

# Why Farmers Do Not Harvest their Coffee Plantation: Case in Indonesia

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**Abstract:** *Coffee farmers in sub district of Tlogosari sell when the coffee is still in the tree (tebas systems) or harvesting independently. The existence of tebas system looks like cutting the coffee value chain in agriculture. The consequence of this is cost reduction. The reduction allows the possibility of trimming earned income coffee farmers. This study used a phenomenology method, because it is associated with symptoms and social phenomena and their interactions on the environment and conditions. Themes was resulted on conical on five themes converge on the ownership of results, planting, maintenance and care, harvesting, and production sales. Farmers in Kembang village have the option to tebas or harvest themselves. In value chain analysis, development of modified warehouse receipt considered very necessary. MWR must be built with sufficient ability in assessment activities that cover crops, crop processing, and sales. Coffee farmers' income levels are very worrying. With an area of 1 ha coffee plantation, farmers only earn between Rp. 2 million in bad condition up to Rp. 12 million in good condition per year.*

**Keywords:** Coffees farmers, harvest, value chain, tebas system

## 1. Introduction

Most coffee farmers in the region Tlogosari people selling coffee with a few ways that tebas system, bonded, and self harvest. Tebas system is pursued because farmers get money quickly and did not think about various expenses. The large proportion of costs that must be paid to labor, especially for harvesting and post-harvest activities. It is a factor that drives the majority of farmers to choose not handles themselves in harvest and post-harvest activities.

The impact of tebas system, in a region that coffee stocks decreased. Only a percentage of just farmers who bring their crops to be stored. Harvest by tebas system an option because farmers can calculate profit and loss. Farmers can give high price, when coffee plants bargained for. This system provides the opportunity to earn money quickly. The existence of tebas system in coffee farming looks like cutting the coffee value chain in agriculture. The consequence of it is cost reduction. On the other hand, the reduction of cost may be cut farmers income.

One of the main problems is the lack of ability of smallholder farmers to determine cost of products. At the time of harvest, farmers only based on the price offered by the buyer without knowing whether the loss or profit. In fact, by knowing the price of coffee, farmers to take the decision to hold or sell coffee (Baswir, 1990).

The various harvest treatment in coffee farming raises questions what is the reason coffee farmers in Kembang Sub sub district Tlogosari choose harvesting system and how farmer behaviors post harvest.

## 2. Literature Review

Accounting research related to coffee farmers is still relatively rare. Some of which highlighted the environmental costs (Pramastiwi et al., 2013); adoption patterns of farming (Junaidi and Yamin, 2012); revenue organic and non-organic farmers (Gani, 2010), and the competitiveness of robusta coffee (Sutriyono, 2011).

Gani (2010) conducted a study to determine the difference in the income of coffee growers of organic and inorganic dwells in the Gayo highlands, Bener Meriah, Nanggroe Aceh Darussalam. The results showed that the organic coffee farmers' income is higher than the inorganic. The difference of income caused by the productivity of the two types of coffee, organic coffee production which is higher than the inorganic. The price of organic coffee production is also higher than ones.

The market structure is the organization that determines the characteristics of the relationship between the seller with the buyer that can be seen from the number of agencies involved in marketing, market share, market concentration and market conditions and out. Based on the nature characteristic, the market can be classified into two kinds, namely that markets are perfectly competitive and imperfectly competitive markets (Kottler, 1999). Imperfectly competitive market consists of pure monopoly market, market duopoly, oligopoly market, the market monopsony and oligopsony market.

## 3. Methods

### 3.1 Research Approach

This study used a qualitative approach of phenomenology, because it is associated with symptoms and social phenomena and their interactions with the environment and specific

conditions used qualitative techniques because it is more appropriate to understand reality. The results are expected to provide a summary of the information as possible regarding the consideration of smallholder farmers about the decision to sell coffee with tebas system and harvesting system independent. The discovery of motivation was obtained through in-depth interviews against the informant. Observation and in-depth interview process is primary data gathering.

### 3.2. Subject and Object Research

Subjects were farmers, harvesters, transporters, and coffee merchants in Kembang-Tlogosari. The data was collected using the methods of field research. Researchers act as collectors in an effort to collect data in the field. Other data collection instruments are a variety of tools and other documents that can be used to support the validity of research results. The presence of field research directly in an attempt to better understand the cases studied. The data used in this study were interviews and observations. Techniques of data analysis is the process of sequence categories of data, organizing it into a pattern, category and description of the basic unit. Data analysis was performed in an attempt to formulate propositions.

