer groups. The results of the study show that the incorporation of farmer groups has had a positive impact their reactivation. The farmer group develops to become a place of learning, discussion, and exchange of information between fellow members. Actually, farmer groups who are members of Gapoktan no longer discuss only the problem of increasing production, but the functions of farmer groups have developed into as marketing institutions, facilities for distribution as well as savings and loan cooperatives. The combination of farmer groups also resulted in government extension workers no need visiting each farmer group as before, because the spread of innovation is being continued by farmer group representatives who themselves disseminate knowledge and skills obtained from training held by government agencies to other farmer group members. The process of training farmers to train other farmers has improved the farmers' competency. The merger of farmer groups has also fostered the trust of partner institutions such as buyers and banking institutions.

Keywords: Institutional Merger, Farmer Group, Partnership, Non-Formal Education

1. Introduction

The Indonesian Minister of Agriculture Regulation Number 67/2016 explains how the progressive merger of farmers groups can become an alliance (*Gapoktan*) formed to increase economies of scale and business efficiency. *Gapoktan* functions to strengthen farmer institutions to meet business feasibility and business efficiency; *Gapoktan* can provide facilities and infrastructure, processing, marketing, and micro-finance business units (savings and loans). This paper uses a case study approach to review the implementation of the policies of the Indonesian

government to merge farmer groups into a Farmer Group Alliance (Gapoktan) in citrus farming in Southeast Sulawesi.

The background for farmer groups merger is based on the fact that many of the smaller farmer groups currently cannot run either efficiently or effectively, as the objectives of farmer group institutions are: (1) farmer groups do not yet fully function as economic units in the rural area; (2) many farmer groups have inadequate access to information and technology, production facilities and capital; (3) low productivity and land holding which are too small to support people; (4) farming activities of its members are simply focused on production activities (on-farm); (5) limited knowledge and insights on production management and marketing networks (Agricultural Extension Centre, Ministry of Agriculture, 2012).

Given its progresses, Gapoktan is expected not only to be able to provide information, technology, and capital services to its members but also to establish cooperation through business partnerships with other parties. The integration of farmer groups into Gapoktan is expected to make farmers' institutions strong, independent, and competitive. In its development, it is expected that Gapoktan can struggle for the interests of the farmers themselves in accordance with the combination of culture, norms, values, and local wisdom of farmers.

This study looked at Gapoktan activities in accordance with the Minister of Agriculture Regulation on citrus farming in Konawe Selatan District, including:

- a. Have written rules/norms agreed upon and adhered to together;
- b. Carry out periodic and continuous meetings, including member meetings and board meetings;
- c. Compile and implement Gapoktan work plans in accordance with the agreement and conduct participatory evaluations;
- d. Facilitate joint business activities from the upstream to downstream sectors;
- e. Promoting commercially oriented agribusiness farming;
- f. Providing information and technology for farm group members who join Gapoktan as well as other farmers;
- g. Establishing cooperation through business partnerships between Gapoktan and other parties; and
- h. Stimulating capital accumulation, both through membership fees and business profit of Gapoktan or other legal and non-binding sources.

Oranges area one of the main commodities of Lalembuu District, Southeast Sulawesi Province; this area is planned to become one of the hubs of citrus production in this province. The planting of oranges there was initially started in 1981 by residents in Potuho Jaya Village, most of whom are transmigrants from Java and Bali. During the period of 1981-2016 citrus, cultivation grew to reach hundreds of hectares (Konawe Selatan District Agriculture Service, 2016). However, citrus production hubs are not centralized but are in narrow and scattered production pockets, with varying and not optimal maintenance levels, simple post-harvest management, and marketing that does not favour farmers.

