



*International Journal of Social Sciences and Humanities Research*

*ISSN 2348-2990*

*Volume 1, Issue 12, December 2021, pp. 54-59*

Copyright© 2013, IJSSHRPublication

homepages: <http://scientificrc.com/>

## **”OPTIMALIZATION OF VILLAGE FUNDS AS A POVERTY SOLUTIONS OF A COUNTRY”**

**FACULTY OF ECONOMIC AND MANAGEMENT, UNIVERSITY OF DARUSSALAM GONTOR**

*[1] FACULTY OF ECONOMIC AND MANAGEMENT, UNIVERSITY OF DARUSSALAM GONTOR*

---

### **ABSTRACT**

Poverty is no longer a new thing even existed since the 20th century years ago, until now the government and individuals have not been able to overcome the problem. According to experts poverty is where the level of human life is below minimum standards (prayitno & lincolin, 1986: 7).Poverty should get more attention, because wherever we go we easily find poverty. In urban areas we encounter many riders of luxury cars but we still find the beggars and street singers are rampant. In rural areas in particular, there are still many people who are not enough to meet the needs of clothing and food in their lives this reflects that poverty is still a serious problem in Indonesia, especially in the rural sector.

**Keywords:** OPTIMALIZATION.

---

## 1. Introduction

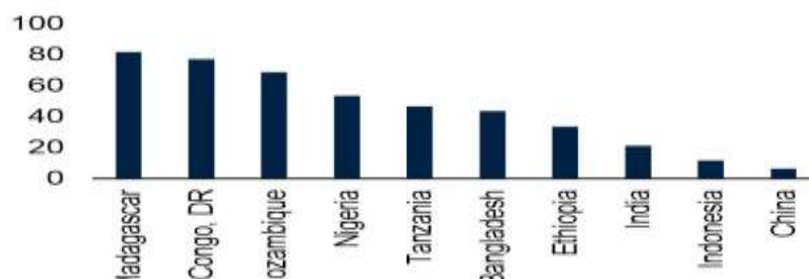
### Background

Poverty is no longer a new thing even existed since the 20th century years ago, until now the government and individuals have not been able to overcome the problem. According to experts poverty is where the level of human life is below minimum standards (prayitno & lincolin, 1986: 7).Poverty should get more attention, because wherever we go we easily find poverty. In urban areas we encounter many riders of luxury cars but we still find the beggars and street singers are rampant. In rural areas in particular, there are still many people who are not enough to meet the needs of clothing and food in their lives this reflects that poverty is still a serious problem in Indonesia, especially in the rural sector.

Based on the national socioeconomic survey of 2008, the number of poor people in Indonesia reached 35 million people, the majority of them are people living in rural areas. The level of poverty greatly affects the education of this country because many children who can't go through education level because of the lack of cost.

According to world 2015<sup>1</sup> data bank the list of countries with the world's poorest number of poor. Madagascar ranks first as the country with the largest number of poor people. Followed by the country of Congo, Mozambique, Nigeria, Tanzania, Bangladesh, Ethiopia, India, Indonesia, China.

f. The poverty rate varies greatly among the top 10 countries with largest number of poor  
Poverty rate , percent



Sumber: World bank (2015)

In the above of statistical data illustrates that the poverty rate still exists in some countries. the problem can still be overcome by the cooperation between the government and individual communities in optimizing the village funds for infrastructure development and services for the poor.

The problems of poverty in various countries now have a very close relationship with the agenda of Sustainable Development Goals (SDGs) 2030. The existing poverty affects the nets of a country's economic activities due to the low level of education and skills owned, so that people do not understand and understand how to generate something useful for his life.

---

<sup>11</sup>Nallari, R., & Griffith, B, 2015, *Understanding Growth and Proverty: Theory, Policy, and Empirics*. United states of America: World Bank Publications.

