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THE URGENCY OF VILLAGE FUNDS IN INCREASING AGRICULTURAL PRODUCTIVITY IN INDONESIA

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Abstract

This study is a qualitative study with a descriptive approach, namely an approach that will describe the main topic in this article, namely the use of village funds to increase agricultural productivity. The data used in this article is secondary data that researchers obtain from indirect sources but its truth is unquestionable because it has been strictly verified and has good credibility. The data researchers obtain from scientific journals. Books, websites, and other sources that are commonly used in every study. The data obtained is collected, combined, selected, reduced, and conclusions are drawn. The result in this article show that the use of village funds to increase agricultural output of rural communities while improving the welfare of rural communities is in line with the law on villages and its derivative laws and regulations. This is also believed to be able to improve the welfare of rural communities because by increasing agricultural output, it can increase rural community income, primary, tertiary, secondary, and primary food needs can be met, and ultimately the welfare of rural communities will increase. This article is one of a series of planning stages that will hopefully increase in the implementation and reporting stages in the future.

Keywords : *Village Fund, Agricultutral Productivity, Village*

1. INTRODUCTION

According to Law Number 32 of 2004 concerning Regional Government, a village is a legal community unit that has territorial boundaries that is authorized to regulate and manage the interests of the local community, based on local origins and customs that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia. According to (Solekhan, 2014)a village is a legal community unit that has an original structure based on special ancestral rights.

Government Regulation Number 72 of 2005 concerning Village Government states that a village has a government institution tasked with managing the village level area or called the village government as an element of the village government administration. The leader of the village government is the village head assisted by village officials tasked with organizing government, development and community affairs. Based on the description above, it can be concluded that a village is a collection of legal communities and is the lowest organization below the sub-district that has the authority to regulate its household and take care of the interests of the local community based on local laws and customs. The village is an independent organization with its own traditions, customs and laws and is independent

(Peraturan Menteri Dalam Negeri No. 113 Tahun 2014 Tentang Pengelolaan Keuangan Desa, 2014).

The issuance of the Law on Village Government in 2014 certainly had a positive impact. This was announced to the public regarding the very large village funds per year. Of course, this opportunity is expected to develop the potential of the community to improve community welfare (Simanungkalit, 2019). Village funds according to Government Regulation Number 60 of 2014 are funds sourced from the State Revenue and Expenditure Budget (APBN) which are allocated for villages transferred through the Regency/City Regional Revenue and Expenditure Budget (APBD) which are then transferred to the Village Revenue and Expenditure Budget (APB Desa) and used to finance the implementation of government, implementation of development, community development and community empowerment. The allocation of village funds is calculated based on the number of villages and is allocated by considering the population, poverty rate, area and level of geographical difficulty (SARI, 2023).

The following are the objectives of village funds based on Law Number 6 of 2014 concerning Villages (Hadi Sumarto & Dwiantara, 2019): 1. Improving welfare and equitable development through public services. 2. Alleviating poverty. 3. Advancing the village economy. 4. Overcoming development gaps between villages. 5. Strengthening village communities as subjects of development. The use of village funds as regulated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 19 of 2017 is prioritized for the development and empowerment of village communities, especially for improving the quality of life, poverty alleviation and community welfare.

Based on the above explanation, the researcher will explain more comprehensively the use of village funds to increase village development and improve the welfare of rural communities. According to (Nugroho, 2023)development is a series of movements of change towards progress, these changes are planned based on certain norms. Development also means a series of efforts and activities intended to achieve a state of take-off or perhaps a state full of encouragement towards maturity. The objectives of development according to Zulkarnain Djamin in (Jamaluddin et al., 2018): 1. Increase the availability and expand the distribution of basic needs of the people. 2. Improve the standard of living including increased income, adequate employment opportunities, better education, greater attention to cultural and humanitarian values (in the sense of social, physical and spiritual welfare). 3. Expand the socio-economic choices of individuals and nations, by providing freedom from dependency.

According to Basuki Pujowalwanto in (Natalia, 2022) the factors that influence development are: 1. Human Resources: Human resources are the most important factor in the development process, because the speed of the development process depends on the extent to which human resources as the subject of development have adequate competence to carry out the development process. 2. Natural Resources: Most developing countries rely on natural resources in carrying out their development processes. However, natural resources alone do not guarantee the success of an economic development process if it is not supported by the ability of its human resources to manage the available natural resources. The natural resources in question include soil fertility, mineral wealth, mining, forest wealth and marine wealth. 3. Science and Technology Development: The increasingly rapid development of science and technology encourages the acceleration of the development process, the change in work patterns that originally used human hands is replaced by sophisticated machines that have an impact on the efficiency, quality and quantity aspects of a series of economic development activities carried out. 4. Culture: Cultural factors have their own impact on the economic development carried out, this factor can function as a generator or driver of the development process. Cultures that can encourage development include hard work and smart work, honesty and tenacity. The culture that hinders the development process includes anarchic, selfish, wasteful and corruption attitudes. 5. Capital Resources: Capital resources require humans to manage natural resources and improve the quality of science and technology. Capital resources in the form of capital goods are very important for the development and smoothness of economic development because capital goods can also increase productivity.

