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Strategy of Poverty Alleviation in Klungkung Regency: Evidence from Bali Province

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ABSTRACT

Poverty is one of the main problems in the development process. It is quite complex and chronic. Resistance poverty is not just happening on the economic aspects but also occurs on social, cultural, political and institutional aspects persistently. The distribution percentage of poor people in Klungkung regency in 2010 increased to 5.33 percent. Klungkung regency government policy on poverty reduction is directed at the principal dimensions of a lack of opportunity, lack of independence, lack of resources and participation as well as the lack of social security. But sometimes the passing of the implementation of various poverty reduction programs both from the government and other institutions in the empirical level do not often bring poor conditions change significantly. This study aims: (1) To describe the real conditions of poverty in Klungkung regency; (2) To identify the determinants of poverty in Klungkung regency; (3) Identifying the potential of the region and the poor in Klungkung regency; (4) To assess the effectiveness of poverty alleviation policies in Klungkung regency; and (5) To formulate poverty alleviation strategies in Klungkung regency. The analysis method used in this study is an eclectic approach, which is the calculation of poverty indices, SWOT, descriptive quantitative and Analytical Hierarchy Process (AHP). The location of research is the whole district in Nusa Penida, Dawan, Banjarangkan and Klungkung. The results showed that in aggregate, poverty conditions are in the critical category with the priority order of the most critical causes of poverty, which are material wealth, knowledge, politics, natural environment, economic condition, health, infrastructure and social services. Both internal and external potential of the individual capacity of communities and local government support can minimize the weaknesses of institutional structures, and economic opportunities are limited, especially in the face of global competitiveness. While the evaluation of poverty alleviation programs, among others, is still an uneven implementation of the program. Therefore, empowerment becomes a priority strategy and the strategy followed in improving the business performance and program management community.

JEL Classification: C83; I31; I38; I32.

Keywords: Poverty; Alleviation; Nested Spheres; Indonesia.

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1. **INTRODUCTION**

Poverty become a major issue of the development in developing countries, including in Indonesia, which has a population of nearly 220 million people. The distribution of pockets of poverty not only occurs in rural areas but also in urban areas, i.e., Klungkung regency of Bali province. Based on data from the National Socioeconomic Survey (Susenas), the distribution of the percentage of poor in 2009 in Klungkung was by 5.23 per cent and in 2010 increased to 5.33 percent. Poverty alleviation efforts in Klungkung conducted through Target Households (RTS) as a range of programs based on region. Based on the data on the target of 2008, there were 7988 households with a percentage of 17.55 percent. The average household in the lowest target Dawan sub district was 11.17 percent and the highest in Nusa Penida was 31.96 percent (BPS Klungkung, 2012). Klungkung regency government policy on poverty reduction is directed at the principal dimensions, namely the lack of opportunity, lack of independence and ability, lack of community resources and participation, the lack of collateral or social protection. Then the pattern of poverty reduction policies used is through the expansion of opportunities policy by the government together with the private sector and the community, policy community empowerment, capacity development policies and social protection policies (BPS Klungkung, 2011). Crash implementation of various poverty reduction programs both from the Government and other institutions in the empirical level are often not brought poor conditions change significantly. It is characterized by still many poor people, remaining highly vulnerable to changes in economic, social and political as well as natural disasters that occur in various areas. Social assistance program is empowering; it does not cause high levels of dependency. Some sources of weakness include policies that still centralization, which is more focused on macroeconomic growth, poverty-oriented view of the economy, the placement of people as objects, and assumptions that poverty problems and management are uniform throughout the area (Gönner et al, 2007). Therefore, based on the phenomenon of poverty in Klungkung, the study aims: (1) To describe the real conditions of poverty in Klungkung regency; (2) To identify the determinants of poverty in Klungkung regency; (3) Identifying the potential of the region and the poor in Klungkung regency; (4) To assess the effectiveness of poverty alleviation policies in Klungkung regency; and (5) To formulate poverty alleviation strategies in Klungkung regency.

