

The Role of Local Community Enterprise towards Economic Recovery of Disaster-Affected Community in Indonesia

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ABSTRACT

This research helps to understand how local entrepreneurship drives economic recovery in a post-disaster community. The Kampung Sablon Association is an entrepreneurial association working to empower small traditional clothes printing entrepreneurs which was formed in Pandes Wedi Village (the Klaten Regency) in Indonesia after an earthquake disaster. This study aimed to examine the association's effort in recovering their business and re-establishing economic conditions and analyze the enabling factors. We used a qualitative approach with data collection, namely, literature and document studies, observations, in-depth interviews, and focus group discussions. Government or NGO entrepreneurship programs were often ineffective in recovering communities' economic conditions, whereas entrepreneurial efforts made by local community often succeeded quickly due to its strong social capital which generated bonding and bridging within the community. Local entrepreneurial efforts were supported not only by strong social capital but also by the implementation of community organizing and people-centered development. This study presented that the role of community members in local entrepreneurial associations, along with the power of social capital, community organizing, and people-centered development, was effective in recovering socio-economic conditions of the community after catastrophic damage from a natural disaster.

Keywords: Community organizing, disaster, entrepreneurship, local institution

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INTRODUCTION

Klaten District, Central Java Province, was one of the areas affected by the 5.9 magnitude (on the Richter Scale) earthquake on May 27, 2006 in Yogyakarta. The disaster caused a death toll of more than 5,700 people in Yogyakarta and about 1,000

people in the Klaten District (Geomagz Magazine, 2016). Consequently, many houses and buildings were destroyed. Property damage was catastrophic. The collapsed buildings included 12,073 houses, 1,950 severely damaged houses, and 4,768 slightly damaged houses. Regarding government buildings, one collapsed, 22 were severely damaged and 111 were lightly damaged (Burhani, 2006).

The earthquake had a huge impacts on the community's economic conditions. One of the impacts was on the traditional clothes printing industry business in Krangkungan, Pandes Wedi Village, Klaten Regency. The damages on the capital and business assets of the traditional clothes printing entrepreneurs made them to take an initiative to establish the Kampung Sablon Association. The Kampung Sablon Association was based on the urgency of the community's social needs. The adverse conditions required them to find a place for people to come together to help each other and work together to recover the local economy and bring people's life back to normal. In Krangkungan and the Pandes Wedi Village in Klaten, the majority of people owned and worked in the small traditional clothes printing home industry. As so many homes and business structures were totally destroyed, they suffered considerable losses of capital and business resources. However, in the face of such a devastating obstacle, the small traditional clothes printing entrepreneurs did not despair after the earthquake, but rather began to re-build the traditional clothes printing business that supported

their livelihoods and homes. A total of eight traditional clothes printing entrepreneurs in Krangkungan and the Pandes Wedi Village established the Kampung Sablon Association. The entrepreneurs started to restore the traditional clothes printing business after being affected by the disaster, so that their businesses could be initially restored using the remaining resources and to encourage the members of the association to work hand-in-hand. Up to today, the Kampung Sablon Association is still running. Its members size enlarged after the severe damage caused by the disaster.

In previous studies, discussions on entrepreneurship directly established by community initiatives were few, especially in disaster-affected areas. Besar et al. (2014) discussed the efforts of the Sidoarjo government to empower the victims of the Lapindo Mudflow through a skill training program. The program aimed to ensure that they could sustain their life because many had lost their jobs as a result of the disaster. This study found that these government efforts were barely fruitful because few people used the new skills after being trained. This occurred because of the top-down characteristic of this empowerment program. Programs from outside of a community usually were less capable of truly comprehending the importance of the cultural context than that from within.

Another study of economic empowerment through entrepreneurship after a disaster was conducted by Sukmaniar (2007). This study showed that in general, community empowerment through

post-tsunami programs established by government in the Lhoknga Sub-district were relatively ineffective in improving community empowerment. The main reason was the government tended not to consider the characteristics of the community. Another research by Sukmaniar (2007) showed that community empowerment in Mon Ikeun Village (a coastal village) was ineffective because the settlements had not yet recovered physically so that it caused limitations in the activities of people to manage redevelopment. In addition, in the aftermath, the community still lacked social spirits for enhancing the motivation. People needed more support to accelerate the restoration of their settlements. They also needed village leaders and organizers to foster the spirit of cooperation in the community. Another example of community empowerment from outside resources was from the Lambaro Seubun (inland villages), which also experienced ineffective restoration after a disaster (Sukmaniar, 2007). This occurred because the settlement facilities had not been restored in a timely manner. Thus, as indicated in the previous studies, village organizers and the village PPK management team experienced a lack of community capability to pursue their own goals. The lack of access to information contributed to the lack of provision for the restoration of public service facilities. The local institutions needed improvement in terms of capability, as well as knowledge, information, and skills training for community members to help people to return to their normal life.