2. Literature Review

Some scholars argue that institutions work only because the rules involved are embedded in shared habits of thought and behaviour (James 1892; Veblen 1899; Dewey 1922; Joas 1993, 1996; Kilpinen 2000 in Hodgson, 2006:6). A habit . . . is the tendency to repeat the same act in similar material conditions." Also treating habit as a propensity, William McDougall, 1908 in Hodgson, 2006: 6 wrote of "acquired habits of thought and action" as "springs of action" and saw "habit as a source of impulse or motive power." As John Dewey (1922 in Hodgson, 2006: 6) put it, "[t]he essence of habit is an acquired predisposition to ways or modes of response." Many habits are unconscious. Habits are submerged repertoires of potential thought or behaviour; they can be triggered or reinforced by an appropriate stimulus or context. The role of habits is central to the success of Gapoktan.

Agricultural extension has long been acknowledged as a vital component for improving knowledge and skill of farmers; they acquire innovation and technologies that can enhance their livelihoods (Anandajayasekeram et al.,

2007). In Indonesia, the institution responsible for conducting agricultural innovations is the Research and Development Agency under the auspices of the Ministry of Agriculture. Paradoxically, based on the results of evaluations conducted both by external and internal researchers of Agricultural Research and Development itself showed that the speed of utilization of innovation tends to slow down and even to decline. This shows that there is a gap between the delivery subsystem and the receiving subsystem, is a bottleneck that causes slow delivery of information (Simatupang, 2004). Institutional farmers tend only to be positioned as a vehicle to merely implement a project, not yet as an effort for more basic empowerment. In the future, in order to be able to function as an asset of the participatory village community, institutional development must be designed as an effort to increase the capacity of the community itself so that it becomes independent (Syahyuti, 2007).

The merger of Farmers Groups is intended so that the future gap between farmer groups becomes less obvious because it can lead to social conflicts (social jealousy) within groups and between villages. In addition, with the guidance from the Ministry of Agriculture, it is expected that the existence of farmer groups will not serve only as a vehicle for education, but also to develop other productive activities, such as savings and loans business, seed business, production service, financial services business, agricultural machinery and processing of post-harvesting products (Hermanto, 2007: 115).

3. Methodology

This study was conducted in two villages, Potuho Jaya and Lambodi Jaya in Lalembuu sub-district of South Konawe District, Southeast Sulawesi, Indonesia. These two villages were selected because they have 2 Gapoktan resulting from the merger of several active farmer groups and this area has been designated as a hub of citrus production in Southeast Sulawesi.

Sources of data in this study were collected from structured interviews with a number of informants and focus group discussions. Informants come from members and administrators of farmer groups as well as members and managers of farmer groups' alliance. In addition, other informants came from local government elements (Village Head, District Extension Staff) as well as the private sector (traders, providers of production means, and financial institutions). Respondents from the farmer group institutions included 3 (three) management members and 1 (one) member. In a situation of joint institution response, the respondents consisted of 4 (four) administrators and 2 (two) members, with the result, 28 samples were selected.

Data from interviews, field notes, and other relevant materials were analysed qualitatively starting from institutional functions to Agribusiness development to find out institutional functions as (1) non-formal education and human resource development centres; (2) communication centres; (3) centres; and (4) partnership development centres.

4. Results

Konawe Selatan Regency has an orange plantation area of about 87,897 hectares or 50.45% of the total citrus plantation area in Southeast Sulawesi and is the largest citrus production center in Southeast Sulawesi. Involving 45,678 farmer households, all of the citrus plantations are smallholder plantations which are managed and controlled by citrus farmers individually, with average land ownership of 1.5 - 4 Ha per household using small farm management which is one of the main economic supports of citrus farmer families in South Konawe Regency There were 4 (four) farmer groups from the two different villages, namely Lambodi Jaya village and Potuho Jaya village have been described in the following table.

Table 1. Farmer groups in research areas.

