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Business Interaction and Power Structures of Coastal Communities (Study in Sendang Biru Malang Indonesia)

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Abstract

The purpose of this research was to identify power structure of business of coastal community in Sendang Biru Malang. This research was important to conduct because the power is one of the media often used by economic actors in capitalizing economic resources. In industry of the coastal society comes the power structure up between employer and fishermen. This appears due to capitalism intervention in fishermen group and contributes to the implication in terms of economy situation of the fishermen only depending on level of employers' loyalty. Thus, this situation leads them to have no choice unless subject to the boss' rule. This research used a symbolic interactionism qualitative approach. The results showed that (1) there are two kinds of interactions- land and sea. (2) The highest power structure is at ship manager. This power is formed from the mastery of capital in the coastal community business. (3) The lowest power structure owned by the crew ship of fishermen with lawuhan-sharing income and profit-sharing income only.

Keywords: Contract, power structure, coastal community business

1. INTRODUCTION

As an archipelago state, Indonesia has many coastal lines along South-east Asia. According to Geospatial Information Agency (Abbrivation in Indonesia: BIG) published by National Geographic (2013), the length of coastal lines in Indonesia reaches 99,000 kilometer. Therefore, it is no exaggeration to say Indonesia has an advantage in the field of marine.

The wealth of marine resources is a boon for the people who live in coastal areas. It has been common knowledge that marine resources are key to coastal community life. Approximately 60 percent of the total population of Indonesia was recorded to inhabit this coastal region (Wahyudin, 2015: 1). Even Kurniasari and Reswati (2011: 7) estimate that the potential of fish found in the Indonesian sea reaches 6.26 million tons per year.

As opposed to its potential, the government tends to address the development of the marine and fisheries sector as a less prioritized sector in national economic development. This can be seen from the statistical data of 2016, the number of poor population in Indonesia accounted for to 26.58 million people, which was of 32.14% come from fishermen (Sulaiman, 2018). This indicates that the socio-economic condition of the people living in coastal areas is still low. Problem solving that is partial and not comprehensive is often considered as a challenge in poverty eradication in coastal societies, especially the fishermen (Aisyah et al, 2010; 15).

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Poverty is defined as an emerging condition caused by situations of injustice, dependency, uncertainty and also inequality within a community structure. Based on above understanding, there are at least five causes of a person categorized in poor conditions of vulnerability, isolation, poverty, physical weakness, and powerlessness. This is frequently referred to the poverty trap (Kurniasari and Reswati, 2011: 8).

The condition of the fishermen, Kurniasari and Reswati (2011: 8) explained that there are at least 6 causes of poor fishermen escaping difficultly from these situations. Firstly, the dependence that occurs between the owner of the factors of production with the fisherman laborers (patron-client relationship) and that of the fisherman to uncertain nature (vulnerability and powerlessness). Secondly, the imbalance of economic development that led to the paradox of development in coastal areas (isolation). In addition, the formation of power structure between the boss and the fisherman. This was caused of the intervention of capitalism on the fishing community and rendered the implications of economic conditions of the fishermen will only depend on the level of loyalty of the employer. Then, there was exploitation of marine products due to the modernization of fishing means. Fifthly, there was fishing territorial disputes (agrarian conflicts). This conflict occurred as a result of modern fisheries companies taking the traditional fishery areas over that is a traditional fishing region to operate. Finally, the last and quite prominent cause is the strength of structural pressures that is from the government's policy in developing the fishery subsector (powerlessness) as if making the fishermen is difficult to achieve the prosperous life.

Based on above-mentioned trouble, in 2001 the government started to run the Community Coastal Economic Empowerment Program (PEMP) program in which the initial phase of the program ended in 2009. This program was a manifestation of the government's commitment to overcome poverty in coastal areas especially for the fishermen. However, this strategy faces many obstacles that force the government to make some adjustments in running such PEMP program.

Until 2004, the government attempted to strengthen the institutionalization of the PEMP program in the form of institutional strengthening of program runners and capacity improvement of the role of micro finance institutions. Nevertheless, these improvements in the institutional sector are not directly able to make the program alleviating poverty successfully in this coastal region. One of the efforts to make this program successful is the active involvement of coastal people in this targeted program. So it was clear that the social structure of society has also a big share in the success of this prepared program (Aisyah et al, 2010; 15).

The social structure formed in the society can be described by the existing of power structure within the coastal community. This power structure becomes an essential part as a social structure phenomenon because economic activity is basically an interaction between the economic actors. Thus, in the interaction, an important role of human institutions is required and the purpose of having such institutions is not to limit people to do economic activities but to create new power relations that are marked with rights, duties, obligations, authorities, permits, and the others. Therefore, this research is about to explore the power structure that occurs in the social order of coastal fishermen community of South Malang. This is because one of the poverty of coastal fishermen community is due to the power structure formulated between coastal economy runners. It is hoped that by tracing and identifying the power structures of fishermen communities, this research is able to contribute to the improvement of programs that have been implemented before.