2. **REVIEW OF LITERATURE**

Poverty is a shortage in many ways. Poverty can be caused by a lack of income, or non-fulfillment of basic needs, such as health, education or housing. But poverty is also very subjective and may be caused by feelings of deprivation, vulnerability, isolation, shame, suffering, or other bad feelings. Other than that, poverty is the result of a lack of means, capabilities, and freedom of choice for a better future. If there is no supportive environment to get out of poverty, it will be trapped in chronic poverty. The concept of poverty can be explained by Nested Spheres of Poverty (NESP). The central part of this concept is subjective welfare (SJS), which is surrounded by core aspects of poverty, including basic needs, and supporting contextual environment that is a means to escape from poverty. Subjective welfare is highly individual and emotional. Welfare does not have a constant value, but it is changeable according to the mood and environment. Personal feelings such as happiness, security, engagement and satisfaction have contributed to overall subjective welfare. Other forms of welfare are also covered, such as physical welfare, social welfare, dignity, and safety and security feelings. The core of the model includes basic needs such as food, health, housing and education. It also comprises general individual capabilities (ie., skills and physical condition) to get out of poverty. In the NESP model, basic needs and individual capabilities are aggregated into three categories: Health, material and knowledge (formal, informal or traditional). Context is comprised of five environments. The natural environment includes the availability and quality of natural resources. The economic environment includes economic opportunities and safety nets. Aspects, such as capital and social cohesion, mutual trust and conflict, build a social environment. The political sphere comprises rights and participation or representation in decision making, empowerment and freedom. The outer layer of the NESP model is the fifth context environment, which affects all four other environment contexts, infrastructure and services. These are mostly provided by the government agencies, NGOs, development projects, and the private sectors. Context is the supporting environment which supports the efforts of its own initiative to get out of poverty (Gönner, et al., 2007; Cahyat et al., 2007).

3. **RESEARCH METHODOLOGY**

Firstly, primary data was obtained by conducting interviews of poor households in the Klungkung Regency of Bali province, as the sampling unit of the study. Population of the study was all sub-districts in the Klungkung Regency of Bali Province by using area proportional sampling technique with a sample of 99 Targeted Households (RTS).
While sampling, to identify the potential of the community, purposive sampling of 4 (four) respondents was conducted. Secondly, secondary data was obtained from the Central Statistics Agency (BPS), especially the data of the Klungkung Regency and the Province of Bali in numbers, Regional Development Planning Board of the Klungkung Regency and other relevant data.

The research locations were in the Klungkung Regency of Bali Province by observing and mapping the centers of poverty that covers all the sub-districts in the Klungkung Regency; i.e., the Sub-districts of Nusa Penida, Banjarangkan, Klungkung, and Dawan. The observation time as the object of analysis was the condition of 1 (one) running year of 2013. The consideration of the use of 2013 was taken because it was a running year as well as to facilitate the recording of information on the respondents, namely, the poor households on past events and to be easier in detecting the vulnerabilities in poverty in the community.

Instruments used in this research were descriptive research through literature survey and field survey as well as in-depth interviews. Interviews conducted were open-ended questions and closed-ended questions. And the method of analysis used in the study includes several methods in accordance with the purpose of research, which is as follows:

1. Eclectic approach through the calculation of the index of poor households to map the real conditions of poverty and to identify the main determinants of poverty in Klungkung regency.
2. Analysis Strenghtness, Weakness, Opportunity, Threatness (SWOT) was used to analyze the potential and challenges posed by the poor.
3. Quantitative descriptive analysis was used to analyze the effectiveness of poverty alleviation policies or programs in Klungkung regency.
4. Analysis of Analytic Hierarchy Process (AHP) was used to analyze the formulation of a strategy for poverty alleviation in Klungkung regency.

5. RESULT AND DISCUSSION

Mappings of poverty in Klungkung Regency were analyzed by calculating the poverty indexes based on the model of Nested Spheres of Poverty. In aggregate, the poverty index of Klungkung was 31.02 with a classification value of 0 to 39 for critical condition, 40 to 60 for moderate condition and 61 to 100 for good category, so that the aggregate index of poor households was classified as critical condition. This indicated that the problem of poverty was still a major concern of all aspects that require the handling of serious and well-planned measures, so that the problem of poverty can be reduced in the range of better indexes.

