

# The Role of Women Merchants in Increasing Family's Income (A Case Study on Indigenous Papuan Women Merchants)

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**Abstract:** This study was aimed at determining the contribution of Papuan women merchants to the family's income development and pursue the role of government and financial institutions in supporting the business activities of Papuan women merchants. It was done in the Central market of Sorong, Sorong regency, Central market of Bintuni, Bintuni regency, Central market of Kajase, South Sorong regency, and Central market of Raja Ampat, Raja Ampat regency, focusing on Papuan women merchants. This study used 100 respondents. Data collection employed interviews and direct observation on socio-economic activities. Data analysis applied qualitative method. Results showed that mean monthly net income of Papuan women merchants in the traditional markets was high enough and mostly used for the household's income development with 60.47% contribution to total family's income.

**Keywords:** role, merchant, Papua, women and income

Women as citizens and developmental human resources have rights and obligations with the same opportunities as men in all fields. The development of women as equal partners of men is devoted to improve the active role in the activities of integral human development. The position of women in the family and society and their role in development needs to be maintained and continuously improved to be able to contribute as much as possible for the people and families by taking into account the nature and dignity. Women also have a dual role of both their duty as housewives

(childbirth, parenting, and taking care of household chores) as well as workers.

Competition to find the source of income is in line with the demands of the need fulfillment, which is increasing and varied, should always be faced by women. Therefore, in the quality, women should be prepared to deal with it. The low income of husbands and the economic pressure are the two factors that influence a woman to look for additional revenue with the aim to improve the economy of the family and can meet the needs of the household.

Revenue is basically the compensation accepted by owners of factors of production for the sacrifice in the production process. Each of these factors of production, such as land, will receive remuneration in the form of land rent, workers will get remuneration in the form of wages/salaries, capital will receive remuneration in the form of capital interest, and expertise including the entrepreneur will receive remuneration in the form of profit (Sukirno, 2004).



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Factors that affect the income are (1) Working capital is the product or property used to produce the next result (Sumarsono, 2009). Working capital is essentially the number that exists continuously in supporting efforts that bridge between the time of spending to obtain any materials or services with the time of sales receipt. (2) location is the place which serves consumers, it can be interpreted as a place to display the commodity. Consumers can see immediately the goods produced or sold, the type, quantity and price.

The sub ordinance of women all this time has frequently forced women to go to public sector and prefer to go to the marginal sector. The advantage of the informal sector as a sector of employment opportunity is that it is not too binding for the activities of women, so that the sector is an attractive alternative of offer for women to obtain revenue. According to Tobias (2002), in general, the ones who are involved in the informal sector are those who are poorly educated, unskilled and mostly poor migrants, less articulate and less define their needs. Therefore, their horizons are limited to provide employment opportunities and generate revenue directly for themselves, not to maximize the profit. This is in line with the research conducted by Ginting (2004) one of the activities of the informal sector which is done a lot is a trading business. The results showed that the level of education, and control over land and natural conditions significantly affect the household income levels of farmers.

Haryanto (2008), has done a research on the active role of women in increasing the income of poor households, the results showed that the income earned by women workers contribute significantly so that it can be used to fulfill the basic daily needs for school and also to the social needs.

Hastuti and Suparmini (2001) conducted a research on the prospect of women street vendor in Monjali Yogyakarta, the research method used was descriptive analysis. The results showed that from women vendors who have a business trade as a livelihood in order to earn income, some of them also have other sources of income in external trade activities in Monjali as casual laborers.

Widodo (2010) conducted a study on women's role in the system of Household Livelihoods of Fisherman. The data collection is done by using indepth interviews and participant observation in some economic, social, and institutional activities by using qualitative descriptive analysis. The results showed that women have a role in the system of household income. The contribution of women in the household income through productive activities. Small industries in rural areas turned out to have a role to increase the contribution of women in their household income.

The development of traditional markets in West Papua since it was developed out of Papua province is increasing. Along with the population growth, the role of traditional market as a provider of food and household goods becomes very important. On the other hand, in West Papua province, there has not been a lot of the establishment of shopping centers that make traditional markets into a shopping center which is frequently visited by the public.

If you see the existence of merchants, especially women merchants who trade in traditional markets in West Papua Province is the large number of Papuan women traders who trade, but it is ironic to see where the place of women to trade who mostly trade on the floors and doorways of traditional markets. Papuan women merchants still use their own capital to trade (in this case is the crop itself) so that the type of goods that are traded only limited to the trade of vegetables and fruit crops.

