Strategies to Survives Above the Poverty Line
(Study on Households That Have Been Out of Poverty in Denpasar City, Bali, Indonesia)

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Abstract: *To reach this sustainable poverty reduction pattern, it is necessary to find a strategy for poor households, how they can survive above the poverty line and even further away from the poverty threshold. The purpose of this study is to find out the important factors leading to former poor households in Denpasar City from poverty, as well as the identification of strengths, weaknesses, opportunities, and challenges to formulate defensive strategies above the poverty line. Data collection was done by structured and indepth interview. Data analysis was done by descriptive quantitative analysis technique and analysis with SWOT matrix. It is concluded that the strategy to survive above the poverty line is an aggressive strategy, which combines the strength factor (internal) and the opportunity factor (external).*
Keywords: *Poverty line, Strengths, Weaknesses, Opportunities, Threats.*

I. Introduction

Households that have been entrenched from poverty, does not mean the issue is over. Those who have entities of poverty can be categorized into 'gray' households i.e. those whose average earnings are slightly above the poverty line. This means that the group is very vulnerable to economic fluctuation, such as rising prices of primary needs and also very vulnerable from various policies that are not impartial to them. Poverty alleviation policies that currently tend to be partial and unsustainable have the potential to bring back the poor household groups that originate from 'former poor households'.

The policy to raise the price of Fuel Oil in April 2012 potentially lowers household rankings that are slightly above the poverty line will again fall into poor households. An increase in the price of fuel will indirectly increase prices due to rising prices of raw materials for production and transportation costs. The prices of basic necessities in general are usually also increased, the impact is the decline in purchasing power. Decreased status of 'poor return', can also occur under normal conditions, namely the inability of poor households to compete and seize opportunities compared with other community groups. When other people's lives grow well enough, and they are not able to keep up, then they will relative become poor again. Thus, alleviating the population from poverty is not just delivering them to the top of the poverty line, but how they are able to stay above the line and even further ahead of the poverty line and not vulnerable to falling below the poverty line. To reach this sustainable poverty reduction pattern, it is necessary to find a strategy for poor households, how they can survive above the poverty line and even further away from the poverty threshold.

In formulating survival strategies and moving above the poverty line on an ongoing basis requires knowledge of the internal and external conditions of households concerning the strengths, weaknesses, opportunities and threats to poor households that have been entrenched from poverty. Based on the mapping of strengths, weaknesses, opportunities and threats can be formulated strategies for them to survive and stay away from the poverty line. The purpose of this research is to know the following: (1) The most important factor causing ex-poor households in Denpasar City, an entity from poverty; (2) The strengths and weaknesses of former poor households can survive above the poverty line; (3) The opportunities and threats of former poor households to survive above the poverty line; And (4) The strategies that former poor households must have to survive above the poverty line.

II. Literature review

2.1 Concept of Poverty

In terms of measurement, poverty is classified against absolute poverty and relative poverty. Absolute poverty reflects a condition in which a person's income level is not sufficient to meet basic needs, such as food, clothing, shelter, health and education. The relative poverty of the calculation is based on the proportion of

income distribution. A community group is said to be relative poor if its income includes the lowest 30 percent of the income distribution. Based on this criterion, it is certain there will always be poor people. Efforts that can be made are to reduce income inequality between the proportion of high income residents and low-income residents. This means that the distribution of income among the population can be more evenly distributed.

Poverty can also be distinguished according to the causes of poverty. Based on the causes of poverty differentiated between natural poverty and structural poverty. Natural poverty is caused by the limitations of individuals and their environment. From the individual side, poverty can occur due to the nature of laziness, lack of skills possessed, lack of intellectual ability, physical limitations, and low ability to overcome problems that arise around him. Simply natural poverty from the individual side can occur due to biological, psychological, and socialization factors that a poor individual has. The impact for the individual is the difficulty of getting a job and income that can be used to improve his standard of living.

