

UDC 332

**OPTIMIZING ECONOMIC DEVELOPMENT IN RURAL COMMUNITIES: A CASE STUDY OF FUND MANAGEMENT IN OEPARIGI VILLAGE OF NOEMUTI DISTRICT, NORTH CENTRAL TIMOR REGENCY, INDONESIA**

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**ABSTRACT**

Indonesia, with 43.3% of its population, is a relatively poor rural population, so village development in Indonesia remains an important consideration. The progress of villages in Indonesia is an indicator of progress in Indonesia's development. The concept of rural development in Indonesia is focused on the agricultural, fishery, and livestock sectors. The development of rural primary sectors in Indonesia has not yet provided satisfactory answers to the development targets set by the Indonesian government so far, with capital as an obstacle. This paper is the result of research with an economic anthropological approach. This approach is directed at analyzing the socio-economic dynamics of the Oeperigi villagers. Village funds received by the village of Oeperigi have more or less affected the social and economic dynamics of the Oepegiri villagers. To analyze the socio-economic dynamics of the Oeperigi villagers a structural approach is used, namely the economic structure of the Oeperigi villagers which is believed to be changing more rapidly with the influx of village funds to provide answers to the classic problems experienced by rural communities, namely the issue of development costs. The management of village funds in the village of Oeperigi, Nemuti District, North Central Timor District, for almost five years has had little effect on improving the economic structure of the Oeperigi village community. Allocation of village funds for economic empowerment in the fields of agriculture, animal husbandry, home industry, and tourism is less able to advance these sectors with the main obstacle being local politics, in this case, the policies of the village government which are less impartial; and a culture of being reluctant to sell their own products.

**KEY WORDS**

The effect, village fund, management, development, economic structure.

The economy of rural communities is an important part of the wider economic system, both at the sub-district, district, provincial and state levels. Although simple, the economy of rural communities is well structured, consisting of elements that influence each other with different strengths (Leary et al., 2020). The economic structure of rural communities consists of elements such as production, labor, and consumption which interact with each other and form certain patterns (Storch, 2002; Shaffer et al., 2006; Li et al., 2019).

The economic structure of rural communities is dynamic and is influenced by the strength of the economic elements within it. Changes in the economic structure can occur through the village development process that makes maximum use of the elements in the economic structure. In the village development process, the elements in the economic structure are mutually integrated and empowered so that they are able to change the economic structure of rural communities to become stronger (Chaskin, 2001; Chaskin, 2001; World Health Organization, 2015; Hussein, 2016; Hussein et al., 2019).

One of the keys to successful village development is to involve elements in the primary, secondary, and tertiary sectors in an integrated and mutually supportive manner. In this way, development can run in an integrated manner and improve the welfare of rural communities

as a whole. Therefore, there is a need for adequate attention and support from the government and all related parties to strengthen the economic structure of rural communities so that they can develop in a sustainable manner (Lehtonen, 2004; Omer, 2008; Marshall, 2013; OJO, 2014; Putr et al., 2020). In strengthening the economic structure of rural communities, there are several things that can be done. First, increase the productivity of the agricultural sector, which is the main sector in the economy of rural communities (Ruttan, 2002; Tenaw, 2009; McMillan et al., 2014; Surya, 2021). This can be done by providing better technology support, infrastructure and market access.

Second, developing other economic sectors that can provide added value to rural communities, such as processing of agricultural products, fisheries, animal husbandry, and tourism. The development of these sectors can be carried out by providing access to funding, training, and technical support to business actors in rural communities. Third, strengthening linkages between economic sectors within rural communities and with economic sectors outside rural communities. This can be done by improving adequate transportation and communication infrastructure, thereby facilitating market access and distribution of rural community products to wider markets (Hitchins et al., 2004; Ortmann, 2007; Vachani, 2008; Shiferaw et al., 2011; Jouanjean, 2013). Fourth, improve the quality of human resources through the provision of better education and training,

Fifth, strengthening institutional support in rural communities, such as farmer groups, cooperatives, and microfinance institutions, which can help increase access to markets, funding, and technology for business actors in rural communities. In order to strengthen the economic structure of rural communities, collaboration and synergy between the government, the private sector, and the rural communities themselves are needed. Government support, both in the form of policies and funding, needs to be prioritized to increase the productivity and competitiveness of the economic sectors in rural communities so that they can continue to grow and develop in a sustainable manner.