Name of farmer groups	Number of administrators	Number of members
Lambodi Jaya village:		
1. Sido Mulyo farmer group	7	21
2. Seger Tani farmer group	7	22
Potuho Jaya village:		
1. Sumber Makmur farmer group	7	27
2. Tani Jaya farmer group	7	46

Source: Research data processed, 2018

The two farmer groups in Lambodi Jaya Village then formed alliance of farmer groups on 6 November 2016 and changed their organizational structure. Furthermore, the combination of farmer groups in Lambodi Jaya Village was named the Tri Tunggal Gapoktan. In addition to the two farmer groups studied, there were 10 other farmer groups who joined the Tri Tunggal farmer group union, so that all 12 farmer groups were embraced under the Tri Tunggal farmer group union.

In Potuho Jaya Village, Gapoktan was formed on 26 January 2012 and was named the Sumber Makmur Gapoktan. At the beginning of its formation, beside the two farmer groups studied there were 14 other farmer groups which also joined Sumber Makmur Gapoktan but after Gapoktan deliberation three farmer groups were considered inactive and the members were then amalgamated with other active farmer groups, so that the total farmer groups in Sumber Makmur Gapoktan became 13 farmer groups.

After joining Gapoktan, according to information from farmers, they found it easier to obtain production facilities. Likewise, training activities were more often done with farmers. Based on this research, some of the benefits obtained by members of the farmer group after joining Gapoktan can be described as follows:

a. Gapoktan as a center of non-formal education and human resource development centers

The combination of farmer groups in the two research villages which previously amounted to between 12 and 13 farmer groups respectively, has made it easier for district agricultural extension officers to provide counseling. After Gapoktan was formed, officers from the district no longer needed to visit each farmer group, and just provided counselling to the two Gapoktan. As a result, farmers in both villages received more frequent training conducted by the South Konawe District Plantation Service in collaboration with the Plantation and Horticulture Office of Southeast Sulawesi Province. One of the training programs was in the form of "*Training on citrus cultivation to make South Konawe Regency an orange agribusiness development centre.*" The training aimed to determine the efforts that can be made to increase citrus production, starting from cultivation and procedures for post-harvest handling or how to handle abundant production at certain times, and strive for oranges to be able to be produced out of season, with the intention of keeping the selling price of oranges stable in the market.

Another training program carried out by the South Konawe Plantation Service in collaboration with the agricultural technology assessment center of Southeast Sulawesi Province was on the development of citrus agribusiness, with the theme "*Empowering Farmers in Increasing Orange Productivity in South Konawe District.*" This training aimed to increase the quality and the amount of production with good quality.

The results of the training followed by representatives of the combined farmer groups provided positive benefits for citrus farmers. Knowledge gained from the training was delivered to group members. The submission will be carried out by the farmers, by combining with natural habits about how to maintain citrus plants and handling production. Finally, the farmers succeeded in increasing the amount of citrus crop production, and this was borne out in the statement of the Respondent 1 (45 years old) stated that:

"We are very aware that with the existence of Gapoktan we are more often invited by district government agencies to take part in cultivation training, citrus agribusiness and the management of the citrus business that we have

pioneered. Before there were Gapoktan, there was never an invitation for individuals at all. Now, we are often invited by the provincial plantation service to work with the district plantation office to conduct training at the green hotel Potoro Konsel. There we conduct training so that it adds to our knowledge of citrus plants from cultivation to post-harvest handling and agribusiness development. After my return from the training the next day, I gathered my friends to disseminate the results of the training."

Representatives from Gapoktan who participated in the training from the government then distributed information through informal training to other members of the Gapoktan. As stated by Respondent 2 (53 years) member of Tani Jaya farmer group:

"I and a number of other friends did not participate in the training, and there were our representatives who participated. Mr. Chairman of Gapoktan. But I am not discouraged, not participating in the training. Because after the chairman of the Gapoktan returned home, his knowledge was shared with me and other members of the farmer group. So, after what was conveyed to the chairman, we tried to practice directly in the field. Such as the last training yesterday, we were taught how to maintain citrus plants with spraying. Before the training, my friends and I sprayed in the morning, but in the training, we learned that spraying had to be done in the afternoon, because usually in the afternoon the pest will come out."