In contrast, in Meunasah Karieng (lowland village), the intervention was effective, mostly because of leadership quality of the village head and decent roles filled by the program coordinator, as well as strong social bonds and the willingness of the community to engage in the program management for sustainable development. However, community self-sufficiency in rural development needed to be improved by village allocation funds and the establishment and development of the media.

All the studies above showed how entrepreneurship programs initiated by governments were implemented in post-tsunami recovery. They were ineffective in improving the economic conditions of two communities, but quite successful in one community, mainly because of the strong social bonds there. Meanwhile, Lismana (2015) found important evidence. This study discussed various factors that affected socio-economic empowerment programs. First was the coordination factor; coordination was needed in the formulation of social economic empowerment programs after a disaster. The formulation used a top-down approach, starting from the top level; and the decisions were mainly made by the central government. Consequently, the program could not fully meet the needs of all victims of the flood in Pasir Village, except for one farmer group. The second was the socialization factor. Specifically, the lack of socializing with the community had caused the community not to understand the purpose of the program. The third problem was the

demand from the community regarding the implementation of this program; it expected that the benefits should be provided in the form of cash distributing to each head of household.

This research showed that the coordination and socialization factors of the empowerment program greatly affected community participation in the program. Programs that do not have high community participation will not be able to effectively encourage community members to join in; additionally, the lack of understanding about the purpose of the program made the community members to be money-oriented. Therefore, in this study the authors argued that although entrepreneurship programs established by governments were mostly ineffective in improving the economic conditions of a community, the grass root entrepreneurial community organizations were likely to be more successful in improving community economic conditions and self-reliance. The following research questions arise from the above observations: (1) what is the role of local entrepreneurial organizations initiated by local community members in restoring the economic conditions of the community after a disaster? (2) what are the enabling factors to improve community economic conditions after a disaster?

MATERIALS AND METHODS

This study used a qualitative approach to describe the existing conditions. In an area suffering from catastrophic loss, what roles have local entrepreneurial

organizations played to improve the local economic conditions? How have community members promoted the success of local entrepreneurial organizations and individuals in improving the local economic conditions and generally increased the self-reliance of the affected community? This research was based on literature and document studies, observations, in-depth interviews, and focus group discussions to gather comprehensive data. It was conducted mainly with the traditional clothes printing home entrepreneurs in the Kampung Sablon Association in Pandes Wedi Village, located in Klaten Regency, Central Java. It is an interesting site because it was established by the association after the 2006 earthquake solely on an initiative of the local community in Pandes Wedi Village without assistance from the government; and the association founding members were entrepreneurs badly affected by the disaster and lived with little resources or capital.

Interviewees in this study were selected using the purposive sampling technique from three designated categories: primary, key, and additional interviewees. Primary interviewees were those directly involved in the social interaction with the Kampung Sablon Association; they were members of the Association. Key interviewees were those having basic information relevant to the research objectives, such as employees in the Regional Disaster Management Agency of Klaten Regency and the Klaten District Government. Additional interviewees were people living in the village, but not members of the Association. In-depth interviews were

conducted with members of the Association, the government of Pandes Wedi Village, the Klaten District Government, Regional Disaster Management Agency of the Klaten District, and members of the Pandes Wedi Village community.

Document studies included photographs, pictures, and data about entrepreneurial activities undertaken by members of the Kampung Sablon Association. Literature review included books, journals, and academic research work, such as theses and dissertations. Photographs were taken in the study area to show the current stage of development and conditions. In accordance with the research objectives, the researcher conducted non-participant observation for instance taking a passive role by sitting-in activities related to the investigation. In-depth interviews were held to understand the meaning of themes based on group perception. In this study, focus group discussions were conducted with the villagers of the Pandes Wedi Village and members of the Kampung Sablon Association.

