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## **Jimpitan in Wonosobo, Central Java: an indigenous institution in the context of sustainable socio-economic development in Indonesia**

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### **Citation**

Swaningrum, A. (2023, June 28). *Jimpitan in Wonosobo, Central Java: an indigenous institution in the context of sustainable socio-economic development in Indonesia*. Retrieved from <https://hdl.handle.net/1887/3627823>

Version: Publisher's Version

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**Note:** To cite this publication please use the final published version (if applicable).

# V The Utilization Of Available Institutions / Organizations

In order to answer the research question, information was collected in a variety of ways. This chapter will provide the qualitative information on the basis of the individual interviews and field observations. Alongside the qualitative information, the quantitative data that differentiate the knowledge about, belief in and opinion about the utilization of institutions and organizations in the research area is also described. The part of 'the knowledge' measures how much the respondents know about the institutions and organizations, in terms of its place, utilization, and management. The part of 'the beliefs' measures how much the respondents trust whether the institutions and organizations, in general, could help the people in need based on their own or other's experience. And finally, the part of 'the opinion' depicts their own experience after the utilization of the institutions or organizations they choose, or other experiences about other institutions or organizations they did not choose. Therefore, this chapter will answer the following research question: what kind of people under what kind of circumstances use which kind of institutions or organizations.

Section 5.1 provides a brief description of the important of rice, as an original medium used in *jimpitan*, and also the qualitative information regarding the conversion of rice into money in conducting *jimpitan* in the research area. In this study, the institutions and organizations which serve the community in the research area will be divided into three categories, namely indigenous institutions, transitional organizations and exogenous organizations. The more detailed description about the division will be discussed in section 5.2. The respondents only provided one answer category of institutions/organizations. However, this study still considers that there is a possibility that the respondent chose not only one institution/organizations, *eg.* in some interviews they may have stated the reason of choosing one institutions/organizations over the other.

"Later on, if any member of the community falls ill, usually they will give the sick person money from the *jimpitan*, it is called a social fund, soon after the person returns home

from the hospital, as much as IDR 75,000. For *jimpitan* rice, they usually sell it to the neighbors for a low price of IDR 2,000 per kilogram.” Statement by Mrs. Warminah from Kejajar village.

Such conversation depicts the utilization of the *jimpitan* in the research area. In some areas, there are local people who still preserve the existence of conducting the *jimpitan* using rice, although, in most areas they already use money for *jimpitan*. The *jimpitan* is one of many institutions/organizations that serves the local people in the community in the four villages. Alongside *jimpitan*, there are other institutions/organizations, *i.e.*, the cooperative, the PNPM-UPK (*Program Nasional Pemberdayaan Masyarakat-Unit Pengelolaan Keuangan*/National Program for Community Empowerment-Financial Management Unit), and the bank. In the questionnaires, the question regarding the utilization of institutions/organizations is described by six answer categories of institutions/organizations in which five of them are the *jimpitan*, the loan shark, the cooperative, the PNPM-UPK (shortly, UPK), and the bank. The last answer category is the option of “other” that is intended to cover the local people’s choice of other institutions/organizations besides the five aforementioned institutions/organizations. The option “other” was chosen by 27 respondents; they are the respondents who choose to go to their relatives or neighbors whenever they needed money.

### 5.1. Rice as An Important Element in *Jimpitan*

Indonesia is one among three countries which make up 60% of the world’s rice consumption (Standage 2018). In several regions in the country, rice is considered a symbol of religion, culture and lore, such as the Balinese people who believe that rice is a gift from the gods. Every stage of the growth of the rice plant is coupled with a complex ceremony, in which the first harvest is presented to the gods (Amin 2012). Rice, derived from the word *uwos* in the Javanese language, means the essence of life. Life itself is a process. Rice comes from a small substance of *wiji padi* (seed of paddy) which is then planted in a vacant land, strewn (*tandur “di tata mundur”*), given a stone so that the plant will stand up straight (*di watun*), watered, finger-knife (*di ani-ani*), sun-dried (*di pepe*), milled, and peeled off. Then it becomes three forms: *katul*, *merang*, and rice (*beras/ uwos*). Rice is then washed and cooked, and there are three cooking components needed, *i.e.*, fire, kettle, and water, so it becomes edible rice, and considered as the staple food of the people of Indonesia. Hereafter, the rice can be processed into porridge (*bubur – lembut ing budi*). The hot steam of porridge (*kebul*) implies that we can achieve our wants (*kabul panyuwune*). This rice is the essence of life, meritorious – *lembut ing budi*. To be meritorious, possess noble character (*lembut ing budi*), one must to go through a series of hardships in life, as rice to become edible rice must pass through several stages because life is a process (Bambang Sekar Sutedjo – *perscomm.*).

Related to the rice itself, as a means of *jimpitan*, the sustainability of farming activities, as the people of traditional Javanese community believe, is being protected by *jagad ghoib* (mystical things) as they believe in the Goddess of rice, the one who protects the areas of

rice farming and provides the food for the community. A. C. Kruyt's theory states that from the perspective of the local community of animistic beliefs, the rice plant conceives more *zielestof* (subtle substance/soul stuff) compared to other plants, at which point its mystical things affect how the community carefully deals and utilizes the materials (Kruyt as cited by Rivers 1920; Wiradnyana 2015; Purwandaru, *et al.* 2016). Within all 'rice cultures' in Indonesia, rice is considered a living person who needs attention from life to death. The development of rice starts from the seeds to ready for harvest, resembling the process of human growth, so the treatment of rice plants is similar to the treatment of a human. The life of rice will always depend on the custody of the spiritual power by providing the rituals needed, rice protected by the gods, especially the Goddess Sri because she is considered as the embodiment of all the spirits, the life force that produces, maintains and oversees every rice plant (Van der Meer 1974).

In the article of Wasito Prawirodijodjo entitled *Menuju Masyarakat Tani Yang Sejahtera Dengan Memupuk Usaha-Usahanya Yang Dikerjakan Secara "Gotong royong" Dan Bersendikan "Rukun"*, which was written at Wonosobo, June 1956, it is stated that *jimpitan* is used as a capital formation for the farmer concerning rural community development. At that time, the government had a massive program of "5 years plan" for development, and rural community development is the most crucial part of the plan. The slogan of *sedikit-sedikit menjadi bukit* (literally, *sedikit* means a small amount, *menjadi* means to become, *bukit* means hill; so, from the repetitive collection of small amount of one thing conducted by a community, the thing will eventually grow bigger/drops make an ocean) is used by the farmer to collect funds, following their own capacity, *e.g.* *jimpitan* rice in Kalierang village, Selomerto sub-district; *jimpitan bawon* (salary in terms of paddy or other harvested plants) in Glagah village, Sapuran sub-district; and *jimpitan* firewood in Sidorejo village, Selomerto sub-district, and savings in Bumitirto village, Selomerto sub-district (Kenang-kenangan D.P.R.D.S. Kabupaten Wonosobo 1950 – 1956). It is one of the written evident that the activity of *jimpitan* has been conducted by the people of Wonosobo at least since 1950.

Poor people in Indonesia mainly depend on their relatives, neighbors, and other community members for their safety net. Community assistance in Java in the form of rice assistance, such as *perelek* and *jimpitan*, serve those in the neighborhood who are in need. Both are also considered a precautionary conduct in dealing with unexpected hardship. Each household routinely contributes one glass of rice, which is then distributed to families in need. There is no repayment if it is given to the elderly or disabled people. Such institutions are indicators of the existence of community solidarity, and the resourcefulness of the community (Mukherjee 1999; World Bank 2000; Chan 2003).