2. LITERATURE REVIEW

2.1 Individual Interaction in Contract Relation and Market Mechanism

Basically the law of a contract is the fulfilment of a promise or set of promises. In other words, when a set of promises has been in contract status, a person who is harmed by a breach of contract may ask the government (court) to make the offending party to break the contract (Mallor et al, 2004: 174). Some of the fundamental elements of the presence of a contract can be shown as follows:

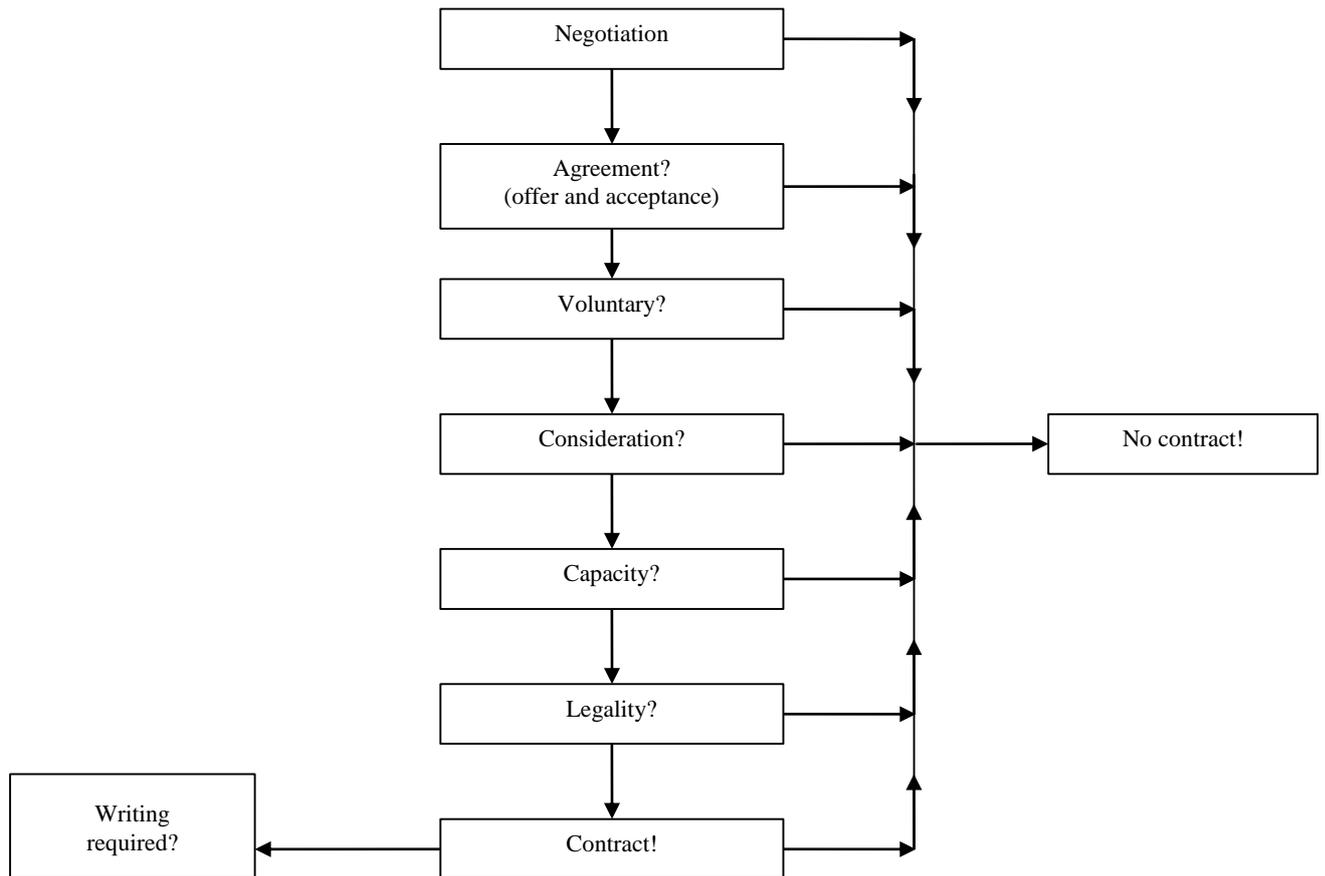


Fig. 1. Creation of a contract

Source: Mallor et. al., 2004:175

The figure made by Mallor et. al. (2004:174) can illustrate the process of drawing up a contract and if one or some elements is not fulfilled, the contract will not exist. The contract basically is an agreement. The agreement is obtained through a bid process, made and then agreed. The purpose of a contract must be legal and, in most cases, an agreement must be supported by several considerations (an agreement to agree on legal value).

In relation to contracts made in coastal communities, fishermen are required to deliver products to contractors based on previous considered contracts. This submission is usually done at a predetermined price. The contractors provide selected production facilities, including advice on the methods / the techniques to catch the seafood. In other words, the contractor supplies all inputs for production, while the fishermen provide labors.

Glover and Ghee (1992: 3) adds that the contracts usually also provide some benefits to the fishermen such as market assurance, access to corporate services and easy access to credit. Even in cases where companies do not provide their own loans to the fishermen, banks commonly accept the contracts as collateral.

