

# Evaluation of the government's options for addressing undergraduate unemployment and rising poverty in West Aceh

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### **Abstract**

The purpose of this research is to examine the West Aceh District's strategy for overcoming undergraduate unemployment and reaching the poverty level. This study uses a qualitative descriptive method by examining various government policy strategies that have been proposed to do so. The results of the study found that the government had issued several policies aimed at reducing poverty due to high unemployment, such as issuing permits to open business locations in various fields in West Aceh, issuing permits for establishing large companies after fulfilling special procedures and requirements, implementing preemployment programs, and implementing programs for productive workforce training at the West Aceh job training center.

**Keywords:** West Aceh, Poverty, Pre-Employment Program

## Introduction

Countries, particularly developing nations, commonly face economic difficulties. Particularly in the field of human resources, there are many unemployed or underemployed individuals. The number of educated unemployed, such as unemployed college students, is growing annually. Because it is difficult to find work or there are no available jobs, this, along with a growing population, has a significant impact on the unemployment rate, as does the yearly increase in the number of college graduates. According to data from the Central Statistics Agency (BPS) for 2022, unemployment, also known as open unemployment, refers to people who are unemployed or looking for work, who are not working and preparing for a business, or who are not looking for work because they do not believe they can find one. Additionally, unemployment has a significant effect on poverty, social issues, crime, and national politics. Annually, the number of available jobs in Indonesia remains extremely low in comparison to the labor force's potential.

Many factors beyond one's financial stability affect one's ability to land a job, including one's level of education, work experience, technical abilities,

interpersonal qualities, and professional and academic accomplishments. because its own human resources will be used to produce or shape quality. The standard of recruitment at an agency improves annually. Therefore, it will become increasingly difficult for college grads who lack expertise in the aforementioned areas to find gainful employment. Consistent with data from the field, the State of Indonesia is experiencing high unemployment, especially among the most educated unemployed people or scholars. The caliber of college graduates and other educated individuals is suffering as a result. Since most of their time, especially in lectures, is spent focusing solely on theory without any opportunity to apply or practice that theory, students often find themselves unprepared to deal with real-world situations that deviate significantly from classroom learning.

When compared to the rest of Sumatra, Aceh ranks near the bottom in terms of prosperity. In 2020, there were a total of 200,579 people living in Aceh, according to the BPS, and in 2021, the unemployment rate there peaked at 6.30 percent. The poverty rate and the health of the local economy are two other indicators of a region's unemployment rate (Humas 2022). Aceh's high poverty rate is hampered in part because Bank Indonesia reports that many Acehnese remain mired in pessimism about their ability to improve their financial situation and live in peace as a result of the region's persistent joblessness. Other than poverty, there are structural policy factors that have not yet reached the roots. Adding insult to injury, poverty is a major barrier to reducing poverty in Aceh. In Aceh, one of Sumatra's roughly ten provinces, the poverty rate is 15.53 percent, the highest of any of them. Aceh faces issues with poverty and employment.

According to BPS 2022, the population of Aceh Barat will be approximately 200,759 in 2021. The poverty rate in Aceh Barat itself reached 39.29%. This poverty is caused by a number of factors, including unemployment, inadequate quality of human resources, employment, and insufficient government policies to address these issues. According to data from BPS Aceh Barat, the number of people aged 15 and older in Aceh Barat increased from 86,102 in 2020 to 95,567 in 2021. And the employed population in 2020 will be approximately 6,777; in 2021, it will increase to 88,780. In the meantime, the unemployment rate fluctuates annually, sometimes increasing and sometimes decreasing. In 2019, there were approximately 58,849 unemployed individuals; in 2020, due to the COVID-19 pandemic, this number increased to 63,452; and in 2021, it decreased to 6,777. However, as a proportion of the total unemployment rate over the past three years, it has remained constant at 7%. whereas their likelihood of employment is extremely high, at 93%.

According to what the Secretary General of the Indonesian Parliament, Indra Iskandar (2022), stated in a public lecture at Syiah Kuala University when discussing Aceh's economic conditions, poverty, and the future, a lack of policy implementation and in-depth policy analysis, as well as people's mentalities and ways of life, have contributed to high unemployment rates,

particularly in Aceh Barat. acceptance of unemployment as a normal condition in neighboring communities. And it must be addressed immediately, beginning with the implementation of strict regulations and policies as well as government and societal efforts to develop the available natural and human resources.

## Methodology

Using data from the Central Statistics Agency (BPS) and other sources pertinent to the study's topic, this study's research methodology employed a qualitative method approach in descriptive analysis. Due to the required data on how a policy has been implemented and the government's efforts on behalf of the community, is the policy effective at reducing the educated unemployment rate in the community. The data were collected using the secondary data method described in the related literature and other supporting documents. The researcher identifies the informants through the community, particularly the educated unemployed, such as Aceh Barat-based academics. In determining the informants, the researcher will employ the non-probability sampling purposeful sampling method, also known as "judgment sampling," because he or she wishes to observe and analyze the government's implementation of reducing the level of educated unemployment, particularly among undergraduates, as well as the reasons why the educated unemployment rate remains high. When analyzing qualitative data with empirical data, according to Fatmawati (2013), it is not a number but a collection of words.

