Ups and downs in rural Javanese industry: the dynamics of work and life of small-scale garment manufacturers and their families
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Citation for published version (APA):

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Chapter One

Introduction

1. Research Issues

This study explores the dynamics of work and life of the small-scale (home-based) garment manufacturers, both the garment producers (the juragan) and the garment workers (the buruh), in a rural Javanese village. The main objectives of this study are three-fold. The first is to understand the dynamics of work of the juragan and the buruh in the small-scale rural garment industry, which is operated under the system of so-called informal arrangements. Second is to understand how these dynamics affect the dynamics of the life of the juragan, the buruh and their families. The last is to understand how the socio-economic conditions (the local setting) where the industry is situated affect the emergence and also the operation of this industry.

The author's motivation for pursuing this study is in fact inextricably linked to several issues surrounding this research theme at the regional as well as national level. These issues are the following:

First and most important is the economic transformation that has been experienced by Indonesia (Java) in the last three decades, particularly before the economic crisis erupted in mid-1997. Before 1970, the Indonesian economy was dominated by agricultural activities as roughly 70 per cent of its inhabitants worked in the agricultural sector (White, 1991a: 44). The situation gradually changed after the Indonesian New Order government launched the Rencana Pembangunan Lima Tahun (Repelita, Five Years Development Plan) in 1969/1970. Twenty-five years later, Indonesia had experienced quite a significant economic transformation from being an agricultural economy to moving in the direction of being a more industrial one (see, e.g., Hill, 1996; Hill, 1994; Wie, 2002; Booth, 2002; and among others). Figure 1.1 shows that the contribution of agricultural sector to the national economy output (GDP) continued to decline from year to year, namely from 51 per cent in 1965 to only 16 per cent in 1996. This decline then was followed by a fall in the proportion of the labour force employed in the agricultural sector. If the population census in 1971 reported that 64 per cent of the Indonesian population was still working in the agricultural sector in that year, by 1995 the intercensal survey (Supas) reported that only 44 per cent of
the total labour force in Indonesia was engaged in the agricultural sector (see more detail the transition process in Figure 1.2).

Figure 1.2 clearly indicates that the employment transformation was slightly faster in Java compared to the national level.

**Figure 1.1 Composition of GDP Indonesia 1965-1996**

[Diagram showing GDP composition]


**Figure 1.2 Employment by Sector in Indonesia and Java, 1971-1995**

[Diagram showing employment by sector]


The economic transformation described above will inevitably affect various aspects of the Indonesian economy, particularly the structure of employment. Manning (1998: 91) predicts the
decline in the agricultural sector as the main pillar of Indonesian economy will subsequently be followed by three predominant patterns in the employment structure as follows: first is a higher proportion of people working in informal sectors, especially in urban areas; second is the increase in the number of wage earners who will find employment in rural non-agricultural activities; third is the increase in the numbers of people from rural areas who will be working in the manufacturing sector. Manning’s (1998) assessment of the impact of the Indonesian economic transformation on the employment structure in Indonesia above in fact corroborates further issues which will be discussed in this section.

The second issue is the increase in the important role of non-farm activities as a source of income in Indonesia in recent decades, a change not just confined to urban people but also extending to rural households as well. The decline in the proportion of the Indonesian labour force in the agricultural sector in the last three decades, referred to above, was not in fact caused by external factors (the increase in manufacturing, trade, and services or pull factors) only, it was also propelled by the increase in the pressure on land which inexorably had forced the rural households to find employment outside this sector (push factors). If Manning (1988: 17) estimates that in the early 1970s the number of the rural households without agricultural land (in Java) was about 30-40 per cent of the total rural households (a slightly higher estimate is made by Booth and Sundrum, 1981: 181), by 1995 Booth (2002: 1) was mentioning that the number of landless households in Indonesia had grown to more than 50 per cent of the total number of rural households (and around 64 per cent of rural households in Java and Bali). The increase in the landless households subsequently put more pressure on those households to find employment outside the agricultural sector. Supas reported that in 1995 only 46 per cent of total number of rural households in Indonesia earned their income solely from the agricultural sector, while the rest of them (54 per cent) earned their income from non-agricultural activities or from a combination of non-agricultural and agricultural activities. The percentage of rural households which earned their income outside the agricultural sector was reported to be a little higher (around 56 per cent) for rural households in Java. The increase in the role of non-farm activities as a source of income (particularly in Java) in the recent decades serves to underline the historical fact that for a very long time non-farm activities have occupied an important position as an alternative source of income for Indonesian people, particularly for the Javanese population after pressure on land started to increase markedly as early as the 1830s (Alexander, Boomgaard, and White, 1991: 3). Supporting Alexander, Boomgaard, and White’s opinion, Fernando (1996:78-79) mentions that by the 1880s around a quarter of all economically active Javanese were non-agricultural workers who were engaged in employment in various rural workshops and factories, weaving and batiking, potteries, shipyards and lime kilns being prominent earning activities.

The third issue is the domination of (rural) small-scale industry and small and medium enterprises in general as the employment provider in the field of Indonesian manufacturing (Weijland, 1990a; 1990b; T. Tambunan, 1994; 2000a; Sandee, 1995; Klapwijk, 1997; Kragten, 2000). Although the Indonesian economy has experienced a
transformation from an agricultural to a more industrial type in the last three decades, M.Tambunan et al. (2002: 6) argue that the Indonesian economic structure is essentially still dominated by a “grass-roots economy”. Basing themselves on the Economic Census 1996, they explain that this “grass-roots economy” was dominated by around 39 million micro-enterprises (MCEs) and 640,000 small enterprises (SEs). In the same year, large enterprises comprised only 11,000 establishments. MCEs and SEs altogether provided around 70 per cent of industrial employment mostly in the form of self-industrial employment which uses predominantly family labour and is widely known as the informal sector. In the manufacturing sector (see Figure 1.3), the percentage of medium and large industries which absorbed the Indonesian labour force has also increased during the last three decades, although not quite as impressively (and marked by fluctuations), rising from 25 per cent in 1974 to 40 per cent in 1997. This proportion unfortunately declined again to around only 35 per cent after the economic crisis hit Indonesia in mid-1997.