The same thing was also expressed by the Respondent 3 (46 years) Farmer Business Unit of the Gapoktan, Sumber Makmur, Potuho Jaya village:

"When I was not a member of the Gapoktan Sumber Makmur it seemed that the knowledge of planting oranges was based solely on my parents' experience, but after I was included in this Gapoktan, there was a lot of knowledge that I gained from the experience of fellow members or extension officers who delivered knowledge during the Empowerment training."

Furthermore, it was revealed a 51-year-old member of the Tani Jaya group:

"I really feel the benefits of joining my farmer group into Gapoktan. If there is training from our government as the appointed member can represent the group, after training, what we get will be shared with other group members. So that our knowledge of citrus cultivation increases, both from planting to marketing and development of oranges. The name of the training that I have participated in is the Citrus Farmer Empowerment in 2013 for 3 days. The Citrus Farmer Empowerment Training for 6 days in 2015. Even I still remember during the training we were given a backpack, pocketbook, a pair of shoes and pruning shears."

The process of determining Gapoktan members who participated in the training was conducted through deliberation; this was because the participants to take part in this training were limited, and the average knowledge of each Gapoktan members was different. The limitations of training participants conducted by government agencies were delivered by a Government officer 1 (42 years) Head of the Horticulture Division of the Konawe Selatan Food Crops, Horticulture and Plantation Office that:

"Implementation of Farmer Empowerment Training and Field School Training - Integrated Pest Eradication for farmers in the development of oranges in the last 2 years is only able to accommodate 2 classes, of which are 25 people each so that we cannot accommodate all farmers. While training for 2016 is 25 meetings, with training models carried out in the Field Schools. Our training invitations focus on farmers who have joined institutions such as Gapoktan."

The last training obtained for 2017 was about developing citrus plants carried out at the Srikandi hotel in Kendari with the theme *"Training and coaching of Orange Commodities by the Office of Horticulture Food Crops and Plantations in the Fiscal Year 2017."* The training was also attended by the Tri Tunggal Gapoktan and Sumber Makmur Gapoktan along with several members of the farmer group.

As a result of various trainings conducted by Gapoktan, the production of citrus farmers in both villages increased from only 7-10 tons per hectare now to an increase of 11-15 tons per hectare.

Based on information from the field, formal education levels of farmers both in Potuho Jaya and Lambodi Jaya village are from elementary school to high school; only some members have finished their education in college.

In 2015 citrus farmers formed a formal institution of the Community Economic Institution, hereinafter referred to as LEM Sejahtera in Lambodi Jaya village which was facilitated by the Provincial Plantation and Horticulture Service. Through LEM institution, Gapoktan members more actively carried out training activities including:

a) Entrepreneurial soul training which includes training in growing togetherness, leadership training, and b) Managerial skills training, including bookkeeping and financial training carried out at the sub-district, district, and provincial levels. The training was conducted under the collaboration between the Provincial Plantation and Horticulture Office and Bank Indonesia. The results of the training show that Gapoktan administrators were able to do simple bookkeeping in the management of citrus agribusiness.

The presence of LEM in the District of Lalembuu has had a positive impact on group members. Even though they already have learned some skills, most farmers consider that they still need to continue to be mentored in terms of business bookkeeping.

"With leadership training and financial bookkeeping training, knowledge that we have has increased, but in carrying out this bookkeeping, there should be someone who continues to guide us, we just learned about this matter of bookkeeping, we are afraid of being wrong." Secretary of Sido Mulyo farmers' group
Other informants also revealed that:

"Actually, we used to see notes and receipt models when I made an orange purchase transaction, but it didn't arrive at how I poured it into credit-debit bookkeeping, after I joined Gapoktan, this I was grateful and the core managers of each farmer group were given the opportunity to attend training archiving and bookkeeping carried out by Bank Indonesia and the Provincial Plantation Service, until finally now we can administer every transaction using correct bookkeeping "(as stated by 14 informants (42 years) of the head of the Sumber Makmur farmer group."