In essence, each transaction relationship contains three fundamental economic components which are the allocation of value or the distribution of profits from the exchange, the allocation of uncertainty and related financial risks, and the allocation of property rights will limit decision making in a relationship (Sykuta and Cook, 2001: 2).

On the other hand, Klein (1980: 356) sees why a contract becomes incomplete for two reasons. Firstly, uncertainty has implications for various uncertainties and it may be costly to know and sort out in order to deal with those possibilities. Secondly, the performance of a particular contract, or the amount of attempts employed by the worker

on various tasks, will be difficult to measure. So the two problems that emerge are the uncertainty and the difficulty of measurement which lead to how much transaction costs arise.

The price of this transaction is a widening of the institutional economy. Where neoclassical views have assumed the market is running perfectly with free cost because the consumers have complete information and the sellers compete each other for a low price. The reality is it does not happen that way. According to Coase, the inefficiency of neoclassical thought itself occurs not only in imperfect market structures but in the presence of implicit transaction costs as well. For example, in monopoly case, it causes not only the market concentrated but the monopolist who has difficulty to determine the number of buyers. At the same time, externality occurs by reason of the social cost of production exceeds the private cost of production so that the company is unable to compensate the additional costs. It is difficult to define the transaction cost itself. In fact, distinguishing it by the cost of production was quite complicated. Where the cost of production is any input involves in production process. Meanwhile, transactions happen when goods and services are transferred through a separate technology. As declared by Coase, the last unit of an activity must contain three principles- conflict, mutual benefit, and in order. The unit is a transaction.

In this condition, Institutional Economics show that the economic issues are more than about the allocation of value (profit), the allocation of uncertainty (risk), and the allocation of property rights. It's about institution. Market is one of the institutions (not a center for the mainstream economics). Economic problems have been solved by the enormous number of social theorists who have been concerned with the ontology of society.

2.2 Power Structure and Bounded Rationality

Economics is about human behavior. The relationship among human is an enormous number of complexities. According to this statement, Searle (2005) said:

“The essential role of human institutions and the purpose of having institutions is not to constrain people as such, but, rather, to create new sorts of power relationships. Human institutions are, above all, enabling, because they create power, but it is a special kind of power. It is the power that is marked by such terms as: rights, duties, obligations, authorizations, permissions, empowerments, requirements, and certifications. I call all of these deontic powers”.

The Searle's statement is different from the fundamental characteristics of neoclassical economics, namely the rational choice model. Rationality assumes that individuals (presumed as *homo economicus*) choose the alternative that maximizes their personal preferences and thus make decisions that lead to efficient outcomes.

The behavioural sciences, in particular economics, have for a long time relied on principles of rationality to model human behaviour. Rationality, however, is traditionally construed as a normative concept: it recommends certain actions, or even decrees how one ought to act. It may therefore not surprise that these principles of rationality are not universally obeyed in everyday choices (Yanoff, 2007).

These actors, subject to the above premises of self-maximization with bounded rationality, utilize resources and play games via decision, use and access rights. They also make choices that are coordinated by institutions that evolve through trial and error (Brousseau and Glachant 2008).

Economics is a largely model-based science. It develops models of concepts or phenomena from axiomatic assumptions. Models of rational choice that take into account limitations of human capacities are often grouped under the label of 'models of bounded rationality'. Typical assumptions pertaining to the limitations of human cognitive abilities are (Simon, 2000): limited knowledge of the world, limited ability to evoke this knowledge, limited ability to work out consequences of actions, limited ability to conjure up possible courses of action, limited ability to cope with uncertainty, and limited ability to adjudicate among competing wants.

3. METHOD

This research used Symbolic Interactionism Qualitative approach. This approach was chosen in accordance with the purpose of research that emphasizes more the meaning and process of interaction studied and how the meaning process is implemented in action. This is in line with Charon's Declaration (1979: 23) that in the interaction of individuals it usually changes, acting with each other, mutually considering, acting, perceiving, interpreting, and then reacting. The individual in this case is "self" which is centre to the perspective of Symbolic Interactionism.

The unit of analysis in this study was the power structure in business of the coastal people. Data collection was done by in-depth interview and observation. Interpretation of data was done by basing on 3 premises of Blumer (1969), there are:

- 1) Man acts on something based on the meanings that present on that thing for them.
- 2) The meaning comes from a person's "social interaction" with others.

These meanings are perfected during the social interaction process.

4. DISCUSSION

4.1 Land-Marine Interaction and the Runners of Business in Coastal Community Sendang Biru

Overall, the businessman of fishery area at Sendang Biru Beach comprised of at least five people of fishermen, crew ships, fish supplier, logistic and fuel supplier as well as porter's unloading. Those five parts have relation each other in fishery activities at Sendang Biru. The fishermen are divided into two groups, the owner of ships and crew ships. Furthermore, the traders also consist of four groups, (1) wholesalers is traders who are registered as members and traders in KUD as well; (2) small traders are those who get the fish directly from the fishermen, where the fish is the given fish (fish lawuhan) for crew ships that is sometimes in bad condition; (3) the retailers are traders who usually buy fish from the wholesalers after coming at the auction; (4) local distributors are traders who purchase fish from the wholesalers after coming at the auction or from small traders to be distributed outside the area of Sendang Biru Beach.