RESULTS AND DISCUSSIONS

The Role of Local Entrepreneurial Organizations Initiated by Local Community Members in Restoring the Economic Conditions of the Community after the Disaster

Facilitating the Adaptability of Programs to Variations in the Physical Environment and Diverse Social Services. The Paguyuban Kampung Sablon began informal activities in August 2006 and was

officially established on October 7, 2006 at a meeting of five traditional clothes printing entrepreneurs who were committed to restore their business holdings using their remaining capital and resources. Below is a quotation from an informant:

“So, right after the disaster, we immediately discussed about what we could do in the near future. Then, it sparked the idea of establishing Kampung Sablon Association. Its aim was to unite traditional clothes printing entrepreneurs here whose business capital only had little remains so that we could help each other. For example, Mr. A had a sewing machine; he would get the sewing part. Mr. B had a silk-screening tool; he would get the screening part. Later, there was a marketing section. Right after the disaster, we didn’t really feel down, because we felt we had friends and helped each other” (FX, member of Kampung Sablon Association, personal communication, August 28, 2017).

Since its establishment, this association had a goal to unite small traditional clothes printing entrepreneurs who were victims of the 2006 earthquake. There was a desire to strengthen the relationship of these entrepreneurs and to promote harmony and integrity; therefore, the Kampung Sablon Association was founded, as expressed by an informant as follows:

“We did not want us to be divided. There was harmony; there was integrity. There was an icon in Krangkungan; therefore, the Kampung Sablon Association was founded. At first, only those who had the traditional clothes printing joined” (NRO, member of Kampung Sablon Association, personal communication, August 28, 2017).

An interview with WH, a member of the Kampung Sablon Association reported that the interviewees stated their needs, namely for food, water, and shelter and assessment of damages to their houses. The community members requested help from NGOs for this type of relief. They developed basic budgets for households sharing cyberspace and found that some means of entertainment were still available, such as Jogja TV, magazines, and tabloids. Many of those discussed how to recover after the earthquake disaster. Luckily, many parties helped them and their surroundings. However, most aids were aimed to fulfill their basic needs only. Therefore, they had to struggle alone to restore their business.

Kampung Sablon Association, as a local organization, clearly had helped its members, who were all disaster survivors, to cope with the changes of the physical environment caused by the big disaster in 2006. Long before its establishment, the traditional clothes printing entrepreneurs in Pandes Wedi Village had their own businesses without joining in any association. They worked for themselves.

However, since the earthquake disaster had destroyed most of their assets, they had to use the remaining assets and found the Kampung Sablon Association to restore their businesses. The Association helped the entrepreneurs to gather remaining assets and to share with each other. Furthermore, the Association also offered social services to its members and the community. The changes in the physical environment in Pandes Wedi Village, which became a destroyed area, successfully made the local entrepreneurs to create an association aimed to cope with the disaster’s negative impacts and to survive from the disaster. Disasters can help promote social bonding among small traditional clothes printing entrepreneurs; thus they managed to come back given all the obstacles.

Improving Program Efficiency through Resources Management and People Cooperation. Kampung Sablon Association received quite a lot of orders because the members did marketing their products diligently on social media, such as YouTube and Facebook, as well as at the markets around Central Java. There was a member assigned to focus on posting the Association’s activities and products on the social media. Besides, other members also promoted their products by introducing to their clients. When a member obtained an order and could not produce the products alone, he would share this order with other members. In addition, when a member had inadequate assets to produce the products, he or she could borrow from other members.

Their cooperation went well all the time. One of the Association's principles was resource sharing, which made their cooperation run very well.

However, the government assistance was almost absent. This community only received very little governmental support; and never received help from any other outside parties. Compared to other communities' programs, this was little. They restored their businesses by themselves with the Association's help. They collected money from mutual projects and looked for financial support from Banks; they rebuilt their businesses step by step. It is described by an informant below:

“At the beginning, we did not receive any fund or empowerment grants from either governments or NGOs. Later, we received a little assistance from the government, because we had friends working at the government office. We used it to make this base camp. But after that we never received funds from the government or any outside party. So, we really restored the business by ourselves” (WH, member of Kampung Sablon Association, personal communication, August 28, 2017).