The uneven government assistance, in this case is capital and empowerment training so that these traders do not become seasonal traders, is the one of the causes Papuan women traders cannot increase his productivity as a trader. Besides, indigenous Papuan women traders also need the capital assistance so that the role of financial institutions is also required to support the business activities of indigenous Papuan women. Broadly speaking, this study aims to determine The Role of Papuan Women Merchants in Helping Improve Family's Income.

## RESEARCH METHOD

The location of this research was at the Central Market Sorong in Sorong Regency, Central Market Bintuni in Bintuni Regency, Central Market Kajase in South Sorong Regency, and Central Market Raja Ampat in Raja Ampat Regency, which are in West Papua Province. The objects of research were indigenous Papuan women merchants. The respondents of this research were 100 people who were purposively selected by considering the length of working as female merchants in the market, approximately more than 3 years experience of trading and working in the market with the intensity of the working length at least 3 hours per day.

The sources of data in this study are primary data obtained directly from respondents through questionnaires and interviews with indigenous Papuan women merchants and secondary data obtained by conducting documentary research. Data were then analyzed using qualitative method with case study approach (Sugiyono, 2005)

## FINDING

### Profile of Respondents

#### Characteristics of Respondents Based on the Marital Status

Marital status may indicate one's existence and responsibilities towards their family in a household. Marital status of respondents in this study is Married, Single and Widows.

The distribution of respondents based on the marital status shows that the status of married is the highest number of respondents, it shows that the status of married correlates to the number of family dependents, so that it affects the amount of income that must be obtained by every household and the amount of life demands that must be met, so that they must continue developing the business to remain exist.

#### Characteristics of Respondents Based on the Age

Based on the result of this research, the productive age of women has relatively high dynamics, so that the potential and the opportunity to grow is quite large, which can be used to obtain a source of income.

#### The Characteristics of Respondents Based on the Education Level

Education level indicates a person's ability to think and how to make decisions. Then the relationship with labor productivity that the higher the person's level of education the higher the level of productivity of a person (Tarin, 2007). Therefore, in general, most people who have higher formal education and / or informal will have wider horizon, have a high awareness of the importance of productivity and then will encourage the relevant productive action. Furthermore, the education level of respondents in

**Table 1. The Condition of Respondents Based on the Marital Status**

No	Marital Status	Frequency	Percentage (%)
1	Married	70	70
2	Single	25	25
3	Widow	5	5
Total		100	100%

Source: Primary Data, 2016

**Table 2. The Condition of Respondents Based on the Age**

No	Age (Year)	Frequency	Percentage (%)
1	17-24	20	20
2	25-39	75	75
3	40-58	5	5
4	> 58	0	0
Total		100	100%

Source: Primary Data, 2016

the study area are grouped according to the formal education just as shown in Table 3.

**Table 3. The Condition of Respondents Based on the Education Level**

No	Education	Frequency	Percentage (%)
1	Elementary School	32	32
2	Junior High School	45	45
3	Senior High School	23	23
4	Bachelor	0	0
	Total	100	100%

Data source: Primary Data, 2016

The distribution of respondents by education level shows almost similar pattern. It means that respondents are spread almost in all levels of formal education, except in bachelor. Then, the qualification of respondents by level of education which is successfully pursued is still dominated by a group of junior high school-educated respondents, as many as 45 percent. It indicates that respondents' education level is still very low, so the opportunity to obtain formal employment is very small, this is what causes them to work in the informal sector to increase the family income.

### The Characteristics of Respondents Based on the Family Dependent

Family dependent shows the number of family dependents who are financed in a family. It means that the more the number of dependent family members, the greater the costs required to meet the needs of dependents and family members, and vice versa. The number of family members financed by the respondent during the study can be seen in Table 4.

Table 4 above shows that the distribution of respondents by number of family dependents ranged between 1-6 family members. The research of this field research as in Table 4 above shows that the

number of family dependents in the respondents' families is dominated by respondents whose number of dependent in the family are 3-5 people or 41 percent, then followed by the group of respondents whose the number of family dependents in the family members are 1-3 people, or 33 percent, then > 6 or 26 percent. Therefore, the proportion of allocation of dependent family members is also one of the reasons why respondents chose to undertake informal micro-enterprise. This effort was done as part of an effort to help husband meet the demand of family's needs.

### The Characteristics of Respondents Based on the Type of Commodity

The type of commodity in this research is kind of the main commodities traded by respondents for this research. The types of commodity include vegetables, potatoes, fruits, spices, and cooked meals as shown in Table 5.

