

One Village One Product Movement in Rural Economic Empowerment

Endang Murti^{1*} Harianto¹ Rozalina Novianty²

1.Faculty of Social and Political Sciences, Universitas Merdeka Madiun, Indonesia

2.Faculty of Economic, Universitas Soeryo Ngawi, Indonesia

Abstract

The one village one product movement is one of the village community empowerment programs, which aims to develop superior village products that are considered to have more competitive competitiveness. With the one village one product program, it is hoped that it can grow and motivate villagers in developing their business activities, so that they can increase community income and welfare, and can support rural economic growth. Through the synergy of the use of village funds in community economic empowerment, superior village products can be produced that are suitable and appropriate to drive the community's economy. For this reason, the involvement of village residents in the process of determining the economic empowerment program is very necessary, so that the superior village products that are determined are business activities that have been produced by most of the village community, and are truly in accordance with their needs. Community economic empowerment programs must be able to reach various aspects needed, including institutions, business management, technology transfer, and marketing, because the orientation of the development of superior village products is able to enter modern markets. Therefore, it takes the commitment of the village government to carry out guidance and development by providing the facilities needed in the economic empowerment program. The synergy of the village government and villagers can become social energy in driving the village economy through the one village one product program.

Keywords: people's economy, empowerment, OVOP, village government.

DOI: 10.7176/RHSS/10-18-04

Publication date:September 30th 2020

BACKGROUND.

The concept of development that is oriented towards economic growth has actually caused a wider social gap between rich and poor people. In the midst of high economic growth, there are still many poor and unemployed people who have not improved their standard of living and have even experienced a social decline. According to Soetomo (2010: 5), the factors that cause this condition are the lack of access to markets and resources, the weak ability to utilize natural and human resources, an unbalanced social structure and urban bias in the decision-making and allocation process. fund. For this reason, the implementation of development must pay more attention to its human aspects by highlighting its social and economic aspects (Socio-economic Development). Development must be oriented towards increasing productivity and economic growth with a more prioritized target of providing services to layers of society who live below an adequate standard. Efforts are made for development programs to be able to hit the target group directly, so that the results of development can be enjoyed significantly in the economic and social fields.

A development approach that prioritizes the process over the results, can allow synergy between development goals and the interests of the target group. A development approach that places the community as the subject of development will be able to parse the social problems faced by the lower classes of society and will easily produce development programs in accordance with the expectations of the wider community. Community involvement in the development process is not in the sense of mobilization but as a form of community participation based on their awareness and responsibility. Community involvement must start from problem identification and program formulation, through to the implementation and management of development program results. Community involvement in problem identification will be able to map the urgency of the problems faced, because many cases that occur in understanding social problems are carried out from what is visible on the surface, to something that appears on the surface is not necessarily the real problem. This problem is caused by structural and institutional obstacles, so that it requires commitment and willingness from all parties, especially the government. The treatment of the community as the subject or actor of development must be increased in the village development process through the development of the quality of human resources. According to Tjokrowinoto (1996: 29), efforts to develop human resources reach a wider dimension than just forming professional and skilled human beings who are in accordance with the needs of the system to be able to contribute to the development process, but emphasize the importance of human empowerment, including the ability to actualize all its potential as a human being.

Community development calls for a change that leads to progress, and even Sajogyo (1982: 32-82) explains that not every change is development, especially community development, especially if the process of change does not contain institutional and organizational changes capable of moving society independently. If the latter

conditions are not fulfilled, then technological changes and economic changes will not function as expected, besides the less even distribution of benefits from these changes. Moreover, without the support of institutions and organizations that are able to move the community independently, it often results in the sustainability of the development process being hampered. This is because the community is more dependent on external resources and services, on the other hand, there is a lack of internal driving force in the context of exploiting the resources and potentials available in the community (Soetomo, 2010: 15-16). Therefore, a community institution that is able to mobilize and facilitate various joint activities in development is needed. These community institutions need an established existence within the village community, so that technological changes and changes in socio-economic structures can run effectively. Village community institutions must be able to identify resources and potentials that can be used for the benefit of the community, especially to increase income and welfare. The decision-making process in managing village development is more independent by community members, as well as an effort to empower village communities in actualizing their potential in order to fulfill their dignity and dignity as human beings. Community empowerment means providing power, according to Korten (1987: 7) power as the ability to change future conditions through action and decision making. Development itself can be interpreted as an effort to build power by a society, among others in the form of increasing the ability to change future conditions (Soetomo, 2010: 404). Oos M. Anwas (2013: 49), empowerment (empowerment) is a concept related to power (power). The term power is often synonymous with an individual's ability to make himself or other parties do what he wants. This ability is good for organizing themselves, managing other people as individuals or groups / organizations, regardless of the needs, potentials, or desires of others. in other words, power makes other people the object of his influence or desires. Prijono & Pranarka (1996: 77) also states that: empowerment contains two meanings, namely: the first meaning is to give power or authority, and the second meaning is to give the ability to or enable. This definition implies that empowerment is giving strength or ability to those who are less / powerless. Or it can be interpreted as giving the authority or authority to carry out an activity which is meaningful to increase social activities. With community empowerment, people can make people survive in the face of social changes that occur, through the ability to control their own lives and strive to shape the future according to their wishes.