In the territorial scope, the index of poverty throughout the sub-districts also showed a critical condition:

- The Sub-district of Nusa Penida with the lowest index of 27.93, the Dawan Sub-district of 32.28, the Klungkung Sub-District of 33.79 and the Sub-District of Banjarangkan of 36.42.
- Nusa Penida with barren geographical region and the high slope, steep and rocky, low rainfall causing limitations for the growth of food crops including rice production despite the seaweed farming potential to be developed. In addition, Nusa Penida is separated by waters / sea, which impacts on the accessibility and isolation limitations compared to other sub-districts.

If viewed from the core index or basic needs, health index was in the moderate range, namely 46.34 with a limit of 43 to 57. This index means that the public demand for health services was still quite good both in terms of quantity and quality of the services provided by the government and in terms of nutrition and clean water of poor households. Different things were shown by the indexes of material wealth and knowledge of poor households in the range of critical or poor, namely with an average of 12.32 with a limit of material wealth index of 0 to 40, while the index of knowledge was 17.51 with a limit index 0 to 33. If viewed from the contexts of social and infrastructure indexes, it showed moderate condition. While the indexes of the economic, natural and political contexts indicated a critical or poor condition. Critical condition on economic indicators can be seen from the income of the poor, income instability, the lower ability to meet basic needs, rice was still lacking and accessibility to business loan was still limited. Natural conditions can be seen from the access to natural resources, access to information and public participation in decision-making in the community environment. While the political environment was the lack of community access to natural resources, access to information and public participation in decision-making in the community environment.
high enough. Different conditions occurred in the Sub-District of Klungkung which has a lower social index. It is
given administratively, Sub-District of Klungkung is an area closer to the center of government, but its social
cohesion is low.

Table 1. The Core Welfare Index of Klungkung Regency Based on Classifications

<table>
<thead>
<tr>
<th>No.</th>
<th>Classification</th>
<th>Average Index</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Health</td>
<td>46.34</td>
<td>Moderate</td>
</tr>
<tr>
<td>2.</td>
<td>Material Wealth</td>
<td>12.32</td>
<td>Critical</td>
</tr>
<tr>
<td>3.</td>
<td>Knowledge</td>
<td>17.51</td>
<td>Critical</td>
</tr>
</tbody>
</table>

Notes:
Value Classifications:
Health 0 - 42 Critical; 43 - 57 Moderate; 58 - 100 Good
Material Wealth 0 - 40 Critical; 41 - 59 Moderate; 60 - 100 Good
Knowledge 0 - 33 Critical; 34 - 66 Moderate; 67 - 100 Good

Table 2. Context Indexes of the Klungkung Regency Based on Classifications

<table>
<thead>
<tr>
<th>No.</th>
<th>Classifications</th>
<th>Average Index</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Politics</td>
<td>17.51</td>
<td>Critical</td>
</tr>
<tr>
<td>2.</td>
<td>Economy</td>
<td>31.31</td>
<td>Critical</td>
</tr>
<tr>
<td>3.</td>
<td>Social</td>
<td>55.89</td>
<td>Moderate</td>
</tr>
<tr>
<td>5.</td>
<td>Infrastructure</td>
<td>51.16</td>
<td>Moderate</td>
</tr>
</tbody>
</table>

Notes:
Value Classifications:
Politics 0 - 33 Critical; 34 - 66 Moderate; 67 - 100 Good
Economy 0 - 40 Critical; 41 - 59 Moderate; 60 - 100 Good
Social 0 - 39 Critical; 40 - 60 Moderate; 61 - 100 Good
Nature 0 - 42 Critical; 43 - 57 Moderate; 58 - 100 Good
Infrastructure 0 - 38 Critical; 39 - 61 Moderate; 62 - 100 Good
This is due to the lifestyles of the people in an environment that laden with economic routines so that the interaction between individuals is declining. The environmental aspects of the economy with the highest index value was the Banjarangkan Sub-District of 38.24 and followed by the Sub-District of Nusa Penida of 34.51, Dawan Sub-District of 26.92, and Klungkung Sub-District of 18.89. From the economic aspect compared with other aspects, the Sub-District of Nusa Penida has the comparative advantage of income stability where the average income of people has more than one job generally livestock farming such as raising chickens and to be labors in the seaweed farming.