Figure 1.3 Employment Share in the Manufacturing Sector by Size of the Industry\(^1\), 1974-2001


Therefore, small and medium enterprises and small-scale industries in particular -- which are mostly located in the rural areas-- are still playing an important role as instruments of employment for rural households. This fact is not surprising as historically cottage industry ("huisvlijt") has been an important source of employment throughout Indonesia, particularly Java, since as early as the nineteenth century (White, 1991a: 47-48; according to BPS definition (www.bps.go.id), Small-Scale Industry are production units that employ 1 to 19 workers, while Medium and Large Industry are production units that employ more than 19 workers.)
The role of small-scale industries has now become even more important owing to the fact that: firstly, many large enterprises collapsed in the wake of the Indonesian economic crisis which made it even more difficult for them to absorb the increase in the labour force; secondly, the number of landless rural households has continued to increase, which eventually creates a need for more employment outside the agricultural sector, touched upon earlier.

The fourth issue is the globalisation of the economy which has great potential – directly or indirectly -- to affect the existence and operation of rural non-farm activities, small-scale industry in particular. The recent Indonesian economic crisis is perhaps very clear evidence of how the globalisation of the economy has undermined the potential of the small-scale industries to be one of the main pillars of the Indonesian rural economy. Since its irruption, thousands of small-scale industries across the archipelago as reported by The Department of Cooperative and Small Industry have had to close down their operations (Depkop and PKM, 1998). Consequently, although the garment industry in Kalitengah has not yet been connected to the international market through global value chains (see, e.g., ILO, 2002; Gereffi, 1994, 1999; Mehrotra and Biggeri, 2002; Carr and Chen, 2001; Kaplinsky, 2002), the impact of globalisation on national economic conditions in Indonesia will inevitably affect the operation of this industry both from the demand and from the supply side.

The whole socio-economic process which has been in progress in Indonesia, particularly in Java, and several important issues which appear in conjunction with the process, have eventually led to the fact that the existence of non-farm activities, and rural small-scale industries in particular, make a very substantial contribution to the livelihood of the (rural) households in Indonesia. Indeed, it is essential for us to acquire more comprehensive knowledge about rural non-farm activities and rural small-scale industries in particular; not simply to satisfy pure academic curiosity, but even more appositely for practical reasons, namely to supply the policy makers in Indonesia with sufficient information to enable them to formulate more accurate policies to boost the role of non-farm activities as a safety net for poor rural households (see, e.g., Saith, 1992; Islam, 1987; Anderson, 1982; Anderson and Leiserson, 1980; Ho, 1982). Despite the cogency of this argument information on rural non-farm activities and rural small-scale industry in Indonesia is still quite limited as Alexander, Boomgaard, and White (1991:1) have said in the following observation: “Both historical and contemporary studies of rural Java have usually treated the economy and society as if these involved exclusively agricultural activities and agrarian production relations”. This micro-study of the rural small-scale garment industry therefore should be looked upon as part of the effort which has been pioneered by several scholars who have done similar studies at an earlier date to narrow the gap between the abundant literature on agricultural studies in Indonesia on the one hand and the limited information on the literature on rural non-farm and rural small-scale industry studies on the other.
2. Positioning the Research: Non-farm Activities and Rural Small-Scale Industry in Indonesia

Unquestionably, efforts to understand non-farm activities in Indonesia (especially in Java) have been made by various scholars ever since the late Dutch colonial era, perhaps even earlier. The earliest was perhaps Raffles (1830), who documented several non-farm activities undertaken by the Javanese people in his book “The History of Java”. Apart from Raffles, various other scholars deserve a mention as “pioneers” who have carried out studies (documented) on non-farm activities in Java. Boomgaard (1991) and White (1991a), for example, refer to the work of Rouffaer (1904), Rouffaer and Juynboll (1900), Rouffaer and IJzerman (1915), IJzerman (1926), Fayle (1929), Hasellman (1914), Pleyte (1911), Versluys (1917), Warmelo (1939), Siisen (1943), to mention just a handful, when they trace the history of the emergence of non-farm activities in Java from the sixteenth up to the twentieth century.

The information about non-farm activities in Java continued to augment with the emergence of the second generation of scholars in this field between the 1950s and the 1970s such as Aten (1953), Matsuo (1970), Palmer (1972), C. Geertz (1963), Dewey (1962), and Castles (1967). The first three of these scholars basically discuss the development of (rural) industry in Indonesia in the late Dutch colonial period, taking as a specific case the development of the textile industry. The others have discussed entrepreneurial spirit as a way of explaining various factors, such as religion, culture, and politics, which influenced the emergence of the local middle class or entrepreneurs. Unfortunately, after these pioneering works, research on non-farm activities in Indonesia was discontinued and what had been done tended to be rather “neglected” after the implementation of the Green Revolution in Indonesia in late 1960s. Since then, most of the scholars who have carried research in (rural) Indonesia have paid more attention to the impact of the Green Revolution on agriculture and agrarian change. Velzen (1994: 4-5), for example, had this to say about this tendency.