A group secretary of Seger Tani farmer, 38 years old stated that:

We have said that the bookkeeping of Gapoktan Finance is orderly, thanks to the existence of financial Archival and Bookkeeping Training for the management of the Gapoktan core so that it is easier for us to know the current cash position without being suspicious. We did not get this in my formal education before, but thanks to Gapoktan we got an increase in knowledge even though not from school. "

The training organized by LEM was very much sought after by farmers as stated by the marketing section of Tri Tunggal Gapoktan, 48 years old who was in said:

"I did not know how the price of oranges could be improved, as far as I know, after harvested, I was always immediately sold to collectors, but after I joined Gapoktan my knowledge grew, I now know how to cultivate oranges, how to prune up to processing postharvest oranges (packing to processing citrus fruits) and marketing my citrus through Gapoktan."

Improving the quality of human resources for members of Gapoktan is not only in the form of training. Other activities such as Dissemination Meetings, and Seminars carried out by relevant government agencies in South

Konawe District, and at the Province level have also contributed positively to the improvement human resource quality of the member of Gapoktan.

Through seminars or trainings of group members directly or indirectly have a positive effect on improving human resources of Gapoktan members. As revealed by the 8th Respondent (39 years old) member of Sido Mulyo farmer group that:

"I personally knew before joining Gapoktan that I didn't know about the processing of citrus harvests, but after getting the guidance, I finally found out that the oranges could be processed into drinks. My knowledge increased, even though I didn't go to school. Other knowledge that made me know is about the maintenance of citrus plants, which used to be left alone if the oranges had grown. Before, I was thinking that the more lush (the growth), the more hope, I believed that the fruit will be more abundant, and it was wrong. A tree should be pruned so that the plants do not scramble food to produce good fruit."

b) Gapoktan as a centre of communication



Picture 1. Orange packaging provided through cooperation between Gapoktan and buyers

The interview results show that all group members become very close-knit and have easy communication. All kinds of problems or obstacles faced by citrus farmers in the field are discussed and coordinated with fellow members and management of farmer groups with assistance from Gapoktan. Meetings conducted by Gapoktan are not only in the context of training, but also to find the best solution to the problems faced without harming other farmers. As stated by the Chairperson of the Tri Tunggal Farming Group (44 years old) :

"Communication between farmer groups is increasingly being done since the formation of Gapoktan. At the moment, every farmer group incorporated in the Gapoktan in Konawe Selatan receive information regarding the price of oranges at the level of the collecting traders. It is not only that, I also encourage production data collection in each farmer group to know which farmer groups produce abundantly and less so that we can meet the demand of suppliers from Surabaya (East Java) and South Sulawesi."

The same was stated by the Chairperson of Seger Tani farmer group 10 (40 years old):

"During the orange harvest yesterday, every farmer ~~are~~ offered a similar price to buyers. This is because I and friends of other Gapoktan members disseminated information to each other. Besides that, we also exchanged

information regarding the problems that we found in the field, we conveyed when there was a meeting that we used to do once a month or when the Gapoktan management changed."

In addition to communicating about the price of oranges in Lalembuu District, members of farmer groups also share information related to crop maintenance. This is because there are some citrus lands that are attacked by pests, by which the orange farmers communicate with the extension agency and discuss how to eradicate the pest. As revealed by the secretary of Tani Jaya group:

"If there are problems that occur within the farmer group, we straighten up by means of deliberation. All of us communicate openly. If there are things we cannot resolve at our institution, sometimes we ask for help from friends outside the sub-district who have more knowledge about citrus plants. We discussed the results of the communication in our farmer groups, then practice the results in the field. Currently, we also discussed our problem with other parties outside of our farmer groups adds insight, and even the existing problems are resolved."

The same was conveyed by the plantation plant section of the farmer group Sumber Makmur in Potuho Jaya village:

"We are in a group, if there is a problem, we always discussed it with others. Nothing is concealed. Usually, we are invited to a meeting, and we will discuss it together, we will solve it if there is a problem. After that already, it's over. There is no fuss if something is wrong, so we as farmers feel comfortable. Problems are resolved, and communication between our fellow members is maintained."