Characteristics of the type of business that occupied by the respondents as shown in Table 5 above show that for overall classification of respondents based on the main type of business of the product of agricultural sector, being vegetable merchants still has the largest proportion, as much as 29 percent of the total respondents. Then being potato merchants as much as 27 percent, being the cooked

**Table 4. The Condition of Respondents Based on the Family Dependent**

No	Number of Family Member	Frequency	Percentage (%)
1	0	0	0
2	1-3 people	33	33
3	3-5 people	41	41
4	> 6 people	26	26
	Total	100	100%

Source: Primary Data, 2016

**Table 5. The Characteristics of Respondents Based on the Type of Commodity**

No	Type of Commodity	Frequency	Percentage (%)
1	Vegetables	29	29
2	Potatoes	27	27
3	Fruits	18	18
4	Spices	2	2
5	Cooked meals	24	24
	Total	100	100%

Source: Primary Data, 2016

meal as much as 24 percent, and the spice merchants as much as 2 percent. This indicates that there are more respondents who trade the crops from their own gardens or their agricultural product them in the form of vegetables, potatoes and fruit.

## DISCUSSION

The large proportion of women who work as individual workers assisted by family member shows that women have the potential to create jobs. The large number of women working in the informal sector suggests that the role of businesswomen in informal sector gives very large contribution in maintaining the household economy.

Based on the analysis of interviews and questionnaires conducted by researchers, the researchers identified several things in accordance with the purpose of research, namely capital, location, and income.

### The Capital Used

In the process of trade, capital is a very important factor because the large capital affect the amount of revenue that will be generated. Based on the results of this research, the amount of capital owned by indigenous Papuan women traders as respondents ranged between Rp. 300,000 up to 2,400,000. The highest amount of capital amounting to Rp. 500,000, which is 33% of respondents, followed by respondents who have a capital of Rp. 1,000,000, which is 24% of respondents, respondents who have a capital of Rp. 300,000, which is 16% of respondents, respondents who have a capital of Rp. 2,400,000, which is 15% of respondents, and respondents who have a capital of Rp. 1,500,000, which is 12% of respondents. Capital gives traders real effect on the revenue because with the large amount of capital, traders can buy commodity

with more quantity and better quality, or kind of merchandise that is more varied. The highest number of respondents who have a capital of Rp. 500,000 or 33%. This shows that the capital owned by the respondents is very small to start a business, but the respondents was not pessimistic about the effort they put to work in the informal sector to increase their income in order to meet the needs of their family.

The ownership status of capital is also a factor affecting the amount of income received. The results showed that the ownership of personal capital is much higher than the ownership of the capital loan, i.e. 77% of respondents with the status of ownership of personal capital and 23% of respondents with the status of capital loans ownership. It means that at least there are respondents who do not take advantage of available financial institutions to improve trading business they pursue so that it could have an impact on the amount of income they receive.

Kesalahan penerjemahanThe amount of loans received by the indigenous Papuan women merchants is <IDR. 500,000, this shows that both personal capital and loan capital are very small to start a business that will affect the income they will receive while they need to meet a very large needs of family. In accordance with the amount of loans received by indigenous Papuan women traders, then the process of loan repaymentalso ranges between 1-3 months. It means that the time to return the loan does not give much impact on the amount of earned income to make meet the needs for a long time.

The result of this research showed that the capital which is used mostly by Papuan women merchants who trade in traditional markets that become respondents in this study are from their personal capital. However, in addition to using personal capital, some of merchants also use the loan capital as

working capital in the trade. These loans are mostly obtained from the savings and cooperatives loan.

### The Location of Market

As the center of economic activity, traditional markets and/or the central market in West Papua province where research was conducted, is a crowded market with the level of visitors. The visitor level which is very crowded in the traditional markets is caused in the traditional market, there are household needs, and a variety of other needs. All indigenous Papuan women merchants or 100% of respondents stated that the ownership status of their trading place is the rent. It demonstrates the lack of availability of the facilities provided by the government to provide support to indigenous Papuan women merchants who also have an impact on the income they receive. It is in line with the result of this study, in which 68% of respondents stated that the condition of the facilities provided are not good, the limited location of the market occupied by the merchants to trade and also facilities/table for trading which is damaged, caused traders to be not able to arrange the commodity well, and because of the condition of the market building is already old with roofs that have been damaged, so that in some places, in case of heavy rain, the rain water come in and flood most areas of the market. Most of these merchants feel quite difficult because the location is not feasible due to the position of their commodity is right in the place/location which is damaged, so if it rains the location they use to trade is very muddy and difficult to be passed by buyers.