The Sustainable Development Goals (SDGs) agenda has goals for equitable development and poverty alleviation. In order to achieve the objectives of the SDGs from the poverty sector, the government should have a better strategy compared to the strategies already implemented today. The strategy needed is a strategy capable of prospering people's lives without any gaps to each other. One strategy that can be implemented by the government is to optimize village funds for infrastructure development and services for the poor.

### 1.2. Review Problems

Based on the above background, the problems contained in this study are still needed strategies that can reduce the level of poverty in each country.

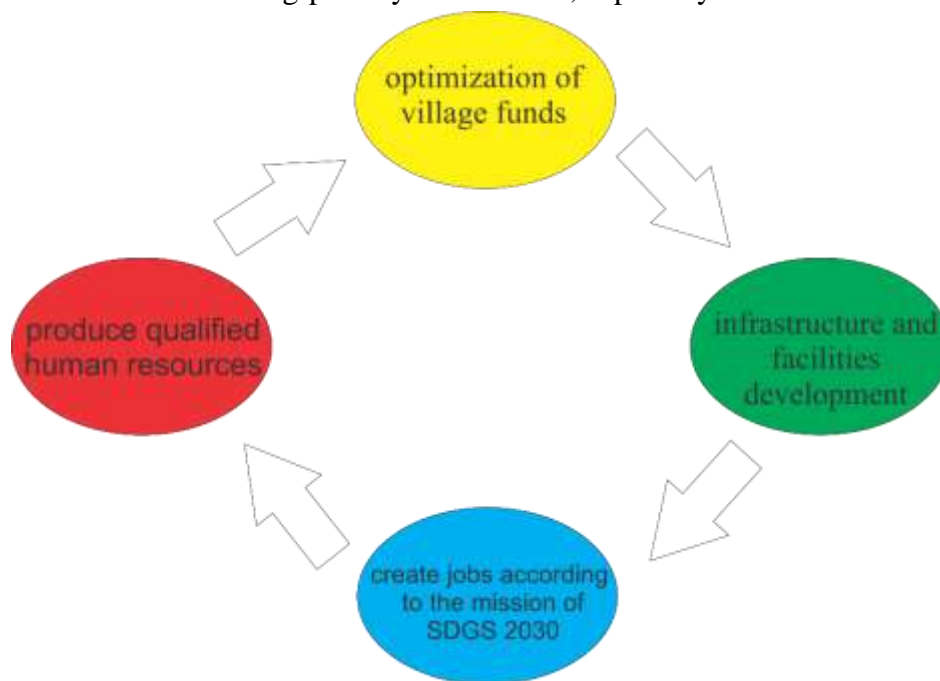
### 1.3. Purpose of the Study

Based on the above problems, the purpose of this study is to describe the ideas associated with the author in reducing the poverty level of Indonesia, especially in the rural sector. The ideas and ideas of the author are related to the role of government and society in optimizing village funds for infrastructure development and services for the poor.

## 2. Literature Review

### SOLUTIONS AND IDEAS

The author's idea of poverty alleviation is based on the author's experience while visiting remote areas. The author observes the remote area, the number of existing natural resources and human resources are very adequate but can not maximize existing resources. Here are the ideas and ideas of the author in reducing poverty in Indonesia, especially in the rural sector:



**Diagram 1:** The author's idea of the strategy of optimizing village funds in poverty alleviation in Indonesia

**Related explanation The author's idea is related to the fund optimization scheme in poverty alleviation in Indonesia**

**Optimizing Village Funds**

Poverty reduction can be done by maximizing the funds of village funds, it is necessary for the role of government and individual communities themselves in carrying out these activities. Optimizing village funds.

can be used to build something that can provide rural progress such as infrastructure development and create jobs for communities that include village roads, bridges, and job training.

Utilization of village funds maximally will help the development of the village to a better level and also poverty alleviation can be done well, so that the future development of equitable state throughout the region can be realized.

### **Infrastructure and Service Development**

In this section the ideas and ideas developed by the authors to reduce the poverty level in the rural sector by developing infrastructure and services for the rural community to the fullest.