Research on village fund management and its impact on the economic structure of village communities is an interesting topic to study. This research is able to explore several novelties, such as the impact of using village funds on certain economic sectors, the influence of village fund management on infrastructure development, analysis of the impact of village fund management policies, comparative studies of village fund management, and analysis of the influence of village fund management on the welfare of village communities. This research can provide valuable insights for policy makers and relevant stakeholders in an effort to improve the welfare of rural communities through effective management of village funds.

This study uses an economic anthropological approach to analyze the social and economic dynamics of the Oeperigi villagers who are affected by the use of village funds. The main focus of this research is to provide answers to classic problems faced by rural communities such as development costs and how managing village funds can help strengthen the economic structure of rural communities.

A structural approach is used in the analysis to understand how the economic structure of the Oeperigi village community has changed with the inclusion of village funds. This research is still in its early stages, but it is hoped that the results of the resulting analysis can provide recommendations and suggestions to the government and relevant stakeholders in increasing the effectiveness of managing village funds and strengthening the economic structure of village communities. This research has the potential to have a positive impact on rural communities, such as increasing accessibility and connectivity, reducing poverty, increasing income and community welfare, and strengthening the overall economic structure of rural communities.

## **METHODS OF RESEARCH**

The research method used is a survey with a quantitative approach and a cross-sectional research design (cross-sectional), which aims to collect data directly from a large number of respondents in every village in the Noemuti District.

The steps in this research method are as follows:

- **Sample Selection** In this study, researchers will randomly select a large number of residents from each village in the Noemuti District. Sampling will be carried out using the simple random sampling method to ensure that the samples taken represent the larger population;
- **Data Collection** Data will be collected through a survey with a pre-designed structured questionnaire. This questionnaire will contain questions related to the management of village funds and their impact on the economic structure of village communities in each village. Researchers will conduct direct interviews with respondents to ensure that the data collected is accurate and representative;
- **Data Analysis** The collected data will be analyzed using descriptive and inferential statistical techniques. Descriptive statistical techniques were used to explain the characteristics of the respondents and the economic structure of the village community in each village. Meanwhile, inferential techniques are used to test hypotheses and determine the relationship between village fund management and the economic structure of village communities in each village;
- **Data Interpretation** The results of data analysis will be interpreted to answer research questions and provide conclusions regarding the management of village funds and their impact on the economic structure of village communities in each village in Noemuti District. In addition, researchers will also provide recommendations and suggestions for the government and village communities regarding the management of village funds in the region.

## RESULTS AND DISCUSSION

Oeperigi Village is one of 12 villages located in Noemuti District, which is one of 24 sub-districts in North Central Timor District, East Nusa Tenggara Province. Noemuti sub-district includes all villages in the Noemuti river basin, which includes villages that are traversed or reached by the river flow. All villages in this region are located inland, with an altitude of more than 700 meters above sea level. The area of the Noemuti sub-district, which is in the Noemuti watershed on the foot slopes of Mount Mutis, is very fertile, including the village of Oeperigi which is located in a hilly topographical area with plains at the foot and ridge of the hills.

The residents of Oeperigi village live concentrated in one hamlet on the left and right sides of the Negara road, Trans Timor. Previously, the residents of this village lived in remote areas and were isolated far from the main road, making it difficult for vehicles to reach them. However, since the 1980s, villagers began to move from their remote hamlets and kampungs to locations closer to the main road, making it easier for them to obtain development services (Johnston, 2007; Syukri, 2022). Village settlement areas are located on slopes and ridges, while concave and flat areas traversed by rivers are used as agricultural land, both village irrigation and rain-fed rice fields. The staple crops cultivated by the Oeperigi villagers are corn and cassava for household needs for a year and for animal feed, especially for pigs.

