Application of capital social of Bali cattle farmers that participate in the partnership system in Barru Regency, South Sulawesi Province

S N Sirajuddin, A R Siregar and P Mappigau
Dept. Socio Economics, Fac. Animal Husbandry, Hasanuddin University, Jalan Perintis Kemerdekaan KM 10, Makassar 90245, South Sulawesi Indonesia.

E-mail: sitti.nurani@unhas.ac.id

Abstract. There are four models of partnership that is centralized models, multipartite models, intermediary models and informal model application in all livestock commodities, including beef cattle. Partnership in the beef cattle business has been done in Barrue the program showroom cattle (SRS). This study aimed to known application the social capital of beef cattle breeders who followed the partnership system (program showroom cattle) in Barru. This research was conducted in April 2017 in the district Tanete Riaja. The population is all the farmers in Barru Regency who joined the partnership system (showroom program) and the sample is beef cattle breeders who followed the partnership system in Tanete Riaja district, Barru regency. This type of research is quantitative descriptive. This type of data is quantitative and qualitative. The resource data are primary data and secondary data. Data analysis uses descriptive statistical analysis with Likert scale. The results research show that social capital (trust, linkage, norm) of beef cattle breeders who joined the partnership system (cattle showroom program) at high scale

1. Introduction
Rural development is a strategy to state development in order to reduce the disparities of urban and rural development. Between agricultural development and rural development to very close relationship as well as agricultural development is very closely related to the development of farms so that farming needs with agribusiness system is very consistent applied in rural communities because it can touch the community with little capital and can develop the area of rural areas [1]

Beef cattle agribusiness is defined as an activity that integrates simultaneous agricultural development with the development of industrial sector and related services in a cluster of beef cattle industry [2]. According to Siregar and Ilham [3] for the development of agribusiness system can accommodate the objective to improve product competitiveness and also involve the middle to bottom farmers there are three alternative activities that can be done that is 1) vertically managed integration professionally by a private company, 2) Vertical integration carried out by farmers jointly incorporated in the container of cooperatives or other organizations and 3) a combination of the two or known partnership business system

The livestock partnership system undertaken provides several advantages, in line with Strohm and Hoeffler [4] opinion that partnerships are very popular in developing countries because they provide some advantages, in accordance with research conducted by Majid and Hasan [5] and Wang et al. [6] who obtained the result that the broiler chicken partnership system provides an economic advantage that is contributing positively to the production and supply chain efficiency and the effect is significant on the welfare of farmer farmers. In addition, according to Covey and Stennis [7], the partnership...
system reduces risks for producers, price risks and reduces risk which is a basic incentive for producers.

From the partnership system, the cattle showroom program since 2011 in Barru District between the beef cattle farmers who are members of livestock groups as plasma and local government as the core, this indicates the need for cooperation and communication that runs between the two sides.

Social capital has been believed to have a major impact on the community and its members. As the World Bank argues that social capital refers to the institutional dimension, the relationships created, and the norms that shape the quality and quantity of social relationships in society [8]. Adler and Kwon [9] mentioned that social capital is a description of the internal attachment that color the collective structure and provide cohesiveness and mutual benefits of social dynamics processes that occur in society. With this matter, it is necessary to study about the application of elements of social capital in partnership of beef cattle in Barru Regency

2. Material and Method
The research was conducted in May-June 2017 in Tenete Riaja Sub-district, Barru Regency. The population is all cattle ranchers following the partnership system in Barru Regency. The sample is a cattle rancher participating in a partnership program in Tanete Riaja Sub-district, Barru Regency. Data retrieval with in depth interview and using questionnaire. Data analysis is descriptive statistically by using Likert Scale