The same thing was expressed by the secretary of Gapoktan Sumber Makmur who said that:

"For our group, all the problems are always discussed together, whether it's a problem in the location of oranges, a market problem or others, so we can know. The Chair will usually cooperate with the buyer. The marketing section and the chairman pack together to communicate. Being a member of the group also makes us not afraid or worried anymore if the orange harvest will be wasted a lot."

The same thing was expressed by the 11th respondents (46 years), Sido poktan treasurer section Mulyo said that:
"The communication in our group was all smooth, there were no problems at all, everything was maintained, maybe because we also actively held meetings to discuss our citrus crops. When we ask about communication between friends, we also do it. For example, if there are some members whose citrus plants are no longer producing, meaning that they cannot bear fruit again. We discussed together to find the right solution that the plant must be replaced with a new plant."

Based on the information from the informant above, it provides an explanation that farmers who joined Gapoktan both in Potuho Jaya as well as in Lambodi Jaya village at this time have consciously made institutions as centre for the provision and dissemination of information and motivation in developing their culture based on communication between members. The most basic thing that distinguishes between being of Gapoktan is that the information obtained at the source farmer group becomes wider compared to if the farmer is only a member of the farmer group. Thus it can be said that the incorporation of farmer groups provides positive benefits for the dissemination of information to the wider community of farmers, compared to before they merged to become Gapoktan.

c) Gapoktan as a centre of institutional development

Government Officer 2 (37 years) Daily Workforce Assistant Staff of District Agricultural Extension Staff said:
"At the beginning of the formation of Gapoktan, each member of the farmer group gave a suggestion as if he would want to benefit his group only, as a result, the group that did not have a large citrus garden had no contribution in determining the outcome of the decision. But with the formation of the Gapoktan, in my opinion, was formed

because of the desire to improve the socio-economic condition of citrus farmers / based on a commodity approach, advice and input from farmers who own small citrus orchards was also heard."

This is similar to what was said by the Chairperson of the Tani Jaya farmer group:

"I felt very much comfortable as an administrator of Gapoktan, I have gained a lot of experiences from the learning process. Every issue we discuss at Gapoktan to get a solution, then we disseminate it in our group. We also chose citrus commodities based on the results of the discussion, then we understood that oranges were one of the superior commodities of the region. This has made us get more attention through various regional government programs whose direction is to increase orange production."

Regarding the function of local institutions as a center for institutional development, the presence of Gapoktan in Lalembuu District is one of the institutional development functions. As revealed by Respondent 13th (50 years) secretary of Sumber Makmur farmer group that:

"With the presence of Gapoktan accompanied by the establishment of other institutions such as the LEM in Lalembuu Subdistrict, it has indirectly brought groups towards institutional development, because institutions such as Loans for the People, LEM, Bank of Indonesia and other private parties are means to improve the performance of our institutions. They facilitate in terms of the use of production facilities that we need."

d) Gapoktan as a centre of improving competency

The formation of Gapoktan also has an impact on increasing the competency of Gapoktan member. Through a learning approach from farmers, from training and dissemination of innovation carried out from related institutions or from the experience of the farmers themselves in facing and finding solutions to problems in the field.

As expressed by Respondent 14th (45 years), Chairperson of the Gapoktan Sumber Makmur in Potuho Jaya Village that:

"Before I joined the Gapoktan, I spoke, frankly feeling embarrassed, especially in front of friends, afraid of doing so. I was confused about how to convey it, but at this time, I was used to speaking in front of the members of the group, I already understood very well. Unconsciously, this institution has taught me how to give counseling to fellow members of my group. My attitude changed towards a better one. "

The same thing was expressed by the Respondent's father of 15th (44 years) the chairman of the Tri Tunggal farmer group that:

"I used to be a person who wasn't confident, if I talked in front of group friends. I am not afraid of being said to be smart, especially since I am the new chairman of Gapoktan. But because I was used to it, and my group friends also understood group goals, finally there was a change of attitude in me. I realize that this institution makes us have positive thinking habits."