4.2 Capital Power (ship manager) becomes the highest Hierarchy of the Pyramid of Power Structure

4.2.1. Ship Manager/*pengambek* and Fisherman

In the fishery industry at Sendang Biru Beach there is a working relationship between ship managers with boat skipper. The ship manager has duty to meet all the needs of fishermen related to production input and also provides capital assistance so that the emergence of debts both crew ship and skipper ship. Moreover, there will form a cooperation between ship manager and also skipper ship, which fisherman can be as a skipper of land and marine skipper. The land skipper will ask the marine skipper to search for fish assisted by the ship manager. The catch of the fish is sold by crew ship in land and marine to the ship manager. Related to this, skipper ship has only status as the owner of the ship and coordinates the ship manager who will look for fish in the sea. Clearly, the working relationship formed is illustrated in the following figure;

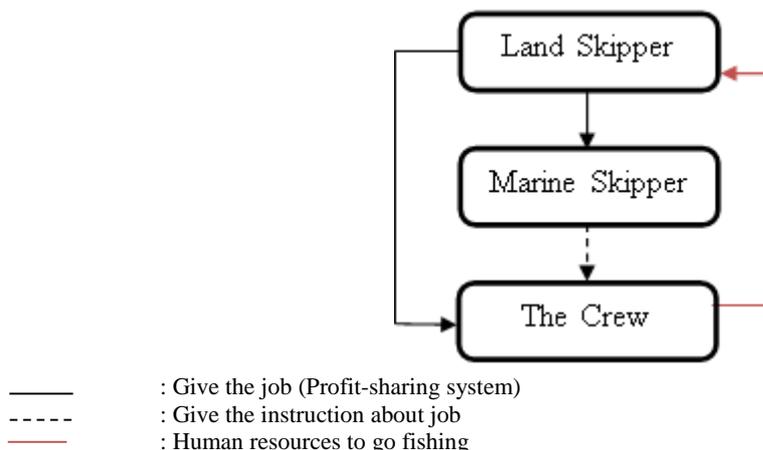


Fig. 2. Ship Manager and Fishermen Relationship

Land skipper (ship owner) is the owner of the ship that provides an employment to the marine skipper and crew. When on the boat, marine skipper or captain is the coordinator who has duty to take control of the boat and manage the task of the crew. The work of the fisherman is paid by the ship owner with a profit-sharing pattern of 50:50. The division between the marine skipper and crew ship then is shared with percentage 2: 1.

The owner of the ship carries out its operational activities to fish in the sea with employing some crew who are usually called as crew ship (abbreviation: ABK). In the group there are captains who will drive the ship and also

some others who get job to fish in the sea. Based on the result, the informant explained that the number of crew in a small boat requires 2 to 5 crew. The process of selecting the crew by the ship owner done through information from relatives or residents living around them. For people who are willing to join as crew, they can directly propose themselves to become crew members on the ship owner. Here is an excerpt explanation of one of the owners of ships in Sendang Biru Beach related to the recruitment of crew ship:

"Hey, lets come candidates of crew ship, you are who look for job can join us considering that you have no seasick in the job duty."

Furthermore, in relation to the tasks that should be done by crew ship when they are on duty, informants explained that during this time there was no specific division among them on ships. He explained that the division of tasks was equal to their initial agreement. The informant said that their job is to fish and clean the boat. The crew works from 6 am to 5 pm, and are given a break at 12 noon.

"There is no specific job for each crew, for full-day work every person do his duty equally as his initial agreement with the skipper, starting from netting, cleaning the boat, and the main point is working from 6 am to 5 pm and take a break at 12 at noon."

With regards to the payment of wages for the workers on the boat, the informant told that the wage was shared in 1/3 of the portion. From whole income obtained by the fishermen, 1/3 of it was shared to the crew (consist of 2 to 5 people), another 1/3 was given to the owner of the ship, and the last portion was for ship manager. In contrast with those in small boats, informants said that the wage for crew on a large ship is divided into two portion first, where 50% for ship owners, 10% for boat maintenance, 20% for ship manager, and the remaining of 20% for the total crew in the ship.

"Take an example in a small boat with private belonging, if there are 2 to 5 people participating as crew on the small boat, the wage will be divided of 1/3 part for crew ship, the same portion for the owner and for boat rent. It means that a third portion of the total fishing is counted by the price of fish per kilo and it then multiple with the quantity of fish obtained. If the ship is differed in two groups first so the sharing wage is 50% for the skipper in land, 10% for ship maintenance, 20% for ship manager and the rest 20% for crew ship."