“Rural development studies of Indonesia have long been focused on agriculture and agrarian change. This focus was even intensified after the initial information that the Green Revolution would have resulted in a decrease in agriculture employment in the seventies. With some exceptions, little attention has been paid to rural non-farm employment although these activities have always been important to at least part of rural population [...] The growing importance of non-farm employment for the rural population, its relation to modern industrial sector and the lack of adequate data on this type of activities called more research on this sector”.

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2 The same observation in fact has also been made by R.Ruiten (1990: 4) when she mentions that research on rural commercialisation in Southeast Asia usually focused upon the development in agriculture, particularly the introduction of new technology in the agricultural sector and the integration of marginalised rural household into wider markets.
After they had been "neglected" for more than a decade, in the late 1980s various scholars began to pay more attention to non-farm activities in Indonesia again. One group of them was involved in a research project on rural non-farm employment in West Java, a cooperative policy-oriented project between the Institute of Social Studies (The Hague), the Development Studies Center of Bogor Agriculture Institute, and the Center for Environment Studies of the Bandung Technological Institute. Ever since that project was initiated in 1987, research on rural non-farm activities and rural industry has gone from strength to strength and flourished throughout Java and Indonesia in general. Since that time, many researchers have carried out various research projects on a similar theme. Looking at the various studies on rural non-farm activities and rural small-scale industries pursued since the late 1980s, it is possible to draw up a basic classification on the basis of a number of subjects:

First is the study of the emergence and development of rural non-farm activities and rural small-scale industry. Boomgaard (1991), for example, explains the history of the emergence of non-farm economic activity in Java from pre-colonial times until the nineteenth century. In his article, Boomgaard says that among the factors that triggered the emergence of non-farm activities in Java was the dramatic change in indigenous agricultural activities initiated by the colonial state and the increase in the pressure on land because of the sharp rise in the number of the Javanese population. He argues that an increasing number of Javanese peasant households in the early nineteenth century were pushed into non-farm activities to make ends meet. In a similar vein to Boomgaard, White (1991a) explains that the emergence of rural non-farm activities in Java in the early twentieth century was a two-way process consisting of a "push" factor (land pressure complemented by a "pull factor" (the increasing demand for non-agricultural products). These two factors underpin his more detailed explanation of three different reasons why people became involved in rural non-farm activities, namely: the 'survival strategy' pursued by marginal cultivators and the landless who cannot survive from agriculture; the 'consolidation' strategy used by small farm households which can cover subsistence needs from agriculture but branch out either to seek security against risk or to expand their resource base; and the 'accumulation' strategy of households with an agricultural surplus seeking high returns on investment.\(^3\) Other researchers, including Nibbering and Schrevel (1982), explain that various factors such as the condition of the agricultural sector, availability of raw materials, the state of the labour supply, the market, the infrastructure and facilities and the like will affect and ineluctably differentiate the causes of the emergence of non-farm activities in one village compared to another. Pertinently, these two researchers also explain that land pressure is the main reason people seek recourse to non-farm activities, as they say that the majority of rural households --which engage in small-

\(^3\) More discussion on the impact of these strategies into the widening of inequalities in rural Java can be found in Hüskens (1984; 1998), Hart (1986), and White (1986).
scale industries-- are from the lowest farm size category. The same findings recorded by Nibbering and Schreveld (1982) are also mentioned by Weijland (1985; 1990a, 1990b). Meanwhile, Rietveld (1986; 1987) --on the basis of his research in rural Javanese villages-- argues that the emergence of non-farm activities is part of the industrialisation process in rural areas. He says that the factors --which influence the participation of farm households in small-scale manufacturing (non-farm activities)-- are strongly affected by various conditions in the agricultural sector, namely, agricultural income per household, agricultural density, Gini Index of land ownership, and distance from the city. He indeed concludes that rural industry is more important as source of income to the poor rural households, although he also insists that rich farm households likewise participate substantially in this undertaking.

Besides the many studies on the emergence of the rural non-farm activities, plenty of studies (still to be seen as the continuation of the study of the emergence of the non-farm activities) have much more focused on the linkages between agricultural diversification and the growth of rural non-farm activities. Included in this category are the studies that have been done by Effendi, Wattle, and Priyadi (1990), Effendi (1991), T. Tambunan (1994; 2000), Mizuno (1996), Kragten (2000), and among others. Effendi (1991), pays particular attention to the fact that agricultural diversification has had a positive impact on the growth of rural non-farm activities in his research location (Jatinom sub-district, Klaten, Central Java). Furthermore, he mentions that consumption linkages account for the largest proportion in his research location, where production linkages, especially backward linkages to manufacturing, have had less effect. More recent research done by Kragten (2000) also supports Effendi's finding. Kragten's basic plan was to analyse the relationship between agricultural diversification and the growth of the rural non-farm activities or rural industry in particular in her research site; that is in Bantul District, Yogyakarta. She found that most farming households in Bantul District still cultivate traditional food crops, but most of the inputs used in agricultural activities are produced by large-scale enterprises. Consequently, she says that in terms of production linkages agriculture has not provided an important stimulus to the development of rural industries in Bantul. As far as consumption linkages are the concerned, she finds that rising agricultural/rural incomes have been more important to the development of rural non-farm activities such as trade and commercial activities, but have not had marked repercussion on rural industries. In contrast to these two researchers, T. Tambunan (1994) has conducted a study on the impact of the increase in real income per capita as a consequence of agriculture development and population density on the increasing of employment shares in rural non-farm activities, particularly small-scale and cottage industries using data obtained at the provincial and the village level. From his study, he concludes that the increase in real income per capita has a positive as well as a negative relationship to the employment shares in rural non-farm activities. Pertinently, population density always has a positive relationship to an increase share in employment in rural non-farm activities. In the same study, he finds that
there are no linkages between rural small-scale industries and medium and large industries in the cities.