*Jimpitan* is similar to *Lumbung Desa* (Village Barn), the credit institution which already existed in the colonial period. It was designed to overcome the poverty in villages in Java. It was channeling loan schemes, especially, and savings in the form of cash or rice, which was used to assist farmers and protect them against the middlemen and moneylenders (Rinardi *et al.* 2017). The slogan of *sedikit-sedikit menjadi bukit* is the realisation of the endurance trait of Javanese people. *Jimpitan* as a social practice becomes interesting

because the activity, as well as the usefulness of this institution, is capable of uniting citizens, who have their own multi-problems, either personally or collectively. These problems may be of various kinds: religious, economic or other. It is different when compared to other activities such as *pengajian* (religious gathering), *arisan*, or savings and loan cooperatives. Those activities have similar benefits but they have a limited frame entity (Harsono 2014).

Generations of Indonesians have passed down the thrifty pattern of life for our daily activities. Used to be, our parents would take a pinch of rice before cooking it, and put it into a separate container/box, and use it as a stock in case of lousy season/famine (Rianto 2005). Surono (2012) says that there are three central values in *jimpitan*, namely: *gotong royong*, its voluntary nature, and the fact that it takes turns. *Jimpitan* complies with the social ethics which includes advice/suggestion for (a) making others feel happy, (b) be careful in speech, (c) being humble before God and humans, and (d) creating a good relationship. Those four advices were listed in *Pepali Ki Ageng Sela* (Endraswara 2016). Dayah (2015) says that when she sets aside a pinch of rice for *jimpitan*, it radiates a “positive energy”, so no leftovers are wasted.

In the four villages of the research area, the *jimpitan* is now not only using rice but also monetary units. The conversion of *jimpitan* from the form of rice into monetary units is necessarily conducted for some local people to ease the activity. The medium of exchange or the use of a certain object to gauge the value of other objects has been considered as money. Money as found in price-market economies has major characteristics such as portability, divisibility, convertibility, generality, anonymity, and legality (Harris 1997).

From the year of 1994, the *jimpitan* rice was already conducted in Tegal Arum, Kejajar village. The rice was sold, after the collection, to the member for a price below the market price of IDR 2,000 per kg, and around 2013 the *jimpitan* changed from rice into money, since the price of the rice in the market was increasing and the households asked to stop the *jimpitan* rice. According to the local people, Mrs. Sri Sutitah (*pers comm.*), whose father was the head of RT3 RW22 (now RT3 RW1) in the 1970s in *dusun* Sumberan Utara, Wonosobo Barat village, had been conducting *jimpitan* in the form of rice. The statement is strengthened as well by other local people (elderly) who live in the neighborhood, Mrs. Sayin, who was directly involved in the activity in the past, stated that back then people had problems getting money. Her mother used to set aside a small portion (*sejumpat*) of rice and put it in a can every time before she made breakfast or dinner for the family. The rice was then collected by the night patrol officer once a week in the evening. After the rice was accumulated, it was sold to the people who wanted to buy it. The money the people of *dusun* Sumberan Utara got from selling the rice was used for social needs and for purchasing the pottery. The social needs were to visit the sick person and donate the money to them, or the family of a deceased person. The pottery was stored in her father's house (as head of RT) and could be used by the residents for free when they had ceremonial activities of the life cycle, e.g., marriage, death, circumcision. It was rather important since the Javanese people used to have ceremonies to celebrate the important moments in their life cycle.

According to Mulder (1996), the Javanese people tend to formalize a prominent condition into the ceremony; life must be formalized, changing circumstances must be patterned, they must be determined, and they must be justified. The Javanese people overcome the reality of society through the process of formalism, through freezing the situation so that it becomes static and organized, thereby the structure becomes evident. To achieve this purpose, the Javanese put on a ceremony that takes care of the situation. Each structure (organization, situation) must be formalized and must be placed between existing structures. Referring to the other local people in Wonosobo Barat village, Mrs. Sri Kunteni, former head of PKK and also a retired teacher, said that the *jimpitan* rice was already conducted since the 1980s. In the year 2011 it was converted into *jimpitan* money for several reasons. In the rainy season, for instance, it was rather challenging to collect the rice. There were also different kinds of rice so that when it was sold the price would have been lower. The contributed money was usually allocated for supporting the ill person or the family of a deceased person. *Jimpitan* rice was collected every day. *Jimpitan* money as much as IDR 500 per month per household was collected and stored by the treasurer of PKK. They allocate IDR 50,000 to 100,000 to give to the ill person. These days, the *jimpitan* is managed in scope of RT.

*Jimpitan* rice in *dusun* Bangon, Sojokerto village, was converted into *jimpitan* money for several reason, as some of the villagers said in the meeting. One teaspoon of *jimpitan* rice per day converted into *jimpitan* money five months ago (circa April 2017). Backdated to the beginning of 2016, when the *jimpitan* was in the form of rice, there were some members in the neighborhood whose rice contribution was irregular because they forgot to do it. Others said that sometimes the rice *tuturen* (went bad) because in the rainy season, the night patrol officer did not collect it, so they had to throw it away. For the sake of simplicity, they converted the *jimpitan* rice into *jimpitan* money of IDR 500 per day. The next section will give a detailed description of the utilization of the *jimpitan*, either using rice or money, and following sections will deal with the utilization of transitional and exogenous organizations.

## 5.2. The Utilization of Institutions/Organizations in Four Villages

The elaboration of the utilization of institutions/organizations in four villages consists of quantitative and qualitative data. The quantitative data show the knowledge of, belief in, and opinion about the institutions/organizations from 199 respondents. The significant relationship between those three variables with the dependent variable of utilization of institutions/organizations will be shown in more detail in the subsequent chapter. The qualitative data provide the information of the kind and the use of the institutions/organizations. The indigenous institutions, which are bottom-up institutions that are initiated and managed by the local people for the local people and using their own resources, are *jimpitan* and loan shark (*lintah darat* or *rentenir*). However, none of the respondents choose the loan shark as their main choice of institution when they are in need of money. This is either because of the tendency that the person who uses the service of the loan shark is ashamed to reveal it, is having religious ideals, or because

the loan shark role is already diminished. According to local people, the loan shark did exist in the past, but in some places, it is no longer available nowadays. The loan shark existed because of its simplicity: a quick process, an easy requirement, no collateral needed (an informal and easy version of the bank's *KTA/Kredit Tanpa Agunan*), nearby location, available 24/7. However, to deal with the loan shark is pretty risky because of its high interest, the absence of an underlying law, and its use is prone to various problems. In Wonosobo, some of the local people said one kind of loan shark is *bank thengul*, while the governor of Central Java used the term *bank titil*. Although there are persons who considered bank *thengul* as cooperative, a combination of a small-scale bank and traditional methods of collecting payment, these days its existence has ended and it is only available in few villages. There is a sort of shift appearing in the financial landscape. Wibowo (2017) indicates that one of the functions of the establishment of a local-government owned bank, the PD BPR Bank Wonosobo, is to eliminate the role of loan sharks. Therefore, it is only *jimpitan* which will be considered an indigenous institution which is available in the research area.