In urban areas, poverty is characterized by an abundance of uninhabitable settlements. This presents a significant challenge in the development of urban planning, especially in realizing a safe, peaceful and prosperous urban environment. The high migrants entering the urban areas are responsible for the high rates of urban poverty. As an open area of Denpasar also experienced a similar thing. Urban poverty is getting worse with the increasing social and economic burden of urban society. Like the rise in prices of various basic needs. This can lead to new poverty as people are no longer able to finance their needs as prices increase. On the other hand, the scope of work of the community is generally limited. For example are fishermen, transport workers and so on. That is, society is not easy to move from one job to another. Practically, this further exacerbates the economy of the urban poor.

The behavior of migrants' lives in such a way as to remove the smallest number of destinations (cities) with the intention of sending remittances as much as possible to the area of origin is a trigger for the low life expectancy of migrants in the urban areas. From the side of the food, they eat sober so that in terms of their consumption patterns are poor. Similarly, from the side of the board, they live in the beds or houses are less livable, so from this side they are classified as poor. However, when viewed from the income side, they are not necessarily poor. It could be their income is mostly saved to be able to send remittances or bring remittance to the area of origin. Thus, poverty programs, especially in urban areas, should refer to the various characteristics of urban poverty.

Harmadi (2007), mentions, poverty in the city can also arise due to the spatial mismatch. An important feature of spatial mismatch is that the urban poor are generally poorly educated, so they can not get the job as expected. In addition, spatial mismatch also occurs because job opportunities can be obtained through an informal channel. The newly established formal job market channel must also be able to transform the informal labor market channel into a formal labor market by establishing labor market information well,

Harmadi (2007) further suggests the need to look at the institutional aspects in the empowerment of the poor. The existence of institution affects the lives of the poor. The type of assistance provided should be able to create self-sufficiency for the poor and to facilitate them to gain access that can increase human and physical capital, access to technology and information, access to markets and access to participate in government policy formulation.

The importance of institutions in the empowerment of the poor is intended to enable the poor to be bridged by their isolation to the outside world. In this connection M. Yunus, a Nobel Peace Prize laureate, calls' Poverty is not created by poor people. It is produced by our failure to create institutions to support human capability '.

The complexity of poverty alleviation is also conveyed by Deepa Narayan, et al. (Sarmiati, 2012), which mentions, what makes poverty difficult to handle is its not only multidimensional, but also interlocking nature; Dynamic, complex, loaded with institutional systems (social consensus), gender and distinctive events per location. Patterns of poverty differ greatly among social groups, age, culture, location and country, also in different economic contexts.

2.2 Indicator of Poverty

In Indonesia the indicator of poverty that is agreed and widely used by districts/municipalities in poverty measurement is the indicator imposed by the Central Bureau of Statistics. According to BPS, there are 14 (fourteen) indicators to see if a household can be categorized as poor or not poor. The fourteen indicators are as follows.
1) Size of house (minimal 8 square meters)
2) Flooring material of house (not from soil, bamboo)
3) Material used for walls of house (not used bamboo, bad wood)
4) Sanitary facilities in house
5) Source of main lighting with electricity
6) Drinking water from healthy source

7) Kind of fuel used for daily cooking (not from firewood or kerosene)
8) More than one times a week the family buy new buy meat/chicken/milk
9) Minimal one time the family buy new clothes for majority of members
10) More than two times per day the family eat
11) Family's financial ability to go to clinic if sick
12) Family revenue per month minimal 600,000 IDR (Indonesian Rupiah)
13) The education level of the head of household minimal graduated from elementary school
14) Position of specified assets worth over 500,000 IDR
If 9 (nine) of the 14 (fourteen) categories are met, then the household is categorized as poor.