3. Results and Discussion

3.1. Characteristics of Respondents
Based on the results of research conducted on 28 respondents from farmers then obtained some characteristics such as gender, age, education level, the number of family dependents and breeding experience that can be seen in table 1

| Table 1. Classification of cattle ranchers who follow the cattle partnership system in Tanete Riaja Sub-district, Barru Regency |
|---|---|---|
| No | Parameter | Number (people) | Percentage |
| 1 | Education | | |
| a. Finished primary school | 4 | 14.28 |
| b. Finished junior high school | 6 | 21.42 |
| c. Graduated from high school | 16 | 57.14 |
| d. College | 2 | 7.14 |
| 2 | Dependents of the family (people) | | |
| 0 | 2 | 7.14 |
| 2-5 | 24 | 85.71 |
| 6-10 | 2 | 7.14 |
| 3 | Long breeding (year) | | |
| 2-10 | 14 | 50.00 |
| 11-22 | 8 | 28.57 |
| 23-33 | 4 | 14.28 |
| 34-50 | 2 | 7.14 |
| 4 | Length Following Partnership Program | | |
| 1-2 | 10 | 35.71 |
| 3-4 | 14 | 50.00 |
| 5-6 | 4 | 14.28 |

Source: Primary data, 2017

Table 1 show the classification of respondents by age level indicates that 100% of respondents are of productive age in Tanete Riaja Sub-district of Barru Regency with an age range of 15-64 years. These conditions support the livestock business that is run because it requires good physical skills so as to maximize in developing the farm business. This is in accordance with the opinion [10] which states
that the ability of a breeder's work is greatly influenced by the age level. The more productive the age of the breeder the more enthusiastic the new things that have not been known. In addition, age also affects the physical condition and motivation of farmers. The age of the population is grouped into 3 (1) 0-14 years old named young age / unproductive age, (2) age 15-64 years old named age / productive age, and (3) age 65 years and above is called old age / unproductive age / old age. Age is one indicator that shows a person's physical ability. People with an older age are physically weaker than those who are younger. The age of a farmer can affect their work productivity in livestock business activities. Age will influence the breeders in studying, understanding and adopting innovation in animal husbandry business. Age is also closely related to the mind set of farmers in determining the management system that will be applied in business activities farms.

Table 1 shows the number of respondents who follow the partnership system (cow showroom program) in Tanete Riaja Sub-district by gender, male 100.00%. This is because in the business of beef cattle ranches require a larger manpower and generally men stronger work than women, but did not rule out the possibility for women to be able to do it. That almost all men who have reached working age are engaged in economic activities because men are the main breadwinners in the family. The women can work or assist in farming crops activities.

Based on table 1. Most of respondent's education level in Tanete Riaja Sub-district is at SMA level (57.14%) with 16 people. This will affect the mind set in making financing decisions on business. The education will increase knowledge, develop attitudes and grow the interests of farmers, especially in the face of change.

Table 1. It also shows that the number of family dependents ranges from 2 to 5 people. The number of respondents who do not have dependents is 1 respondent with percentage (7.14%), and the respondent has family dependent ranged between 2 until 5 people 12 respondents with percentage (85.71%) and number of dependent 6 to 10 people 2 respondents with percentage (7.14%). Given these facts it can be seen that the availability of manpower or human resources in the application of partnership system (cow showroom program) is quite available, this is in the opinion of [11, 12], which states that most small businesses households use household members as labour work or human resources.

Table 1 show that the duration of beef cattle rising in respondents in Tanete Riaja Sub-district of Barru Regency is 2 to 10 years. The most respondents are respondents who have experience of breeding between 2 years to 10 years that is as many as 14 people (60%), while respondents who have the lowest experience is between 34 years to 50 years as many as 2 people (7.14%). In general, respondents have had sufficient experience in processing their business so that with the experience, respondents are able to overcome the problems that occur. This is in the opinion of [13] which states that experience is a factor that affects a person's ability in running his business. The experience of farming / rising is an important capital for the success of a farming activity. Differences in the level of experience of each farmer will also differ their mind set in applying innovation in business activities 30 in the farm. Application of technology and good management will influence the behaviour of farmers trying to do their farm business. The longer the experience of raising a person's skills will be higher and quality. It is seen that the participation of farmers who follow the partnership system (program showroom of beef cattle) to the respondents in Tanete Riaja Sub-district of Barru Regency. The most respondents who followed the old system of partnership is 3 to 4 years as many as 14 people (50.00%). Participation is the mental and emotional involvement of people in group situations and encourages them to make a contribution for group goals

3.2. Implementation Social Capital of Cattle Breeders Following Partnership System
Social capital in farmer-breeder communities is the product of human relationships with each other, especially intimate and consistent relationships. Social capital refers at the same time elements of the parameters are trust, network and norms that have the potential to productivity society so that social capital is cumulative and increase by it [14]. According to [15], social capital in a community, organization or group is an accumulation of individual capital which depends on collective capital which can be utilized by all community members. The relational / networking network is the central point in social capital, which with the network will be able to provide collective ownership to the members of the organization.
The social capital component studied in cattle ranchers following the partnership system is trust, network and norm.