The transitional organizations are represented by the respondent's choice of either the cooperative or the UPK. The cooperative in the research area can be categorized into two types, *ie.* the cooperative that serves limited members, and the cooperative that serves unlimited members. An example of the cooperative with limited members is the cooperative of which the members are only teachers, only civil servants, or only women. Meanwhile, cooperatives with unlimited members are cooperatives which allow anyone to join them. The exogenous organizations are the banks, either national banks, local banks, private banks or sharia/Islamic banks (banks that are using the mechanism of profit sharing instead of interest in lending scheme). There are no other exogenous organizations besides banks whose services are reaching out to the village level. The description of the utilization of institutions/ organizations will be started by the explanation of the utilization of indigenous *jimpitan* in section 5.2.1., the transitional organizations in section 5.2.2., and the exogenous organizations in section 5.2.3.

### **5.2.1. The Utilization of the Indigenous Institutions Jimpitan**

*Jimpitan* posits traditions of a collection of a small portion of rice or money, which is routinely taken from each household in a neighborhood for a specific period. *Jimpitan* was considered as insurance against lean seasons. If the rice harvest would fail, the farmers could borrow from the villagers' rice deposits so their families would not starve.

Nowadays, *jimpitan* is also being conducted by urban families (Angkasa 2013). At first, rice was collected from each household to be stored as the villagers' shared wealth, but it was eventually replaced by money. Its merits have evolved into various socio-economic functions. Hidayati (2012) mentions that in the aftermath of an earthquake in Yogyakarta in 2006, *jimpitan* was used as a mitigation strategy to survive the disaster. Mukherjee (1999) reports that in Galih Pakuwon Garut district of West Java, *jimpitan* in the form of rice was used to support poor and low-income families, and in the form of money it was used to expand individual businesses. ADB (2006) records that *jimpitan* alongside

**Table 5.1 Distribution of the knowledge, belief and opinion on *jimpitan* variables of respondents of the sample in all four villages (N=199)**

Variable	Villages								Total	
	Kejajar		Wonosobo Barat		Kalibebber		Sojokerto			
Knowledge	N	%	N	%	N	%	N	%	N	%
No Knowledge	7	13.7	39	84.8	3	6.0	4	7.7	53	100
Little Knowledge	13	25.5	3	6.5	17	34	13	25	46	100
Average Knowledge	8	15.7	2	4.3	16	32.0	18	34.6	44	100
Much Knowledge	23	45.1	2	4.3	14	28	17	32.7	56	100
Total	51	25.6	46	23.1	50	25.1	52	26.1	199	100

Belief	N	%	N	%	N	%	N	%	N	%
No Belief	6	13.3	86.7	86.7	0	0	0	0	45	100
Little Belief	17	27.0	5	7.9	26	41.3	15	23.8	63	100
Average Belief	17	24.6	2	2.9	20	29	30	43.5	69	100
Much Belief	11	50	0	0.0	4	18.2	7	31.8	22	100
<b>Total</b>	<b>51</b>	<b>25.6</b>	<b>46</b>	<b>23.1</b>	<b>50</b>	<b>25.1</b>	<b>52</b>	<b>26.1</b>	<b>199</b>	<b>100</b>

Opinion	N	%	N	%	N	%	N	%	N	%
No Opinion	6	14	37	86	0	0	0	0	43	100
Negative Opinion	2	40	2	40	0	0	1	20	5	100
Average	10	10.2	7	7.1	37	37.8	44	44.9	98	100
Positive Opinion	33	62.3	0	0	13	24.5	7	13.2	53	100
<b>Total</b>	<b>51</b>	<b>25.6</b>	<b>46</b>	<b>23.1</b>	<b>50</b>	<b>25.1</b>	<b>52</b>	<b>26.1</b>	<b>199</b>	<b>100</b>

Source: Computation of the Data Set from the Fieldwork (2017)

with *layatan* (attending funeral ceremonies) and *sumbangan* (contribution in cash to newly-wed couples or the parents of newly born babies), are included as a type of mutual solidarity and community assistance.

Table 5.1 presents the knowledge of, belief in, and opinion about the *jimpitan* in four villages sample areas. In the questionnaires, the questions offer six answer categories. However, due to the significance statistic test, the answer categories are now shortened into four answer categories. From table 5.1, it is concluded that of the four villages, Kejajar village has the highest number of respondents who reported to have much knowledge about *jimpitan*.

Most of the respondents had an average belief in the *jimpitan*, 69 respondents out of 199. Similar to the opinion on the *jimpitan* that the average opinion posits the highest numbers



that respondents have reported, 98 out of 199. 33 respondents in Kejar village reported a positive opinion on *jimpitan*, which is the highest number of respondents compared to respondents in other villages. In contrast, 39 respondents out of 53 who reported no knowledge about *jimpitan* are respondents who reside in Kalibeb village and none of the respondents in Kalibeb village reported a positive opinion on the indigenous institution *jimpitan*. 11 respondents posit much belief in *jimpitan*, the highest number amongst all. In contrast, none of the respondents in Kalibeb village have much belief in *jimpitan*. With reference to the bivariate analysis (Table 6.2.), the utilization rate of *jimpitan* is higher in Kejar village than in the other villages, 41 out of 64 respondents. It can be concluded that the psycho-social variables which include the knowledge of, belief in and opinion about indigenous institutions more or less positively affect the respondents in Kejar village to choose the indigenous institution of *jimpitan*.

The qualitative data based on observation and in-depth interview about *jimpitan* in Kejar village, in the *dusun* Tegal Arum of RT1, RW10, as said by Mrs Darti, show that the members should pay IDR 500 in every Saturday meeting for the *jimpitan*. The money collected from *jimpitan* will be distributed to help ill persons for about IDR 75,000 per person. Beforehand, if there is one person who is ill, the other households are obliged to contribute IDR 3,000. If coincidentally there are several persons ill at the same time, *e.g.*, three people, then each family should give IDR 9,000 for three people. The households can hardly afford to provide such an amount of money, in which case *jimpitan* is created



Illustration 5.1 The bamboo or plastic cup of *jimpitan* rice or coin money. © Ayu Swaningrum (Sojokerto, 2017)

to ease the burden of the families in the neighborhood. Around the neighborhood, there are more or less 47 households in one *RT*. However, she regretted the lack of transparency in the management of *jimpitan*, where only the *RT* administrator (*ie.* the head and the treasurer) who knew all about *jimpitan*. Once she raised this problem in the meeting, but there was no solution. She also admitted that there were village members who hesitantly accepted the aid from *jimpitan* because they did not want to be known as poor. According to the interview with Mrs Tina, still in the same village, there are three meetings a month on the following dates: 10, 20 and 30 in *RT* 2 RW10, and each member should pay IDR 1,000 to the *dawis* treasurer<sup>5</sup>. *Dawis* only consists of 10 households, but since there are more elderly than youth and it was difficult to manage the administration, so temporarily the *dawis* now consists of 30 households in the neighborhood. In the research area of Wonosobo district, the utilization of *jimpitan* especially in four villages is mostly used for social activities, non-direct health assistance, financial issues and education assistance. The summary of the utilization of *jimpitan* is based on the individual interviews and field observations, and is described in the following paragraphs.