The principles or forms in the economy of traditional societies include wages/pay for labor, land, and tools, as well as redistribution procedures through political or religious leaders. Oeperigi Village is a village in the Timor area, and the settlement pattern of the population in the village is concentrated in one hamlet which is located along Negara road, Trans Timor. Settlement patterns like this are called linear settlement patterns or settlement patterns along the road. Linear settlement patterns are usually formed for historical or geographical reasons, such as the existence of a main road or a river which is a source of water for residents. In a linear settlement pattern, the houses are usually lined up along the road or along the river. This linear settlement pattern has the advantage of facilitating access for residents to carry out activities and facilitating the transportation of goods (Floerl et al., 2004; Cao et al., 2006; Langford, 2007; Weisbrod, 2008; Feldman, 2010; Aurambout et al., 2016). However, the drawbacks of this settlement pattern are the lack of green open space and the potential for congestion on the main road if the volume of vehicles increases.

Malonowski (in Dalton, 1973: 455; Weisdorf, 2005; Platteau, 2006; Dulitzky, 2010; Gonzalez, 2010) explains that prior to external economic intervention, the economy of tribal communities and rural farming communities was simple and static. However, with this intervention, there was a change in the economic structure from a simple one to an increasingly developed one, marked by increased production for the market, application of new technology and science, and other modern activities (Geertz, 1962; Stiglitz, 2001; Hausmann, 2003; Dorward et al., 2005; Dodgson et al., 2011; Roco, 2013; Schot, 2018).

The economy of the traditional community of Oeperigi Village is based on social and cultural principles that have been passed down from generation to generation. One of the important principles in the economy of this society is the principle of mutual cooperation and mutual assistance in everyday life. This is reflected in the way people work in various activities such as farming, building houses, and producing handicrafts. Every member of the community participates in these activities and contributes according to their abilities and expertise. The wage system is still rarely used in the economy of the traditional Oeperigi Village community, especially in terms of agricultural work. Agricultural work is carried out in mutual cooperation, in which every villager participates in helping in planting and harvesting crops. However, in the case of other jobs such as building houses,

The land is a very valuable natural resource for the traditional community of Oeperigi Village, so its use is strictly regulated. The land in Oeperigi Village is jointly managed by all members of the community and is usually divided into several sections which are used for various activities such as farming, settlement, and burial. Every villager can use the land in a way that is regulated by existing customs and habits. Tools are very important tools in the life of the traditional community of Oeperigi Village. The tools used for various activities, such as farming, building houses, or producing handicrafts, are usually jointly owned by all villagers. The use of this tool is also strictly regulated,

A redistribution is a form of providing assistance or support from wealthier members of society to poorer members of society. In Oeperigi Village, redistribution takes various forms, such as providing material assistance, such as clothing or food, or in the form of services, such as helping with agricultural work or building houses. Redistribution can also be done in the form of fundraising to help people in need, or in the form of social activities such as mutual cooperation in cleaning the village environment. These forms of redistribution have become an important part of the life of the traditional community of Oeperigi Village, and are carried out as part of the principle of gotong royong and mutual assistance in everyday life. All forms of principles and forms in this economy are carried out by all members of society together and are governed by the customs and habits that have been in force. Based on the identification, five sources of income were found for the people of Oeperigi Village, namely farming, livestock raising, weaving, tapping palm sap, and the 'sopi' business and concocting bee honey. Although traditionally and in general the people living in the interior of Timor only rely on farming and animal husbandry as their economic basis, these five sources of income show changes and developments in the economy of the village of Oeperigi. Agricultural lands that have been controlled for generations have been cultivated traditionally by planting corn, rice, and cassava with modest yields.