2.3 Strategy of Household to Survive
        In the event of sudden shocks or changes in households that have an impact on changes in income and are temporary, according to Mankiw, (2003), households can make some adjustments while maintaining marginal utility from consumption. Some of the ways households can cope with the effects of temporary income fluctuations are often referred to as coping strategies. Coping is done not only with consumption, but also production and work.
        In relation to the risk of income decline, households can strategize through two stages. First, households adjust income by making conservative production or choosing employment and diversifying economic activity. This step is taken to prevent households from declining incomes before a shock occurs. The second step a household can take is to adjust consumption such as through credit and savings, reduction of assets that are not financial assets, adjust labor supply, formal and informal insurance.
        UNDP (2001) divides household strategies into two strategies: short-term strategies and long-term strategies. Long-term strategy is often called the reproduction strategy, which includes a number of activities consisting of economic and non-economic activities aimed at ensuring long-term reproduction and welfare of households and members. What Morduch (1995) called a pre-crisis strategy, by Alderman and Paxson (1994) referred to as risk management can be categorized into the definition of the reproduction strategy of UNDP (2001). Short-term strategy known as survival coping strategy (survival or coping strategy) by UNDP (2001) is a short-term response to the shock and economic crisis that occurred. This strategy was adopted to deal with both expected and unexpected economic shocks. This strategy is in line with the strategy definition after the crisis of Morduch (1995) or the risk of coping by Alderman and Paxson (1994).

2.4 Strategy to Survive Above the Poverty Line
        Strategies in surviving households that have been entrusted from poverty are extracted from the internal and external conditions of their households. Therefore it is necessary to identify the internal and external factors of households that become the object of the study.
        Household internal codes that have entities of poverty consist of strength and weakness factors, while external conditions consist of opportunity and threat factors. Some factors that are factors of poor households' strength to stay afloat and away from the poverty line include education, skills, employment, business availability, capital access capability, market access ability, health conditions, access to health facilities, access to health facilities, The ability to consume nutritious food, the ability to save, the motivation to move forward, and the creative and innovative culture. The positive and real internal conditions of households that have been entrenched from poverty are factors of strength to move forward and stay away from poverty, whereas the opposite statement shows weakness. The results of the research on poverty indicators conducted by the Denpasar City Government (2011), among others, show several strength factors that enable them to get out of poverty, that is to work harder, learn skills, entrepreneurship, always think positive, there is continuous work, life sparingly. The internal condition that keeps them poor is ignorance, health is disrupted. The results also see that to get out of poverty, in addition to individual motivation, family roles, also the role of government and institutional support is also very important.
        External factors are both opportunities and threats outside the households that allow them to survive or gain opportunities for jobs and income to encourage them to be creative, innovative. On the other hand, external factors that pose a threat are factors outside the family environment that can cause households to lose their jobs, decreased incomes or both that cause them to return to being poor or inhibited to move forward. These factors, such as macroeconomic conditions (such as slowing economic growth, inflation), government policies on education, health and the economy.

III. Methods

The population in this study is the whole of households that have been entities of poverty. The total population is 977 households spread in 43 villages in Denpasar City. The technique for determining sample size is done in several stages, first is to determine eight villages (two villages in each district) which have the largest number of households from poverty, and have relatively different economic characteristics. The second stage, from the chosen village, there were 426 households, and the sample size was 105 samples. The sampling technique is done by proportionate random sampling. Data collection technique is done by structured interview and indepth interview. Data analysis was done by descriptive quantitative analysis technique and analysis with SWOT matrix.

IV. Results and discussion

4.1 Profile of Household Which Have Been Out of Poverty in Denpasar City

Household profiles that have been entrenched from poverty can provide an overview of the potential and at the same time the problems that households have in order to empower them to move further away from poverty. When viewed from the side of age and gender, Table 1 shows the percentage of age and sex of household head respondents who have out from poverty in Denpasar that was dominant at the age of 40-49 years and male gender.

Table 1. Percentage of Respondent Head of Household Entity from Poverty in Denpasar City by Age and Sex

Range of Age (Years Old)	Sex		Sum	
	Male	Female	Percentage	People
< 40	10.1	30.8	13.3	14
40 – 49	46.8	53.8	48.6	51
50 – 59	24.1	19.2	22.9	24
> 60	19.0	3.8	15.2	16
Sum (%)	100.0	100.0	100.0	-
(N)	79	26	-	105