#### 5.2.1.a Savings and Loans

Marsh (2003) states that the understanding of the arrangements of local people's loans and savings is the key to poverty-reducing credit initiatives. Therefore, it is important to know how the villagers meet their needs of cash and labor, how the arrangements are related to the vulnerability, social norms and customs, and how they manage the loan and saving arrangements which are associated with livelihood strategies. In the rural research area of Sojokerto village, in *dusun* (sub-village/hamlet) Boto of *RT* 2 RW 11, every household puts a coin of money - minimum IDR 500 (Indonesian Rupiah) - in a plastic or bamboo cup which is hung in front of their house every day (Illustration 5.1). Every evening the *sukarelawan petugas ronda* (voluntary night patrol officer) collects the money and writes down the amount in a record book (Illustration 5.3). According to the interview by the researcher with one of the respondents, Mr Anggoro, the record book of *jimpitan* will be reported in every routine meeting. Half of the combined sum of the contributions to *jimpitan* will be offered to the member in the form of a soft loan, and the remaining half will be saved and returned to the member once a year before *Lebaran* (Eid-holy day for muslim). The highest loan offered to a member from *jimpitan* is IDR 2,000,000, that is higher than the previous loan of IDR 1,500,000, at 5% interest. The money collected from the 5% loan interest is re-used for adding to the amount of the following loan. As a result, the amount of the loan offered to members keeps increasing. In addition to the *jimpitan*, the neighborhood has another voluntary contribution which is originated from the *RT*, ever since 2017 the sum of the money from *jimpitan* exceeds the number of cash generated by the *RT*. The decisions of how *jimpitan* is managed are discussed during the meeting, and the amount of *jimpitan* per day is up to each household. There were some

<sup>5</sup> *Dawis* stands for Dasa Wisma. Dasa means 10, wisma means house. Dasa Wisma is a community which consist of women from 10 households in one *RT* neighborhood, divided according to geographic location of north, south, east and west or left, middle and right-side. As an object of PKK movement, families are grouped into Dasa Wisma (*cf.* Wafiyah 2015).

days where people did not collect *jimpitan*, so the RT coordinator change the composition of the group responsible of collecting *jimpitan*. There were also people who initially did not return the loan, but in the end, they paid it because they felt ashamed because other people talked about it (*perscomm.*).

The loan functions are important to help the people who are in need of paying the children's school fees or other needs. For savings and loans functions, it is easier for the inhabitants to get the loan through *jimpitan* rather than go to the bank or other financial institutions. Because it needs no long-winded administration, it requires no collateral, and it is accessible any time (in a bank, one can only request a loan during working hours); it has flexible payment time and low interest rates (similar to a soft loan). However, the amount of the loan one can obtain from the *jimpitan* is not as much as one can obtain from the bank, the cooperative or UPK.

Microfinance institutions can manage a closer relationship with their customers. Therefore, they can respond to the customer's needs and manage the risks, although when they select to lend to the risky customers, it can be considered disadvantageous (Goldberg and Palladini 2010). However, with the community-based institutions like *jimpitan*, the concern about the risk of default due to mistakes in the selection of

There are two kinds of *jimpitan* management in Kalibeber village. The first is the *jimpitan* which is managed by the households in RT02 RW04. (Illustration 5.2, right). According to Mrs. Nuril Khusniyati (*pers comm.*), every household pays IDR 3,000 per month, which then will be collected by the women in the afternoon and stored in the RT's petty cash. Some of the *jimpitan* money and an additional one-time donation of 250 grams of rice per household (circa 10 kgs in total in one RT) will be given to a family who lost one of their members. Some of the *jimpitan* money is given to a person who is ill. In RW.03, there was ronda and they collected *jimpitan* rice. They had to give it to the RT administrator afterwards and needed to sign the list of attendance. They will be fined for 5.000 or 10.000 IDR if they did not report it. The fine, according to Mrs. Mukhorifah, was to discipline the people and to encourage them to collect it. The second type of management is organized by the Muhammadiyah organization, an Islamic social organization (Illustration 5.2, left). The *jimpitan* organized by its women division of Aisiyah, is the collection of 250 grams or more of rice every Friday. The *jimpitan* is collected alongside other donations such as *iuran terpadu* (integrated dues) as much as IDR 5,000 per household, *dana pangrupti layon* (mortuary funds) as much as IDR 2,000 if there is one person who passed away, and *infaq* (charity). The contributed sum of money from those collections is used for helping the people who are mourning a death in their family; for the orphans, poor widow, and the elderly; for helping to meet the education needs for children. The *jimpitan* rice for the elderly, orphans, poor widow is distributed once a month. The main difference between both types is the scope of the distribution, in which the *jimpitan* that is managed by the Aisiyah has a wider scope of distribution compared to the *jimpitan* managed by the RT.



Illustration 5.2 The collection of *Jimpitan* Rice. © Ayu Swaningrum (Kalibeber, 2017)

customers will not happen, because all members of the savings and loans already know each other. Mukherjee (1999) writes that *jimpitan* or *perelek* organized by the PKK women's group, the neighborhood units (RT/RW), or *pengajian* in Galih Pakuwon, possesses two concepts. They are: (a) *Jimpitan* in the form of rice-aid for which every household should give one cup of rice a month. This is to provide the poor families with rice loans, whereby repayment is the same amount of rice they borrow if the borrower can repay it. The rice is also given to elderly or disabled persons, with no repayment required. (b) *Jimpitan* in the form of money in which every household should participate to give IDR 200 per week, and the money will be utilized for helping to add capital for setting up small businesses. The repayment includes a small administration fee and can be in the form of instalments after the business creates profits. In reality, those two concepts can be extended into another form, such as the seeking of the help of water supply or an illegal electricity connection.

According to Uphoff (1986), the "rotating credit" schemes are one of the most popular methods for mobilizing savings for private purposes, informally institutionalized in many countries. The effectiveness of poverty reduction programs using microfinance and credit depends on an understanding of several things. First, the knowledge of the behavior of the villagers in fulfilling their needs of cash and labor, and arrangements which relate to their social values, norms and customs and when there is no easy access to formal credit institutions for the poor. Second, the linkages of saving and credit arrangements to the livelihood strategies. Third, the implementation of caution through the offering



of new credit opportunities for the social safety net for the poor. Fourth, the integration of “reputation-based lending” as collateral to ensure the rates of repayment and credit accessibility of the poor (Marsh 2003).

#### 5.2.1.b Precautionary Conduct – Risk Management and Health Micro Insurance

In the research area of hamlet Bangon, as confirmed by Mr. Giyat, the money will be given to a family as consolation money, to assist them after losing one of their family members. The neighborhood will give at least IDR 50,000 plus additional social funds for a minimum of IDR 10,000 (put in the yellow envelope) per household, and some kilograms of rice. The same amount of money and rice will be given to the people who mourn, whether the household is categorized as rich or poor (*perscomm.*). The money will usually be used for paying some cost related to the funeral procession, and the rice will be cooked for serving the neighbors who come to the house for the recitation ceremony (*tahlilan*) for the dead. Meanwhile in Kalibeber village, according to Nuril Khusniyati, one village member in



Illustration 5.3 Recording the *Jimpitan* rice. © Ayu Swaningrum (Sojokerto, 2017)

Wonosobo Barat village is considered an urban area for its location nearby the town square, the center of Wonosobo district. *Jimpitan* in one of its villages in *dusun* Ngedok (RT1, RW13) is still conducted using rice. As reported by Mrs. Dita Bara Prestanti, one of the members in the *arisan* group, *jimpitan* rice in each household is placed in a plastic cup in front of the house. The collection of the rice is conducted every day by the women in turn. Every member of the neighborhood should take a turn to collect the rice for every meeting. In each meeting, held the 8<sup>th</sup> of every month, a draw will be made for three members who have to pay the rice per kilo for IDR 5,000, and each of those three members should buy five kilograms. The money collected from *jimpitan* rice is used for various needs, e.g., for the family of a deceased person, or for an ill person. Whenever someone in the neighborhood passes away, the neighbors will help the family by providing mineral water for the guests who come to mourn, and providing wrapped rice (food) and cigarettes for people who help digging the grave, for which the money collected from *jimpitan* is used. Moreover, each household will be handed a yellow envelope to be filled with money. Afterwards, the money will be given to the grieving family. There are only 16 households in this neighborhood.