Table 1 – The Economic Structure of the Oeperigi Village Community Based on the Contribution to Respondents' Household Income

No	Type of business	Income (RP)	%
1	Farm Farming	635,000,000	45.05
2	Calm Effort	583,720,000	41.41
3	Tap Nira Lontar	178,500,000	12.67
4	Concocting Honey Bees	9,375,000	0.66
5	Ikat Weaving	2,870,000	0.21
Total		1,409,465,000	100

Oeperigi villagers have five livelihoods that contribute to community income, where each has a structured contribution percentage. Field farming is at the top of the structure with a contribution percentage of 45.05%, followed by livestock business with a contribution

percentage of 41.41%. Livelihoods tapping palm sap and making 'sopi' occupy the third position with a contribution percentage of 12.67%. While concocting honey bees and weaving ties are in the fourth and fifth positions, with contributions of 0.67% and 0.20% respectively. Even though it has a low contribution to people's income, concocting honey and woven cloth is still carried out by the community as part of the customs and habits that must be maintained. Mixing honey and weaving is done as a series of annual customs,

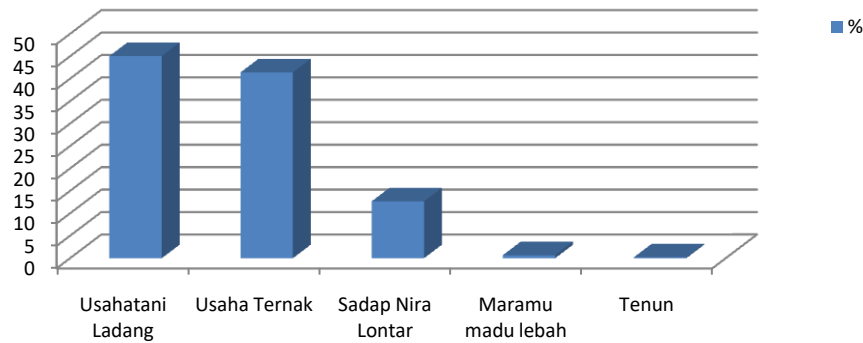


Figure 1 – Economic Structure of Oeperigi Village Based on Contributions against Respondent's Household Income

The analysis shows that the economic structure based on its contribution to the income of the respondent's family is different from the economic structure based on livelihoods, which consists of main livelihoods and alternative livelihoods. Out of the five respondents' sources of income, four sources of income were recognized as the main livelihoods, namely farming, raising livestock, tapping lontar, and concocting bee honey. However, bee honey gathering is not included in the main livelihood category because this work is done occasionally, only during the honey harvest season in May and June each year. Weaving work is also not included in the main livelihood category, even though it is done by all women in the village,

Table 2 – The Economic Structure of the Oeperigi Village Community Based on the Livelihood Percentage of Respondents

No	Type of business	Respondents	%
1	Field Farming Business	20	100
2	Livestock Business	20	100
3	Weaving	3	15
4	Tap Nira Lontar	20	100
5	Concocting Honey Bees	20	100

The analysis showed that 100% of the respondents were farmers, ranchers, palm sap tappers, and bee honey gatherers but only farming, raising livestock, and being aware of palm saplings as the respondents' main livelihoods. Based on the percentage of living livelihood, it is illustrated that the economy of the Oeperigi villagers is not structured. This more or less illustrates that the villagers of Oepigiri have not focused on a particular job as an economic basis for the development and progress of their economy. Working as a farmer, breeder, palm-tape tapper, honey gatherer, and weaver is an ancestral work that must be maintained and preserved as an effort to maintain the cultural values that exist in a series of traditional economic activities inherited from this ancestor.

The economic activities carried out by the Oeperigi villagers are only raising and tapping lontar which is carried out with a slight market orientation, namely raising and tapping lontar for sale. Even in sales transactions, the villagers are still very strongly influenced by the values of their ancestral heritage, namely "the value of the importance of giving", which causes them to find it very difficult to determine an adequate selling price for the commodity or goods being sold. These traditional principles should be a concern in the process of

economic empowerment so that development programs do not end in failure. The slow development process, as is currently happening in the village of Oeperigi, is a result of a lack of understanding of the tribal traditions and the nature of life for the Oeperigi people, the essence of life for the Timorese people.