Based on Basuki's opinion above, village development can be adjusted to the conditions of natural resources, rural community culture, and technological developments. Most rural communities in Indonesia have a livelihood in agriculture which is also the culture of rural communities. Therefore, researchers argue that the most appropriate use of village funds is to increase the productivity of agricultural products of rural communities which can ultimately improve the welfare of rural communities.

2. RESEARCH METHODS

Based on the explanation above, it can be concluded that this study aims to comprehensively discuss the use of village funds to increase agricultural productivity in rural communities (Walinono, 2020). From the color above, it can be concluded that this study is a qualitative study with a descriptive approach, namely an approach that will describe the main topic in this article, namely the use of village funds to increase agricultural productivity (Amira, 2022). The data used in this article is secondary data that researchers obtain from indirect sources but its truth is unquestionable because it has been strictly verified and has good credibility (Amane et al., 2023). The data researchers obtain from scientific journals. Books, websites, and other sources that are commonly used in every study (Nartin et al., 2024). The data obtained is collected, combined, selected, reduced, and conclusions are drawn (Abdurahman, 2016).

3. RESULT AND DISCUSSION

Village and Village Funds

According to Law Number 32 of 2004 concerning Regional Government, a village is a legal community unit that has territorial boundaries that is authorized to regulate and manage the interests of the local community, based on local origins and customs that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia. According to (Solekhan, 2014)a village is a legal community unit that has an original structure based on special ancestral rights.

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The Urgency Of Village Funds In Increasing Agricultural Productivity In Indonesia

Village development in line with the purpose of using village funds are two things that should go hand in hand. Village development is an effort to improve the quality of life and life for the greatest possible welfare of the village community (Law Number 6 of 2014 concerning Villages). Village development is development that has a strategic role in the framework of national and regional development, because villages and their communities are the foundation or basis of economic, political, socio-cultural and defense and security strength. All of these are developments that directly touch the lives and interests of the people, because more than 80% (eighty percent) of the population lives in rural areas (Todaro, 2016). In implementing village development, villages must implement the principles of transparency and the involvement of community participation both in planning, implementation and in supervision and monitoring.

Within the framework of the Village Law, the village development cycle includes 3 (three) important stages, namely planning, implementation and accountability. 1. Planning: Village development planning refers to the concept of building villages and villages building. The concept of building villages in the context of planning is that in planning development, villages need to refer to district/city development planning (Village Law especially in articles 79 and 80). This village building concept prioritizes village deliberations to meet the real needs of the community. This is explained in Law Number 6 of 2014 concerning Villages which states that (Fatima et al., 2023) : 1) Village development planning is carried out by involving the village community. 2) In preparing village development planning, the village government is required to hold village development planning meetings. 3) Village development planning meetings determine priorities, programs, activities and village development needs funded by the Village Revenue and Expenditure Budget, village community self-reliance and/or the District/City Revenue and Expenditure Budget. 4) Priorities, programs, activities and village development needs. 2. Implementation of Village Development is carried out in accordance with the Village Government Work Plan, which is carried out by utilizing local wisdom and village natural resources except for work that requires special skills and construction services. Implementation of village development is carried out through 2 (two) stages, namely: 1) Preparation stage, including determining the activity implementer, preparing a work plan, socialization and/or publication of activities, providing for activity implementers, implementing coordination and synergy for activity implementation, preparing administrative documents, forming a procurement team for goods and services, procuring labor and procuring materials. 2) Implementation stage, the Village Head coordinates the implementation of activities, at least including work meetings on activity implementation, controlling activity implementation, reporting on activity implementation results, accountability for activity implementation results and sustainability of activity results. 3. Accountability The Village Head is responsible for the overall management of village finances. In Government Regulation Number 43 of 2014 Articles 103-104 regulate the reporting procedures that must be carried out by the Village Head. The Village Head is required to report the realization report on the implementation of the Village Budget to the Regent/Mayor every semester of the current year. In addition, the Village Head is required to submit an accountability report on the implementation of the Village Revenue and Expenditure Budget to the Regent/Mayor at the end of each fiscal year. The report made by the Village Head is addressed to the Regent/Mayor which is submitted through the sub-district head. The regulation on reporting and accountability for the use of the Village Budget is stated in the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 113 of 2014 concerning Village Financial Management. The Regulation also regulates the standards and formats for accountability reports that must be prepared by the Village Head. Such as the provisions of the attachments that need to be fulfilled in the accountability report on the realization of the implementation of the Village Budget, namely (Riyadi, 2005): 1) Format for the accountability report on the realization of the implementation of the Village Budget for the relevant fiscal year. 2) Format for the report on village assets as of December 31 of the relevant fiscal year. 3) Format for the report on government and regional government programs that enter the village.

Based on the explanation above, it can be concluded that the use of village funds to increase agricultural output of rural communities while improving the welfare of rural communities is in line with the law on villages and its derivative laws and regulations. This is also believed to be able to improve the welfare of rural communities because by increasing agricultural output, it can increase rural community income, primary, tertiary, secondary, and primary food needs can be met, and ultimately the welfare of rural communities will increase. This article is one of a series of planning stages that will hopefully increase in the implementation and reporting stages in the future.

4. CONCLUSION

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