Although not receiving aids in cash (because it was often not in accordance with the transparency principle of the community), this community was often offered empowerment programs. However,

the community rejected them because the members assumed that the offers were only for the donors' reputation. The informant gave an explanation as follows:

“Most of them were claimed as community empowerment, economic empowerment, and village empowerment programs. And I always rejected it. What do you want actually? What do you want to do, huh? If you want to empower, that's okay. For example, the Department of Industry and Commerce wants the programs to develop this village; that's okay. Once, the Department's officer came here. What did we ask actually? It was so simple. If they were the local government, it was impossible that they did not need a uniform to put an order. The amount of money would not be small. They must have known that Pandes Wedi Village was the center of shirt-printing traditional clothes printing s. The government may just give 10% or 20% of the order(s) for screen-printing to this Village without losing anything. If those people put the orders, then the empowerment continued. This was significantly meaningful for the sustainability of the community empowerment. But it never worked” (FX, member of Kampung Sablon Association, personal communication, August 28, 2017).

WH also talked about many parties which offered assistance but the offers were often incompatible with the principles of the Kampung Sablon Association; therefore, the aids was refused. One of the principles of this community was transparency. These views were acknowledged in this following interview with the former Chairman of the Kampung Sablon Association:

“Actually, from the central government to the local, many programs were required to be transparent. That means, we receive exactly how much they offer, that’s it. So, in the SBY period, actually there were one billion of funds to be disbursed to Pandes Wedi. At that time, we were told to gather 50 people. In Kampung Sablon itself, there were already nine to ten, and we could also search for additional ones. Each person would be given five million. Five million!! So, it went like this.., it’s actually additional capital for business. That was an assumption, for soft loans. Later on, if you could not return it, that would be okay. I did the math: five million times 50 were 250 million. I knew the agreement stating that this fund was two billion at most and one billion at least. Then, I asked, “where was the rest of the fund? How was it managed? If there were only 250 million given to us, then please sign the paper stating only 250 million.” There was not a deal. Eventually, while

the meeting was still in progress, I went home (walked out)” (FX, former Chairman of Kampung Sablon Association and member of Kampung Sablon Association, personal communication, August 28, 2017).

Kampung Sablon Association had proved itself as a successful local organization. Its members had not much support from the government or outside parties, but their business still survived with the remaining assets. They rebuilt their business by strengthening cooperation within the Association and sharing resources with other members. They even rejected aids, funds, and empowerment programs from outside parties which would only use their association to get high reputation. Strong principles had made them independent. However, this scenario could also make Kampung Sablon Association stagnant because they did not have good cooperation and coordination with outside parties, especially the government.

Developing Participation and Cooperation in Implementing Programs involving Changes in Social, Economic, and Technology Aspects. Kampung Sablon Association members began to return to their business by using the savings from their previous work and some additional capital from the bank because at that time they received KURs (Small Business Loan/ Kredit Usaha Rakyat) from the government during the SBY period. Besides, Kampung Sablon Association had ever accepted

any fund from the government to build their basecamp. So far the government's small assistance was provided only twice. Fortunately, after a decade the Kampung Sablon Association still exists and its members have re-established their businesses. Moreover, through their efforts, the young people of the Pandes Wedi Village are inspired to work there. They are willing to invest in the young people to make more entrepreneurs in the Village, hoping this village will be more well-known as a traditional clothes printing village. Up to today, there are two small traditional clothes printing businesses owned by young people who worked previously with one of the Association members.

Even though they did not get any capital assistance or coaching programs, Kampung Sablon Association began to expand its businesses by establishing basecamp as workshops for its members, marketing in various social media (e.g., Facebook and YouTube), as well as making connections with clients who previously used the services provided by the community members. Although it was run professionally, Kampung Sablon Association still adopted the principle of family and deliberation in carrying out its entrepreneurship. Therefore, many young people and other traditional clothes printing entrepreneurs outside this association wanted to collaborate with them. Kampung Sablon Association did not only recover its members' businesses, but also created a new work environment in the Pandes Wedi Village.

The Enabling Factors of Local Entrepreneurial Organizations to Improve Community Economic Conditions after the Disaster

Social Capital (Bonding and Bridging).