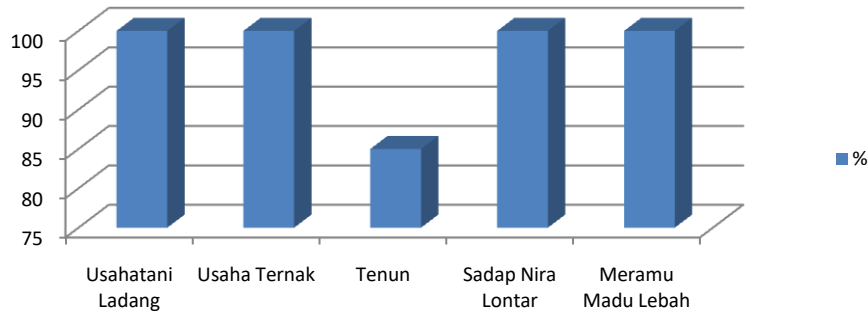


Figure 2 – The Economic Structure of the Operigi Village Community Based on the Percentage of Respondents' Livelihoods

Since 2015, the Oeperigi Village Government has allocated Rp 350 million from the Village Fund for the economic empowerment of residents. These funds are used for the procurement of 94 pieces of fiber 2,000 liters for 94 families (as many as 350 people) and a water tank. The aim is to collect clean water, which can also be used for vegetable farming in people's yards.

The water tank is managed by the village (BUMDes) to serve residents, namely by taking and delivering water to residents' homes. Water is stored in fiber assistance at a price of Rp. 65,000 per fiber, delivered 2-3 times a week. As for bathing and washing, the villagers choose to walk to the Oenen River, which is three kilometers from the settlement.

In 2018, a budget of IDR 300 million was allocated for the procurement of calves, which were distributed among residents to be fattened for two years. In 2020, 20 (100%) respondents sold 39 assisted cows, with a total revenue of Rp.406,500,000. Recipients of cattle assistance in 2018 were 40 breeders, while this amount of income was only from 20 beneficiary breeders.

In 2019 a budget of IDR 300 million was allocated, and in 2020 a budget of IDR 150 million was allocated to build natural tourist spots in the village of Oeperigi, but until now research on tourist spots is being arranged. The tourist spots are natural attractions in the old village, besides witnessing the natural panorama of the old village which is full of shrubs, mamar and ejection areas; you can also witness the tradition of Ikat weaving, and the tradition of making 'sopi'.

Tourist spots that are being built are weakly competitive or difficult to develop as potential tourist spots for local tourists, especially domestic and foreign tourists. Again, the budget allocation for developing tourism in the village of Oeperigi has a very weak effect on strengthening the community's economy in the tourism sector. The fundamental weakness, as stated by residents, is that the development of tourist spots in Oeperigi village does not involve residents. Even though the philosophy of tourism development at the village and village level is community-based tourism.

Allocation of village funds for agriculture, livestock, palm sap tapping, and the creative economy sector is relatively adequate. Since 2015, the agricultural sector has been allocated a budget from village funds to procure fiber and procure water tanks with one of the objectives being to empower farmers in the vegetable farming sector by exploiting the potential of their yards. However, this program only ran for a year and then stopped with the high cost of water as an obstacle. In 2018, IDR 150 million was allocated from village funds to buy 40 head of cattle which were distributed to 40 families for fattening for 2 years. In

2020, the cows assisted with village funds were sold at prices > IDR 10 million per head, or far above the price of calves IDR 3 million-IDR 3.5 million per head in 2018.

In the same year budget of Rp. 150 million was also allocated for women's weaving needs. The funds are managed by BUMDes. BUMDes procures threads and dyes to buy for women who want to weave with materials from shops. The principle is to bring service closer. However, as explained by the BUMDes management, this program was not successful. Materials imported in 2018 were sold out in 2020. Based on this experience, the BUMDes decided to stop the program of bringing in yarn and dyes for sale in the village. Thus, even though a sizable budget has been allocated for empowering the weaving economy in the village of Oeperigi, it has not been successful, because policies that do not stand in favor of what the community needs.