They use the rest of the money for buying uniforms. It is the task of the women who usually take the rice of the *jimpitan* and do this in the daylight instead of in the evening. Because of contours of uneven ground, some houses entrust their *jimpitan* rice to the nearest house above it to ease the collection of the *jimpitan* rice, therefore, two plastic cups are hanging in front of the door (Illustration 5.4). If we compared the *jimpitan* in hamlet Ngedok to hamlet Bangon, both are quite different in terms of (i) the collection time, (ii) the one who collects the *jimpitan*, and (iii) the meeting in which the distribution of *jimpitan* is discussed. In hamlet Bangon, the collection time is in the evening, conducted by men when they do ronda, and the meeting of men which is held every selapanan (35 days) discusses the utilization of the *jimpitan*. Meanwhile, in hamlet Ngedok, the collection time is in the daylight, conducted by women, and the *arisan* meeting is held every month (30 days) on the 8<sup>th</sup> to discuss the *jimpitan*.

RT02 RW04, the neighborhood people will collect *jimpitan* rice as much as one cup per household if one member of the neighborhood passed away. The rice which has been collected is given to the family to be used according to their needs. Moreover, sick people will be given IDR 100,000 to IDR 300,000, from *jimpitan*, which is collected each week: IDR 3,000 from every household in one neighborhood of RW04 (*perscomm.*). In facing an unexpected adverse event, particularly health emergency or demise, one can rely on his/her neighbors. This reflects that the social networks and the resources which communities possess are prominent as a coping mechanism.

#### 5.2.1.c The Social, Economic and Cultural Value

One of the respondents in Kejajar village named Mrs. Eni from RT1 RW10, admitted that by preserving *jimpitan*, the people show affection for each other by sharing stories whenever they conduct a meeting to collect the rice of *jimpitan*. The research undertaken



Illustration 5.4

The collection of *Jimpitan* rice by the respondent.

© Ayu Swaningrum

(Wonosobo Barat, 2017)

by Firmansyah *et al.* (2017) records that cultural values have a relation with the cognitive, emotional, motivational and behavioral systems, in that they affect the public's happiness. Marsh (2003) shows that the prominent element of cohesion of a community, as well as the household livelihood, is the local bonding institutions based on indigenous norms of solidarity and reciprocity. Mrs. Bandiyah from Kalibeber (RT. 2 RW. 4) said that as a monthly routine, *jimpitan* rice was no longer conducted since 2015 because they got bored taking it from door to door. However, *jimpitan* rice that is still occasionally conducted when someone passed away, where every family contributes a minimum of a quarter kilo of rice for the family of the deceased person. The *jimpitan* rice is collected from the village and is given right away after there is an announcement of someone who has passed away. Also, according to Mrs. Lili, *jimpitan* rice was no longer conducted because sometimes people forget to collect it.

The Javanese cosmology is based on the idea of balance and harmony. The cosmology is applied to the livelihoods of the local people or the so-called peasant community (*masyarakat petani sawah*). This is evident from the ways that the Javanese people will



Illustration 5.5 Management record of *jimpitan* and other social funds. © Ayu Swaningrum (Sojokerto, 2017)

always try to find a balance between family needs and external needs, and that they will try to seek harmony as a priority, in particular in their spiritual life. Just like the Balinese people who emphasize that inner peace exceeds the priority of practical living needs (Handoyo *et al.* 2015). Szirmai (2015) argues that the relationship which is based on personal relations and on kinship in Asia contributes adequately to the commercial activities since it displays an element of security and encourages collective responsibility for the enforcement of contracts. Endraswara (2016) states that the economic life of the Javanese people cannot be separated from the social aspects, as their principles in commercial activities teach that it is better to spend some money than losing brotherhood (*luwih becik kalah uang timbang kalah wong*) and property loss is not considered fatal compared to losing relatives (*tuna satak bathi sanak*).

#### 5.2.1.d Funding Various Activities of the Society

One model of *jimpitan* utilization in the activity of local people, according to Zakiyah (2016) at *dusun* Tukbegel (Ngrancah village, Magelang district), is the local event of *merti deso/bersih desa* (literally, *bersih* means clean, and *deso* means village)<sup>6</sup>. The people congregate to celebrate the village anniversary by a communal meal, discussing the issues and problems faced by them, and expressing the suggestions to solve them. The appealing program of this event is the all-night puppet show (*pagelaran wayang kulit semalam suntuk*), where the money collected from *jimpitan* sponsors the program. Such a collection of money reduces the burden of the villagers to pay in a considerable amount of money at once. In the research area of Kalibeber village, the local people usually hold

<sup>6</sup> *Merti Deso* is an annually indigenous ceremony to show gratitude



The *jimpitan* that is practiced in hamlet Bangon, Sojokerto village, as mentioned by Mr Giyat, one of the respondents, the head of RT1, RW6, uses money. Every *selapanan* (35 days), the money collected will be added up in a meeting. Usually, the collected amount of money is as much as IDR 445,000, for every night of IDR 500 per household of *jimpitan*. The record book will be evaluated to check the households that failed to fulfill the *jimpitan* obligation every day, in which their names will be called so that they will pay at the time of the meeting. It is a kind of social sanction, in which a person whose name is called will be ashamed of not contributing to the neighborhood's welfare. It is a sort of simple control management of the people in the neighborhood to prevent disputes from happening. They possess a nice record management book of *jimpitan* and also other social funds (Illustration 5.5), which has become one of the most crucial topics of the meeting (*pers comm.*, 2017). The money collected from *jimpitan* is spent for different purposes such as paying the road cleaning and grass cutting for as much as IDR 20,000 per year, the cemetery cleaning, and the commemoration of the national independent day, 17 August.

Particularly for the observance of the independent day, if the money collected from *jimpitan* is insufficient, consequently, the members of the neighborhood have to provide snacks (*takir*) for a minimum five portions per household (*pers comm.*). Unequal food provision by the host during regular RT meetings sometimes occurred, as reported by Mr. Giyat, where in a meeting hosted by the affluent households, various food and beverages will be served; whereas in a poor family the host may find it difficult to entertain guests with diverse menus and drinks due to the lack of money. Both forms of food provision cause inequality, therefore to prevent the gap the head of RT raised the idea to utilise money collected from *jimpitan* to pay the cost of food and beverage for every routine RT meeting. The idea tends to reduce the gap between the rich and the poor. Henceforward the meeting always provides the same types of food and beverage wherever it takes place (*pers comm.*). The meeting is also a part of effective village communication on economic and social issues, alongside a religious routine meeting. It will always be accompanied by hot tea and two snacks (fried banana and *tempe kemul*, Wonosobo specialty food) which are bought using the money from *jimpitan*, so the host only prepares the hot water and does not need to spend any money to buy the snacks, tea and sugar (Illustration 5.5). The money which is collected from *jimpitan* (as much as IDR 445,000 every 35 days) will be offered as loans. The amount of money per loan is between IDR 150,000 and IDR 300,000, so there will be at least two members who can get the loan, and the interest of the loan is IDR 6,000. Every meeting, the loan will be billed, and if the member has not paid it yet, he should pay at least for the interest of IDR 6,000.

an annual event such as the commemoration of the independent day on 17 August, and the celebration of the graduation of memorising the quran (*khafilah khotmil quran*) of Islamic boarding school (*pesantren*) Al Asy'ariyah, every 10 Muharram/10 Suro<sup>7</sup>. In *dusun* Ngedok in Wonosobo Barat village, the money they collected from selling the rice of *jimpitan* is used for purchasing the uniforms for the members of the religious gathering (*pengajian*) group.