The gender issue has also become an important theme in the research on rural non-farm activities. The work by Smyth (1986), Velzen (1994), Grijns et al. (1994), Wolf (1992), Susilastuti and Partini (1990), Susilastuti (1991), Chotim (1994), Saptari (1995) is only a limited example of the results obtained by researchers who deal with this topic. From various studies on rural non-farm activities that pay particular attention to the gender aspect, White (1991b) identifies several issues that have been elaborated by these researchers. These issues consist of: (a) women's employment, poverty, and welfare; (b) gender division in non-farm labour in general; (c) women entrepreneurs; (d) women unpaid family workers; and (e) women wage workers. Although there are various issues, the main concern of these researchers is overwhelmingly about the marginalisation of the women who work in the rural non-farm activities. However, since marginalisation is a process, these researchers admit that it was very difficult to find convincing evidence to support their hypotheses. Grijns et al. (1994) can only mention the symptoms (indicators) of marginalisation in the concluding remarks to their book, by summing up several such indicators including the facts that: women are at the bottom of all sub-sectors and mired in the stagnant sector of the industries; jobs are segregated in such away that women perform the less skilled, less secure, and lowest paid jobs; and women as entrepreneurs, wage workers and unpaid family workers have less access to resources than men. Yet, although many studies have been carried out, these researchers admit that it is still difficult to find an answer to the 'simple question' raised by the marginalisation of women in rural industries and (or) rural non-farm activities in general.

Another research theme related to non-farm activities, particularly rural small-scale industries, has been the organisation of the production and marketing of these industries. Many researchers have carried out studies on this theme in various industrial sub-sectors. Among them are: Van Velzen (1994) in food-processing industry; Thamrin et al. (1991) in shoe-making industry; Hardjono and Masiyati (1990) on the poultry industry, and Hardjono (1990) on the textile industry. These studies have subsequently provided us with information about how various rural small-scale industries are operated. However, although the research findings from these studies show that there are differentiation in terms of organisation of production and marketing strategy caused by such factors as raw materials, product outputs, target market etcetera, further analysis of these research findings suggests that there are many similar aspects in the operation of these industries. For example, Hardjono (1990) mentions the adoption of the putting-out system and the subcontracting system in the Majalaya textile industry. These systems in fact can also be found in the shoe-making industry in Cibaduyut (Thamrin et al., 1990) and in the garment industry in Mojotengah (Susilastuti and Partini, 1990; Susilastuti, 1991). These similarities are not at all surprising since all the small-scale producers from these various industrial sub-sectors studied above actually face the same elements of risk in operating their
industry; namely seasonal fluctuations, uncertainty of work orders, changes in business climate and the like. These circumstances ineluctably stimulate these producers to search out the most suitable systems to help them reduce their risks. Therefore similarities in their operations are the exception rather than the rule. Turning to marketing, research on trade and traders has been conducted by several researchers including Alexander (1987), Alexander and Alexander (1991), Alexander and Alexander (2001), Chandler (1981), and Evers (1989). In their studies, the principal focus of these researchers has been to try to explain various issues such as the way trade is conducted in rural Java, the socio-economic character of the people who involved in this activity, and the role of this activity in contributing to the income of the family.

Still dealing with non-farm activities in the manufacturing sector, in the recent years, the clustering of small-scale industry has been paid more attention by the scholars. The upsurge in attention to this research theme has been stimulated by the fact that rural small-scale and cottage industries in Indonesia (also elsewhere) often occur in spatial clusters of enterprises which produce a similar output. In the wake of the growing attention paid to this issue, various scholars have done research on this theme, including Sandee et al. (1994), Sandee (1995), Sandee and Weijland (1989), Yuwono, Supramono, and Rietveld (1994), Klapwijk (1997), Smyth (1992), Sudarto (2001). Sandee (1995), for instance, has conducted research on the process of innovation in the adoption of technology in roof-tile clusters in Central Java. Reviewing his search data, he finds that the adoption of innovations in industrial clusters is prompted by a number of factors such as the pioneers, the buyers, and institutional support agencies. He explains that male rather than female producers who come from better-off households are usually the most important pioneers in the adoption of innovations in technology within the industrial clusters. A broader research perspective in order to understand rural industry clusters has been taken by Klapwijk (1997). In his research he has established various important findings such as: (a) rural industry clusters in Java consist of 60 per cent of all small-scale and cottage industry. These clusters occur most frequently in the textile and garment sector, the non-metallic mineral sector (bricks and roof-tiles) and the metal sector; (b) rural industry clusters enjoy more benefits than dispersed ones, for instance, a lower cost for raw materials, and derive more advantages from government programmes; (c) several rural industry clusters are integrated into the wider regional economy which provides a better opportunity for those industries to develop their prospects in urban and even export markets. The more recent study done by Sudarto (2001) does indeed corroborate these earlier research findings. Her research findings prove that innovation adoption and networking within the industry clusters have both played an important role in helping these industry clusters to cope with the Indonesian economic crisis. She describes how industry clusters which have better technology and better networks have been more advantageously situated to deal with emergencies than other industry clusters during the economic crisis.
Lastly, the research on the role of non-farm activities in creating a rural elite (class formation) has been done by M. Rutten (2003) in Batur, Klaten district, Central Java. Rural non-farm activities in far more than simply instruments of survival strategy for poor rural households, they are vehicles of capital accumulation as well. On the basis of his research results in Batur, M. Rutten (2003) mentions that the existence of a small-scale iron foundry in that village has given many rural industrialists there an opportunity to enjoy vertical mobility as a rural elite (new rich or orang kaya baru). Through a differentiation process --which takes place from one stage to another-- these rural capitalists then create socio-economic identities which differentiate these rural elites and their families from other rural population groups in general. M. Rutten's (2003) research in fact is not the only study which has been done on this theme. Apart from the earlier studies pursued by C. Geertz (1963), Dewey (1962), and Castles (1967), which have been mentioned in the beginning of this section, similar studies which have come out with the same findings as M. Rutten (2003) have also been carried out by other researchers, including the studies of Abdullah (1994) on Muslim businessmen in Jatinom, Klaten, and by Weix (1990; 2000) on indigenous kretek entrepreneurs in Kudus, Central Java.

