



ECONOMIC EMPOWERMENT OF RURAL COMMUNITIES THROUGH THE ROLE OF THE ARGOPURO VILLAGE COOPERATIVE IN KRUCIL DISTRICT PROBOLINGGO REGENCY

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Abstract :

This study aims to evaluate the role of the Argopuro Village Cooperative (KUD) in empowering the economy of the community in Krucil District. KUD Argopuro is known to be active in various economic and social activities in the region. This study uses a qualitative descriptive method with a case study approach. Data was collected through in-depth interviews with cooperative managers, members, and local residents, as well as through direct observation and document analysis. The research findings indicate that KUD Argopuro plays a significant role in improving the economic well-being of the Krucil community. The cooperative provides services such as savings and loans, agricultural supply provision, and skill training for members and the general public. The savings and loan program helps the community access business capital at low interest rates, while the provision of agricultural supplies supports farmers in improving productivity and crop quality. Additionally, the skills training provided by the cooperative has helped the community develop small and medium-sized businesses. KUD Argopuro has a positive impact on the economic empowerment of the Krucil community. However, there are still challenges that need to be addressed, such as improving cooperative management and expanding market access for local products. The research recommendations include enhancing the capacity of cooperative managers, diversifying products and services, and strengthening partnerships with external parties.

Keywords : Cooperative, Economic Empowerment, KUD Argopuro

INTRODUCTION

In addition to socioeconomic issues, there are a number of other factors that contribute to poverty, including education levels, property ownership, challenges in receiving capital assistance, access to information, and challenges in accessing markets. Poverty is a socio-economic crisis that has a negative impact on people's lives. Although poverty is often associated with rural areas, many people living there have low incomes and struggle to achieve economic independence.

In general, they have limited resources, poor incomes, inadequate education, and economic problems that cause economic disempowerment in rural areas and a lack of access to knowledge and resources that can improve community capacity. Thus, through community empowerment through cooperatives, it is hoped that the economic potential of the community can be increased in an effort to improve welfare and achieve independence.



In 1978, the Argopuro village unit cooperative was established in Krucil village, Krucil subdistrict. The Argopuro Village Unit Cooperative, formerly known as BUUD, was established with the aim of providing fertilizer and animal feed for farmers. The Argopuro Village Cooperative Unit, also known as KUD Argopuro and registered under number 46/12 - BH - H 1980, replaced BUUD on September 23, 1980. This cooperative has a legally binding agreement with "PT. Nestle," a dairy processing company with a factory in Pasuruan City, regarding the marketing of KUD Argopuro's dairy products. The Krucil sub-district was the site of a government study conducted in 1980, which concluded that the area was suitable for cultivation and the establishment of KUD Argopuro.

The village cooperative unit plays a role in empowering the community in Krucil Village, Krucil District, by involving residents in cooperative-based economic activities. Through collective efforts, improved market access, and strengthened capacity, the community can enhance their economic well-being. This also creates local job opportunities, reduces economic disparities, and increases active resident participation in economic decision-making at the village level. The cooperative empowers the community by employing local residents, such as young people who have graduated from school.

Empowerment refers to providing encouragement and support to communities or individuals to realize their potential and then improve it so that they can progress and develop. Therefore, community empowerment is a movement that supports communities to help them reach their maximum potential and improve their standard of living (Rufaidah, 2017).

To strengthen the economy of its members, the Krucil Village Unit Cooperative and Krucil Subdistrict Cooperative believe that cooperatives must play a greater role in the country's economic life. This is done to increase the sense of economic empowerment that cooperative members receive from their membership. Cooperative members help member businesses by providing services such as advice in agriculture and animal husbandry, which contributes to economic empowerment. Village unit cooperatives have experienced ups and downs during their existence. For example, at the beginning of its establishment, the community did not have much income from members because not many individuals had joined the cooperative. Subsequently, as time went by and more and more people joined to experience progress, the Brengi Village Cooperative in Krucil District made a significant contribution to its members and the village community (Wulandari, 2021).