<sup>7</sup> Muharram (Arabic) or Suro (Javanese), is the first month of the Islamic calendar which is based on the lunar calendar, so it moves from year to year if compared to the Gregorian calendar, which is solar-based

In Kejajar village, the money gathered from *jimpitan* is used as a rotating credit for every member for a maximum of two people per year in order to fulfill a particular purpose, that is for buying the cow, the sheep or the goat to be sacrificed (*berkurban*) in the holy day of *Eid al-Adha* every 10 Dhuhijjah. One of the inhabitants, Mr. Mahmudin, the ex- head of RT RW4, commented that the people in his neighborhood, circa 30 households, once a week every Friday donate one glass of rice. The rice is then collected by the women (member of *dawis*) in the afternoon after Zhuhur prayer circa 12 o'clock, and will be converted into money as much as IDR 40,000 by the members, consecutively. The money then will be stored for a year in the treasurer of *dawis*. Several days before the *Eid al-Adha* the collected money from *jimpitan*, added by the one-time collected money, as much as IDR 200,000 per *dawis* member, will be given to the *Eid al-Adha* sacrificial committee. A draw is held every year before *Eid al-Adha*, to allow two *dawis* members to receive the combined sum of contributions.

All institutions/organizations, the *jimpitan* alongside other formal and non-formal institutions/organizations together serve the community. For some respondents, when the assistance from *jimpitan* was inadequate to meet their needs, most of them preferred to go to their relatives, or neighbors. However, there were some respondents who chose to go to the cooperative, the UPK, or the bank. After the explanation of the function of *jimpitan*, the utilization of the transitional organizations is described below.

### 5.2.2. The Utilization of Transitional Organizations

In this study, there are two transitional organizations, namely PNPM UPK (shortly: UPK) and cooperatives, that were selected. The selection was made by the researcher before designing the questionnaires. The decision of choosing both was based on the fact that these two institutions were most utilized by the local people and available in almost all villages in Wonosobo district. The cooperative, the first transitional organization, as explained in detail in Chapter I and Chapter II, is a legal business entity that consists of a person or persons which is based on the cooperative principles and an economic movement of a family basis. The cooperative principles according to the Law Number 25 Year 1992 are: open and voluntary memberships, democratic management, fair distribution of the dividend, and an independent character. The UPK, the second transitional organization, is the program that was initially supported by the World Bank. It gives loans to groups which are already formed by the local people. The head of each group is responsible for reminding the members of their payment of the loan. There is the principle of *tanggung renteng* (joint responsibility) within the group, *ie.* when one or two members have not made the payment for any reason, the group should be responsible to cover it. There is a possibility that the next round of the loan will not be given to groups whose payments are incomplete.

**Table 5.2 Distribution of the knowledge of, belief in and opinion about transitional organizations variables of respondents of the sample in all four villages (N=199)**

Variable	Villages								Total	
	Kejajar		Wonosobo Barat		Kalibebber		Sojokerto			
Knowledge	N	%	N	%	N	%	N	%	N	%
No Knowledge	8	21.1	25	65.8	4	10.5	1	2.6	38	100
Little Knowledge	40	27.4	16	11	42	28.8	48	32.9	146	100
Average Knowledge	2	16.7	3	25	4	33.3	3	25	12	100
Much Knowledge	1	33.3	2	66.7	0	0	0	0	3	100
Total	51	25.6	46	23.1	50	25.1	52	26.1	199	100

Belief	N	%	N	%	N	%	N	%	N	%
No Belief	5	15.2	23	69.7	5	15.2	0	0	33	100
Little Belief	42	31.6	14	10.5	35	26.3	42	31.6	133	100
Average Belief	2	8.7	6	26.1	7	30.4	8	34.8	23	100
Much Belief	2	20	3	30	3	30	2	20	10	100
<b>Total</b>	<b>51</b>	<b>25.6</b>	<b>46</b>	<b>23.1</b>	<b>50</b>	<b>25.1</b>	<b>52</b>	<b>26.1</b>	<b>199</b>	<b>100</b>

Opinion	N	%	N	%	N	%	N	%	N	%
No Opinion	4	12.5	23	71.9	5	15.6	0	0	32	100
Negative Opinion	6	42.9	2	14.3	5	35.7	1	7.1	14	100
Average	38	37.3	6	5.9	15	14.7	43	42.2	102	100
Positive Opinion	3	5.9	15	29.4	25	49.0	8	15.7	51	100
<b>Total</b>	<b>51</b>	<b>25.6</b>	<b>46</b>	<b>23.1</b>	<b>50</b>	<b>25.1</b>	<b>52</b>	<b>26.1</b>	<b>199</b>	<b>100</b>

Source: Computation of the Data Set from the Fieldwork (2017).

Table 5.2 provides quantitative results of three psycho-social variables in the four villages. The respondents who live in Sojokerto village were the largest group who reported to have little knowledge about transitional organizations in their community. They are also reported to have the highest number of choices of little belief in transitional organizations amongst all. However, they reported giving a positive opinion toward transitional organizations. The results based on observations and in-depth interviews concerning the transitional organizations is presented in the section about the implementation of the transitional organizations in four villages below after the table. 146 respondents out of a total of 199 reported to have little knowledge about the transitional organizations, either the knowledge about the cooperative or the UPK. Of these, 48 respondents reside in Wonosobo Barat village. In contrast, only 16 respondents who live in Kalibebber village reported to have little knowledge about transitional organizations. Even 65% of the respondents who reported no knowledge

about transitional organizations are from Kalibeber village. Regarding the belief in transitional organizations, 133 respondents out of 199 reported to have little belief, of which 42 respondents reside in Kejajar village and 42 respondents in Wonosobo Barat village. Last, 102 respondents out of 199 reported to have an average opinion about the transitional organizations, of which 43 respondents reside in Wonosobo Barat village. As many as 31 respondents out of 61 respondents who utilized the transitional organizations live in Kalibeber village. Amongst all, respondents in Kalibeber village are, quite contrary to expectations, the smallest group who reported to have the little knowledge about, little belief in and average opinion on transitional organizations. It seems that those three psycho-social variables do not explain the utilization of the transitional organizations.

#### *The Use of Transitional organizations in Four Villages*

According to the interview with the respondents, there are options to shift to other institutions when they feel that they need more assistance. A respondent in Wonosobo Barat, for instance, said that he will borrow some money from UPK if the money he borrowed before from the cooperative was not enough to meet his needs. Below are some forms of utilization of transitional organizations in the four villages.