Most of indigenous Papuan women merchants also choose to trade on the street or on the sidewalk because they got no place to trade in the space provided and some of them feel that the place available is a less feasible for indigenous Papuan women merchants to put their commodity. In addition, trading on the street or sidewalk allows merchants to quickly meet the buyers before they enter the market.

In addition to the facilities exist in the market, the condition of market security greatly affects the amount of income they receive, where 68% of respondents stated that the security conditions are not safe. Based on the results of market field research in the Province of West Papua in general is different from the existing market in the other region or

provinces outside of Papua, the condition of the market situation in West Papua is strongly influenced by the conditions of political and economic stability, so often there is chaos, riots where it will have an impact on the income received.

### Income

Revenue is the amount of income received by the husband, wife, and children, both derived from the basic income or side income. It is usually measured in rupiah amount received in each month. Based on the results of the research, it shows that the average income in a day is Rp. 400,000 for 26 days of work, so that the average number of respondents' gross income per month is Rp. 10.400.000 per month, which the average of operating cost per month is Rp. 6,300,000, so that the amount of the average of net income per month is Rp. 4.1 million. These results indicate that the average amount of revenue generated by indigenous Papuan women as traders in traditional markets per month is quite high, and most of their income is used to help the family economy in paying tuition fees of their children, medical expenses and the other needs.

Meanwhile, if we look at the average income of the husbands of indigenous Papuan women traders who are working, they can earn monthly income of Rp. 2,000,000. By looking at the comparison of the average amount of husbands' revenue and the average income of indigenous Papuan women merchants, of course, the income received as merchants is greater. The opportunity to get income by becoming traders in traditional markets for indigenous Papuan women is very promising, albeit with very limited capital and management capabilities which is still very simple, indigenous Papuan women merchants only trade types of commodity which are limited to the agricultural and plantation products and crafts hand.

Besides the revenue received from the trading businesses, indigenous Papuan women also have side jobs, in which 100% of respondents stated that they have another job besides trading. The side job is making crafts. The average net income of handicrafts is Rp. 680,000. The involvement of women in decision-making can be seen from the role that they do in the business, from planning to marketing. The study found that indigenous Papuan women are involved in all

business activities. This is consistent with the results of this research on family support in managing all the business they do, where 87% of respondents said it.

### The Contribution of Papuan Women Merchants' Income on Family's Income

The results of this field research shows that the involvement of Papuan women in economic activity is more motivated by the economic conditions, to help ease the burden on the husband for child education costs continue to rise. The role of indigenous Papuan women merchants on the economy of a family is very great. If it is seen from the results of the study, most of family income comes from women traders' income, where only a small proportion of respondents who have working husbands.

The amount of revenue contribution of Papuan women traders in this research is by calculating the average of total income received by all the respondents from the trade divided by average of total family income and multiplied by 100%. Data on the average income of respondents and the average of total family income is as follows:

Analysis of respondents' income to total family income is:

$$P = \frac{\text{Income of Papuan Women Merchants}}{\text{Total of Family's Income}} \times 100\%$$

$$P = \frac{4.100.000}{6.780.000} \times 100\%$$

$$P = 0.6047 \text{ or } 60.47\%$$

The revenue contribution of indigenous Papuan women as traditional market traders is quite large, amounting to 60.47%. This suggests that the revenue generated by the indigenous Papuan women merchant is greater than the income from other sources in the family, so this contribution is very important for the family of indigenous Papuan women to increase their family income.

### The Role of Government

Market is the center of economic activities, which cannot be separated from the concern and responsibility of the government as the most important part of a process of development of a region. The government is obliged to provide facilities in the form

of a place to trade, cleanliness and safety as well as other assistance, but also the right to withdraw the levy to every trader and the market service users. Although the trading business that occupied by indigenous Papuan women are very influential to the family income, they also face a variety of problems, this was caused by the scale of the scope, which aspects of business and membership of business actor are dominated with those who are retarded/marginalized due to various things. In addition to the marginalization, limited capital and managerial capabilities that still require support also make them (Papuan Women businessmen) are very vulnerable to the problem. In this context, the role of Local Government then becomes very important, in order to protect and create a conducive business climate.

The provision of facilities and infrastructure market as a place to do business as a merchant is the primary role performed by government. Even in fact, in the site of market in this area of study, there is still a less comfortable place to trade so Papuan women merchants prefer to trade in the streets and sidewalks, and also the entrance door of market. The problem of hygiene is also a major need that requires the government's role and attention.