Social problems such as poverty are not only limited due to economic problems, but also due to limitations in utilizing their potential, as stated by Gunawan Sumodiningrat (1999: 67-68), economic empowerment is an effort to encourage, motivate and raise public awareness of the potential that exists. and efforts to develop it, which means efforts to accelerate changes in the people's economic structure so as to strengthen the position and role of the people's economy in the national economy. This structural change includes the process of changing from a traditional economy to a modern economy, from a weak economy to a more resilient economy. Public awareness of their potential is the key to the success of community empowerment efforts, because the grassroots are less aware of their abilities so that they have limited ideas and ideas in utilizing their environmental resources. Government initiatives in mobilizing and facilitating environmental resource management, through the OVOP (One Village One Product) movement by encouraging each region to develop superior products that have the potential to be developed. In the explanation of M Arief (2012), the program mission is developed based on three philosophies, namely: (1) is a globalizing local product, (2) produces products based on creativity and with their own abilities, and (3) simultaneously develops human resource capabilities.

The concept of one village one product (OVOP) is considered quite successful in Japan and Thailand in improving the welfare of rural communities. With the OVOP approach, each village is expected to formulate superior products that have competitive value and competitiveness in modern markets. The issuance of Village Law No. 6/2014 can be a momentum to spur development in the village, because the village is the spearhead of development and improving the welfare of village communities. Given the authority to manage village development, it can be freer to formulate village development programs that directly touch the people's economic activities. The one village one product program carried out by the Ministry of Industry is small and medium industries (IKM) which can be an impetus to determine the superior products of each village, which can be in the form of goods and services (tangible products) and / or intangible products in the form of works of art and culture local. Meanwhile, the driving force for the rural economy is home industry activities with products produced on a small scale, and carried out by family members who lack skills and limited business capital. If this gets the attention of all parties, especially the village government, it can be an alternative business that is the superiority of the village community as a driver of the village economy. Coaching programs through training and technology transfer can improve the management and quality of the products produced, so that they are able to compete in local, national and global markets. Most of the village community do not understand more rational business management, making it difficult to produce quality products. With a touch of modernity, it is hoped that it can increase product competitiveness and be able to reach a wider market, so that it can increase people's income and welfare.

LITERATURE REVIEW.

OVOP (one village one product) can be said to be a strategy in the implementation of the concept of a populist economy, where the people's economy emphasizes the empowerment of the people's economy, namely the

empowerment of small-scale economic actors. The failure of development so far has been caused by the lack of equal opportunities for the people, especially those with small capital, to be involved in various national economic activities, so that development is only enjoyed by a small part of the community. Therefore, future economic policies must be able to encourage and grow a people's economy through equal opportunities in various economic activities of the country. It is undeniable that the great potential for our economic strength is the potential that comes from the activities of small and medium enterprises (MSMEs), but the existence of such large MSMEs does not contribute to economic growth. According to Sun'an and Abdurrahman (2015: 121), that: in fact every economic policy produced by the government (central / regional) must consider two sides, namely the goal of creating social justice and compromising it with economic growth. In some cases, the goals of social justice and economic growth are trade-offs, so caution is needed to take these economic policies. Therefore, the role of the small community must be given access and opportunity in the community empowerment process so that the empowerment program is in accordance with the needs of the people. Meanwhile, the government is obliged to facilitate by creating and encouraging the growth of people's initiatives and initiatives in meeting their needs in order to solve the problems they face.

