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Collective Action through Synergy Local Institutions to Protect Agricultural Market

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Abstract

This study attempts to see some form of collective action, to protect markets gambir. This research in a qualitative study, design case study. Technical collect data done with data collection method (qualitative observation, interviews, group discussions and documentation). Data analysis used the descriptive qualitative analysis, with the reduction of data, presentation of data, and the withdrawal of conclusion.

The results of the study suggests there are some collective action in markets gambir. Collective action formed of synergy local institutions. Collective action formed is, transactions gambir in place and the same time, and collect taxes gambir. Transactions with making markets more competitive (perfect competition), as well as made it easier for the process of transactions. Tax gambir used of farmers experience misfortune and village development.

Key word: collective action, markets, gambir

Introduction

Development goals of them for increasing production, including agricultural production. Agricultural production need market and prices high, to pay back production costs, that market is one of the requirements of agricultural development. On the contrary, indirectly agriculture also play a role in formed and growing market (Mellor, 2013; Kohansal et. al, 2013).

Market in economic theory seen as partial equilibrium in the system exchange goods and services, where there are balance demand and supply for goods and services. Balance is characterized by the price determination process and the quality of commodity who in conformity with the wish each demander and suppliers. Where there was the balance between the price determined by producers by the number of commodities desired consumers, so formed the market price (Nicholson, 1998). While in perspective sociology, market more seen as a institutional social place trading activity can buy for meet the needs of with a bargaining process. From the interaction trading delivery rules and norms new set between relations and between the action, which is a process connections concepts new culture, for example values and norms new (Nasdian & Dharmawan, 2004).

With regard to the exchange, to make the market function properly and can realize advantage required a strong institutional rules of the game through a clear, affirmation a norm mannerisms groups who transact, that causes high transaction cost (resulting from unmannerly cheating and shirking) by developing the same information among market players (Zuzmelia, 2007). To maintain and try rules needed a stunt or the act of collective (Meinzen - Dick et al, 2004), in this sense it includes rules of the game

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in the market. The act of collectively formed to binding on any individual in clusters to remains committed reached a joint purpose, to profit. The act of collectively were more frequent on engagement a group of people, who performs an action together and voluntary for the purpose of common interest (Ostrom, 2004; Meinzen-Dick et al, 2004). According Di Gregorio et. Al, (2004) one individual the community it would naturally tend to select perform the act of collectively to the individual other, when they felt a in common in terms of the purpose to be achieved, and when feel there is uncertainty and risk faced by if move alone.

Plants gambir is plantation commodities specific the Sumatera Barat province, Indonesia country. In Indonesia, 80 % gambir derived from Sumatera Barat. Data from central bureau (BPS) of Sumatera Barat (2015), put the number of production gambir 2013 as many as 14.220 tons, the size of 21.412 ha of the number of farmers gambir 32.234 of family heads. Centers of production plants gambir Sumatera Barat come from Lima Puluh Kota district, with broad land 14.682,50 ha, production 7.293 tons per year. Produce gambir farmers in Lima Puluh Kota district immediately sold to gambir gatherer (*toke*) at traditional markets gambir in the village, so that traditional markets gambir is needed farmers. Cultivation gambir been run a long time in Lima Puluh Kota district (more than 100 years), but the life farmers gambir not prosperous (Afrizal, 2009; Adi 2011; Sa'id, 2011).

Farmers not prosperous because some problems on traditional markets gambir (market failure). The traditional markets gambir often injurious farmers like; low prices for the quality of gambir bad, of bad left by gambir gatherer to depress the price. The number of many farmers, while gathering little. Some farmers also has a debt by gambir gatherer, so the price dominated gatherer. Consumers end far abroad, making information prices are not clear, often determined by or exporters through gatherer (Afrizal, 2009; Adi, 2011).

The explanation above show the importance of collective action, to protect markets gambir. This research see some collective action owned by local institutions involved in the traditional markets gambir.

Research methods

Research was conducted on traditional markets gambir in the village (Nagari Lubuak Alai). Nagari Lubuak Alai located in Kecamatan Kapur IX, Lima Lima Puluh Kota district, Sumatera Barat province, Indonesia. Time the research of the December 2014 until February 2015. Markets gambir located on the plant gambir center, gambir production in Nagari Lubuak Alai about 20 tons every week. Markets in Nagari Lubuak Alai gambir also have some local institutions.

The kind of research use is qualitative. This research using the case study .Technical collect data done with data collection method qualitative, namely: observation, interviews, group discussions, and documentation. Analysis of data done is qualitative analysis, levels are reduction data, presentation of data, and the withdrawal of conclusion (Miles & Huberman, 1992; Strauss & Corbin, 2003).

The results and discussion.

- Some local institutions in traditional markets gambir

Institutional having two definitions: institutional as rules of the game, and institutions as an organization that is tiered. As rules of the game, institutional is a group of rules, good formal and informal, written or not written, about of human relations with

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its environment, related to the rights and protection their rights and responsibilities. While institutional as an organization tiered, in the sense that economic explain economic activities, which coordinated not by the system price but by a mechanism administrative or authority (North, 1990; Ambariyanto & Herawati, 2010).