Although geographically it has barren conditions, but the potential for people to take advantage of extensive land for farming is quite high. Different things were shown by Klungkung with lower economic index value. There are limitations to land as the causes of the limited economic opportunities for the people. On the other hand, people's desire to have a stable source of income remains high.

Meeting the needs of knowledge was averagely critical and it became the second priority in the Sub-Districts of Dawan and Banjarangkan; while in the Sub-District of Klungkung was not too low, i.e. at the fourth place and for the Sub-District of Nusa Penida became the third priority issue. Interestingly, things that can be seen was the lack of knowledge occurred in the regions of higher economic growth such as in the Sub-Districts of Banjarangkan and Dawan. The reason could be due to lack of knowledge as a result of the remoteness and lack of economic opportunities. Lack of economic opportunities have created a situation in which the child could not attend school regularly because they had to follow their parents into the fields or even helping household income. While the lack of economic opportunities also made many households still not having the skills to support the main jobs. The lower fulfillment of political needs also to be in a critical condition in all sub-districts and the worst was in the district of Nusa Penida as the biggest priority of problem, while other sub-districts were in the third priority. The main reason was the lack of access to the surrounding potential resources, which was geographically difficult and not optimal infrastructure to manage the existing resources. Despite the increase in informal recognition of the rights to land and the traditional resources, but the uncertainty was still relatively high. Traditional rights were still not officially recognized. This uncertainty became a strong driving force for the non-sustainable exploitation of resources.

Table 3. The Order of Priority Matrix of the Poverty Problems in the Klungkung Regency

<table>
<thead>
<tr>
<th>Sub-district of Banjarangkan</th>
<th>Sub-district of Dawan</th>
<th>Sub-district of Klungkung</th>
<th>Sub-district of Nusa Penida</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order</td>
<td>Aspects</td>
<td>Order</td>
<td>Aspects</td>
</tr>
</tbody>
</table>

Description: The order of 1-8 is from the most critical condition to the most excellent

Aspects of the natural environment in Klungkung were at a critical condition and the most affected one was the Sub-District of Nusa Penida. This was due to the barren geographical conditions of the Sub-District of Nusa Penida. But in general, the natural environmental problems were more caused by the lower public awareness of the surrounding environment by answering no idea of the condition of the natural surroundings. While from the index of subjective welfare that includes a feeling of prosperous, poor, and happy indicate a critical condition that is 10.10 which is in the range from 0 to 33. All sub-districts had an index of critical subjective welfare. The feeling of subjective welfare is a collection of one's feelings in the form of feelings of well, the feeling of happiness, a sense of well respected, self-actualization, poor sense, sense of deprivation, and other similar feelings. These feelings are very common and influenced by all aspects of life. These feelings can be transient and may be influenced by temporary events. Subjective welfare is highly individual and emotional. Welfare does not have a constant value, but changes vary according to the mood and environment.
4.1 Identification of the Causes of Poverty

Poverty in the Klungkung Regency which in the aggregate had a critical condition needs serious attention from the Local Government to analyze the causes of poverty in depth. Based on the results of mapping of poverty in four sub-districts in various aspects, the causes of poverty can be identified by order of priority problems in various aspects that will be different for each region. In aggregate, the order of priority of the cause of the most severe poverty or critical of various aspects respectively based on the value of the poverty index, which are material wealth, knowledge, politics, natural environment, economic environment, health, infrastructure and services, social environment.