Empowerment and participation of local entrepreneurs to restore their economic conditions were supported by the presence of strong social capitals among the community members, including members of the Kampung Sablon Association. The Kampung Sablon Association attributed its success to not only their individual efforts but also the basic principles of social capitals that emphasized the importance of maintaining good relations and trust between its members and between fellow traditional clothes printing entrepreneurs in the Pandes Wedi Village that existed before the disaster. These were factors that supported personal initiatives to join in the business organization. This expressed an attitude of mutual help between its members and reflected a high level of trust among them.

As Putnam stated in Lawang (2004), social capitals referred to elements of social organizations, such as, trust, norms, and networks, which could improve community efficiency by facilitating coordinated actions. In disaster management context, social capitals have significant roles in providing financial support in the form of loans and property repairs, as well as providing non-financial support such as helping in search and rescue, giving shelter, child care during recovery, emotional

support, and providing information. These roles are played because there are adequate social networks and associations as the fundamental social units to respond to disasters.

In this research, there were two kinds of critical social capitals: bonding and bridging. Bonding is a kind of social capital that tends to strengthen exclusive identity and homogeneity in groups. In contrast, bridging is a kind of social capital that occurs when networks are established between groups, when social relations are formed between communities of different backgrounds such as ethnicity, age, and nationality. These relations connect people to different social circles and information, as well as knowledge sources (Lawang, 2004).

As stated in Sanyal and Jayant (2016), bonding is the most often found social capital in any disaster-affected areas. Bonding helps community members to gain security and assistance from others in their network which are seen in this study. Sanyal and Jayant (2016) stated that bonding and trust among members of the community led some members to give shelters and share their resources with others in need. This type of social support was generated by bonding in the community and its experience of living in difficulties. This type of social capital was developed well in Kampung Sablon Association as the members experienced the disaster together and obtained social support from each other. This happened to RHJ, a member of the Kampung Sablon Association. He did not have any printing tools or sewing machine, but received printed shirt orders from customers:

“I don’t have sewing machine, or printing tools, but I always accept the orders. I will make printed shirts in the traditional clothes printing s of Mas Ali or Mas Kandar or Mas Narno. I first ask them, “who does not have many orders recently?” If any of them can accept a few orders, I will give away the printing job to them. Later, I will sew the shirts and go to Mas Ali. If we produce the products together with members of the Association, we can pay them later after customers have paid us. If we give orders to other traditional clothes printing s, right after they finish our job, we have to pay. That’s the difficulty. Therefore, we give jobs to the members; even though I don’t have much money, my orders can be shared and finished well by working together” (RHJ, a member of Kampung Sablon, personal communication, August 28, 2017).

In addition to strong bonding among the members, there was also strong bridging with other traditional clothes printings. The members of the Association often asked for help from other traditional clothes printings. They also shared information to other traditional clothes printings, which means that they did not keep information to their members only but share with other traditional clothes printing too:

“We often asked for help from other traditional clothes printings. If we

members can't handle the orders by ourselves, we give jobs to other traditional clothes printing s in order to finish it soon. Furthermore, we often share information with other traditional clothes printings. For example, we know that there are shops that offer cheaper prices. We give the information to others such as "where to buy roto," "where to buy sakura," and others" (NRO, member of Kampung Sablon Association, personal communication, August 28, 2017).

Implementation of Community Organizing Principles and Local Independence.

Community organizing is mainly building power. The basic principle of community organizing is for the people to decide their community's problems that they expect to address, the solutions they wish to pursue, and the methods they will use to accomplish their goals. The organization identifies the people and structures required to be part of the solutions by either persuasion or confrontation, achieving the community's goals through negotiation. During the process, the organization builds a democratic community institution (Beckwith & Lopez, 1998).

As stated in the community organizing concept, the most appropriate description of the community, especially local community in managing independent development, is a genuine local institution built by local people. This means that the local institution

grows and develops naturally from within. There are several advantages of local institutions. First, it grows and develops through everyday life; thus, this institution is deeply rooted in the community. Its existence is also powerful, well established and having wide support from the community. Second, this institution has been well examined because it is established through a long learning process in responding to the natural and social environments. Third, due to its powerful presence, this institution further guarantees the sustainability of joint activities (Soetomo, 2013).