From the brief literature review above, it is irrefutable that copious research on rural non-farm and rural small-scale industries pursuing various research themes has been undertaken by researchers and scholars who have an interest in rural development in Indonesia (Java). Unfortunately, the literature review also shows that the majority of the research on non-farm activities and rural small-scale industry in particular which have been carried out in Indonesia have mostly taken a one-sided approach only, that is either using industry/enterprise or household/family as their unit of analysis. Hence, up to the present, any study that uses a two-sided approach such as the dynamic of work (the industry/enterprises) and the dynamic of life (the household/family) is still rare. The decision by the author to try to combine these two different approaches in this thesis is based on the consideration that it is difficult to make a separation between the work and home domains when doing research on rural small-scale industry because of various intrinsic characteristics of this industry such as home-based production, no financial dichotomy between enterprise and family, the high percentage of the involvement of the family members in the production process, industry, employers, and workers located in the same site to mention the most salient (see more discussion on this issue in Chapter Two).

3. Research Questions

What are the dynamics of the work and the life of the small-scale garment manufacturers and their families in Kaliengah village? This is the main general question that I should answer in this study. The more specific questions are:
1. What factors have affected the emergence and the development of the garment industry in Kalitengah? Who have been the pioneers of the emergence of the industry? What are their economic and social characteristics?

2. How does the garment industry in Kalitengah affect the social and economic diversification of the people in that village? Who has moved out of the agricultural sector? Who enjoys upward mobility? Who does not? How do upward and downward mobility take place? What circumstances affect that mobility?

3. How is the organisation of the production, the division of labour, and the marketing arranged? What are the relationships among the people involved in that industry i.e. the relationships among juragan, among buruh, between juragan and buruh, and between juragan and retailer traders? How does the local context, that is culture, values, and norms influence that relationship? How do business fluctuations influence these relationships?

4. How does the dynamic of work influence the dynamic of life of the people in the garment industry and their family (or household)? What is the division of work in juragan and buruh families/households? To what extent do peak and slack seasons affect the livelihood of juragan and buruh? Is there any change in the life-style of juragan and buruh families during the slack season and (or) economic crisis? What is the dynamic of the relationship among family/household members of juragan and buruh following the business fluctuations in the garment industry?

4. Doing Research In Kalitengah

My research in Kalitengah has been conducted in various stages. My first experience of and involvement in conducting research in Kalitengah dates back to mid-1997 when I participated in a research team on “Social Security and Social Policy in Java”. It was a research project conducted with the collaboration of three universities, namely Center for Population and Policy Studies (CPPS) of Gadjah Mada University, the Catholic University of Nijmegen, and the University of Amsterdam. At that stage I had not paid any attention to the problem related to the work and life of garment manufacturers in that village, but had concentrated the livelihood of the people in Kalitengah village in general. The research at that time was tailored to find the answer to how people cope with their livelihood problems by using various local means such as arisan (rotating saving and credit associations), gotong-royong (mutual help or cooperation), sumbangan (contributions to ceremonial event in cash or kind) among other options open to them.

The second stage of the research was carried out in between April-July 1999. At that time I conducted a preliminary research project on the impact of the Indonesian economic crisis on the life and work of garment manufacturers in that village after I had done three months on research literature on this issue in the Netherlands. This research, in fact, was
triggered by my short visit to that village with Prof. Jan Breman in mid-1998 (Purwanto, 1999a).

The third stage of the research was conducted from August 2000- July 2001. In this period I did further research on the impact of the Indonesian economic crisis on the livelihood of garment manufacturers in Kalitengah. However, because of the quick recovery of the industry from the crisis, more attention was paid to understanding not only the impact of the crisis, but also the dynamic of the work and life of garment manufacturers in that village as the impact of seasonal fluctuations in that business, for instance peak and slack seasons. In this case, the economic crisis can then be seen just as part of that seasonal rhythm.

4.1. Entering the Village

The name Kalitengah did not ring strangely in my ears since this village is not far away from my own home village. However, before I became involved in this village as a researcher, I just knew Kalitengah --as most people from outside Kalitengah know about this village-- by its two reputations: first is a place where various garment products are made; and second is a place where *wong sugih* (rich people) lived. When I finally had an opportunity to carry out the research in that village, I did indeed realise that what people presume about Kalitengah is in fact not always true. In reality, Kalitengah is also heterogeneous in its character. On the basis on its economic activities, the livelihood of its inhabitants, social interactions, public service facilities, and the environment of the neighbourhood, Kalitengah village can basically be differentiated into two different regions, namely the southern part and the northern part (in the past people used the river Ujunng which divides Kalitengah into two regions as the border line between these two geographical parts). The northern part is more urban in its characteristics and where is most garment industries are located and their owners (*juragan*) live, while the southern part is more rural where the greater part of the rice-fields in Kalitengah are located. In the beginning, when I was a member of the research tem of "Social Security and Policy", I spent most of my time interviewing people who live in the southern part of this village. At that time people recognised us as "Mahasiswa KKN" (students who are conducting internships). Then, since my focus of research was about the dynamic of work and life of the garment manufacturers --in order to have closer contact with the people who are involved in that industry-- I decided to move from the southern part to the northern part of the village, the hub of the garment industry.