The role of UMKM empowerment as the people's economic base must be increased through fostering efforts in more rational business management. Meanwhile, the conventional approach based on direct distribution of products to the community has failed and is not on target, because the conventional methods of policy taken are not in accordance with the hopes and desires of the lower class. The conventional way through direct assistance to the community creates more dependence on the community on the government, for that community empowerment must be oriented towards efforts to utilize the potential of the community so that they have the ability to independently manage the potential that exists in their environment. According to Edi Swasono (2015), the people's economy or grass-roots economy is a derivative of Indonesia's populist doctrine. Popular doctrine is a gospel based doctrine that is a Throne for the People. The people's economy is a form of a people-based economy, and an economy centered on the interests of the people (people-centered economy) which is the core of article 33 of the 1945 Constitution, especially paragraphs two and three (sc.syekhnrjati.ac.id › [researchmhs](#) › BA ...). One of the flagship programs that are being developed by the government through the Ministry of PDPT is the one village one product movement (one village one product). This program aims to encourage the economic growth of rural communities. Each village is encouraged to find and develop a superior product that has different characteristics from products from other villages. In the OVOP concept, the public is given an understanding to be able to produce selected goods with high added value. One village is expected to be able to produce a competitive main product and be able to compete at the global level but still have the unique characteristics of the region. The products produced are products that utilize local resources, both natural and human resources. The One Village One Product movement is an effort to foster the spirit of the village community to be involved in determining existing village products to be developed into superior village products. There is a lot of potential generated by villagers, but they have not received serious touch and treatment from the government so that the products produced in the village are not able to reach a wider market. For example agricultural products of community members that produce durian fruit that are unique to other durians. Due to limited capabilities and social networks, the durian fruit produced by villagers should be initiated in such a way as to reach modern markets. For this reason, government commitment is needed in providing guidance to superior village products so that they have wider marketing access, so as to increase income and community welfare. Business activities developed by village communities, usually as business activities passed down from generation to generation as a legacy from their families or can be said to be a continuation of the business continuity that has been occupied by their parents, for example making tempe products, cassava tape, tofu, krupuk pulli, and various rural snacks . These rural business activities are usually only side businesses, which take advantage of the free time after the management of the agricultural sector so that the quantity and quality of the products produced are relatively limited and their marketing reach is very narrow or limited in their environment.

The business activities of the villagers are actually potential if they are developed in such a way that they can produce various types of products that can be packaged in a modern way. Therefore, the OVOP approach is not only implemented in products that have a global orientation, but should also be applied to village products with an orientation towards regional or national marketing. This is of course very useful in anticipating various similar products from outside entering the regional market, because products from outside have entered at the district, sub-district, and even remote rural areas. The OVOP movement in the perspective of village products is intended to empower village superior products by adjusting OVOP principles in order to increase the competitiveness of village products at the regional and or national levels. The principles of OVOP in the application of village products include: (1) Local yet Regional / National, which is the underlying principle in developing OVOP products, where village products not only reflect village pride but also can be accepted in regional and national markets in particular. (2) Self-reliance and creativity, through this principle the development of village products as part of encouraging the independent movement of community members in managing their village product businesses. Emphasis on this principle fosters the independence of the community's businesses, and the government only plays a role in

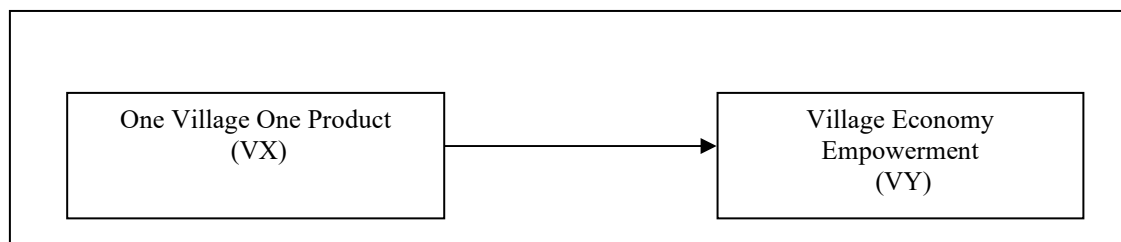
facilitating the needs of community members to develop their businesses. (3) Human resource development, is intended as an effort to improve business management in order to be able to produce quality village products and have more competitive competitiveness in order to enter modern markets. By adjusting the above principles, a wider range of business products will be possible to be developed and even each village can have at least one product as the village's superior product. Through more massive coaching, it is hoped that it can grow the village economy as well as an effort to increase the income and welfare of the community. Efforts to promote the capacity and economic efforts of the community can be carried out through several things, including: (1) Providing various trainings as well as increasing capital, market information, and appropriate technology. These market-friendly measures are provided selectively, transparently and firmly, accompanied by effective supervision. (2) Creating a healthy business competition climate and market-friendly intervention. Efforts to equalize go hand in hand with efforts to create a competitive market to achieve optimal efficiency. Thus, for example, the partnership relationship between large businesses and SMEs must be based on competence, not compassion. For this reason, the priority is to eliminate economic practices and behaviors that are considered fair and just by society, such as monopolistic practices, development with a progressive taxation system and deregulation aimed at eliminating high cost economies. (3) Empowerment of people's economic activities is closely related to efforts to drive the rural economy. Therefore, efforts to accelerate rural development, including remote areas, minus areas, critical areas, border areas, and including other underdeveloped areas must be a priority. This is done, among others, by increasing rural infrastructure development in supporting the development of village-village linkages as a form of mutually beneficial production and distribution networks. (4) Utilization and use of land and other natural resources, such as forests, sea, water, air and minerals. Everything must be managed fairly, transparently and productively by prioritizing the rights of the local people, including the customary rights of indigenous peoples while maintaining the preservation of environmental functions (Salamah, 2014).