Furthermore, when viewed from the education of respondents, it was predominantly finished primary school as much as 42.9%, with detailed data as Figure 1.
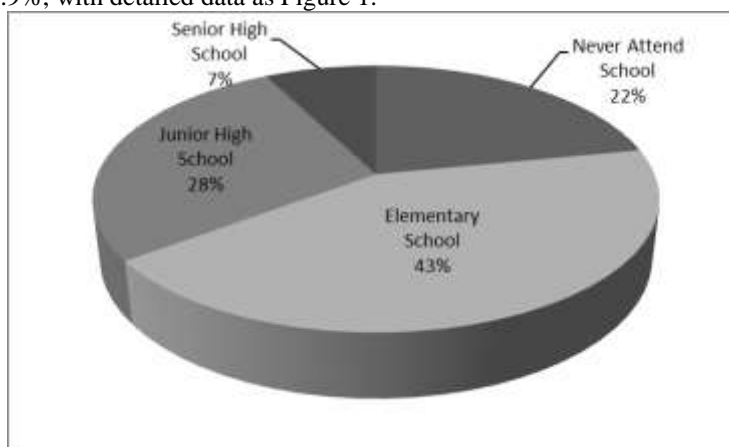

Figure 1. Education Level of Head of Household that Have Been Out of Poverty in Denpasar City

In general the number of household members in Denpasar City is 4 people. In households that have been entities of poverty, it is found that households that have poverty incidence have an average household member (including household head) of 4.06 people almost equal to households in general. Their families are generally classified as a nuclear family or a nuclear family consisting of heads of households, wives of heads of households and their children.

The average number of people of productive age in the household respondents reached 3.37 people. This condition also becomes a stimulus that enables their household to be faster able to be entrusted from poverty. Because they are generally productive labor to support domestic life. Based on the calculation obtained the dependency ratio on households that have been entities from poverty that is as much as 29. This figure is very low indicating that households who have entities from poverty is very potential to become households that can develop well, because the income they get not much siphoned For those who are not productive, but instead can be used for investment purposes, such as investment for children's education, investment for productive activities and others.

The work of household heads of households who have been entities of poverty mostly in the service sector. A total of 72.4 percent of respondents stated that the employment of their heads of households was in the service sector, then quite a number were in the agricultural sector, while the industry was relatively small, as Figure 2.
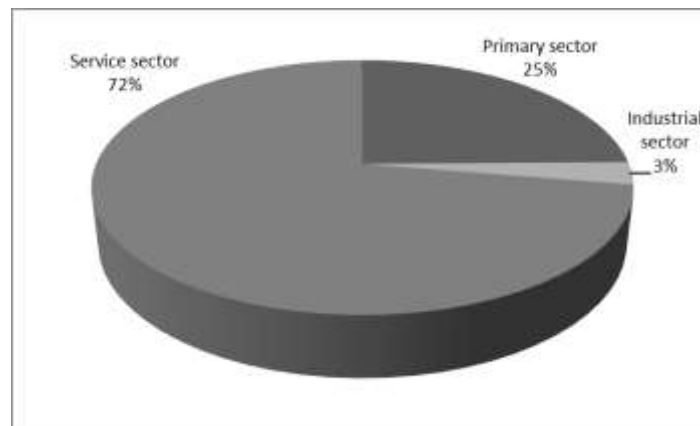

Figure 2. Percentage of Working Sector Head of Household that Has Entity from Poverty in Denpasar City

Revenue earned by households can come from several sources. The main source is the density of work. As mentioned earlier the main job of the respondent is the work of services and agriculture. Other sources of income can come from investments and also from pension revenues. Overall, the average total household income, households that have been entities of poverty is approximately Rp 2,504,908,74 a month, or an average of Rp 611,699.33. Per household member. The highest and lowest income variations among households that have been entrenched from poverty are very wide, namely the lowest of Rp 750,000 and the highest of Rp 6,600,000.