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4 The internship programme (KKN, *Kuliah Kerja Nyata*) of Gadjah Mada University, of which the main objective is to help people in the villages to solve their problems with local know-how, has been very well known among the rural inhabitants for years. Because of the imprint of that image, that is why people always see every university person who comes to the village as conducting KKN.
In Dalangan hamlet I lived in the house of a retired garment producer, named Mbah Joyo. It was Pak Lurah (the village head) who recommended I lodge with the Joyo’s family. In Mbah Joyo’s big house, I lived side by side with Pak Tar and his family—a young garment producer—who also rented a house from Mbah Joyo. At that time, when I started to do household survey in order to build up database on Kalitengah households in April 1999, people still recognised me as a mahasiswa KKN. Then, little by little, when I started to introduce myself while I was interviewing people door to door, they finally understood that I was no longer a mahasiswa KKN, but a peneliti (researcher). Later, as time went by and I was able to become involved in people’s activities in the village by participating in pengajian, being a member of the night watch, joining in life-cycle activities, accompanying sewing workers as they performed their jobs, joining the tennis club of the juragan, playing badminton with people in Dalangan hamlet, playing cards with people in the security post and many more activities, they just came to know me as the putunne (the grandson) of Mbah Joyo.

Indeed, doing research with my “new status” as the grandson of Mbah Joyo really made my task as researcher much easier than I had imagined possible. As “the grandson” of Mbah Joyo, less effort was needed to start my longer fieldwork period when I came back to the village again in early August 2000 after I had spent nine months in the Netherlands preparing my research. During the first stage of my research I carried out a survey of the whole village, which consists twenty-five hamlets. As my research needed more focus, in the second stage, I reduced the scope of my research observation to five hamlets only; namely the hamlets where the garment industry mostly takes place. These five hamlets are Dalangan, Kenteng, Trimasan, Klumutan, and Garuman.

Through various contacts and social events, several people from various different socio-economic backgrounds became my close friends. They—without my intention to ‘use’ them as a friend—have played an important role in providing me with sensitive information which it is very difficult to ask about during in-depth interviews. Such questions might range from the love affair of juragan, sewing workers who err, the people who are stigmatised as ‘uncommon’ (wong ora umum or anti-social) in the village, the rivalry between one juragan another, the problems of sewing workers trying to make ends meet, the life-stories of these people and the like.

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5 Grandfather/grandmother.
6 Pak Lurah is Mbah Joyo’s nephew. Mbah Joyo is about 75 years old. He and his wife were once big juragan. However, since he and his wife were too old to manage garment business again, they decided to retire since several years ago before I arrived in Dalangan hamlet. Mbah Joyo has four children who already married. All his children live in separate house, except one of his widowed daughter. Since he possesses big house with two pavilions and only three people occupy that house, therefore, he rents out his house to get additional income. With Pak Lurah’s recommendation in my hand, I was allowed to rent in one of Mbah Joyo’s pavilion.
4.2. Research Methods

To understand the dynamics of the work and life of garment manufacturers and their families also requires making a study about change, whether shorter term change such as the business cycle from peak season to slack season or longer term change like the change in the production system which has been used in this industry ever since it was introduced up to the present time. Since change can only be observed within the lapse of a given frame of time, this study indicated the need to obtain longitudinal data in order to make it a better mirror in which to reflect change more clearly. If such data are available, archive and (or) secondary data which documents the emergence and expansion of this industry from year to year are the most suitable material to explain the changes that have occurred in this industry. Unfortunately hardly any archive which contained details of the activities of garment industry in Kalitengah was to be found either in the village, sub-district, or district offices. The secondary data about the activities of this industry obtained from the studies done by previous researchers who worked in Kalitengah, although available, are also quite limited. Most of these studies are fairly recent, having been carried out in the 1980s and thereafter.

Only one study which I could find was done in the 1960s. Therefore, because of these limitations, this study still relies on the life-histories of the people who were and are involved in this industry as the main source of data which will shed light on the changes in the garment industry in Kalitengah village. Several proponents of the use of life-history for such purposes such as Dollard (1938), Bertaux and Kohli (1984), Luborsky (1987), and Armstrong (1987) note the various benefits of using this research method in doing anthropological and sociological research. Armstrong (1987: 7-8) affirms that the life-history method has several advantages; it can be used for exploratory purposes; to complement other research methods used; and to describe the process (cf. Goodson and Sikes, 2001:6-18). While acknowledging these advantages, since the very beginning of his work, the author has been aware of some weaknesses in this research method as an instrument for collecting data. One of the largest stumbling blocks is the subjectivity of the investigator in choosing the respondents and, conversely, the subjectivity of the respondents in choosing the part of their life-story to be told to the investigator. To this has to be added the limitations on the respondents' capability to remember the events which have happened in the past. However, the most fundamental criticism directed to this research method is the claim that the recording of life history is "methodologically unsound" compared to other research methods (see, e.g., Watson, 1976; Watson, 1989; Frank, 1979, Armstrong, 1987).