Data analysis was performed with the set, sort, categorize and provide a specific code and categorized, the data management aims to find themes and propositions are finally promoted to substantive theory. Data analysis was performed from data collection and intensively. Researchers also need to be confirmed until a response is saturated.

## 4. Results and Discussion

Participants in this study were coffee farmers who own their own land. As many as fifteen people as the main participants and forty additional informants as data in this study. All live in the village and have a coffee plantation in Kembang Village. The youngest participants were 23 years old and the oldest 65 years of age. Education level of participants varied: elementary, junior high schools, and high school educated.

All participants came from all tribes and Muslim Madurese. Because the authors have not Madurese language skill, the interview process and the data acquisition using field data collection services from their local village. Land holdings varies between one-half acre to five acres. Scattered locations in the Kradjan, Salak, Koparas, and Kradjan Pedukaran.

### 4.1 Cluster Research Themes

The research results obtained through in-depth interviews with participants and field notes made during the interview. From the results of the data analysis, the researcher found four clusters of research themes that describe the problem. Theme clusters obtained on the production and sale of coffee is (1) the amount of production is uncertain, (2) the effect of weather on production, (3) effect of treatment on the production, (4) select

or harvest tebas system themselves; (5) choose to sell directly or further processing; (6) selling in place or in the city, (7) ability to determine prices.

Determination of the theme clusters formed from the analysis of data derived from ten participants. Initial step analysis process that is determined in advance keywords each participant, and then set the theme first level of each participant. Some of the themes that have the same first level meaning the theme analyzed and incorporated into the second level. Further analyses of the second -level themes that have similar meanings are combined in a cluster theme. Here is a list that contains the level 1 theme 57 statement.

The 57 codification statements are reduced to the level 2 statement. The following list is a statement which is a level two levels of summarization of statement: number of production fluctuations, production fell, weather affects production, treatments improve crop yields, treatment had no effect on crop yields, more profitable, further cultivate, better direct sale, more simple to sell at location, choose to sell in big buyer, price is determined buyer, and hold strategies to obtain a good price.

The twelve statements cluster level 2 then compiled following research themes: production amount is uncertain; the influence of weather on production results; effect of treatment on the production; choose tebas system or harvest themselves; choose to sell directly or further processing; sell on the spot or in the city; and ability to determine prices.

#### 4.4.1 Interpretation of Results

The purpose of this study focuses on the determinants of people's production of coffee growers, to harvest their own choice or tebas system, cultivate more crops or direct selling, selling on the spot or in Bondowoso, and force farmers to price and calculate boarding on the production of coffee farmers. Theme results on conical in four weather effects and treatment effects on farmers' crops, or harvest tebas system itself, further processing or direct selling, sales locations, and whether farmers have the bargaining power to participate in determining prices of their crops.

Yusriadi (2013) states that the decline in coffee production due to adverse weather factors. Natural factors does not result in the fertilization process is complete because of the interest already falling, following the absence of rain. Occurred during the process of fertilization, coffee plants need rain. Due to the unpredictable weather lead to decreased production. If the coffee production in normal production reached 80-100 tons per hectare on average now result only of 40-60 tons.

This is not disclosed by the participants. They just explained that the rain and winds affect crop production. Climate change cannot be predicted now. Many stages to be followed in making climate predictions. Including estimates of greenhouse gas emissions in the future or the calculation of the effects of emissions on the global climate and local climate. Each stage produces a number of uncertainties that continue to grow

(British Council, 2013). Because climate change is causing changes in the weather, so the weather is too fickle. Impact crop yields for farmers is also not confirmed. It is revealed from the statement of the participants decreased crop yields.

This uncertainty affects the weather as well as the impact of foster care and maintenance can not be carried out during the rainy season. Often do not affect fertilization is optimal for the production of coffee plantation house. One reason is the non-fulfillment of the basic principle that timely fertilization, the right type, the right dosage and the right application. Timely fertilization also refers to precisely the time of fertilization and plant age. Fertilization should be done at the beginning of the rainy season. Because this time the difference between wet and dry seasons is not sure then fertilizing should be done in the air humid weather conditions (high rain probability). Fertilization is done during the dry season causing volatile fertilizer and plants become dry. Proper application allows the amount of fertilizer that is lost due to evaporation and leached by rain a little (Alfadri, 2011).

Mindset easily and efficiently is also owned by the people in the village coffee growers in Kembang-Bondowoso. They sell coffee fruit is red and almost ready to harvest. The deal price is obtained by estimating the amount of coffee that may be harvested.