### **Result and Discussion**

According to Sadono Sukirno (1994), response is an activity in which someone involved in the workforce wants to get a job but has not been able to get one. Unemployment is a situation where people want to work but cannot get a job. In Indonesia, the unemployment rate is increasing.

# **Types of Unemployment**

Unemployment is often interpreted as people who want to work but do not have a job. Unemployment consists of 3 types

- 1. Covert Unemployment is a workforce that does not work optimally for a certain reason.
- 2. Underemployment is labor that is less than 35 hours per week.
- 3. Open Unemployment is a workforce that really does not have a job.

Ind onesia is a country that has a lot of human resources, but a lot of human resources does not guarantee competent human resources. One factor in the large number of unemployed is the lack of a competent workforce. A lazy culture is also one of the factors in the increasing number of unemployed in Indonesia (Franita, 2016).

# **Causes of Unemployment**

Unemployment is an undesirable thing, but one disease that continues to spread in several countries, due to many factors that influence it. To reduce the number of unemployed, there must be cooperation between educational institutions, society, and others. The following are some of the factors that cause unemployment. Unemployed individuals are those of working age (15 to 64 years) who are actively seeking employment and/or are not currently employed.

- 1. There are few jobs that accommodate job seekers. The number of job seekers is not comparable with the jobs that are owned by the State of Indonesia.
- 2. Lack of expertise possessed by job seekers. The large number of unskilled human resources is one of the reasons for the increasing unemployment rate in Indonesia.
- 3. Lack of information, where job seekers do not have access to find out information about companies that have a shortage of workers.
- 4. neven employment opportunities, there are many jobs in the city, and there is little equalization of employment opportunities.
- 5. The government's efforts in providing training to improve soft skills are still not maximized.
- 6. A lazy culture that still infects job seekers which makes job seekers Easily give up in looking for job opportunities.

Indonesia is experiencing economic changes, where Indonesia is making economic changes from the sector agriculture to the industrial sector. By increasing the economy towards industry, it is hoped that the Indonesian economy will be much better. The number of unemployment rates greatly affects various sectors. The impact of unemployment has an impact on declining rates country's economy, impact on political instability, impact on investors, and on social and mental. There are many effects of unemployment. Some of the impacts arising from unemployment.

- 1. From an economic perspective, unemployment will increase the number of poor people. Because the number of unemployed has an impact on their low economic income. while the cost of living goes on. This will make them unable to be independent in generating finances for the living needs of the unemployed.
- 2. From a social perspective, the number of unemployed people will increase, and the number of beggars, homeless people and buskers will increase. Which can affect the crime rate, because it is difficult to find work, many people commit crimes such as stealing, robbing, and so on to fulfill their lives.
- 3. From a mental perspective, with lots of unemployment, low self-confidence, despair, and will lead to depression.

- 4. From a political perspective, there will be many demonstrations. What will make the world of politics unstable, there are many demonstrations by labor unions because of the large amount of unemployment that has occurred.
- 5. From a security point of view, the large number of unemployed people commit crimes in order to support their economy, such as robbing, stealing, selling drugs, and fraud.
- 6. The large number of unemployed can also increase commercial sex workers among young people, because it is for the sake of supporting the economy.
- 7. The many impacts of unemployment that arise, are the responsibility of the government and society to immediately overcome them the number of unemployed. The government must increase economic activity in Indonesia. Each region must be able to be independent in increasing the pace of its economy.

Others who are affected by something or do not require employment include housewives, junior high school students, high school students, and college students. A portion of the unemployed are members of the labor force who work during standard business hours (less than 35 hours a week). Some unemployed are also divided into two categories: Forced Half-Unemployment, or those who work normal working hours but are still seeking employment or are willing to accept another position. Some are also "voluntary" unemployed, namely those who work under normal working hours but are not actively seeking employment and are unwilling to accept another position, such as highly compensated skilled workers.

The following are the results of the data we extracted from the 2022 BPS of Aceh Barat regarding registered education job seekers or the unemployed, whose information was entered into the BPS of Aceh Barat:

Table 1: Information was entered into the BPS of Aceh Barat

Level of education	Registered job seekers Listed in order of highest education obtained (per person)							
	Male		Female		Total			
	2020	2021	2020	2021	2020	2021		
Never/Never attended school	-	-	-	-	-	-		
Not/Not completed elementary school	-	-	-	-	-	-		
Elementary school	-	-	-	-	-	-		
Junior high school	4	-	-	-	4	-		
High School	51	19	2	-	53	19		
Vocational High School	1	5	-	1	1	6		

Diploma I/II/III/Academy	2	2	1	1	3	3
University	24	5	6	6	30	11
Total	78	31	9	8	87	39

Source: BPS of Aceh Barat, 2022

According to the data table above, the number of job seekers decreased across all education levels from 2020 to 2021. The levels with the highest number of job seekers from year to year are those with a high school diploma or higher and those with a bachelor's degree, while the number of job seekers, whether unemployed or not, is very high for those with a junior high school education or less. There are even a few levels with no data whatsoever.