Besides the life-history data obtained from the respondents in in-depth interviews, other data which is used in this study were collected by several other research methods briefly described below:
4.2.1. Household Surveys

The first household survey was carried out in April 1999. This survey covered around 973 households out of the total of 1,299 households in Kalitengah. Basically the survey was a census which was intended to gather information about all of the households in Kalitengah. Since the village statistics only mention the total number of the households, but do not list household heads, to discover the number of the population to be covered by the survey I borrowed the archive of the *Kartu C-1* (the family member card list owned by each household head in Indonesia) from the Kalitengah village office. On the basis of the information taken from the *Kartu C-1*, I made a list of the names of the household heads in each hamlet in Kalitengah. Having done this, the list was then broken down into each RW and RT. By doing so, around 1,125 names of household heads of the total of 1,299 households mentioned in the village statistics could be registered. From the 1,125 households which were registered, in the end, only 973 households could be surveyed. The rest of them, around 152 households (an average of five households in every hamlet) had to be excluded from the survey for several reasons: they had moved away to other places; could not be found at home even though my assistants and I had tried to find them two or three times; members suffered illness or death had intervened; and a few of them were simply reluctant to participate. In carrying out this survey, I was helped by five well-trained research assistants of CPPS Gadjah Mada University. The main objective of the first round household survey was to build up basis data about the inhabitants of Kalitengah such as size of the family/household, occupation of the household members, educational level, income, spending patterns, land ownership, and coping mechanism for dealing with the crisis.

The second round household survey was conducted in March 2001. The second round household survey ---comprising 295 households--- was held only in the five hamlets where most garment industry activities are concentrated. As with the first round survey, the second round survey was also a census. It covered all of the households in the five hamlets listed in the first survey, with the exception of the households which could not be surveyed because of the reasons mentioned above. The reduction in the coverage in the second round survey ---as I have mentioned before--- was part of the effort to refocus the research on garment industry hamlets only. The main questions which had been used in the first round survey were reused in the second round survey, supplemented by additional questions designed to gather data on the economic and social differentiation between the people. Questions pertinent to this referred to the ownership of means of transportation, electronic domestic commodities, livestock, etcetera, and to the dynamics of the relationship between employers and employees, such as the dissatisfaction of either employer or worker, the problems most likely to arise in their relationship, frequency of disputes and the like.

Besides these two big surveys, a minor survey was also carried out to discover the profile of the garment industry in each hamlet. This survey covered the seventy-one
enterprises which are active in the five garment industry hamlets. The main objective of this survey was to reveal the profile of these enterprises covering such topics as when they were established, the amount of initial capital, the amount of operational capital, number of workers, machinery, turnover, market and so forth. Another quick survey, covering around thirty ex-sewing workers, was also carried out. This survey was aimed to obtain the information about the reasons, motives, and causes of why garment worker quit their jobs in the industry.

4.2.2. Participant Observation

To introduce myself to the neighbourhood in Dalangan hamlet, I held a *selamatan* (communal feast) when I first arrived there to take up residence. The reason for holding a *selamatan* at that time was simply to follow the ‘tradition’ of the people in that hamlet who always hold a *selamatan* when they first move to a new place or into a new house. However, my most important reason for holding a *selamatan* was to make a real effort to get to know the people in my neighbourhood. It was by far the easiest option for letting the people in the neighbourhood know that they have a new neighbour. Various people attended the *selamatan* which was lead by Pak Modin Kampung (the informal Islamic religious leader in Dalangan hamlet). Before we recited several verses of the Qur’an, Mbah Joyo introduced me to the people who had come to attend the *selamatan* as his ‘grandson’ who wanted to learn about how the people in Kalitenga made clothing. From that time on, I was included in every social activity in that neighbourhood as people accepted my status as a *warga baru* (new resident in that hamlet). As a new resident, I was not only invited to attend various life-cycle ceremonies held by the people in Dalangan and the surrounding hamlets including funerals, wedding feasts, birth ceremonies and the like, I was also allotted social duties by the *kampung* (the neighbourhood) and found myself doing the night-watch (*ronda*), participating in *gotong royong* (voluntary work), making monetary donations for social causes (*nyumbang*), paying visits when someone was hospitalised (*tilik*), holding *pengajian* (Islamic religious meetings) in my boarding house, plus various other social duties that every household head in that hamlet was expected to perform. Besides this, people also invited me to join several sports clubs and social organisations which were part of that hamlet. These included a badminton club, a tennis club, a motorbike touring club, and a *karawitan* (Javanese music ensemble). Indubitably, all those activities did give me wider opportunities to explore the dynamics of the livelihoods of the people where I carried out my research.

4.2.3. Interviews and In-depth interviews

In-depth interviews were undertaken to follow up interesting cases which had been located during the household surveys and participant observation. Around fifty people falling into
various categories defined by categories such as work status, gender, age, profession, marital status, level of education and the like, who were involved in garment activities were taken as a case study. I—with the help of my assistants—wrote down the life-histories of these people and also noted their work and livelihood dynamics, namely the job orders they received, wages, bonuses, relationship with their employers, their livelihood problems and so forth. To be able to write about these cases in as much detail as possible, the in-depth interviews were conducted in various ways.

The first method was based on regular visits. We would call on these people with the same regularity, once every fortnight, to follow the dynamics of their livelihoods. During the visiting time, we interviewed our subjects on various themes which were developed from one fortnight to another. The interviews with garment workers were mostly conducted in their own homes while they were working. When they wanted to keep on working during the interview, the interview would usually take longer than one hour. However, when they stopped working while we conducted interview, the time taken would usually be shorter than one hour since we did not want take up too much of their time. The interviews with garment producers were mostly conducted in various places since they were more mobile than the workers. We talked to them in their homes, at the tennis court, at the warung (food stalls), and in their kiosks or market booths as well. The interviews with garment producers would usually be more lengthy since they had more time than did garment workers.