Esman and Norman as cited in Pramono (2011) described that efficiency would be achieved by utilizing the role of local institutions; through local institutions, community participation and cooperation in the implementation of programs could include social, economic and technological changes. The efficiency was evident in the practice of members of the Kampung Sablon Association and Pandes Wedi villagers. The presence of the community increased community cooperation, participation and social services. The small traditional clothes printing entrepreneurs, conducting businesses under socio-economic changes in the community, turned out to be successful, as well as the development of the Pandes Wedi Village as a whole. IND, a member of the Kampung Sablon Association, explained this:

"There are so many advantages. There are no unemployed young people here. If they don't work at other places outside Pandes

Wedi village, they can work at our traditional clothes printing s. When they are independent enough and have resources, they can build their small businesses by themselves. Before the Association was established in Pandes Wedi, there were a lot of unemployed young people here. So, there are many advantages from the establishment of the "Kampung Sablon Association" (IND, member of Kampung Sablon Association, personal communication, August 28, 2017).

In addition to empowering young people in Pandes Wedi Village, Kampung Sablon Association was also involved in every event held by the villagers. NRO, one of the members, admitted that the members of Kampung Sablon Association always participated in every event held by Pandes Wedi Village such as Ied Mobarak celebration and General Election (Pemilu):

"Yes, we are engaged in every event. For example, there was a sport event in Pandes Wedi; we joined in and gave our printed shirts to the villagers as door prizes. For another example, when villagers held the Agustusan (Independence Day celebration), we also donated our products" (NRO, member of Kampung Sablon Association, personal communication, August 28, 2017).

From the perspective of local independence, the organization was mainly performing its specific mission, as well as media maintenance ensuring the member size. The organization served as a driver and organizer to the members to improve their independence in articulating their respective interests. In this organizational model, members of the organization felt comfortable to interact with other members. That is because the members had freedom to actualize their existence and at the same time build the organization together with other members. It means that they built their own organization (Amien, 2005). This Kampung Sablon Association performed its specific mission aimed to survive and re-empower itself after the disaster. The members were comfortable to rebuild their businesses because this association was born from their ideas and they also were interested in this association. Therefore, its members kept developing this association.

The success of the Kampung Sablon Association entrepreneurial initiative to restore local economic conditions and self-reliance of its members and the community was mainly due to the organization type and the implementation of community organizing principles (Beckwith & Lopes, 1998). The principles of community organizing included partisanship, holistic approach, empowerment, independence, sustainability, participatory, transparency, praxis, and equality. However, the most important principles employed in Kampung Sablon Association were empowerment, independence, participation,

and transparency. As a local institution, Kampung Sablon Association was an instrument of empowerment, building internal and external relations. Internally, the local institution helped the community with self-management as a means of decision-making and resources management. This can be seen from the process of cooperation and deliberation that was applied by members of the Association. When representing the community to establish relationships with various stakeholders, this can be seen from the media covering Kampung Sablon Association and the establishment of relationships with stakeholders such as the village government, district government, and local people.

However, according to Esman and Norman (1984), several things can cause local institutions not to develop, such as resistance, sub-ordination, ineffectiveness, and internal divisions. Sub-ordination and resistance were the main factors that prevented Kampung Sablon Association from developing. Therefore, there should be internal management rearrangement soon to avoid stagnacy. Kampung Sablon Association needed refreshment strategies such as co-creation. Co-creation refers to activities that emphasize the creation of sustainable organizational values. Each party should place other parties in sharing activities for value creation (Nugroho et al., 2017). However, the members had to implement and develop their businesses by enriching themselves with a lot of knowledge.

However, the business players, especially the local community members, mostly lack the knowledge about the production standard, product quality, quality management and the correct marketing strategies. They worked based on experiences only; therefore, there had no innovation and value creation in the production, management and marketing (Nugroho et al., 2017). In Kampung Sablon Association, co-creation activities consisted of the following: collaboration among its members, collaboration between the members and others small businesses, collaboration between the members and the local government, and collaboration between the members and private businesses. These collaborations to develop Pandes Wedi Village and their businesses did not run perfectly. Therefore, Kampung Sablon Association as a local institution should be promoted by through trainings on group dynamics, institutional process, cooperation, strategic management, entrepreneurship and marketing.