Similar research was conducted by Budi Astoni in his thesis entitled "The Role of the Mina Jaya Cooperative in DKI Jakarta," Department of Islamic Community Development, Faculty of Da'wah and Communication, Syarif Hidayatullah State Islamic University, Jakarta, 2009. In Muara Angke, where I work as a community economic developer for fishermen, the presence of institutions that strengthen the local economy accelerates economic development. Through programs in the areas of organization and management, business and capital, secretariat, and social welfare, among others, the Mina Jaya

DKI Jakarta Fisheries Cooperative contributes to the economic development of the fishing community in Muara Angke (Soacua, Barbara N, 2021).

The next researcher is Depriyanto with the title “The Role of the Mina Bahari Cooperative in the Development of the Fishing Community Economy in Eretan Kulon Indramayu,” a thesis from IAIN Syekh Nurjati Cirebon in 2015, which outlines the need to build and develop an economy that requires long-term planning for KUD as the center of rural economic activities. Therefore, increasing public awareness of the value that cooperatives provide to them must be a top priority to be considered and pursued. The fishing community in Eretan Kulon Village greatly needs the services of KUD because it can offer the facilities needed by fishermen. Through the company they established, KUD Mina Bahari offers various facilities (Regina, 2017).

The results of research conducted by Ms. Purnama Elisabeth, Nim. 100523046 in 2014, with the thesis title “The contribution of cooperatives to strengthening the local economy in the city of Medan.” The two main objectives of this study are to determine how cooperative members' access to credit can strengthen or empower family economies and the challenges they face when applying for credit. The study employs a qualitative descriptive method, utilizing data collection techniques such as documentation, interviews, and observation. The research findings indicate that three factors – location, services, and the community's desire to earn more money – motivate consumers to use cooperative services. To enhance the perception of savings and loan cooperatives in the future, cooperatives must improve their quality, performance, services, and capital (Masturoh & Anggita, 2018).

The similarities and differences with previous research prompted the author to conduct a more in-depth study on the role of village cooperative units and community economic empowerment. The author chose the title “Community Economic Empowerment in Rural Areas Through the Role of the Argopuro Village Cooperative Unit in Krucil District, Probolinggo Regency.”

RESEARCH METHOD

This study uses qualitative methods to describe in depth the reality behind this phenomenon. The purpose of this study is to understand the research object and problems in as much detail as possible, based on facts obtained in the field. Qualitative methods are also called artistic methods because the research process is more artistic (less patterned) and interdisciplinary methods because the research data prioritizes the interpretation of information found in the field (Arlinasari, 2018). The research subjects are individuals who are informants or community members and members of the KUD who provide information on community economic empowerment in Krucil Village, Krucil District.

The collection of necessary data goes through three research stages, namely: Observation (observation) According to Sutrisno Hadi, observation is the systematic observation and recording of phenomena visible on an object. In this study, observation was conducted to strengthen the role of the Argopuro Village Cooperative (KUD) in Krucili Village, Krucili District (Wulandari, 2014).

Interviews: In this study, the researcher collected the necessary data by conducting direct observations at the Argopuro Village Cooperative, which is a method of obtaining data through direct questioning of the relevant parties to obtain data and information that supports the analysis in the study. The parties to be interviewed in this study are the Chairman of KUD Argopuro, employees, and some residents of Krucil Village, Krucil District (Wati, 2016).

FINDINGS AND DISCUSSION

The role of KUD Argopuro in economic empowerment in Krucil village

Empowerment aims to achieve community independence, both in terms of information and in terms of the village cooperative unit having authority over each member by providing access to capital, education and training, and assistance in marketing products. Through access to capital, education and training, and market access, it is hoped that members and the community will be motivated and assisted in realizing their businesses, such as the business capital that members have already implemented in the agricultural sector, the sale of basic necessities, and the operation of a mini animal feed factory.

The role of cooperatives is essential to maintain the position of companies in the development of companies and the creation of communities. In addition to acting as a supporter, cooperatives also have several roles in the Indonesian economy, namely business development, increasing member income, reducing unemployment, improving the standard of living of the community, and night workers. Of the many roles that cooperatives play in strengthening communities, cooperatives only play a small or minimal role.