Table 4. Internal Factor Analysis Results

<table>
<thead>
<tr>
<th>Internal Factor Components</th>
<th>Weight</th>
<th>Score</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. The existence of Regional Regulation on Poverty Alleviation</td>
<td>0.12</td>
<td>4.00</td>
<td>0.48</td>
</tr>
<tr>
<td>2. Potential of natural resources</td>
<td>0.08</td>
<td>2.67</td>
<td>0.21</td>
</tr>
<tr>
<td>3. Institutional Structure</td>
<td>0.09</td>
<td>3.17</td>
<td>0.30</td>
</tr>
<tr>
<td>4. Various Activities of the Poor People</td>
<td>0.07</td>
<td>2.50</td>
<td>0.19</td>
</tr>
<tr>
<td>5. The Availability of Productive Workforce</td>
<td>0.06</td>
<td>2.17</td>
<td>0.14</td>
</tr>
<tr>
<td>6. The roles of non-governmental organizations</td>
<td>0.08</td>
<td>2.67</td>
<td>0.21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>0.51</strong></td>
<td><strong>1.52</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Weaknesses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. The carrying capacity of the social actors remains sectoral</td>
<td>0.09</td>
<td>3.00</td>
<td>0.27</td>
</tr>
<tr>
<td>2. There is no guideline that integrates all potential of local institutions</td>
<td>0.07</td>
<td>2.50</td>
<td>0.19</td>
</tr>
<tr>
<td>3. Quality of human resources</td>
<td>0.08</td>
<td>2.67</td>
<td>0.21</td>
</tr>
<tr>
<td>4. Limited access to natural resources</td>
<td>0.07</td>
<td>2.33</td>
<td>0.16</td>
</tr>
<tr>
<td>5. Limited access to capital</td>
<td>0.10</td>
<td>3.33</td>
<td>0.33</td>
</tr>
<tr>
<td>6. Limited access to markets</td>
<td>0.08</td>
<td>2.67</td>
<td>0.21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>0.49</strong></td>
<td><strong>1.37</strong></td>
<td></td>
</tr>
<tr>
<td><strong>The difference between Strengths and Weaknesses Factors</strong></td>
<td><strong>0.15</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Processed Primary Data, 2014

4.2 Potential of the Poor People of Klungkung Regency

Mapping of potential or strategic position of Klungkung Regency community in tackling poverty includes 21 factors that consist of 16 internal factors and nine external factors. Based on internal and external conditions, it takes a comprehensive and integrated strategy, namely; (1) the strategy to improve the quality and capacity of communities to improve the welfare; (2) institutional strengthening strategy and the potential of tourism in an effort to increase the capacity of communities; (3) enhance the skills and institutional strategies for self-reliance; (4) institutional strategy and capacity to improve regional competitiveness.

Based on identification of the potential of people in poverty alleviation, it was found that the strength factor was still greater than the disadvantages. This condition indicates that the internal potential, both on the capacity of individual communities, and the support from the local governments can minimize the weaknesses of the limited institutional structures and economic opportunities. Hence, it is needed for intensive efforts in providing economic opportunities and taking advantage of strong social capital in society.
Table 5. The Analysis Results of External Factors

<table>
<thead>
<tr>
<th>Components of External Factors</th>
<th>Weight</th>
<th>Score</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Technological development</td>
<td>0.13</td>
<td>3.33</td>
<td>0.43</td>
</tr>
<tr>
<td>2. Local government policies</td>
<td>0.14</td>
<td>3.67</td>
<td>0.52</td>
</tr>
<tr>
<td>3. Social responsibility</td>
<td>0.12</td>
<td>3.17</td>
<td>0.39</td>
</tr>
<tr>
<td>4. Local and national economic conditions</td>
<td>0.10</td>
<td>2.67</td>
<td>0.28</td>
</tr>
<tr>
<td>5. Business opportunities with the presence of tourism growth</td>
<td>0.12</td>
<td>3.00</td>
<td>0.35</td>
</tr>
<tr>
<td>Total</td>
<td>0.61</td>
<td>1.96</td>
<td>1.96</td>
</tr>
<tr>
<td>Threats</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Mastery of economic assets of migrants.</td>
<td>0.10</td>
<td>2.50</td>
<td>0.24</td>
</tr>
<tr>
<td>2. The era of globalization which demands high competitiveness</td>
<td>0.11</td>
<td>2.83</td>
<td>0.31</td>
</tr>
<tr>
<td>3. Instability of the political situation and national security</td>
<td>0.09</td>
<td>2.33</td>
<td>0.21</td>
</tr>
<tr>
<td>4. Community self-reliance and the sustainability of programs</td>
<td>0.09</td>
<td>2.33</td>
<td>0.21</td>
</tr>
<tr>
<td>Total</td>
<td>0.39</td>
<td>0.97</td>
<td>0.97</td>
</tr>
</tbody>
</table>