4.2 Household Efforts to Survive Statue Above the Poverty Line

To see the main indicators supporting the entity of poverty can be used poverty indicator approach. The Central Bureau of Statistics has set 14 poverty indicators, as shown in Figure 3. Of the four indicators, it can be seen that there are at least 7 (seven) indicators as the main support supporting households from poverty.
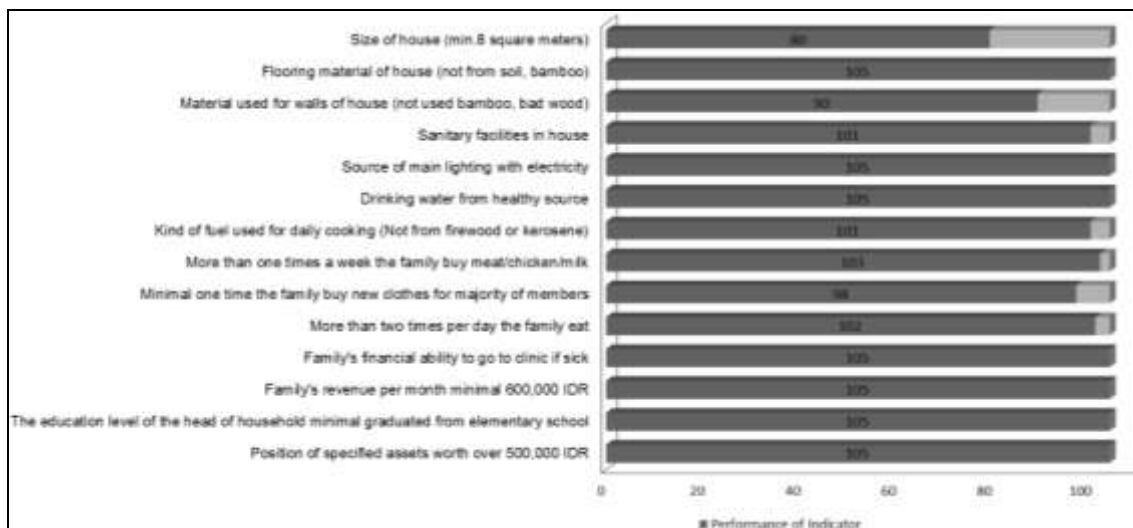
**Figure 3**. Main Household Support Indicator in Denpasar City which is Entity from Poverty

4.3 Strategies to Survive Above the Poverty Line

The survival strategy above the poverty line for households that have been entities of poverty is extracted from internal and external factors of households. When the factor is mapped in a SWOT matrix, it can be identified and assessed as Table 4.

Table 4. Identification and Value of Factors Affecting Households that Incorporated from Poverty to Survive on the Poverty Line

Classification		Factors Identification	Value
Internal Factors	Strength	1) Hard work; 2) Skills; 3) Health; 4) Employment; 5) Savings; 6) *Jengah* (ashamed); 7) Living frugally; 8) Productive labor force in the household	3.50
	Weakness	1) Low education (stupidity); 2) Laziness; 3) Health disrupted; 4) Gambling; 5) There is no desire to move forward; 6) Many dependents; 7) wasteful; 8) Not independent	2.00
External Factors	Opportunity	1) Economic growth; 2) Government policy on health; 3) SKPD concern; 4) Institutional roles; 5) Community environmental awareness; 6) Government Commitment in Development of People's Economy; 7) Availability of clean water facilities; 8) Housing policy	3.05
	Threat	1) Increase in prices; 2) Unemployment; 3) Competition; 4) Trust of financial institutions; 5) Access to education for children	2.80

Based on the consideration of these internal and external factors, the strategy that must be taken to ensure that households that have been entrusted from poverty remain above the poverty line is an aggressive strategy (Figure 4).
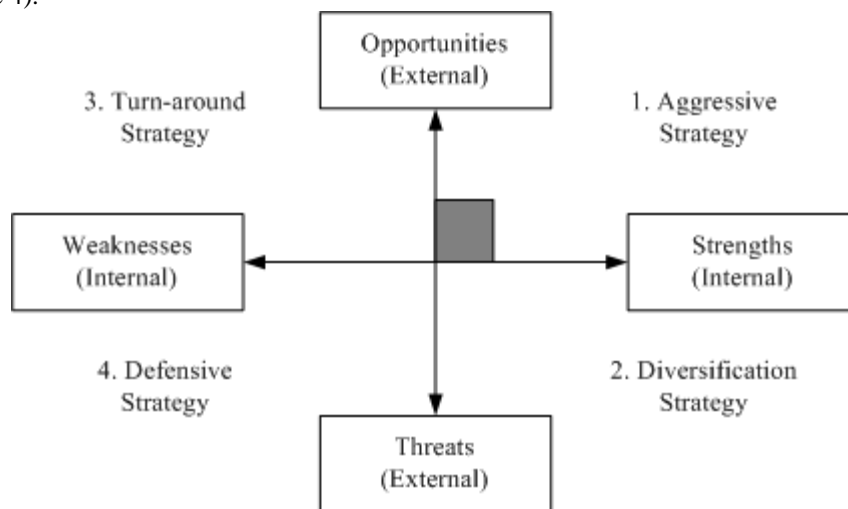
Figure 4. The Surviving Strategy above the Poverty Line Based on Internal and External Factors Considerations

