# Management of Economic Potential in Improving Family Welfare in Papua

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#### **ABSTRACT**

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This is an open access article under the CC-BY-SA license. Copyright (c) 2025 Majalah Ilmiah Bijak The research results show that building a family economy in Papua requires a holistic approach that considers local characteristics, involves community-based empowerment, and is supported by the collaboration of various parties. The main strategies include developing a sustainable agricultural sector, access to education and training based on local wisdom, and strengthening the role of women in the family economy. In addition, creative industries and tourism also hold great potential to be developed, supported by adequate infrastructure and microfinance services. The use of local technology and innovation, as well as improving financial literacy, are important steps to improve productivity and family economic management. With synergy between the government, communities and NGOs, families in Papua can overcome socio-economic challenges and build a more prosperous life in a sustainable manner.

#### 1. INTRODUCTION

Empowering marginalised communities is one of the strategic steps to overcome various social problems, especially in improving the economic quality of families in the Papua region. Papua, with its abundant natural resources, holds great potential for the economic development of its people. However, this potential is often not optimally utilised due to various obstacles faced by marginalised communities, especially socially, economically and geographically marginalised groups. Therefore, empowerment is key to opening up greater opportunities for marginalised communities to be able to actively participate in economic development.

Empowerment of marginalised communities basically aims to provide access, opportunities, and capabilities for groups that previously did not get the chance to be involved in the development process. In Papua, this approach requires special attention to the cultural, educational and social aspects of the local community. This is due to the diversity of customs and traditions that influence how people view the economy, as well as social structures that often place certain groups at a disadvantage.

Through empowerment, marginalised communities can be encouraged to develop their potential, whether in agriculture, fisheries, handicrafts, or other economic sectors in accordance with local characteristics. For example, the agriculture and fisheries sectors in Papua have great potential to be the main source of income for marginalised families. By providing technical training, mentoring and access to markets, communities can improve the productivity and quality of their produce. This not only increases family income, but also promotes economic independence.

In addition, it is important to create an enabling environment for empowerment, such as building adequate infrastructure, providing access to education and skills training, and improving health services. Improved infrastructure such as roads, bridges and transport access will open up the geographical isolation that has been a major obstacle for communities in remote areas to market their products or obtain necessary raw materials.

The role of the government and various other parties, including non-governmental organisations (NGOs), businesses, and local communities, is crucial in supporting empowerment programmes for marginalised communities. Collaboration between these parties can result in integrated and sustainable programmes. For example, cooperative-based empowerment programmes can be one solution to help marginalised communities access business capital more easily. A well-managed cooperative can also be a platform to increase the bargaining power of community products in a wider market.

On the other hand, empowerment must also pay attention to social and cultural aspects. Empowerment processes that are not sensitive to local culture often face resistance from local communities. Therefore, the approach should be participation-based, where the community is actively involved in every stage of programme planning, implementation, and evaluation. This way, the community is not only the beneficiary, but also has a sense of ownership of the programme, so that its sustainability is more assured.

As part of empowerment, education is a fundamental aspect that cannot be ignored. Education, both formal and non-formal, plays an important role in building awareness and skills in marginalised communities. Education programmes that focus on developing practical skills, such as entrepreneurial skills, financial management, and the use of technology, can help communities manage their businesses more effectively. In addition, education can also open people's minds to economic opportunities that were previously unknown to them.

Empowering marginalised communities also needs to consider gender equality. In many marginalised communities, women often face greater barriers in accessing economic opportunities. Therefore, empowerment programmes should be designed in such a way as to empower women, for example through skills training, provision of business capital, or facilitation of the formation of women's business groups. Thus, women can contribute more to improving family welfare.

Partnerships with businesses also play a strategic role in empowering marginalised communities. Through partnership programmes, companies can provide training, mentoring, or even open markets for products produced by the community. This partnership model not only benefits the community, but can also provide added value for the company in the form of corporate social responsibility (CSR).