According to Zulkarnain (2003: 14) in Salamah (2014), the steps or efforts that must be considered in realizing or developing a populist economy are: (1) Identifying economic actors, such as cooperatives, small businesses, farmers, (2)). Conducting a coaching program for these actors through a companion program, (3). Training education programs according to their needs when developing a business, (4). To coordinate and evaluate those involved in the coaching process, both in the development of capital, human resources, markets, market information, and the application of technology. Identification of economic actors is needed in order to know and understand the problems it is facing, which is the basis for providing guidance through education in order to hit the right targets. In addition, creating a business climate that enables the development of the potential of business / economic actors, and strengthens economic potential by facilitating increased education, and improving health status, as well as protecting and preventing unbalanced competition, and preventing the exploitation of strong economic groups to weak economic group. For this reason, according to Fachri Yasin, et al. (2002: ix), the development of a people's economy requires several things in its implementation, including: first, local government political commitment in the form of policies that are consistent and can be operationalized in the field. Second, including farmers, small businesses, and cooperatives in all aspects of agricultural development using a participatory approach. Third, the willingness and high commitment of the local government by including universities, non-governmental organizations, the private sector and others in coaching and training activities to support people's economic development. Fourth, providing capital assistance to farmers, small businesses and cooperatives in the form of credit, revolving funds and other assistance that is not burdensome. And fifth, good coordination between related agencies that are directly involved in the economic development of farmers, small businesses and cooperatives (Salamah, 2014).

From the main thought above, it can be stated as a hypothesis in this study, are:

1. Ho = There is no relationship between the movement of one village one product (One Village One Product) to the empowerment of the village economy,
2. Ha = There is a relationship between the movement of one village one product (One Village One Product) to the empowerment of the village economy.

While the focus and direction of this research can be described in the following diagram:



RESEARCH METHODS

This study uses a quantitative approach to determine the respondents' assessment of the One Village One Product Movement, and village economic empowerment. Data were collected through distributing questionnaires to 120 randomly selected respondents in 6 villages in Ngawi Regency. Each village was determined by 20 respondents using stratified random sampling, consisting of: village heads and village officials, BPD, LKMD, PKK, and village community UMKM-UMKM. The respondent's assessment is measured using a Likert scale with a gradation from very positive to very negative, in the form of words including: a) Strongly agree with a score of 5, b) agree with a score of 4, c) Doubtful with a score of 3, d) No agree with score 2, and e) Strongly disagree with score 1. While the data analysis method uses a regression analysis model with processing through SPSS.

RESULTS AND DISCUSSION.

Correlation Test

To test the hypothesis, a correlation test was carried out between the One Village One Product (One Village One Product) Movement (VX) variable as the independent variable on village economic empowerment (VY) as the dependent variable. The results of the correlation test are as follows:

Table. 1
 One Village One Product Relationship Movement
 against Village Economic Empowerment

Correlations

		satudesasatuproduk	pemberdayaaneconomidesa
Sperman's rho	satudesasatuproduk Correlation Coefficient	1.000	.790**
	Sig. (2-tailed)		.000
	N	120	120
pemberdayaaneconomidesa Correlation Coefficient	satudesasatuproduk Correlation Coefficient	.790**	1
	Sig. (2-tailed)	.000	
	N	120	120

** . Correlation is significant at the 0.01 level (2-tailed).

From the table above, the correlation value between the variable One Village One Product Movement (one village one product) with the village economic empowerment variable is 0.790 with a p-value = 0.000. When compared with the value $\alpha = 0.05$, it is known that the p-value = (0.000) $< \alpha$ (0.05). Thus, the H_a hypothesis is accepted, that is, there is a correlation between the One Village One Product Movement and the empowerment of the village economy.