Even it was said by another informant who is a fisherman as well as ship manager at Sendang Biru Beach that the catch of fish in one boat will be taken first by ship manager on boats, it then will be distributed to the ship owner and the crew. The amount of deduction for the ship manager depends on the total debt to the ship owner, between 5 - 15%. The remaining 50% is shared for ship owners and 50% for crew. From the percentage of wages received by the crew ship is next divided again by a number of existing crew and the captain in which they get a two-fold higher wage. Here is an explanation excerpt of an informant who is a ship manager and fish wholesalers at Sendang Biru Beach:

"Generally, here if we go out to the sea taking lifeboat, the percentage of wage will be taken more for the skipper, while the remaining will be shared for the crew. It depends on the level of debts to the skipper, 10% or 15% of the entire wage obtained. If the debts are less, it will be taken of 5% only. It then shared for operational cost and the rest of income will be divided for 2 portions, the crew and the owner. For the crew, this wage will be divided again based on a number of crew involved, for instance, there are 4 crew, so the wage is shared for 5 people because the captain got double income."

Moreover, one informant who is as crew ship also said that overall income he got is around 2 to 3 billion rupiah. However, he told more that the wage he obtained as a crew ship totally depends on the quantity of fish the crew got during on the sea.

"I didn't understand about the share of wage, but I just know that my wage is approximately 2 to 3 billion due to depending on fish catch."

However, based on information from one of the crew ship he explained that when the fishermen did not get fish during the sea, the crew is charged to pay the cost of diesel fuel that has been used during fishing.

"Revenues deducted is only for fuel cost"

Furthermore, because of ship damage, some informants mentioned that the damage to the ship would be the responsibility of the ship owner. Yet, several other informants stated that ship damage is a joint responsibility between crew and boat owners. Agus, the ship owner at Sendang Biru Beach told that the ship maintenance is always done by sea skipper (ship manager) before going to sea to minimize the broken ship on the way.

"As a crew ship I didn't participate in checking the ship because I'm afraid of making mistake in maintenance process. There is a administration report to the owner of the date we went and back from the sea as well as the condition of the ship, the name of captain and the owner."

By contrast, according to another informant who is crew ship said that the responsibility of ship damage is under ship owners. Not only that, a different opinion was also expressed by Zaenul, one of the other crew at Sendang Biru Beach. He explained that the damage to the ship would be the responsibility of all the crew on duty, where the responsibility must be paid by the Crew by charging the cost of damage from the wages of the crew.

"Being responsible by all the crew, that's a bit of a cut."

4.2.2. The Land Skipper (the ship owner) and Ship Manager

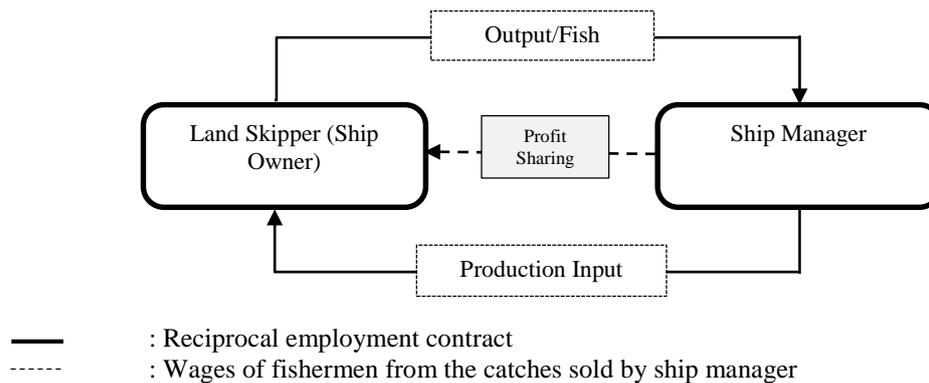


Fig. 3. The Land Skipper and Ship Manager Contract

The employment agreement between the land skipper and the ship manager is tied up by debt that cannot be paid off. Thus the ship manager provides working capital to the fishermen and all the catch then is delivered to the ship manager for sale. Profit-sharing income paid by the ship manager about 10-15% in accordance with the amount of debt skipper.

In the fishery industry in Sendang Biru Beach there is a working relationship between ship managers with Shipper. The ship manager or ship owners are obliged to meet all the needs of fishermen related saprodi and also debts - receivables. The board is also responsible to sell the entire fish of fishermen. Related to this, the skipper of ship has a status only as the owner of the ship and should coordinate their crew ship to go fishing on the sea.

Based on the results of the research conducted, the informant explained that the funds used by skipper ship to purchase the ship came from personal funds and also from the loan provided by the ship manager. The loan given by the ship manager is without collateral and any due date to pay off. However, with the payables between the two, the owner will directly be bound by the contract of work with the ship manager until the debt can be repaid. The following is an excerpt from one of the informants who bought the ship using private money from the savings and the rest came from loan provided by ship manager.

"We got money from the saving, after my money is complete I buy the ship with the lack of payment is funded by the ship manager. As long as we have a working relation to him, he never ask my debt."