The difference between the Opportunities and Threats 0.99

Source: Processed Primary Data, 2014

Figure 2. Potential Development Strategies of the Poor People

Internal and external conditions were faced by the people demanding on the importance of capacity development strategies and the strength of existing institutional structures in dealing with global dynamics. Based on the results of the mapping, in general, the potential of the community in the SWOT matrix, it was obtained the results that the existence of the potential of community was in quadrant I, as indicated by the value of internal and external factors of 0.99 to 0.15. The industry position on the quadrant I was a very advantageous position in which the IFAS Score = 0.15, EFAS Score = 0.99.
people had the opportunity and strength so that they can take advantage of existing opportunities optimally. The strategy adopted was to support the aggressive growth policy through institutional strengthening and capacity building of the people.

4.3 Poverty Alleviation Strategies

The formulation of policies to alleviate poverty by integrating the results of the mapping was the management of the condition and potential alleviation programs, community development and the business performance improvement of the community. Management of the program includes the funding of programs and management of the program. Community empowerment can be done through strengthening the social and institutional capital developed in the community. Meanwhile, to support and strengthen the business performance developed in the community is through the strengthening of business, institutional business and strengthening markets for products produced by the business community. The followings are the results of the calculation of weighted priorities of poverty alleviation strategies in the Klungkung Regency by AHP method.

<table>
<thead>
<tr>
<th>Poverty Alleviation Strategy</th>
<th>Management of Programme (0.1529)</th>
<th>Community Empowerment (0.6711)</th>
<th>Performance Improvement of Community</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Funding (0.1215)</td>
<td>Social Capital (0.5333)</td>
<td>Institution (0.1377)</td>
</tr>
<tr>
<td></td>
<td>Management (0.0314)</td>
<td>Institution (0.1377)</td>
<td>Strengthening of Business (0.0873)</td>
</tr>
<tr>
<td></td>
<td>Programme Dissemination (0.0058)</td>
<td>Public Trust (0.0889)</td>
<td>Formally (0.1122)</td>
</tr>
<tr>
<td></td>
<td>Monitoring (0.0256)</td>
<td>Participation Level (0.4444)</td>
<td>Non Formal (0.0255)</td>
</tr>
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<td></td>
<td>Funding Sharing (0.0982)</td>
<td></td>
<td>Partnerships (0.0436)</td>
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<td></td>
<td>Implementation Management</td>
<td></td>
<td>Access to Capital (0.0436)</td>
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<td></td>
<td>Internally (0.0269)</td>
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<td></td>
<td></td>
<td></td>
<td>Infrastructure (0.0124)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Local Economic System (0.0424)</td>
</tr>
</tbody>
</table>

Notes: Consistency Index 0.00. Source: Processed Primary Data, 2014

**Figure 3.**

**Weights Priority of Poverty Alleviation Strategies**

Based on the results of the calculation of the global weight of each factor, the results showed that the community empowerment strategy became a priority factor, which determined the poverty alleviation in the Klungkung Regency with weights of 0.6711, followed by the business performance improvement of 0.1759, and management program of 0.1529, with the ratio of consistency less than 0.1 percent i.e. at 0.016, which means that respondents were fairly consistent. This condition indicated that the priorities were more to empower the poverty alleviation in the community, followed by an increase in business performance and management of the program. The independence of the community is considered as a major factor in determining the sustainability of poverty alleviation programs. Participatory development model prioritizes the development which is done and managed directly by the local communities. Such models emphasize on the community capacity development efforts in the
form of community empowerment (Sumodiningrat, 1999). Meanwhile, according to Gönner et al. (2007), those efforts to improve and maintain the welfare of the poor can be done by improving the supportive environment of the community, which include capabilities, local livelihood strategies, opportunities and support, vulnerability, as well as sustainability.