##### *5.2.2.a. To settle a payment*

In Kalibeber village, according to the respondents, there are two cooperatives they know, namely village unit cooperatives (*KUD/Koperasi Unit Desa*), which are government-owned cooperatives, and private cooperatives of “*al khoir*”. KUD is usually used by the villagers to make payments for the electricity or Water Company of Local Government (*PDAM/Perusahaan Daerah Air Minum*), although they also function for savings and loans. The private cooperatives are mostly for savings and loans, although they can also be used for electricity payments or PDAM. Meanwhile, according to the official data from the Statistics Bureau, it is recorded that there are six cooperatives in Kalibeber village. In Kejajar village, there are five cooperatives according to the Statistics Bureau. According to the local people in Kejajar village, the KUD serves more for payment of electricity bills. In addition to the KUD there are other cooperatives but only for a small number of members, such as the cooperative for civil servant teachers. In Wonosobo Barat village, there are six cooperatives, according to the Statistics Bureau. One of them is the cooperative PKPRI (*Pusat Koperasi Pegawai Republik Indonesia/Cooperative for Civil Servant of the Republic of Indonesia-Illustration 4.8*) that accept the payment of water and electricity. There are five cooperatives in Sojokerto village.

##### *5.2.2.b. Savings and Loans*

In Kalibeber village, the transitional organization of UPK functions as an agency that provides money to small-scale businesses, and the payment is set monthly. The management consists of at least the chairman, treasurer and secretary, who are selected through the recruitment at the *RW* or *kelurahan* level. In Kejajar village, UPK

is available at the sub-district level, in which the manager is the village economic activist team at the village level; it only deals with loans group connected to the UPK at the *kecamatan* level. In parallel villages, in almost every RW the UPK services are available. The returns of principal instalments and interest are expected on a monthly basis, for ten months to one-year loans. One loan group consists of a minimum of five people. In Sojokerto village, there is a UPK which is usually used to meet the daily needs and to pay for the education of children. Payment instalments are made through intermediaries in the *dusun*. The management is mainly at the *kecamatan* level. However, some people complained about this UPK because of the large amount of loan administration, brokerage services and interest, so that many people stopped asking for loans from UPK. On average, the villagers employ sub-district cooperatives or even go to cooperatives which are available in other sub-districts through intermediaries of people who are members of the cooperative.

The other institutions/organizations that serve the community besides *jimpitan* and the transitional organizations are the exogenous organizations. For the respondents who choose the cooperative and felt that its assistance was inadequate to meet their needs, they prefer to go to UPK. Mrs. Heri from Wonosobo Barat (RT.5 RW. 32) went to the cooperative “*gotong royong*” located in the market because its procedure is quite simple. Beforehand, she also borrowed from the cooperative, and she considered herself as average in terms of economic condition. She did not go to the bank because it required agreement from the household head (*ie.* her husband), while she is a widow.

One respondent named Mr. Damarhuri in Kejajar village RT11 RW6 said that the year before (in 2016) he borrowed money to meet the education cost of his son, as much as 5,000,000 IDR, from the cooperative nearby his house. He made a monthly payment for as much as 240,000 IDR for a year (in 2017) to repay the principal sum and interest. Another respondent from the same village, Mrs. Mustaqimah, chose UPK to meet the needs of the children’s education costs. She borrowed 2,000,000 IDR, and she needed to pay back as much as 200,000 IDR a month for a year. She admitted that to cover the other needs, she sometimes borrowed from the *perkumpulan Aisyiyah* (a sort of cooperative established by the Islamic women organization Aisyiyah). The loan it offers is as much as 100,000 IDR, with an interest of 5,000 IDR. Aisyiyah is a women’s association under the mass organization of Muhammadiyah. According to one of its members, they have an obligation to pay for *Simpanan Wajib Organisasi* (Organization Mandatory Saving), *iuran anggota* (membership fees), and *dana sosial* (social fund). All of the funds will be included in the organization cash. In addition, there is also member’s saving, in which all the money can be withdrawn once a year. If the saving is not withdrawn by the members, it will be offered as loans. Mrs. Nining in Wonosobo Barat village, a wife of RT’s head, RT3 RW1, reported that she asked UPK for a loan. According to her to have a loan from UPK is quite easy, because its interest is affordable, and its requirements and administration are simple.



According to Mr. Irfan, in Sojokerto village, there is only one cooperative which is managed by the PKBM "Catur" (*Pusat Kegiatan Belajar Mengajar/Learning Center Activities*). Another cooperative, named *Koperasi Kecamatan Mardisiswa* (Illustration 4.1), resides in the sub-district level, which is intended only for teachers and civil servants. If someone would like to get a loan from it and if he/she is not a member of the cooperative, he/she has to borrow money on behalf of another person who is a member of the cooperative. Most of the members of the *Koperasi Kecamatan Mardisiswa* are teachers who are also civil servants. In Wonosobo Barat village there is a *koperasi simpan pinjam "Setyorini"*, a cooperative that accepts savings and offers loans; and there is a cooperative in the hamlet Sumberan Selatan called "*Sumber Boga*" that also serves the same function. Both are cooperatives for anyone, meanwhile cooperative PKPRI (*Pusat Koperasi Pegawai Republik Indonesia/ Cooperative for Civil Servants of Republik Indonesia*) is limited only for civil servants and resides at district level. Respondents who had inadequate assistance from UPK or cooperative to meet their needs went to the bank. The next description will deal with the utilization of the exogenous organizations, represented by banks.

### 5.2.3 The Utilization of the Exogenous Organizations

There are 29 out of 74 respondents in Wonosobo Barat and 27 out of 74 in Sojokerto who utilized the exogenous organizations. Table 5.3 indicates that 134 out of 199 respondents have little knowledge about exogenous organizations. It confirms that respondents who reside in Sojokerto village are the highest number who reported little knowledge about exogenous organizations followed by respondents from Wonosobo Barat village. It is also noted that for the belief in exogenous organizations, none of the respondents in Sojokerto reported to have no belief in and a negative opinion of exogenous organizations. In contrast to the respondents who choose *jimpitan*, they reported to have a negative opinion of exogenous organizations. Most of the respondents in Sojokerto have reported an average belief in exogenous organizations, 22 out of 48 respondents. Most of the respondents in Kalibeber reported to have a positive opinion of exogenous organizations, 24 out of 56 respondents. One can conclude that the psycho-social variables of knowledge about, belief in and opinion on exogenous organizations affect the respondent positively in choosing the exogenous organizations.

#### *The Use of Modern Banks (Exogenous Organizations) in Four Villages*

Although there are many kinds of exogenous organizations that offer their services to people, only banks have branches at the village level. For this reason, the study includes only banks to represent the exogenous organizations. BRI, the state-owned bank, has service units at the lowest level. Terrace BRI (*Teras BRI*), which is a kind of cash office whose position is under the BRI smallest branch/unit, is a service car with only one teller, one customer service and one security guard, which goes around from one market to the next every day. The BRI consumer target of *Teras BRI* is the merchants in the market. In addition, there is a Central Java BPD bank, if the BRI bank is a national bank, then this Central Java BPD bank is a local government-owned bank in Central Java.