3.2.1. Trust. A desire to take risks in social relationships based on the belief that others will do what is expected and always act in a pattern of mutually supportive actions is called trust. The trust among members within the group and the trust of the members with the group management assessed in this study can be seen in table 2

| No | Category | Score | Frequency | Percentage | Bobot |
|----|----------|-------|-----------|------------|-------|
| 1  | High     | 3     | 28        | 100        | 84    |
| 2  | Medium   | 2     | 0         | 0          | 0     |
| 3  | Low      | 1     | 0         | 0          | 0     |

Source: Primary Data, 2017

Table 2 shows that in group activities the mutual trust between members and beliefs towards group leaders is high; this means that each member in a group trusts and gives full confidence to the other members and also the group leader. The form of trust that occurs is in terms of help, group meetings and group activities. This is in line with [16] opinion that trust is a trusting attitude in society that allows the community to unite with others and contribute to the improvement of social capital, that empowerment management Which based on community participation by prioritizing participation is believed to foster a sense of belonging

3.2.2. Network. The network in social capital theory means as follows:

- There is a bond between nodes (people or groups linked to the media). This social relationship is bound by mutual trust in the form of a strategy in a moralistic form. Trust is bound by a norm that binds both parties
- There is work between nodes (people or groups) through the media of social relations into one cooperation. Bilateral symbolic beliefs and interpersonal beliefs fall into this category
- Just as with a net tied to each other a work is done between the nodes and holds the load together.

The description of social capital regarding the network in the group of farmers who follow the partnership system can be seen in Table 3

| No | Category | Score | Frequency | Percentage | Weight |
|----|----------|-------|-----------|------------|--------|
| 1  | High     | 3     | 12        | 42.8       | 36     |
| 2  | medium   | 2     | 15        | 53.6       | 30     |
| 3  | Low      | 1     | 1         | 3.6        | 1      |

Source: primary Data, 2017

Table 3 shows that the network of farmer groups that follow the partnership system (showroom cattle program) is in the medium category (53.6%), meaning that the breeders in the group mostly create social networks and only one person does not network in groups. Social networks formed between fellow members in the group of information networks and networks help. Members of the group help each other and exchange information and knowledge that they know to other members as well as the group leader exchange information with members of his group, this is in accordance with the opinion [17] that the social network occurs due to the relationship of individuals and communities. A strong social network between members of the group is absolutely necessary in maintaining synergy and cohesiveness and creating close relationships among fellow group members as well as with other parties. Participations and cooperation are forms of social capital that can be developed in rural development

3.2.3. Norms. Norms in groups of farmers who follow the partnership system has a role to smooth the business activities and create a good community. In accordance with the opinion of [18] that the norm
as a rule that has become habitual and institutional based on mutual agreement. Understanding the values of norms will create a community that harmonious and peaceful so that activities or business that runs can run well. The norms performed can be seen in Table 4

| No | Category | Score | Frekuensi | Percentage | Weight |
|----|----------|-------|-----------|------------|--------|
| 1  | High     | 3     | 28        | 100        | 84     |
| 2  | Medium   | 2     | 0         | 0          | 0      |
| 3  | Low      | 1     | 0         | 0          | 0      |

Source: Primary Data, 2017

Table 4 shows that members of breeder groups following the partnership system have high norms in compliance with group rules. This means breeders run the rules agreed upon and apply sanctions. This is in accordance with the opinion of [19] which states that there are some functions of the rules in society, such as (1) guidelines in society behave. Norma contains rules of social behaviour in social interaction, (2) maintaining community members harmony. Norma regulates that differences in society do not create chaos and disorder, (3) social control systems. The behaviour of community members is controlled and controlled by the prevailing rules. This is also in line with [20] opinion that the adaptive capacity building process is determined through the use of resources/potential and modification of the institutional/regulatory or norm system.