Purchases would tebas system spoil farmers. Farmers live beginning the process of land preparation, seed preparation, planting and maintenance. When commodity crop would be cultivated, then the middlemen come buy with tebas system (Bisnis Bali, 2012). Farmers who sell their crops in the field are generally sold with a swipe system. It is not lack of data shows farmers' bargaining but because farmers see the advantages of the system of tebas system and profitable on both sides (Rusastra et al. 2001).

Coffee farmers in the village who did tebas system constituted by several reasons: practicality, more profitable, speed up the acquisition time money, fluctuations in the price of coffee.

From the research, the coffee farmers in the village who chose to tebas system found more profitable because tebas system avoid potential losses resulting from price fluctuations. This is in contrast with the general opinion that the sales tebas system considered detrimental to farmers because of the low price obtained. Coffee price is lower than when it was sold by measure or weight system.

Farmers who do their own harvesting reasoned that the harvest is more beneficial because more results for labor done him and family can hold coffee to improved selling prices, Buyer caused tree damage inadvertently, the social aspect in considering the interests of workers in part harvesters who are neighbors, and already routinely done every year.

Farmers generally cannot be considered in calculating the economic costs and benefits. Most farmers employ family to participate process. Labor costs of this kind do not enter the calculation when calculating the yield advantage of coffee.

Some farmers also harvest their own for some reason can determine the time of sale in accordance with the price and desire. Farmers who have other sources of income will generally perform this action. They are not too hasty to sell the crop at the time immediately after harvest. But it must be supported with a warehouse or storage area either.

Farmers will cultivate more crops to cultivate coffee if you feel it will gain good results and can withstand coffee to obtain the expected price. In the conditions when farmers are faced with the immediate needs of the costs they can do sales by not expect profit.

Some farmers actually prefer to sell as it is still a long lagsung the processing of coffee and the processing depends on the weather. Farmers still cultivate the traditional way that depends on natural conditions. The more rain the longer drying. The price of rice coffee sometimes is not very good.

Some farmers even prefer to directly sell because there is still long the processing of coffee and the treatment depends on the weather. Farmers still cultivate the traditional way so dependent on natural conditions. The more rain the longer drying. Coffee rice prices sometimes are not too good.

To strengthen the bargaining position of farmers who have adequate storage space generally save the crop to be sold at a good time. Farmers who do this generally are farmers who have a warehouse, not being chased needs and have other sources of income. Revenues can be increased more than double this, it will greatly help farmers.

The pattern of warehouse receipts is ideal and profitable for farmers. Patterns warehouse receipt can be an alternative marketing system because of the potential benefits that can be achieved is quite high, besides containing a social mission to help farmers.

Modified warehouse receipt must be built with sufficient ability in the assessment activities include crops, processing crops, and sales. The adequacy of the initial funds can be obtained from the local government or other agencies. For Kembang-Tlogosari sub sub district, with an area of about 100 ha of coffee plantations, the estimated production of 60 tons of dry coffee, the current market price of Rp. 21500.00 / kg funding needs fresh outside investment needed is Rp. 1,290,000,000.00 for each harvest. But note, the coffee farmers' income were very worrying. With an area of 1 ha plantation ownership, coffee farmers only earn between Rp. 2 million in bad condition up to Rp. 12 million in good condition. Coffee plantations only provide between Rp. 160,000.00 to 1,000,000.00 per month per Ha.

## **5. Conclusions and Recommendations**

### **5.1 Conclusion**

Based on the analysis of data from the discussion of the results of this study concluded the following matters. The purpose of

this study focuses on the determinants of people's production of coffee growers, to harvest their own choice or tebas system, cultivate more crops or direct selling, selling on the spot or in Bondowoso, and force farmers to price and calculate boarding on the production of coffee farmers.

Farmers in the Kembang village have the option to tebas system or harvest themselves. Tebas system choice based on reasons of practicality, more profitable, accelerating time acquisition of money, and fluctuations in the price of coffee.

Farmers who do their own harvesting reasoned that the harvest is more beneficial because: more results for labor done himself and family, can withstand coffee to improved selling prices, tebas system caused tree damage inadvertently, the social aspect in considering the interests of workers in part harvesters who are neighbors, and already routinely done every year.

## 5.2 Limitations and Suggestions

This study has several limitations. Many farmers are not willing to be interviewed for reasons that are not clear so comprehensive information that is not expected to be fully achieved. Future research should be conducted in a long time and involvement with the community researchers attached.

Farmers do not have the records neatly so that more data is just a memory. This leads to the calculation in detail. Future research may begin with teaching regarding the recording costs and expenses. The selling price is determined by world market demand so that the results of this study are only intended to assist farmers in making decisions.

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