In 2019 the village government allocated IDR 50 million from village funds to purchase healthy or hygienic containers and distributed them to 20 palm sap tappers and 'sopi' processors. These containers are used to store palm sap and process the sap into 'sopi', or traditional healthy drinks containing alcohol. The consideration is that containers are known for generations to be unhealthy and hygienic. Because of that, with village funds, a number of more appropriate containers were purchased to accommodate and process palm sap into 'sopi'. The containers distributed to the tappers and 'coffee' processing families were not used because, according to the tapper's explanation, the volume of sap decreased sharply, as did the grade and taste of the 'coffee'.

(Adamson, 2013; Jamal, 2014; Cavaye, 2019; Melo et al., 2020; Coy et al., 2021) in the book "Community Empowerment" present steps for community empowerment; (1) the preparatory stage, there are two things that are done in this stage, namely preparing empowerment officers and preparing the field so that community empowerment can take place well; (2) the stage of assessment (assessment), namely the stage in which community empowerment actors identify problems/needs to determine appropriate/required empowerment targets; (3) the alternative planning stage, where based on the results of the study the empowering actor determines several alternative actions to be offered to the community, and the community is given the opportunity to determine which one is more appropriate, and which one takes precedence; (4) the stages of agreeing on an action plan, where plans that have been mutually agreed upon are written down and signed together, as a form of joint commitment to the programs planned together; and so on to the stages of implementation, evaluation and termination or the end of the program with indicators of changes as expected; and start again with a new plan and program.

What is described is very far from the experience of empowering the Oeperigi village community's economy with large capital from the Village Fund. Residents stopped using their yards for horticultural farming with the price factor of water. The yarn and dyes imported for the weaving business were not purchased because the weavers preferred their own yarn and dyes; because weaving is not an economic activity but a socio-cultural activity, as well as the distribution of assistance in the form of containers for sap and 'sopi' are not used because they do not suit their needs. Containers purchased with village funds and distributed to palm sap tappers and 'sopi' makers, instead bring losses to farmers; because with the container obtained from the village the volume and quality of 'sopi' is reduced.

Programs created by the Oeperigi Village government in the agriculture, animal husbandry, weaving, and tapping of palm sap have been known for generations; and because it is a traditional sector that needs to be empowered to make it more valuable. All of that is a form of village development. Goodenough (in Koentjaraningrat, 1990:251) in relation to village development, that basically village community development is an attempt to change the customs, beliefs, mental attitudes, and orientation of the cultural values of the population. This view is not much different from that put forward by Suparlan<sup>1</sup>:

"Development in simple terms can be seen as a planned effort to improve the standard of living welfare of the community members. In this way, in a simple way, development can

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<sup>1</sup>In Parsudi Suparlan's paper entitled "Culture and Development". The paper was presented at the Seminar on Population and Development, KLH, Jakarta, 12-14 October 1985.

also be seen as planned efforts to change the culture (which is the overall life guide for fulfilling human needs) of a society that was originally less effective and less efficient in terms of its use to exploit and utilize natural resources. resources/energy that exists in the environment to improve the welfare of people's lives" (Yacub, et al: 2013; Stiglitz, 2001).

Thus the failure of the Oeperigi village community empowerment program was the result of ignoring the correct stages of empowerment. Village funds are given directly to villages to empower and optimize the potential of existing resources in the village. Farmers, ranchers, weavers, sap tappers, and honey bee collectors in Oeperigi village are traditional people who still live by passing on the technology inherited from their ancestors, the proceeds of which are used to meet subsistence needs and for customary affairs. A society with this type is a society whose life is oriented towards the past, and has shifted slightly to the present orientation. The characteristic of being past-oriented is holding fast to the values and norms of life inherited from the ancestors. As in the agricultural sector, Even though the people of Oeperigi village have long lived in the area of the Trans Timor national road, most of their time is spent in the old village carrying out their traditional economic activities: farming, raising livestock, weaving, tapping palm sap and processing it into 'sopi', as well as maramu bee honey (Sinu, 2015; Rao, 2013).