4. Conclusions and recommendations

The application of social capital (trust, network, and norm) to beef cattle ranchers following the partnership system in Barru District is in the high level category. With this matter, the local government of Barru regency needs to strengthen social capital so that the partnership system will be run according to the objective.

Acknowledgment

This research was supported by a grant from Hasanuddin University through the research scheme of The World Class University – Acceleration of International Publication or WCU-PPI – 2017.

References

[1] Sirajuddin S N, Lestari V S and Siregar A R 2016 The limitations and benefits of partnership sharing system of corporate cattle market (CCM). American-Eurasian J. of Sust. Agr. 11 (1) 11-14
[2] Suryana 2009 Pengembangan usaha ternak sapi potong berorientasi agribisnis dengan pola kemitraan J. Litiang Pertanian 28 1 29-37
[3] Siregar and Ilham 2003 Upaya peningkatan efisiensi usaha ternak ditinjau dari aspek agribisnis yang berdaya saing FAE. 21 1 57-66
[4] Strohm K and Hoellfer N 2006 Contract Farming in Kenya: Theory, Evidence from Selected Value Chains & Implications for Development Cooperation Research Report (Kenya: Ministry of Agriculture)
[5] Majid R B and Hasan S 2014 Performance at broiler contract farmers: A case study in Perak, Malaysia UMK Procedia International Agr. Marketing Conf. 1 16-25
[6] Wang H H, Wang Y and Delgado M S 2014 The transition to modern agriculture: Contract farming in developing economies Am. J. Agr. Econ. 96 5 1257-1271
[7] Covey and Stennis E 1985 Analysis of the rough rice futures contracts. Agricultural Economics Research Report 156 (USA: Mississippi State University)
[8] Cahyono B 2015 Peran modal sosial dalam peningkatan kesejahteraan masyarakat petani tembakan di Kabupaten Wonosobo Ekobis. 15 1 1-16
[9] Adler PS and Kwon SW 2000 Social capital:: The good, the bad, and the ugly. In E. Lesser (Ed.), Knowledge and social capital (Boston: Butterworth).
[10] Swastha and Sukotjo1997 Pengantar bisnis modern (Pengantar ekonomi perusahaan modern). (Yogyakarta: Liberty Offset)
[11] Suratiyah 2009 Ilmu Usaha Tani (Jakarta: Penebar Swadaya).
[12] Daniel M 2002 *Pengantar ekonomi pertanian untuk perencanaan.* (Jakarta: Universitas Indonesia Press).

[13] Syafaat, Simatupang N P, Mardiantodan S and Pranaji T 2003 Konsep pengembangan wilayah berbasis Agribisnis dalam rangka pemberdayaan petani *Forum penelitian Agroekonomi* 21 (1) 130-137

[14] Handayani, Gayatri S and Mulyatno B 2005 Pendapatan tenaga kerja keluarga pada usaha ternak sapi potong di kecamatan Toroh kabupaten Grobogan *Mediagro* 1 (2) 38-44

[15] Suharto 2013 *Islam, modal social dan pengentasan kemiskinan Indonesia social economic outlook.* (Jakarta: Dompet Duafa).

[16] Fukuyama 1995 *Trust: The Social Virtues and the Creation of Prosperity* (NewYork: The Free Press).

[17] Kusumastuti 2015 Modal sosial dan mekanisme adaptasi masyarakat pedesaan dalam pengelolaan dan pembangunan infrastruktur *Jurnal Sosiologi* 20 1 81-97

[18] Priyono and Utami 2012 Penguatan modal sosial dalam upaya meningkatkan pendapatan peternak sapi potong di kabupaten Banjarnegara *Suryaagritama* 1 1 1-10

[19] Peeling and High C 2005 Understanding adaptation: What can social capital offer assessment of adaptive capacity? *Global Environmental Change.* 15 (4) 308-319 doi:10.1016/j.gloenvcha.2005.02.001

[20] Smith B and Wandel J 2006 Adaptation, adaptive capacity and vulnerability *Glob. Env. Change* 16 3 282-292. doi:10.1016/j.gloenvcha.2206.03.008