Traditional markets gambir in Nagari Lubuak Alai involves several local institutions. Local institutions is a container and rules formed to meet a variety demands living which measures with characteristics and needs of society at the local level (Mubyarto, 1988, Suradisastra, 2002). Institutional who were directly involved in the process of the transaction is institutional farmers and institutional gambir gatherers. Gambir gatherer consisting of large gambir gatherer (*Toke Gadang*), smal gambir gatherer (*Toke Tangah Hari*) and gambir gatherers from outside the village. The number of gambir gatherer now as many as 9 people, consisting of 3 large gambir gatherer large, 4 small gambir gatherer small and 2 gambir gatherer of outside the village. Meanwhile the number of farmers 130 group, where one group consists of 3 to 4 people of workers (*Anak Kampo*). One group normally do land gambir of 2 to 4 hectares, with the production about 120 to 170 kilo grams every week.

Besides farmers and gambir gatherers, institutional involved indirectly in a transaction gambir is village administration and institutional customs (*Kerapatan Adat Nagari/KAN*). Village administration and KAN cooperate in regulating transactions gambir between the gambir farmers and gambir gatherers in traditional markets gambir. KAN is a representative of from the leader of the existing in the village. KAN of the customary so far trusted in various vital activities village. To manage gambir market right involving community members (*Kamanakan*) from each tribe. Nagari Lubuak Alai having six tribe.

- Collective action on traditional markets gambir

Nagari Lubuak Alai having the collective action from synergy local institutions, involved in traditional markets gambir. Local institutions involved is, institutional farmers, institutional gambir gatherer, village administration and institutional customs (KAN). The collective action formed is the agreement to transact gambir together, between farmers with gatherers. Gambir transactions between farmers and gatherers agreed on the place and the same time. Transactions agreed place on a kiosk size 8 x 32 yards in the village market. Transactions while time agreed upon on sunday (*pasa*).

Formerly, transactions more often done directly home or shed gambir gatherer. Transactions home and barn gatherer is often injurious and troublesome farmers. Farmers also are forced to accept the price determined by gatherer, if it is not must make bring gambir to obtain as a price good. Transactions with make markets traditional gambir more competitive, because of race on between intermediary. The difference between the price of a transaction gambir between gatherer range 500 (Rp) to 1,000 (Rp) for a kilo grams gambir. Any of a group of farmers can produce gambir about 150 to 170 kilo grams gambir, in one week. The price gambir in January 2015, is around 20,000 (Rp) for a kilo grams gambir.

Gatherer also benefit from the transaction together. Gatherer gambir often give a loan of money to farmers gambir. Before it was agreed the sale together, farmers who borrows often dishonest, and sells gambir to another gatherer, because he would not the loan in pieces by a gatherer of the loan provider. Often this give rise to the

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dispute between farmers and gatherers, and others gatherer. Transaction together it easier for a gatherer in controlling farmers that they give a loan.

So that this is collective action run well, set of regulations village (PERNA No.2, 2009). Village regulations also regulates collect existing taxes gambir for farmers. Tax was set at 1 kilo grams to weigh gambir 50-99 kilo grams. The results of tax collection gambir used to assistance to farmers experience misfortune, salary a clerk kiosks gambir and the cost of building village. Farmers experience misfortune will receive assistance from tax gambir collected, the size of the assistance set by village administration with KAN.

Village regulations also set institutional customs (KAN) as the management of kiosk gambir. KAN is institution customary consisting of the customary in the village. KAN have been very intense by villagers. Kahn in running kiosk gambir, sent the (Kamanakan) to officers on kiosk gambir. The kiosk will be recorded gambir tax every week. Officers were also reported that there are problems, for example there are farmers and gathering did not follow the transaction. Farmers and gathering that do not comply will be called by KAN (Niniak Mamak). Farmers and gathering still not follow the is sanctions in the village.

Conclusion and discussion.

There are synergy local institutions on traditional markets gambir to produce collective action. Synergies occurred between the village administration, customary institutions, farmers and gatherer. Collective action as sales with make markets gambir more competitive. Collective action also solve problems the actors who transact. Collective action of existing taxes can be used for farmers misfortune and rural development. Opinions Olson (1971) collective action happen if there were benefit gained from the process of cooperation. Collective action to be strong if formed in the formal rules (PERNA), so that effective and can take action against parties who violates. Collective action in the form of formal rules make transactions running well and smoothly. Collective action will simplify and facilitate parties who transact (Meinzen - Dick et al, 2004; Syahyuti, 2008).

Local institutions in rural areas have a role in development, strength and proximity to the community. Local institutions storing knowledge and skills and sensitive with needs of the society where exchange happened (Adebayo, 2005; Tjondronegoro, 2006; Filipiak, 2011, Nasrul, 2013).

Suggestions

There are still many the problem in traditional markets gambir. Need some other collective action such an agreement the quality of gambir and the formation of institutional capital. The act of collectively this will help the sustainability of traditional markets gambir and village development.

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