Ideas and ideas that the authors are promoting are alleviating poverty in the rural sector by optimally utilizing village funds. The government can work with village heads in terms of utilizing village funds on infrastructure and facilities that can prosper the people. Utilization of village funds can be allocated for infrastructure development and facilities that can encourage the development of villages and build micro-enterprise units such as trading businesses, farmer groups and livestock where farmers and farmers work together in processing their farms and livestock into something that has added value alone.

The system used is economic system of protection is known as a system that has the benefit is very appropriate to apply, but not all understand and apply only some institutions that have applied one of them Darussalam Gontor Islamic Boarding School.

### **3. Methodology**

Based on the author's experience when visiting Darussalam Gontor Islamic Boarding School the author observed the economic system applied is the economic system of protection where all business units in the cottage are all managed by students to students and the results are returned to the students themselves, there are many business units covering laundry, student cooperatives, book store and canteen. The existing business units within the hut have progressed so rapidly that the outcome of the effort is wholly allocated to facilitate the needs of the students, the students can feel the welfare of the business units they manage because the results of the existing business units are wholly allocated to facilitate their own needs.

### **4. Finding**

#### **Produce Qualified Human Resources**

In addition to infrastructure development and services that can encourage the progress of the village required the role of human resources, Human resources is something that plays an important role in doing business activities, because the development of a business determined from the existing human. An organization must have more value compared with other organizations in order to achieve effective and efficient goals.

Ideas and ideas that can be used in creating quality human beings in the rural sector are working with governments to bring in business practitioners and provide materials through

seminars and special training routinely in corporate governance activities where communities are given special materials good and correct business governance and then apply it through practice directly, and rewarding those who are able to apply the knowledge given indirectly can provide the spirit and add insight and their skills especially in business activities so that can produce quality human resources who are able to conduct business activities independently.

### **Creating Jobs and Achieving SDGS 2030**

With the increasing number of qualified human resources in the rural sector, it will create more jobs for the Indonesian community and increase foreign exchange income for the country. Increased employment is closely related to poverty alleviation in Indonesia. The number of people who work the community can generate income, with the income from the community will reduce the level of poverty. Poverty rates are declining as people easily find work from existing business units. Indirectly, the success in maximizing village fund management is closely related to the Goal of the Agenda of Sustainable Development Goals (SDGs) 2030 proclaimed by the United Nations (UN). The agenda of Sustainable Development Goals (SDGs) in general aims to alleviate poverty in all places. With the creation of many jobs from the optimization of village funds, the poverty rate will decrease.

### **5. Discussion & Conclusion**

The optimization of village funds can be utilized through the development of infrastructure and community services including business units and facilities that can promote rural progress, in the development of business units and facilities, the contribution required between the government and individual communities in the management of rural business units, and the need for resources quality human beings who have more knowledge and skills in managing existing business units, with the lack of quality human resources in the rural sector required the training and provision of special materials in the field of business, so as to produce qualified human resources capable of creating jobs for Indonesian society.

Success in optimizing village funds is closely linked to the Goal of the Sustainable Development Goals (SDGs) announced by the United Nations (UN). The number of qualified human resources will cause a lot of job creation for the people of Indonesia. Employment opportunities make people have income and with the income that is owned by the community will make the level of poverty in the community to decline, so that will create the welfare of all people in a country.

### **References:**

1. Case, K. E, & Fair, R. C, 2010, *Economic principles*, Ed. Go to 8, Jl. I, Erlangga Publishers, Jakarta
2. Nallari, R., & Griffith, B, 2011, *Understanding Growth and Poverty: Theory, Policy, and Empirics*. United States of America: World Bank Publications.
3. Suharto, S., 2010, *Building People Empowering Society*, Reflika Aditama, Bandung.
4. Suyanto, Bagong, 2013, *Anatomy of Poverty and Strategy Handling*, Publisher Intrans Publishing, Malang.
5. Prof. DR. Wilson Bangun, S.E., M.Si. *Human Resource Management*, Erlangga Publisher, Jakarta 13740 <http://www.erlangga.co.id>