The information above explains that there has been a development of competence in the dissemination of information. Previously the task of disseminating information was dominated by government officials. At present, the task of socializing, training, and disseminating information is slowly being taken over by the farmers themselves. Adequate knowledge added to field learning has fostered greater confidence in farmers.

e) Gapoktan as a centre of partnership development

The development of partnerships is a local institutional system which in itself will form cooperation between Gapoktan and other institutions. With the partnership, there will be individuals, organizations, and institutions form various forces to achieve the common goal of prosperity. This is the case with the farmer groups and Gapoktan in Potuho Jaya and Lambodi Jaya village in Lalembuu Sub-district. The interview results explained that orange farmers felt helped by the partnership because it could help the process of achieving high production through the availability of financial assistance, fertilizers, and pesticides.

This was stated by respondent 16th (39 years old) members of Seger Tani farmer group as follow:

"There have been many places where our farmer groups work together, which I know such as banks, cooperative, there are also private companies from Makassar (the capital of South Sulawesi province), and there is even assistance for farmers if they want to take capital at the Bank. So we can borrow capital and return it with low-interest rates."

The same thing was expressed by Respondent 17th (43 years) a treasurer of Sumber Makmur farmer group:

"We at Sumber Makmur farmer group, besides trying to increase our citrus yield, we also have cooperate with Indofood (a big food company in Indonesia), private company from Makassar (the capital of South Sulawesi province) and there is also Bank of Indonesia which provide Credit for the People (with special interest rate). So if we need capital or fertilizer, for example, we can connect with these parties. We can be helped in the form of capital money, fertilizers, or pesticides."

The same thing was expressed by the Respondent 18th (40 years old) a treasurer of the Sumber Makmur farmer group:

"The entry of LEM is very helpful for our group in terms of collaboration with other parties, and of course our hope is that this collaboration is not limited to citrus commodities but also with other types of commodities. Because overall if our partners can facilitate us, the goals will be achieved, because there are no more obstacles, there are no more reasons for members to lack funds, fertilizers or pesticides, and others. "

Not much different from the 19th (52 years) Respondents of the Tri Tunggal Gapoktan who said that:

"In my group, the presence of this third party institution helped us to overcome the problem of shortages of fertilizers and pesticides. This is often the main problem in my location. But thank God after the presence of a third party it was very helpful for me and my friends, in the face of scarcity of fertilizer. Because we know, the citrus plants that are fertilized and which are not fertilized will be much different."

The explanation of the above information explained that the development of partnerships between government and private parties gave a very positive impact to citrus farmers in Potuho Jaya and Lambodi Jaya Village of Lalembuu sub-district in increasing citrus production.

The 20th respondent (44 years old) a member of the Tri Tunggal Gapoktan in Lambodi Jaya village said that:

"In the past, if a large portion of the crop that could not be transported, it would automatically not be able to be sold because the fruit is usually rotten. But now there is no more rotten fruit. All harvests are picked up at the location by collectors. Even the coffins where for the fruit has been provided by them. I feel very much the impact of the presence of partners "

Based on the results of interviews with the informants, it was shown that Gapoktan could establish cooperative relations with institutions or government and private parties. The joining of a number of farmer groups into

Gapoktan has increased the trust of citrus traders and credit institutions that can provide capital loan assistance and production facilities, especially fertilizers, which were always a problem for farmers.