The aggressive strategy combines the power factor of internal strategic factors with the opportunities of external strategic factors of the household. This strategy is also known as SO (Strength-Opportunities) strategy. Through this strategy various household forces and external opportunities must be incorporated into the empowerment process. Empowerment by taking into account the strategic factors of strengths and opportunities are as follows.
1) Improving skills by establishing a culture of embarrassment, and hard work to take advantage of government policy and commitment opportunities in the development of people's economy
2) Establish a clean and healthy living culture by taking advantage of government policy opportunities in the areas of health, clean water and housing.
3) Establish a culture of saving by taking advantage of SKPD awareness opportunities and increasing institutional role in supporting household productive economic enterprises.

V. Conclusion
Based on the research objectives and descriptive analysis conducted, the following conclusions are obtained.
1) The most important factor supporting the former poor households in Denpasar City is the entity of poverty based on fourteen indicators of poverty there are at least 7 (seven) main indicators. The seven factors are house floors that are not made of earth, bamboo, or cheap wood; Lighting no longer uses kerosene lamps; Drinking water sources have come from protected water sources; Able to pay medical expenses at *puskesmas* (government-mandated community health clinics); Household income has far exceeded 600,000IDR per month; And have savings or easy-to-sell items of at least 500,000IDR per month. In addition to these seven key indicators, a shift in consumption patterns has greatly helped accelerate the rise of former poor households away from poverty. Former poor households will rapidly move away from the poverty line if their consumption patterns particularly for food consumption shift towards a smaller percentage, while investment (including investment in human resource quality improvement) is increasing.
2) From internal strategic factors, the factors that are the most important strengths of poor households can be

entity from poverty is hard work, skills, regular employment, availability of productive labor in the household, good health of household members, and availability Saving for urgent countermeasures. Internal strategic factors that are still the weaknesses and impediments of former poor households away from the poverty line are the low level of education, especially the head of household, laziness, ill health, gambling and no desire to move forward.

3) External strategic factors which are opportunities are institutional / institutional role that exists in the household environment, community awareness in the surrounding environment, government commitment in the development of community economy, health policy, SKPD concern in running beneficial and targeted programs, And the availability of clean water facilities. External strategic factors that threaten former poor households away from the poverty line are the rise in prices, especially the price of basic needs, the confidence of the financial institutions of the former poor households that are still very low, still relatively difficult to find employment, the increasingly tight competition, and Access to education for children.

4) The strategy that must be taken to survive and keep the former poor household from the poverty line is an aggressive strategy by combining the power factor of internal strategic factors with the opportunities of external strategic factors of the household. This strategy is also known as SO (Strength-Opportunities) strategy.

In an effort to further strengthen poverty reduction commitments sustainably by utilizing internal and external strategic factors, it is recommended that some of the aggressive strategies survive on the poverty line as follows: (1) Improving skills by establishing a culture of embarrassment and hard work to exploit policy opportunities and The government's commitment to the development of the people's economy; (2) Establish a clean and healthy living culture by taking advantage of government policy opportunities in the areas of health, clean water and housing; (3) Strengthening the culture of saving by taking advantage of SKPD awareness opportunities and increasing institutional role in supporting household productive economy; And (4) Control of prices, especially the price of basic needs.

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