The same condition is also stated by one of the informants who works as ship manager as well as wholesalers at Sendang Biru Beach. As ship manager, he also provides loans to fishermen (boat owners) to buy ships and for capital to go to sea. He explained that for him there is no problem how much the loan filed by the ship owner to ship manager as long as the ship owners are willing to cooperate with ship manager to fish in the sea. Cooperation between the two is important for ship manager because through the catch of fish sold in market that will be used to pay off the debt of the ship owner to ship manager. Here is an excerpt explanation of one informant who is a ship manager as well as a wholesaler at Sendang Biru Beach:

“Sometimes the fisherman only had money 50 billion rupiah while the price of ship is 250 billion, so to purchase the ship I give a debt 200 billion. He can repay annually of 50 billion if he got many fish or 25 billion per month but if he gets less income, there is no payment”

Based on the principal-agent theory, ship manager is as principal, while skipper is an agent. In relation to the role of ship manager and fishermen, one informant, Nurhasanah (ship manager and fish traders) mentioned that the skipper bought the boat by himself, but for capital costs used to go to sea coming from the ship manager. The principal-agent relationship between ship manager and skipper of the boat occurs in all the ships that sail at Sendang Biru:

“There is a management in every ship (ship manager), isn't it. So the report is ready every day. The full responsibility is owned by the ship manager including all the outcome, and the profit will be shared then.”

The relationship with fishermen is a cooperative relationship. Ship manager receive 5 - 10% of net income from the sea. The work system is based on trust because of mutual need.

“Yes it is (10%), it's the ship manager portion. If there is need on the coastal, like wanting to buy something, it will be paid by him. Well, that's all he's responsible for. What deficiencies, all the supplies came from him. Yet, it depends on the person, sometimes ten, seven or even only five.”

Furthermore, the difference in the amount or percentage of the deduction charged by the ship manager to the depends on the amount of the loan had by the skipper to the ship manager. The greater the number of loans, the more cut of catch of fish given by the skipper to the ship manager. The following is an excerpt from one of the informants who is ship owner at Sendang Biru Beach:

“It depends on the bonus for every crew ship, there are 10%, 3% or even 15% of the need, if he has less loan, the bonus will be less.”

Kállay (2012) mentioned that the problems causing the need for contracts include the condition of information availability, bounded rationality, opportunism, and asset specificity. The availability of information is the knowledge that each of individuals has in doing his activities. While bounded rationality, opportunism, and asset specificity are aspects that cause the contract to run inconsistently with the plan.

Theoretically, it can be concluded that the underlying issue that causes the need for a contract is the condition of asymmetric information. The contract under the conditions of asymmetric information emerges as an enforcement mechanism to maintain the position of inter-actor in order to avoid any deviation from the initial agreement. This means the contract can decline asymmetric information and the transaction costs that exist in an activity.

However, based on the results of research conducted, the theory is contrary to the results of previous research. The relationship of the contract made between the ship manager and the ship owner can weaken the relationship within one of the two. The relationship of the contract between the ship owner and the ship manager is more favorable for the ship manager. The reason for the contract that weakened one of the parties occurred due to the contract process based on the debts between the two. The Weakness of bargaining power of the ship owner inasmuch as the attachment of debt owned by the ship owner to the ship manager. One informant explained that with the debt they will directly be bound by the working contract with the ship manager who have given the capital. The Ship manager will directly take control of the activities of fishing in the sea to the sale of fish caught on ships that have been financed. The unwritten contract will continue until the owner of the ship is able to pay off his debt to the ship manager. The following is an excerpt from the interview of one of the ship owners at Sendang Biru Beach:

“I sell fish to Mr. Budi. He takes the fish thanks to his capital to catch. Other people can't buy it because he was already funded the fishing”

Furthermore, a ship manager explained that there is an agreement between ship manager and the owner of the ship. The agreement started from the presence of debts between them. He also explained although no guarantee is required in the debt, the ship's guarantee and the contract of employment between the two are guaranteed in the debt. The informant also explained that for the repayment of the debt, it will give a discount of the auction results

of the fish between 5 - 10% in accordance with the amount of the ship owner's debt. Here is an excerpt from one of the ship manager in Sendang Biru Beach:

"The same ship manager who have the boat have an agreement. Sometimes it's seen from the amount of the debts. It will be taken into account if the amount of debt higher, can it be paid off or not? Thanks to the ship as a guarantee, the payment (10%) sometimes is taken or only 5% if the debts under 50 billion but 10% is agreed if the debts above 50 billion."

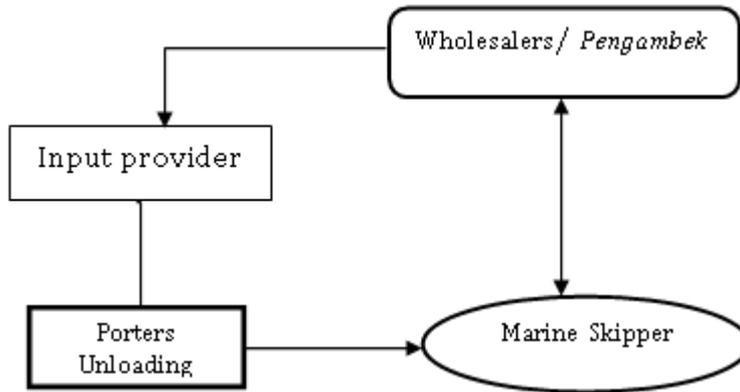


Fig. 4. Ship Owner and Ship Manager Relationship

Every ship owner has a relationship with the sellers who supply all the needs of the ship when go fishing. This supplier is usually a food trader in Sendang Biru. There is also a ship owner who also has a store to supply the needs of the sea. The officer who is responsible for meeting the needs done by unloading porters. They distribute the logistics sent from suppliers to ships that will leave for fishing. Working relationship is between unloading porters only and fishermen. They receive wages after the fishermen go home to fish with the catch as much 5 kg / basket as the quantity of fish caught. So the unloading porters do not have a working relationship with ship owners or suppliers.