5. Discussion

Since the collapse of the New Order regime under Soeharto's leadership in 1998, development policies in the agricultural sector have also experienced fundamental changes. The number of field extension agents has drastically reduced, as has the budget allocation for fostering farmer groups also declined. This initially had an impact on, many farmer groups which are not independent and only expect assistance from the government's budget allocation, to also become malfunctioning. The budget for mentoring from the relevant agencies also declined considerably, so the frequency of assistance and visits of government officials to farmer groups also decreased significantly. As a result, many farmer groups seek their own solutions to get out of the various problems they face regarding access to information, availability of production facilities, and development of production technology to the marketing of the products. Wolford, Borras, Hall, Scoones and White (2013: 13) stated that the way of people find solutions refers to the ability of people in certain communities to control their own destiny either through local resources or the capacity to access state resources that protect people from risk. Furthermore, Migdal et al. (1997: 21) asserted that various social forces endeavour to impose themselves in an area, to prescribe to others their goals and their answers to these and related questions. Their aims may vary and may be asymmetrical. Some use social forces to extract as much surplus or revenue as possible or simply power to rule other people's behaviour as an end in itself. Rarely can any social force achieve its goals without finding allies.

On the other hand, the fall of the New Order regime, which was replaced by the Reformation era provided the widest possible freedom for the community to organize together in order to express their opinions. Stearns and Allan (1996: 699) argued that a permissive state combined with increased access to capital market funds encourage fringe players to initiate the innovations that enable them to execute mergers. Merger waves occur when these actors become increasingly successful, and their innovations are imitated throughout the business community. Most economist assumes that mergers can enhance efficiency (Manne, 1965; Mandelker, 1974, in Stearns and Allan, 1996: 699). In addition, Kartner (2017: 299) stated that the innovativeness of a market can be relevant for merger analysis in various ways. A merger can provide a firm with a combination of assets that allow it to come up with a new product first. This is an effect on "competition in innovation." The similar view was delivered by Budzinski (2010: 445) that merger has been subject to an extensive and rigorous modernisation during the last 10-15 years.

Before farmers belonged to farmer groups which joined Gapoktan, at the time of harvest they would be confused where they should market their produce. After Gapoktan is formed and then Gapoktan cooperates with the customers, the members of the farmer group no longer worry about the price drop due to over-production. Because long before harvesting, Gapoktan has been communicating with related parties, in this case, the customer, to maintain the price at the time of the orange harvest season, and the customer has collaborated with other parties to process the production out of the area.

Non-formal education of Gapoktan members was also obtained from the process of exchanging information carried out among fellow farmers. The process of exchanging information can occur during the training process carried out internally within Gapoktan, as well as on various occasions for informal meetings. Information that is discussed includes citrus cultivation technology, agribusiness, and market business models for farmers in rural areas, especially citrus farmers who are members of Gapoktan, for example: technology transfer in citrus cultivation which farmers were reluctant to prune. But now, farmers have received information both from training and experience from other members that if they do pruning it will ultimately reduce the struggle for food sources. So that even though the number of fruits produced decreases, the fruit produced will be higher with good quality. Likewise, with information on prices circulating in farmers, it indirectly limits the movement of middlemen (no longer playing with prices).

Based on information respondents both from farmers and government officials, it appears that the merger of farmer groups causes government officials to continue to provide training even though not to all farmers as previously done (in the New Order era), but only to the selected Gapoktan members. Furthermore, Gapoktan members disseminate knowledge and skills given to other members. Thus this activity is also an educational process for both farmers participating in the training and farmers who do not attend. The training atmosphere also becomes more comfortable for most farmers. On the other hand, the government can save on training costs.

6. Conclusion

The alliance of farmer groups into a combination of farmer groups has had a positive impact on improving farmers' knowledge and skills. Farmer groups that were previously not active became active in conducting discussions and exchanging information. The function of farmer groups is developing, not only the place to receive counseling about increasing production but also developing into a distributor of production, marketing, and savings-loan facilities.

Merging of farmer groups can also save on extension costs to farmers. Extension agents or government officials can only provide counseling at Gapoktan or invite farmer envoys to attend training. Furthermore, the dissemination of information can be done by the farmers themselves. Counseling conducted by the farmers themselves can be directly practiced in the field and indirectly increases the mastery of technology by farmers.

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