Koentjaraningrat (1990:108) defines innovation as a process of cultural change. The limitations of innovation according to Koentjaraningrat are: "a process of cultural change that does not always occur because of the direct influence of foreign cultural elements, but because within the culture itself there is renewal which usually involves the use of natural resources, energy and capital, new workforce, and the use of new technology, all of which will lead to production systems and the production of new products. The definition of the process of cultural change by adopting innovation does exist in the programs of agriculture, animal husbandry, weaving, and tapping of palm sap in Oeperigi Village, but with an approach to providing assistance that is not in accordance with the needs and cultural development of the Oeperigi village community. A successful program is cattle assistance for fattening. This program has been around for a long time and has become part of the economic culture of the Oeperigi village community, namely raising cattle for "sale", still in quotation marks because the breeders have not been able to determine their own price. Even when the breeders are approached by buyers to bid on the livestock they keep, they are sure to give the answer "not for sale", because they are selling agricultural products, livestock, and woven fabrics. Palm juice is still taboo for them. Prices are determined by buyers who come to buy directly in the village. Even when the breeders are approached by buyers to bid on the livestock they keep, they are sure to give the answer "not for sale", because they are selling agricultural products, livestock, and woven fabrics. Palm juice is still taboo for them. Prices are determined by buyers who come to buy directly in the village. Even when the breeders are approached by buyers to bid on the livestock they keep, they are sure to give the answer "not for sale", because they are selling agricultural products, livestock, and woven fabrics. Palm juice is still taboo for them. Prices are determined by buyers who come to buy directly in the village.

Assistance provided by the Oeperigi village government in the form of procuring a number of facilities to accelerate the adoption process is the main requirement in the development process (Zimmerman et al., 2002; Gerdner, 2003; Mohai et al., 2009; Zanuzdana et al., 2013; Ihuah et al., 2014; Singla, 2019; Mao et al., 2020); and four important factors in the body of facilities provided to residents are (1) technically easy to implement, (2) economically profitable (profitability), (3) acceptable to the community because it is in accordance with their customs and social conditions (social-cultural appropriateness ), (4) inexpensive or does not require large costs, and (5) labor-saving (Zimmerman et al., 2002; Alleman et al., 2011; Park et al., 2013; Strathmann et al., 2013; Kabir et al., 2018; Mao et al., 2020; Gu et al., 2020). What was found by Fadholi, Mosher, and Mardikanto was only one that was not in the body of the facility provided,

The book *Developing Disadvantaged Regions Accelerating Towards Equality*, Ministry of Development of Disadvantaged Regions (2006) states that one of the criteria for a poor village is a village with very traditional and subsistence agricultural conditions. And the



solution is a backward rural development policy that aims to: (1) increase local economic activity, (2) reduce poverty/reduce the number of poor people in the village, (3) encourage the acceleration of rural development. This policy will affect (1) increase in income and quality of life of rural communities, (2) development of rural production activities, (3) strengthening of rural institutional capacity, and (4) developing or improving the function and quality of rural settlements. Criteria like this have been and are currently happening in the village of Oeperigi. Even though the budget allocation has a less significant contribution to the sectors being developed, the influence on other aspects is felt. the provision of fiber facilities and water tanks, although they have little effect on development in the agricultural sector, the residents still feel the benefits in terms of bringing clean water services closer to residents. With the fiber and tank facilities, Oeperigi villagers find it easier to get clean water for their daily needs, even with the purchase price of water, which they still complain about because it is too expensive. but the residents really feel the benefits in terms of bringing clean water services closer to the residents. With the fiber and tank facilities, Oeperigi villagers find it easier to get clean water for their daily needs, even with the purchase price of water, which they still complain about because it is too expensive. but the residents really feel the benefits in terms of bringing clean water services closer to the residents. With the fiber and tank facilities, Oeperigi villagers find it easier to get clean water for their daily needs, even with the purchase price of water, which they still complain about because it is too expensive.