People-Oriented Development (Social Development). Midgley (1995) defined social development as “A process of planned social change designed to promote the well-being of the population as a whole in conjunction with a dynamic process of economic development.” Based on three social development strategies stated by Midgley (1995), social development strategies in Pandes Wedi village were individual and social development conducted by the community. These were obviously

entrepreneurial activities undertaken by the disaster-affected community incorporated with the Kampung Sablon Association. Therefore, it can be concluded that there are two social development strategies implemented, namely social development through individuals (because each member of the Kampung Sablon Association is a traditional clothes printing entrepreneur) and social development through the community (the entrepreneurs empower the community of Pandes Wedi Village like young people, to join their businesses and teach them how to produce and market the traditional clothes printing products, creating jobs for the unemployed villagers). In this research, social development, including both social and economic development, was mainly represented by people oriented development. The economic development was conducted in a parallel way with social development; they both emphasized people oriented development.

From the perspective of social development, this Kampung Sablon Association was true evidence of successful people oriented development which sought to raise public awareness to challenge their management through bottom-up approaches. Similarly, the organization was considered most effective when it fulfilled concrete needs of the community, such as, needs related to health, employment and basic services (Ife & Tesoriero, 2006). Note that the organization can also fulfill the strategic needs of the community in a particular socio-political context. Furthermore, the organization set up the strategies to develop

the community based on local conditions, wisdom, and social capital. Finally, it helped people to live better by providing social services to meet their social needs. As explained by WYD, a member of Kampung Sablon Association:

“There is a printing course here held by our association. This creates job opportunities. It is also an empowerment program for our community. We want to the restoration ability” (WYD, member of Kampung Sablon Association, personal communication, October 4, 2017).

The people oriented development through local entrepreneurial organizations could improve the social resilience of Pandes Wedi community as well. Social resilience of a community is a capability within the community to deal with risks due to threats of social, economic, and political changes (Bahransyaf & Bambang, 2005). Based on the analysis, it can be seen that Pandes Wedi Village had quite adequate social resilience because the entrepreneurial organization was directly built by the local people. The Head of Rehabilitation and Reconstruction Division of BPBD, Klaten also agreed with this statement:

“Yes, empowering the economy is important, isn't it? It is better not to expect assistance from others; it is more important to learn to survive from the disaster. Don't wait for help from others. When will we start to

rise if we wait for others' help? We have to establish social resilience by ourselves. I would suggest the example of the Kampung Sablon Association. Finally they now stand independently based on their own ability. Although their capital is limited, their orders always follow" (SG, Head of Rehabilitation and Reconstruction Division of BPBD Klaten, personal communication, October 4, 2017)

CONCLUSIONS

Kampung Sablon Association showed that a local organization initiated by the local community members were strong and independent to recover after disasters. The members strengthened themselves by using remaining capitals, helping each other, sharing resources, and promoting their businesses. Up to today, they run professionally and nurture young entrepreneurs in Pandes Wedi Village. This conclusion complied with the argument that grassroot entrepreneurial community organizations are likely to be more successful in improving a community's economic conditions and self-reliance given successful implementation of community organizing principles. To conclude all discussions above, the conclusions are divided based on the research questions:

1. **The role of local entrepreneurial organizations initiated by local community members in restoring the economic conditions of the community after a disaster**

Based on the results, it can be concluded that a local entrepreneurial institution can drive business initiatives to restore economic stability of a disaster-affected community. Social capital plays an important role, as well as principles of kinship and cooperation. Kampung Sablon Association, as a local institution, facilitated the adaptability of programs to physical environment changes, especially after the disaster. This local institution developed participation and cooperation in program implementation, which brought in social, economic and technological changes. Furthermore, this local institution helped to improve the program efficiency through resources allocation and cooperation activities.

2. **The enabling factors of local entrepreneurial organizations to improve a community's economic conditions after a disaster**

The factors that enabled the success of entrepreneurial endeavors to restore economic conditions and community self-reliance included social capital, implementation of community organizing principles and local independence, and people oriented development. Furthermore, the effect of strong social capital (bonding and bridging) within communities helped to strengthen the local entrepreneurial institution.

In the end, the dynamic process of development in Pandes Wedi Village stimulated social development which helped them gain welfare after the disaster.

Finally, local institutions initiated by local communities can develop the community, empower disaster-affected people and strengthen the community bonding. Importantly, future research should use quantitative data before and after a disaster, so that the comparison of a community's welfare level before and after the disaster would be apparent.

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