In addition, it is also necessary to prepare and strengthen institutions so that the community can achieve independence and prosperity in the communal environment. Community empowerment can only be successful if the community participates, and the business world can only be successful if the community makes changes with the help of institutions, whether cooperatives or other financial institutions. Based on information obtained from the field through interviews with several parties from KUD Argopuro, Drs. Memji Budi S.S.PI, Treasurer, stated: "The role we play is to help meet the needs of members, especially in terms of business capital, and to help the community in their business endeavors. In addition to helping with business capital, we also encourage members to the best of our ability. "In addition to assisting with business capital needs and motivating KUD Argopuro members, this will help improve the standard of living of the community, reduce unemployment, and decrease the number of migrant workers, as Suloso II, the President (Commercial Division), stated: "Since the establishment of KUD Argopuro, the community feels their lives have improved, as many used to work abroad and engage in night work, but now these activities have begun to decrease, and many young people are unemployed."

Community empowerment by the Argopuro village cooperative through dairy cattle farming

Empowerment is defined as an effort to give power or strength to the community. Conceptually, empowerment comes from the word “valta,” which means power or empowerment. Empowerment refers to the ability of people, especially vulnerable and disadvantaged groups, to meet their basic needs, thereby gaining freedom in the sense of being able to express their opinions freely, as well as being free from hunger and poverty. Access to productive resources that enable them to increase their income and obtain the goods and services they need. Participating in the development process and decisions that affect them. Community empowerment is an effort that takes the form of concrete actions in the community. These actions involve raising awareness among the community so that they can utilize and choose to achieve a better standard of living in all aspects of life.

Empowerment can also be defined as an effort to improve the ability of communities (the poor, disadvantaged, marginalized) to express their needs, make choices, participate, organize, influence, and manage community institutions responsibly to improve their lives. Based on this definition, empowerment means improving the quality of life or well-being of every individual and community, including but not limited to:

1. economic improvement, particularly food security.
2. social welfare improvement (education and health).
3. Reduction in foreign labor.
4. Reduction in night workers (security guarantees).
5. Guaranteed human rights, free from fear and worry.

The main objective of empowerment is to strengthen the community, especially vulnerable groups who are powerless due to internal conditions (e.g., self-perception) and external conditions (e.g., oppression by unfair social structures). To achieve the objectives of empowerment, there must be indicators of success to measure the implementation of community empowerment programs, including: (Bidin A, 2017).

- a. poverty alleviation.
- b. development of income-generating businesses for poor communities using available resources.
- c. increased community awareness of efforts to improve the environment of poor families.
- d. Increased group independence achieved through the development of members' and groups' production efforts, regular group management, and expanded social interaction with other groups (Bidin A, 2017).

The Role and Objectives of KUD Argopuro in Society

In Indonesia, cooperatives are a type of legal entity that has been known for a long time. They are associations of people who share the same goals or desires. Thus, a cooperative is a type of association of people who share the same goals. These groups of people join together in a cooperative and play an important role in the formation of the cooperative, as cooperatives are built on the principle of mutual assistance. In addition to being a national economic enterprise based on

the principle of kinship, cooperatives are also an economic unit consisting of individuals or cooperative legal entities, whose activities are based on cooperative principles. Therefore, every member of a cooperative has the same role and position in cooperative activities.

CONCLUSION

Based on the results of the research conducted and described in the data analysis by the author, the following conclusions were drawn: The role of the Argopuro Village Cooperative (KUD) in Krucil Village, Krucil District, is crucial in strengthening the local economy and assisting in meeting the various needs of its members, including: providing for children, funding education, improving family economics, building decent housing, reducing migrant labor, and curbing illegal logging, as previously many people engaged in illegal tree cutting. Based on community research findings, the author discovered that the Argopuro Village Cooperative in Krucil Village, Krucil Sub-district, implements empowerment through various activities and programs, including marketing or distributing dairy products, providing business capital assistance, and supplying agricultural inputs to the public. Since most of the lower-class community in Krucil earn their living as farmers, construction workers, gardeners, and other entrepreneurs, the cooperative plays an important role in achieving the independence of the Krucil Village and Krucil District communities.

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