According to the study's findings, the Aceh Barat government's strategy to reduce unemployment and poverty has been evaluated in previous years and will be implemented without exception in 2022. As shown in the table above, the number of unemployed and job seekers is decreasing from year to year. The implementation of the strategy to reduce unemployment in Aceh Barat is hindered by budgetary constraints and the fact that there are still a large number of ineffective and unqualified human resources. One of the strategies of the Aceh Barat regional government for reducing unemployment and the poverty caused by unemployment is to provide as many permits as possible for entrepreneurs to develop their businesses legally while meeting the requirements or conditions established to obtain permits from the Aceh regional government. Those who are unemployed or have never worked will find employment as a result of these efforts.

The government later granted permission for private companies to operate in Aceh Barat, including Suzuya, Indomaret, KFC, Pizza Hut, hotels, and numerous other large-scale and labor-intensive businesses. With the conditions imposed by the regional government of Aceh Barat, either through the local village chief or those concerned and related, namely the opportunity for the sons and daughters of Aceh Barat to work in these various businesses, Thus, the number of opportunities to reduce the unemployment rate is more effective and efficient, which has an impact on reducing the unemployment-related poverty rate. The following is poverty data in Aceh:

The Covid-19 pandemic has had an impact on increasing the number of poor people in Indonesia, including in Aceh. The number of poor people in Aceh in March 2021 increased by 19.23 thousand people to 834.24 thousand people compared to March 2020. The poverty rate in Aceh Singkil was the highest in Aceh Province. Based on data from the Central Statistics Agency (BPS), the total population in the district who live below the poverty line is 25.48 thousand people or 20.36% of the total population.

In percentage terms, the poor population of Aceh Singkil is higher than the provincial average of 15.33% and is also the highest compared to 22

other districts/cities. The area in the province known as Veranda of Mecca, which has the next highest poverty rate, is Gayo Luwes Regency, which is 19.64%. Followed by Pidie Regency with a percentage of poor people of 19.59%, then Pidie Jaya Regency with 19.55%, and Bener Meriah Regency with 19.16%.

Figure 1

10 Districts/Cities with the Highest Percentage of Poor Population

Source: https://databoks.katadata.co.id

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There is also Simeulue Regency with a poor population percentage of 18.98%. After that there is West Aceh Regency with a poverty rate of 18.81%, then Nagan Raya Regency with 18.23%, and Subulussalam City and North Aceh Regency with 17.65% and 17.43% respectively.

One of the alternative programs taken by the government to reduce poverty due to high unemployment is the *PraKerja* program, which has been launched at the national level and in Aceh Barat itself. If the *PraKerja* program is implemented and followed by people who are right and willing to try, it can be an effective and efficient alternative. However, if it is implemented and followed by people who really want to take advantage of the situation and conditions for personal gain, it will be in vain.

The regional government of Aceh Barat also offers job training with a program to train a productive workforce for unemployed people who are still in school or adults; this program is administered by the employment service, social services, and UPTD training centers. As for some of the programs that are trained at work training centers, such as sewing courses, computers (both hardware and software), machines, etc., which are trained for approximately 25 to 40 days, participants will be provided with business capital in the form of money or business tools such as sewing machines, laptops or personal computers, tools for workshop technicians, etc., so that with this training, individuals will be able to start their own businesses. This alternative is highly effective and efficient at generating a productive and employment-ready workforce. However, both the government and the community face various obstacles in implementing these various programs, such as a lack of community participation in participating in these programs, incomplete distribution of program information, the pros and cons of establishing a business or company in the community, the wrong target program (those who participate in the program only want profit), very large budgets, and various other technical obstacles.

## Conclusion

The term "strategy" encompasses a broad range of methods that are geared toward the swift and efficient realization of a goal. Based on the findings of this study, it is clear that the government has issued a number of policies aimed at reducing poverty caused by high unemployment, such as the issuance of licenses to open business premises in a variety of fields in Aceh Barat, the issuance of licenses to establish large companies after meeting special procedures and requirements, the implementation of pre-employment programs, and the implementation of productive workforce training programs at the Aceh Barat vocational training center. All these options show that the government cares about raising the living standards of its citizens, who are struggling to make ends meet due to the country's high unemployment rate, especially in Aceh Barat.

However, the government and the community face a number of challenges in implementing these alternatives, such as low levels of community engagement, inadequate dissemination of program information, divergent opinions on the benefits and drawbacks of local business establishment, and the need to account for an overwhelming number of technical and non-technical factors in planning and allocating resources. Despite these challenges, the government's strategy of offering alternatives in the form of the aforementioned programs has been very effective and efficient, as evidenced by the annual decrease in the poverty rate in Aceh Barat shown in the aforementioned BPS data.

As for the suggestions themselves, they can begin with the smallest things, such as the community, where, as we all know, government programs or policies cannot be implemented without community participation. Followed by inviting the community to participate in the government-provided program, one of which was described in the results and discussion subchapter,

namely the *PraKerja* program, which is one of the government's initiatives to reduce the unemployment rate.

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