Regression Test

The results of the regression calculation between the OVOP strategy variables on village economic empowerment are:

Table. 2
 The Influence of the One Village One Product Movement
 against Village Economic Empowerment

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.904	3.412		1.144	.255
	satudesasatuproduk	.861	.058	.807	14.866	.000

a. Dependent Variable: pemberdayaaneconomidesa

From the regression equation ($Y = a + bX$), it can be identified: (1) The constant value is 3.904; shows that the One Village One Product Movement will be constant if the village economic empowerment variable is zero (non-existent), assuming other factors remain or do not change in value. (2) The One Village One Product Movement variable which is valued at 0.861 (positive) indicates the influence of the One Village One Product Movement on village economic empowerment. If the One Village One Product Movement (One Village One

Product) increases by 1 unit, then the village economy empowerment will also increase by 0.861. Thus the One Village One Product Movement has a positive effect on the empowerment of the village economy.

Determination Test.

The coefficient of determination (R²) is used to measure how far the model's ability to explain variations in the dependent variable (Ghozali, 2006). The results of the determination coefficient test are:

Table 3

Determination Test Results between the variables of money politics and the quality of democracy in the election of the village head

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.807 ^a	.652	.649	4.833

- Predictors: (Constant), satudesasatuproduk
- Dependent Variable: pemberdayaanekonomidesa

The amount of Multiple Coefficient of Determination (R Square) is 0.652 or 65.2%, which means that village economic empowerment can be explained by the One Village One Product Movement variable (one Village One Product), while the remaining 34.8% is explained by other unexplained variables. In this research, the one village one product movement is a government effort to encourage and motivate the trust of the village community that the products produced have higher competitiveness, if managed with more rational business management. Through the one-product village movement, it is hoped that each village will have a superior product that can become an icon and at the same time increase rural economic growth. The management of rural products which will become icons of superior products, in their development will be initiated directly by the local government with the support of the village government through the use of village funds. The village community together with the village government conduct selectivity in determining village products which will later become superior village products. The involvement of the village community is expected to foster a collaborative business spirit that will be facilitated by the village government, starting from business management coaching and training, appropriate technology transfer, packaging, to marketing. With this joint commitment between the village community and the village government, it can increase the competitiveness of village products in modern markets and at the same time increase the income and welfare of the village community.

CONCLUSION

The one village one product movement is an approach to empowering rural communities through the economic business activity sector as a superior product. This movement is developing and quite effective in growing and mobilizing the confidence of the village community that the business products produced have a fairly good competitiveness if done professionally. Through cooperation among villagers, the one-product village movement is able to produce joint business activities in managing business products in a rational business manner. With the commitment and guidance carried out by the village government, it can facilitate the establishment of people's economic institutions as the basis for joint business management. The joint encouragement between the village government and the village community is able to increase the income and welfare of the community and at the same time encourage rural economic growth.

CONFLICT OF INTEREST

There is no conflict of interest.

ACKNOWLEDGMENTS

This article is sponsored by the Kemenristik-Dikti Indonesian Research Grants Program.

REFERENCES

- Ghozali, Imam, 2006, *Aplikasi Analisis Multivariate Dengan Program SPSS*, Semarang: Badan Penerbit Universitas Diponegoro.
- M Arif, 2012, BAB II KONSEP KOPERASI DAN FAKTOR-FAKTOR ..., *eprints.walisongo.ac.id* › 052411045_Bab2
- Oos M. Anwas, 2013, *Pemberdayaan Masyarakat Di Era Global*, Bandung: Penerbit Alfabeta.
- Pranaka, Prijono dan S, Onny, 1996, *Pemberdayaan, Konsep Kebijakan dan Implementasi*, Jakarta: Centre For Strategic and Studies.
- Salamah, 2014, BAB III TINJAUAN UMUM TENTANG EKONOMI ..., *repository.uin-suska.ac.id* › ...

- Sajogyo dan Pudjiwati Sajogyo. 1982. Sosiologi Pedesaan : Kumpulan Bacaan. Jilid 2. Penerbit: Gadjah Mada University Press, Yogyakarta.*
- Sumodiningrat, Gunawan. 1999. *Pemberdayaan dan Jaringan Pengaman Sosial*. Jakarta: PT. Gramedia Pustaka Utama
- Sun'an, Muammil & Abdurrahman Senuk. 2015. *Ekonomi Pembangunan Daerah*. Jakarta: Penerbit Mitra Wacana Media.
- Soetomo, 2010, *Strategi-Strategi Pembangunan Masyarakat*, Yogyakarta: Penerbit Pustaka Pelajar.
- Tjokrowinoto M. 1996. *Pembangunan : Dilema dan Tantangan*. Penerbit: Pustaka Pelajar Offset, Yogyakarta.
- BAB II EKONOMI KERAKYATAN Sebelum membahas detail ..., sc.syekhnurjati.ac.id › [risetmhs](#) › [BA...](#)