The results of the calculation of the global weight of each sub-factor showed that the funding of the program become the priority factor in the program management strategy that determines the poverty alleviation strategies in the Klungkung Regency by weight of 0.1215 and followed by the management of program with the weight of 0.0314. The role of community empowerment program conducted through financial assistance that can be made on the social and economic activities by applying some principles, such as: 1) readily accepted and utilized by the target groups, 2) managed by the community in an open and accountable manners, 3) provide sufficient income and educating people to manage it economically, 4) the results can be sustained by the society (sustainable), 5) the management of funds and the preservation of the results can be easily applied and developed by the community in a broader scope (replicable). Social capital became the priority factor in community development strategies that determine the poverty alleviation in the Klungkung Regency by weight of 0.5333 and followed by institutional of 0.1377. Social capital has a very broad scope and complex dimension. Social capital more emphasizes on the potentials of individuals and groups and inter-group relations in a social network, norms, values, and trust between each other, which is born of the members of the group and become the norms of the group. Social capital is the ability to benefit from the network.

These advantages can include the access to knowledge, resources, technology, markets, and business opportunities. A bonding network creates social capital resources. When interactions in relation rising, social capital becomes better, thus potentially increases the profits. The level of trust and dependency of rational, between people in a special relationship, is a qualitative indicator of the relational dimension. Strengthening the business became the priority factor in improving the people’s business performance, which determines the poverty alleviation in the Klungkung Regency with the weight of 0.0873 and followed by strengthening the markets by the weight of 0.0548, and institutional weight of 0.0339. Community economic development efforts became the most important efforts in poverty alleviation. The creation of business opportunities through the optimization of economic resources within the community, will ultimately improve the welfare of the community. Productive economic activities are one of the activities in the field of economics that can be done by the community or group of economic enterprises to increase revenues, create jobs and community food security based on the local resources by providing assistance in the strengthening of venture capital to productive economic activities.

6. CONCLUSIONS

Based on the analysis of the conditions and poverty alleviation strategies in the Klungkung regency, it can be drawn some conclusions as follows:

1. Poverty mapping results in the Klungkung Regency based on the models of Nested Spheres of Poverty showed that the aggregate poverty conditions were in the critical category of the average aspect used. This indicated that in the aggregate, the problem of poverty was still a major concern of all aspects that requires serious handling and plan so that the problems of poverty can be reduced in the range of better indexes.

2. In aggregate, the order of priority of the most critical causes of poverty, from various aspects, respectively are material wealth, knowledge, politics, natural environment, economic environment, health, infrastructure and services, social environment.

3. Based on identification of the potential of people in poverty alleviation, it was found that the strength factor was still greater than the disadvantages. This condition indicates that the internal potential, both on the capacity of individual communities and the support from the local governments can minimize the weaknesses of the limited institutional structures and economic opportunities. Hence, it is needed for intensive efforts in providing economic opportunities and taking advantage of strong social capital in society.

4. In general, the reasons for the lack of public satisfaction against the programs that have been implemented, among others, the undistributed implementation of the program to include more poor people.
people, there were even programs that did not reach the right targets, the lack of change in the welfare as the impact of the program, and the less sustainable programs due to the limitation of budget.

5. The results of identification of strategies by using AHP showed that the empowerment of communities became the prioritized strategies and followed by the people business performance improvement, and the management of the program. Several factors contributing to determine the countermeasure strategies are: Sharing the funding program, the monitoring program, the level of community participation, the role of formal institutions, access to capital and partnerships as well as the strengthening of the local economic system.

**Recommendations**

Efforts in support of poverty alleviation are determined by the role of governments, communities and other stakeholders:

1. Increased roles of government in the Klungkung Regency break the chain of poverty. The Government should be more focused and well planned in dealing with the problems through improved planning and monitoring, infrastructure and services, economic and social environment as well as initiating the creation of local regulations that are integrated with the business community in the Regency of Klungkung.

2. Opportunities to integrate the legal products in the form of local government regulations regarding the Corporate Social Responsibility (CSR) for example, need to be considered in the future. This is considering the integration of poverty thinking needs to get a clear legal link so that more targeted by combining public entities and all units of government, including the data update of Targeted Households (RTS) in an integrated manner.

3. The communities should participate actively and coordinatively in the entire series of poverty alleviation programs in the neighborhood. Creating the harmony program with cultural or local knowledge developed in the community. Develop the potentials of the environment, and the potentials in the smallest degree, namely productive families in an effort to lift themselves out of poverty and vulnerability.

**REFERENCES**