**Table 5.3 Distribution of the knowledge of, belief in and opinion about exogenous organization variables of respondents of the sample in all four villages (N=199)**

Variable	Villages								Total	
	Kejajar		Wonosobo Barat		Kalibebber		Sojokerto			
Knowledge	N	%	N	%	N	%	N	%	N	%
No Knowledge	20	44.4	15	33.3	8	17.8	2	4.4	45	100
Little Knowledge	28	20.9	27	20.1	38	28.4	41	30.6	134	100
Average Knowledge	3	15	4	20	4	20	9	45	20	100
Much Knowledge	0	0	0	0	0	0	0	0	0	100
Total	51	25.6	46	23.1	50	25.1	52	26.1	199	100

Belief	N	%	N	%	N	%	N	%	N	%
No Belief	19	43.2	15	34.1	10	22.7	0	0	44	100
Little Belief	28	29.2	11	11.5	31	32.3	26	27.1	96	100
Average Belief	2	4.2	18	37.5	6	12.5	22	45.8	48	100
Much Belief	2	18.2	2	18.2	3	27.3	4	36.4	11	100
<b>Total</b>	<b>51</b>	<b>25.6</b>	<b>46</b>	<b>23.1</b>	<b>50</b>	<b>25.1</b>	<b>52</b>	<b>26.1</b>	<b>199</b>	<b>100</b>

Opinion	N	%	N	%	N	%	N	%	N	%
No Opinion	16	39.0	16	39.0	8	19.5	1	2.4	41	100
Negative Opinion	24	54.5	1	2.3	19	43.2	0	0	44	100
Average	9	15.5	5	8.6	16	27.6	28	48.3	58	100
Positive Opinion	2	3.6	24	42.9	7	12.5	23	41.1	56	100
<b>Total</b>	<b>51</b>	<b>25.6</b>	<b>46</b>	<b>23.1</b>	<b>50</b>	<b>25.1</b>	<b>52</b>	<b>26.1</b>	<b>199</b>	<b>100</b>

Source: Computation of the Data Set from the Fieldwork (2017)

There is also Bank Wonosobo which is a Regional-Owned Enterprise (BUMD) with its slogan “*Wong Wonosobo*” (The bank of the people of Wonosobo). In Chapter II, it has been explained that banks are categorized into several levels in terms of capital. The local people usually use the banks for a couple of services which will be described below.

#### *5.2.3.a. To Receive a Salary and To Settle a Payment*

Usually, for civil servants, their salaries are paid through the local government bank, Bank Wonosobo or Central Java BPD Bank. The bank center in Wonosobo is located in the area around the *alun-alun* in Wonosobo Barat village, opposite the central BRI bank. Bank BNI is also a government bank which is available in every village.



Illustration 5.6 Commercial banks in the research area. © Ayu Swaningrum (Wonosobo, 2017)

#### 5.2.3.b. Savings and Loans

In addition to the state-owned banks, there are private banks such as Bank CIMB Niaga, Bank BCA, but they are not always available in all villages except in Wonosobo Barat because they are located in the middle of the city. Small-scale banks in the four villages are BMT (*Baitul Mal wat Tamwil*) which offer micro-financing and operate on the basis of the sharia/Islamic principle. In Kalibeber village, the bank is the BRI terrace which is on the market, then BPR and BMT. According to a resident, most of them chose to transact with BMT because the requirements tend to be easy. In Kejajar, there are BRI, BKK, BMT Tamzis and BMT Al Huda. Usually, customers are found to be queuing up at BRI. At Sojokerto, BRI, BMT and BPR/BKK banks are available. Most residents use BRI and BMT. Mrs. Hermin from Wonosobo Barat chose bank to met her need because the amount of loan she needed was more than the UPK or the cooperative could offer. She had no objection about the administration things before getting the loans from the bank and the interest was about 8 to 10% a year. This was not her first time to go to the bank to meet her needs. She admitted that she barely had the knowledge about *jimpitan*.

## Conclusion

This chapter focused on the question of “what kind of people under what kind of circumstances use which kind of institutions?”. It described the importance of rice in



*jimpitan*, the quantitative distribution of psycho-social variables in four villages, and the qualitative analysis of the use of *jimpitan*. As the medium in the *jimpitan*, rice possesses deeper meaning, as the description of the essence of life, and as the medium for the local people to support the government program. However, nowadays, some of the local people have converted the rice into money which is based on several plausible reasons. Based on the quantitative analysis on three independent variables of the knowledge of, belief in, and opinion on plural available institutions/organizations in four villages, it is concluded that the psycho-social variables affect linearly the decision of utilising the available institutions/organizations. Based on the results of interviews with the respondents and the field observation, the utilization of *jimpitan* in Wonosobo, Central Java, in the community are: (a) as saving and loan function. The loan offered by the *jimpitan* is used by the respondents for basic needs fulfilment of daily life, school's tuition, and for small business expansion funding; (b) as precautionary conduct – risk management and health micro insurance. The *jimpitan* rice, at the beginning, was used as a saving so that if there was a *paceklik* (lousy season), the people would still have rice to consume. In its development, the sum-contributed money is used to support a neighbor who is ill or the family of a

One of the respondents in Keajar village reported that he went to the Bank Jateng to get a loan for a sudden need. He admitted he had an alternative to go to other institutions. However, he said that he didn't have the courage to go to a loan shark because the interest that is charged is quite high. He didn't choose UPK because the money he needed exceeded the offered amount of the money for the loan from UPK that was only IDR 5,000,000.

However, if he has the option to choose which is the best institution, he will choose the cooperative from his office (*koperasi kantor*), because to get the loan from the bank demands many requirements, and if you need a loan for the second time, you need to wait until your first loan has been completely paid by you, and you need to fulfill the requirements all over again. His choice is understandable because he is civil servant. You need to register as a member of the cooperative. And for civil servants, the collateral is usually the SK (Surat Keputusan/the letter that states that you are a civil servant), and the payment is taken directly from the monthly salary. It is easy to get a loan from the cooperative if you are a member. There are many additional facilities for members. Mrs. Hermin, a respondent from Wonosobo Barat, has always used the bank to get a loan for her needs. During the interview, she reported to have a loan of 10,000,000 from Bank Wonosobo, the local government-owned bank. She said that if she had gone to a cooperative, they would not have lent her that much money. They would only give her a maximum of 1 to 2 million rupiah, which would imply that she would have to go to other institutions to have another 8 million rupiah. Mr. Suyamdi in Kalibeber RT4, RW13 reported that he had a loan from Bank BTPN (*Bank Tabungan Sosial Pensiun/Social Pension Saving Bank*). He needed to pay the children's tuition fees. He said that an employee from the bank came to his house to offer a loan. The payment was 117,000 IDR for every 2 weeks for 37 times. It was a big amount of money, indeed, he admitted, because it was considered loan without collateral.

deceased person; (c) as social, economic and cultural value; and (d) as a source of funding for various activities of the society. The utilization of *jimpitan* is increasingly diverse, starting from fulfilling the family's own food needs in times of famine, developing into a savings and loans function, and to assist in carrying out sacrificial services (*berkurban*) at Eid al-Adha. Going from the fulfillment of individual needs to communal needs, this is in accordance with the socio-economic conditions of the local community. If a community, on average, earns sufficiently, then the *jimpitan* funds are allocated for the needs that are secondary in nature, such as in hamlet Ngedok, which buys uniforms for groups of women's *arisan*. For villages where the population is mostly middle to lower class, the use of *jimpitan* funds is usually allocated for fulfilling their daily needs. It can be concluded that the utilization of *jimpitan* is more likely to serve the local people whenever needed, and is accessible even in the late evening or during the weekend. It also serves the need of local people in the life-cycle ceremony preparation. The transitional organizations and exogenous organizations serve the local community for: (a) payment of water and electricity, and (b) saving and loans. Therefore, if the local people need to make a payment for the electricity or water to the government-owned company, they will go to the transitional or exogenous organizations. Also, when they need to borrow a huge amount of money, the exogenous organizations are preferred because they offer bigger loans. It is notable that there is the possibility of a respondent choosing more than one institution at the same time, or choosing other institutions for the next period. The decision will be based on their own experience of utilizing the former institutions or even the experience of others.