The logistics necessary in a ship are determined by the ship manager. One of the informants explained that every fisherman had a boatman. The duty of the boatman is to meet the operational needs and logistics of fishermen during fishing. He also explained that the ship manager will give a cut of 5% of the gross revenues from the sea as a replacement cost of outcome.

"All the fishermen have their particular respective crew, as a cooperation with ship manager, for example 1 one boatman takes control of 10 ships, and so on. They meet the needs of fishermen during fishing, both operational and logistics met by the ship manager in which it will cut 5% of gross revenues to sea."

In relation to wages received by the porters, they only assist to deliver logistic necessary to fishermen, so that the wages received by unloading porters only come from transport services. One informant who is a unloading worker explained that the ship manager will provide information about the needs that should be sent to the ship. In addition, the ship manager will pay for the logistics needs. The wages received by the porters are services they given.

"Because we are porters. The payment for services is ship manager, and tells where the ship is also ship manager. We made money from our transporting services."

4.2.3. The Sellers and Village Cooperative System (abbreviation in Indonesia: KUD)

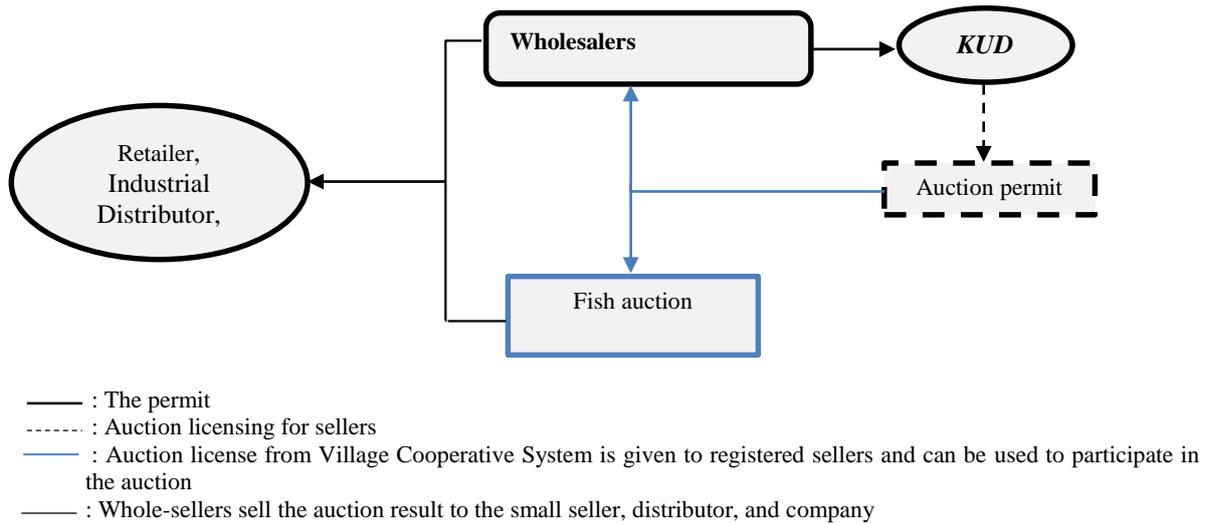


Fig. 5. The Sellers and Village Cooperative System

To register as bidders, the trader must first become a member of the KUD. Then they pay the registration fee of Rp 500.000 and provide a guarantee such as money or certificate of house, land or car. Unregistered traders in KUD are not allowed to participate in the auction.

Every ship owner has a relationship with the traders who supply the needs of the ship during fishing. This supplier usually cooperate with the sellers of basic needs in Sendang Biru. There is also a ship owner who also has a store to supply the needs of the sea. Who is responsible for helping to transport the needs done is unloading porters. They distribute logistics sent from suppliers to ships that will leave for fishing. Working relationship with unloading porters only with fishermen. They receive wages after the fishermen go home to fish as much 5 kg / basket as the number of catches obtained. So the unloading porters do not have a working relationship with ship owner or logistics suppliers.

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“All the fishermen have their own ship keeper, the cooperation between ship manager and fisherman in form of managing 10 ships for each keeper. They meet the demands of the ship during in the sea both operational cost and logistics are paid by the ship manager by cutting of 5% from the gross income.”

In relation to wages received by unloading porters, they only assist to provide logistic services to transport of the needs of the sea, so that the wages received by unloaders only come from this services only. One informant who is a unloading worker explained that the ship manager will provide information on logistical needs that should be sent to the ship. Furthermore, the ship manager will pay for the logistical needs. The wage received by unloading laborers is the wage for the transportation services.

“We work as porters only, who are paid by the ship manager. The ship manager give information about the ship leaned and the needs needed. We make money from our services.”

