



*Analysis of social and economic impacts of bumdesa in the villages of jambi province*

**Tona Aurora Lubis<sup>1</sup>, Firmansyah<sup>2</sup>**

<sup>1,2</sup>Faculty of Economics and Business, Jambi University

<sup>1</sup>Email: tonalubis@gmail.com

<sup>2</sup>Emai: firmansyah@unja.ac.id

**Abstract**

The goal of this research isto find the sosial and economic impact of BUMDesa of the Villages in Jambi Province. This research uses qualitative methods with the type of phenomenology. The conclusion of the research devided to sosial and economic impact. The positive social impacts bring forth the independence, lively, and passionate villagers. This negative social impact arises because of the lack of capacity in the management of BUMDesa. The positive economic impact can increase the income of villagers through money circulation in villages that have BUMDesa. This negative economic impact arises because of a lack of governance capacity of BUMDesa.

**Keywords:** Bumdesa; economic impacts; social impacts

## INTRODUCTION

The village is the unity of the legal community that has the boundary of the Territory, which is authorized to govern and manage the affairs of the Government, the interests of local communities based on Community initiatives, rights of origin, and/or recognized traditional rights and The unitary State government system of the Republic of Indonesia (NKRI). As representatives of the country, the village is obliged to build both physical development and human resource generation, as an effort to improve the quality of life and life for the maximum welfare of the village community (law No. 6 of 2014).

As one effort to empower the community as well as increase the indigenous income, especially the original income of the village and according to the mandate of the Law of the village No. 6 of 2014 that each village need to form a BUMDesa. To support the existence of BUMDesa, the tomb of the Ministry of Villages, Transmigration and disadvantaged areas (Kemendes) has issued the Ministerial Regulation (Permendes) No. 4 of 2015, that the improvement of village quality will continue to be pursued through Four priorities of the program is the village's enterprises (BUMDesa), one village one products, and village's sports facilities.

According to the PDT Kemendes, until November 2018 BUMDesa has reached 41 thousand units spread in 74,957 villages in Indonesia. This indicates that the existence of BUMDesa has reached 64% of villages in Indonesia. While in Jambi province, BUMDesa reaches 770 units spread over 1339 villages. The complete recap of the number of BUMDesa scattered in Jambi province is as follows:

**Table 1. Recap of The Number of BUMDesa Scattered in Jambi Province**

No	Regency	Total		
		District	Villages	BUMDesa
1.	Kerinci	16	285	126
2	Merangin	24	205	58
3.	Sarolangun	10	149	18
4.	Batanghari	8	110	109
5.	TanjungJabung Barat	13	114	87
6.	TanjungJabungTimur	11	73	53
7.	Muara Jambi	11	150	143
8.	Bungo	16	141	57
9.	Tebo	12	107	76
10.	Sungai Penuh	8	65	43
<b>Total</b>		<b>129</b>	<b>1339</b>	<b>770</b>

Based on Table 1, BUMDesa has reached 58% the villages in Jambi Province. See the amount of Bumdesa scattered in Jambi province then Bumdesa has the potential to be developed better in the quantity even from the quality BUMDesa.

The results of research about BUMDesa's quality is one done by Budiono (2015) in 419 BUMDesa in Bojonegoro Regency. The result of this research is he found that a quality BUMDesa was examined by BUMDesa that was considered successful was also not able to contribute to income or the villages's revenue.

Research on BUMDesa is still very rarely, therefore this study aims to find the socioeconomic impact of BUMDesa in villages in Jambi province.

### Review of literature

Social Economic Impact analysis is an analysis to understand the various impacts of changes that appear if the changes occur (Australian Government, Bureau of Rural Sciences 2005). Syamsidar (2015) and Soemardjan (2015) argue that social change includes changes of technology, behaviors, norms, value systems, patterns and beliefs in society. Van Heerden (2003) states that economic impact analysis is to measure the economic benefits received by the community

## METHOD

This research uses qualitative method with the type of phenomenology. This research was conducted to the villagers who have BUMDesa in their village. This research uses qualitative and logical analysis (Guzavicius, 2014), Sukandar (2017).

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## RESULTS AND DISCUSSION

The result of this research found the positive and negative of social impacts. The positive social impacts are reduce the urbanization of the villagers, increase the villager's spirit to make progress on their life, develop respect to villager's creations, develop the local products, more open minded to the changes, and increase future orientation to the villagers. The positive social impacts bring forth the independence, lively, and passionate villagers.

On the other side, the existence of BUMDesa have negative impacts such as: the emergence of conflict in the management of BUMDesa, and the cultural conflict between the culture of the community with the new culture that comes. This negative social impact arises because of the lack of capacity in the management of BUMDesa.

The results of this study also found the economic impact of BUMDesa. Economic impacts also include positive and negative impacts. Positive economic impacts are the availability of employment opportunities for villagers, assets of the village begin to be managed, the availability of the needs of villagers both material and non material, creating market opportunities and market networks. The positive economic impact can increase the income of villagers through money circulation in villages that have BUMDesa.

The negative economic impacts include business competition between BUMDesa and community-owned businesses which resulted in some undeveloped community businesses, and inequality in income of villagers. This negative economic impact arises because of a lack of governance capacity.

## CONCLUSIONS

BUMDesa appears as a pillar of economic activity in the village that functions as a social and commercial institution that takes sides in the interests of providing prosperity for the people in the village. Therefore, the governance of BUMDesa should be done properly and correctly.

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