Besides, the role of government in the form of programs and development activities have been carried out. The information and data obtained when the field study conducted showed that a variety of things that are then designed in the form of programs and activities have been carried out by the Regional Government through the relevant agencies (Community Empowerment Institution, department of Industry and Trade Cooperative, and Women Empowerment Institution) with the aim to create a healthy business climate, try to eliminate a variety of unfair business competition, prepare perdassus to protect the rights of indigenous Papuan women entrepreneurs, enhance the competitiveness of informal sector businesses. In addition to regional governments, some Non-Governmental Organizations have contributed in undertaking development programs to informal sector businesses.

Kesalahan penerjemahan Based on the form, then the support of local government is grouped into two program support and support in the form of budget. Support program is in the form of programs through

relevant agencies to support and develop SMEs and community empowerment. Besides, the preparation of perdassus empowerment of Papuan entrepreneurs, with a focus on providing special attention to the aspect of coaching, training, mentoring, and financing to the native entrepreneurs of Papua, providing protection against some types of businesses that require simple models and technologies, which goal is to create a new class of indigenous Papuan entrepreneurs who work in the business world independently and sustainably.

Furthermore, local government policy in the form of the budget is realized through the Governor Regulation No. 519/25/X/2011 of 2011 regarding Implementation Guidelines of Cooperative Development Assistance Program and SMES that routinely will be allocated in the APBD of province and district/city in West Papua.

The role of government in this regard has also been experienced by indigenous Papuan women merchants as informal micro businesses but it is not evenly felt by all indigenous Papuan women merchants. The program that is implemented has not been able to bring a change to the improvement in business of indigenous Papuan women merchants. This should be a concern for the local authorities to continue to motivate indigenous Papuan women merchants to continue to develop its business through trading business and other businesses that are already occupied, so they can run their business properly and become economically independent.

### **The Role of Financial Institution**

Venture capital issues which are found by the actor of informal micro businesses including Papuan women merchants in this study need to be addressed by all parties, including financial institutions. Financial institutions cannot fully serve informal micro enterprises with a variety of technical reasons, for example the procedures and requirements of banks. At the same time, Papuan women entrepreneurs need venture capital to survive the economic activities. The limited access to information on the sources of funding of formal economic institutions such as cooperation, and banking, is also an obstacle.

Actually, the government also have been providing support programs of micro venture capital for small businesses through existing banks, including support for merchants, but it is difficult to access for Papuan women merchants. The process of getting a loan is quite complicated and there are administrative rules such as interest, administrative costs, and lending procedures which are quite hard and the need for guarantees given to get capital. The mechanism of providing financing can be done through the establishment of formal financial institutions other than banks, namely in the form of Microfinance Institutions that can address the problem of capital from a group of Papuan Women business actors. Then, to make Microfinance Institutions can be run in accordance with the expected goals, the local government can work together with the banks, universities, and non-governmental organizations that are competent to prepare and design the mechanisms, procedures, and the requirement for the prospective beneficiaries.

### **CONCLUSION**

The revenue contribution of indigenous Papuan women as merchants in traditional market is quite big, amounting to 60.47%, this suggests that the revenue generated by women merchant is greater than the income from other sources in the family.

In the form of support of local governments, there are two groups, which are the support of program and the support in the form of budget/capital. Support of program is in the form of programs through relevant agencies to support and develop Small and Medium Enterprises (UKM) and community empowerment. Support of budget / capital is in the form of allocation of funds through the relevant agencies for the development of small and medium enterprises, especially enterprise development and empowerment of indigenous Papuan women merchants.

If viewed from the contribution of the earned income of indigenous Papuan women merchants, thus the role of financial institutions is very required to provide capital assistance in the form of loans or credits by facilitating the delivery mechanisms of funding and cooperation with relevant parties in terms of providing capital to enable Papuan women merchants to be able to survive in economic activity.



## SUGGESTION

Indigenous Papuan women merchants as the business actors should exist in doing their role to help increase family's income

For both central and local government, it is time to think to improve policy design patterns in the provision of business capital assistance from formal financial institutions, not only in the capital but also in the form of mentoring and ongoing training.

The provision of financing mechanism should be done through the establishment of micro-finance institutions. Furthermore, microfinance institutions can be run in accordance with the expected goals, therefore the cooperation with relevant parties such as banks, universities, and competent non-governmental organizations is necessary in order to make preparations and design the mechanism, procedure, and the requirements in providing loans/credits.

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