The solution is left entirely up to the beneficiary communities, namely to make proper use of the funds that have been allocated to provide answers to their life problems, which are formulated in four objectives that must be achieved. With the funds that have been prepared, the government and the village community carry out a number of social and economic activities in almost all development sectors in the countryside, agriculture, livestock, fisheries and people's crafts. The key to success for the welfare of the community in developing villages is the strong touch of initiation, innovation, creation and collaboration between village officials and the community in realizing what a shared goal is. It is impossible for village officials to carry out village development alone, but it requires support, initiative and active participation from the community.(This doesn't work, the government and the Oeperigi village community don't have it, more than that they want to rely on their own abilities which are basically powerless, in terms of the ability to identify, determine joint action programs, shared needs, scale of priorities, which programs take priority as prerequisites for the next program, etc.

The Presidential Instruction for Disadvantaged Villages and the Village Fund are in the framework of community empowerment as part of the distribution or equity of development results, the main emphasis is on giving the poor people confidence to manage their own household economy with financial assistance from the central government. Over the years the problem of poverty has been difficult to solve because trust has been placed on other parties, who of course do not understand the condition of the poor in many ways, both from an economic, social, cultural point of view, let alone local politics. The Oeperigi village government's budget allocation policy from the Village Fund for the agricultural sector, horticulture farming in the yard, weaving, cattle farming, and sap tapping businesses does not involve the role of the community, it has more nuances of local politics. The local government is very dominant in managing the budget. The budget only focuses on procuring goods, and does not allocate funds to prepare people to accept development programs. Goods provided by the government are not in accordance with the needs of farmers.

Development anthropologists remind that the development process is always dealing with problems at the level of farming communities, such as (1) farmers still love a traditional lifestyle that is thick with an atmosphere of brotherhood, (2) farmers still love an unpretentious lifestyle with enough support subsistence economic activity; or farmers still love a mediocre lifestyle, (3) according to farmers the technology introduced is less superior than the technology they have mastered, (4) the technology introduced is not in accordance with what they expected, (5) farmers are reluctant to accept the lifestyle capitalist-

consumptive, such as by maximizing agricultural production which inevitably ends up serving under loans.

Points of thought like this are consistent with research findings regarding the impact of managing village funds on changes in the economic structure of the Oeperigi village community in Noemuti District, TTU Regency, East Nusa Tenggara. The Village Fund for almost five years had little effect on improving the economic structure of the Oeperigi village community. Allocation of village funds for economic empowerment in the fields of agriculture, animal husbandry, and the woven textile industry is less able to advance these three sectors with the main obstacle being local politics, or village government policies that are less impartial. The allocation of village funds for the three economic activities was not based on correct and measurable studies and planning. In addition to local political constraints, the "culture of being reluctant to sell their own products" is also an obstacle to the development of rural economic sectors in Oeperigi village.

## **CONCLUSION**

The economy of the Oeperigi village community is structured based on contribution to household income and the percentage of the population's livelihood. Based on the contribution to household income, the economy of the Oeperigi village population is structured into field farming in the first place, followed by livestock, palm sap tapping, honey bee gathering, and Ikat weaving. Based on the percentage of livelihood, the economy of the Oeperigi villagers is structured into two structural categories, namely the upper structure and the lower structure. The upper structure is field farming, livestock business, honey bee gathering, and tapping of palm sap and processing of sopi; and Ikat are in the lower structure. All Oeperigi villagers are cultivators, breeders, palm sap tappers, and honey bee collectors.

The village government of Oeperigi allocates a large amount of village funds for development in the agriculture, livestock, crafts and tourism sectors. Contributions from village funds for the development of these sectors have a weak effect on changes in economic structure. Allocation of village funds for economic empowerment in the fields of agriculture, animal husbandry, and the woven textile industry is less able to advance these three sectors with the main obstacle being local politics, or village government policies that are less impartial. The allocation of village funds for the three economic activities was not based on correct and measurable studies and planning. Tourist facilities built with village funds at a number of tourist spots in this village have little effect on tourists' interest in coming to these places.

Communities and village government should be more open, build cooperation with related parties such as non-governmental organizations and universities. The village government should also be open to input from other parties in development in the village with the support of village funds.

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