4.2.4. Pedagang Kecil dan Nelayan



Fig. 6. Small Seller and Fishermen Relationship

Besides getting sharing-profit income, the crew ship also get the additional income which is so-called “*lawuhan* fish”. This given fish are not too much and usually sold to small traders who have been waiting on the edge of the harbor. Small traders are those who do not have access to the auction. Usually this trader belongs to the traders group with minimal capital, so they choose to buy fish *lawuhan* from fishermen directly. This fish is not purchased per kilo by traders. From the sale, “*lawuhan*” fish can be an additional income for fishermen although the amount of money is little.

Overall, the power structure in fishery business can be seen in the following figure.

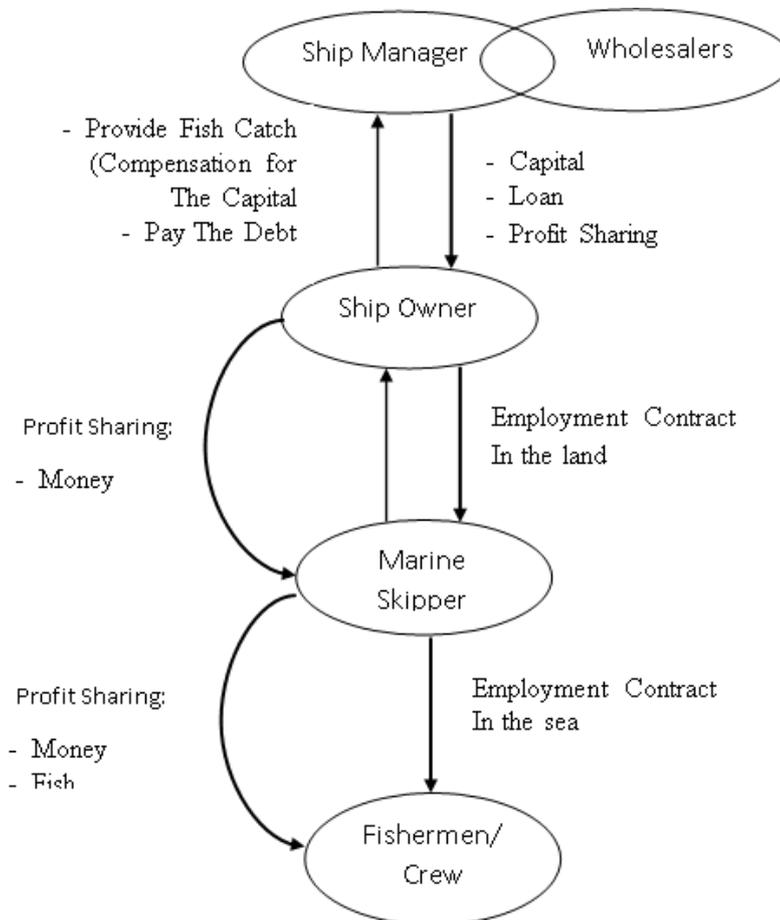


Fig. 7. Pyramid of the Power Structure in Fisheries Business

5. RESULT

The results showed that firstly, there are two forms of interaction, namely land and marine. The interaction starts from the employment contract of the ship manager / ship owner with the fishermen based on the debt that should not be paid off. With these debts the ship manager takes all the capital and operational costs of the fishing activities. All the catch is entirely handed over by the ship manager after being taken “*lawuhan* fish” for fishermen. Ship manager’s duty is to sell the fish in fish market center, and the profit will be shared to fisherman after being cut by operational cost, accounted for 80-85% depending on the amount of debt used as binding of cooperation.

Secondly, the highest power structure is in the ship manager. This power is appeared from the mastery of capital in the coastal community business. The relationship of capital financing that occurs between ship manager and fisherman benefiting in one but on the other parties also weaken or disadvantage. It is Beneficial for fishermen associated with fishing results that cannot be used to repay the operational capital cost to go fishing back, where the loss is borne by a ship manager and if there is profit then it will be divided with the same percentage both

fishermen and ship manager. However, this contract can be said to be detrimental or debilitating for fishermen because the fishermen are tied up with other debt beside the operational capital cost that may not be paid as long as the fisherman still cooperates with the ship manager. At first glance, this looks very beneficial to fishermen but it is actually debilitating because making the fishermen to stay tied with ship manager in terms of fulfilment of capital to go fishing on the sea.

Finally, the lowest power structure is found in the crew ship of fishermen with profit-sharing system and obtaining fish lawuhan. This is because the crew ship do not have access to join in the auction market so they only sell to small traders or retailers. In addition, the economic position of fishermen who only have small capital and economic capital makes the percentage of revenue sharing becoming small after being cut by the operational costs to fish and the share for between land and marine skipper.

In conclusion, the results of this study is in line with research conducted by Mahardika (2014) that the group of people or individuals who have the highest mastery will be very easy to make changes in socio-economic structure of society. In addition, Zamroni (2007) conducted a study of power structures that was formed through the mastery of social structures so creates the trust among the economic interactions of the tobacco trade chain in Madura. Where the skippers in Madura show their significant role with their economic capital. The Power in the economic area will be increasingly empowered, if they are able to master the political power like structural positions in government.

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