The second method was far more accidental, meeting up with them on the various occasions which were celebrated in the community. We interviewed these people when we met with them at the life-cycle ceremonies or other social occasions which we attended. Interviews which were held in public spaces sometimes turned into “a group discussion” when several other people tried to clarify the answer which was given by our respondent. On one occasion, when I asked one juragan about the present condition of his business, other juragan who happened to be around us would also chip in with answers to my question quoting from their own experience. Discussions like this usually happened during the night watch.

Besides those two methods, information about a respondent’s case might also come at various times from informants who could give us the information which was needed during jagongan (chitchat among the male inhabitants in the neighbourhood after a ritual feast, a night-watch or other such spur-of-the-moment occasions).

Interviews with the people outside Dalangan hamlet were usually tackled during the day. In the evenings I spent more time interviewing people in Dalangan hamlet where I lived. In the later stages of the research, when my relationship with my neighbours was growing closer, in the evening I quite often spent my time in my boarding house since

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7 Most garment workers stopped working when we paid a visit to their houses. The reason was because they want to show their guests respect. Therefore, although we assured them that we did not want to bother them and suggested they continue working, but they usually preferred not to do so.
many people wanted to pay me a visit to discuss various kampong issues, such as the election of the ketua RW (head of the neighbourhood), collect of donation to pay a visit to a friend who had suffered an accident, and to talk about the destination of the motorbike tour. Sometimes my neighbours just dropped in to watch television or play cards. Since my place was used as ‘a meeting point’, I obtained ‘free’ information from these casual visitors.

In general, I had no problem in building up a relationship with my respondents, particularly because I had a great deal in common with them, sharing ethnicity, religion, language and the like. Most important of all was they knew that I came from the same area not far away from their own village. The fact that I a villager just like them was very beneficial to the building up of trust with the garment workers whom I interviewed. As I frequently paid them visits, the friendship was sometimes spontaneously expressed through an exchange of small gifts between us; they would serve me a cup of tea/coffee during interview and I would have brought some snacks or sweets for their children. Closer friendship developed when I sometimes also became involved in their daily activities. I would accompany them as they performed their sewing tasks or go with them to go to the Puskesmas (Local Health Service). I would escort them to return the finished clothing to their juragan who lived outside Kalitengah. Once mutual trust had been up built, these garment workers were willing to tell me their stories containing the information that I needed. It has to be said that interviews with the juragan were less difficult compared those with the garment workers. As the majority of (big) juragan were well educated, they were prepared to trust me when they knew that I was a researcher from Gadjah Mada University and a student of the University of Amsterdam.

4.2.4. Secondary Data

As well as primary data that was collected through the various methods described above, this study also has also made use of the secondary data, which is available at the village, sub-district and district offices. This consists mostly of facts and figures to do with the socio-economics and politics of Kalitengah village such as Klaten Dalam Angka, Kecamatan Wedi Dalam Angka, and Monografi Desa Kalitengah. Since it is widely known that the statistical data obtained from local government offices is rather unreliable because of the less than satisfactory methods of collection this type of statistical data presented in this study should be looked at as a pattern rather than as an exact representation. As well as from government offices, secondary data was also collected from the research results which have been obtained by previous researchers who had carried out research in Kalitengah village earlier. The work of the previous scholars in this village helped me in several ways by providing the time series data which were needed to describe the changes which have taken place in the garment industry and in confirming the life-history data which was obtained from the respondents through the in-depth interview method as I already mentioned before.
5. Outline of the Thesis

After this introductory chapter, to answer the research questions that I have formulated above, the remaining chapters in this thesis will be structured in the following way. Chapter Two gives the theoretical framework. This chapter provides a theoretical overview on the emergence, the nature, and the role of rural non-farm activities and small-scale industry in particular in the development of the rural economy. This chapter basically provides a conceptual foundation for the empirical chapters of this thesis. Chapter Three is about the socio-economic transformation which has taken place in Kalitengah from colonial times up to the present. This chapter describes how the socio-economic transformation altered Kalitengah from being a village based purely on an agricultural economy into one which has an industrial base. This description will emphasise particularly how non-farm activities and the garment industry in particular became the most important pillar of the economy in this village. Chapter Four describes the emergence and expansion of the garment industry in Kalitengah in the twentieth century. The aim of this chapter is to answer questions which have been raised in this thesis such as: What factors affect the emergence of this industry? What has been the process of the emergence of garment producers and the process of the emergence of the labourers? How has the production system developed? How does the process of the division of labour run? What marketing strategies are pursued? These are just a sample of the various questions which presented themselves. Chapter Five is about the juragan, the buruh, and production relations. The essence of this chapter is a discussion of the overlapping between production and the social domains and its impact on the operation of garment industry. It begins by describing the socio-economic characteristics of the juragan and the buruh. Once this has been established, it is devoted to an analysis of how the relationship between the juragan and the buruh in the home-based garment industry --which is governed by so-called informal arrangements-- works. Then the analysis is directed towards examining how the relationship between the juragan and the buruh is affected by the overlapping between production and social domains. This could be a consequence of the characteristics of the garment industry as a small-scale industry in which production and social activities take place in the same locality (place). Subsequently, this stamps the locality factors such as culture, values, norms and the like as very influential in shaping the relationship. To understand the dynamics of the relationship, the analysis of this issue will also be contextualised in various business situations, namely peak season, slack season, and in the period of the economic crisis. Chapter Six is about the garment manufacturers and their families. This chapter analyses the overlapping between the production and reproduction domains as one of the important characteristics of the garment industry as a small-scale industry. In this chapter I will discuss how garment industry activities (production domain) affect the livelihood of the juragan, the buruh and their families (the domestic domain) and also the other way around. Chapter Seven is the concluding chapter. In this chapter I will summarise the whole discussion pursued throughout this thesis in my attempt to answer the research questions that have been formulated in the introductory chapter above.