Furthermore, technology can also be an effective tool in supporting the empowerment of marginalised communities. With the advancement of information technology, communities in Papua can more easily access information about markets, production technology, and other business opportunities. In addition, digital platforms can be used to market local products to a wider market, both at the national and international levels. In this case, training on the use of technology is an important first step to improve the digital literacy of the community.

Empowering marginalised communities in Papua is a complex process that requires a holistic approach. Although the challenges faced are not easy, the potential for success of empowerment programmes is enormous if carried out with the right strategy and involving various parties in a synergistic manner. With sustainable empowerment, it is expected that marginalised communities in Papua can improve their quality of life, move out of poverty, and become an active part of regional economic development.

## 2. LITERATURE REVIEW

## **Empowerment**

Empowerment According to Prijono and Pranarka (2001: 89) empowerment contains two meanings. The first is to give power or author, the second sense is to give ability to or anable. The first meaning includes giving power, and transferring power to parties who are less / not yet empowered. On the other hand, the second meaning is to give ability or empowerment and provide opportunities for other parties to do something.

In contrast to Ambar Teguh's opinion (2004: 78/79), empowerment is actually a term that is unique to Indonesia rather than the West. In the west the term is translated as empowerment, and the

term is correct but not precise. Empowerment energises the person concerned to be able to move independently.

According to Edi Suharto (2005: 57). Conceptually, empowerment comes from the word power (power or empowerment). Because the main idea of empowerment deals with the ability to make other people do what we want, regardless of their desires and interests. Empowerment is also inseparable from development where people take the initiative to start a process of social activities to improve their own situation and conditions. So that empowerment can only occur if the community itself participates.

Meanwhile, according to Suhendra (2006: 74-75) empowerment is a dynamic continuous desire to synergistically encourage all the involvement of all existing potential evolutively with the involvement of all potential. The context of empowerment actually contains elements of participation, namely how the community is involved in development, and the right to enjoy the results of development. Empowerment is concerned with the subject's recognition of the ability or power of the object. Broadly speaking, this process sees the importance of transforming individuals who were previously objects into subjects (Suparjan, 2003: 44). Furthermore, according to Suparjan (2003: 43) empowerment means generating resources, opportunities, knowledge and skills of the community to increase their capacity and determine their future.

According to Edi Suharto, (2009: 6) in the empowerment process, it is necessary to achieve empowerment, through the application of an empowerment approach in strengthening, protecting, supporting, and maintaining.:

- a. Enabling, creating an atmosphere or climate that allows community potential to develop optimally. This can be realised with forms of empowerment activities such as the utilisation of resources and skills. According to Ife, change agents as community empowerment must be able to identify and utilise the various skills and resources that exist in the community or group.
- b. Strengthening, empowerment must be able to develop all the abilities and confidence of the community that uphold their independence. Communities should try to utilise their own resources, such as financial, technical, natural and human resources, rather than relying on external assistance. Through community empowerment programmes, it is sought that communities are able to utilise and identify resources within the community to the minimum extent possible.
- c. Protection, protecting the community, especially weak groups, from being oppressed by strong groups, avoiding unbalanced competition between strong and weak groups, and preventing exploitation of strong groups against weak groups.
- d. Encouragement, providing guidance and support so that people are able to carry out their roles and tasks in life.
- e. Maintenance, maintaining conditions conducive to a balance in the distribution of power between various groups in society.

From some of the definitions above, Edi Suharto 2009: 7-8. Empowerment above can be concluded that empowerment is an effort or effort made in order to develop the ability and independence of individuals or communities in fulfilling their needs. The main concept contained in empowerment is how to provide ample opportunities for people to determine the direction of life in their community.

#### **Community Empowerment**

In community empowerment, many experts discuss this, one of which is Isbandi Rukminto (2008: 77) argues that empowerment essentially helps people gain the power to make decisions and determine the actions they will take related to themselves, including reducing the effects of personal and social obstacles in taking action. This is done through increasing the ability and confidence to use the power they have, among others through the transfer of power from the environment. So that Rukminto (2008: 89) Community empowerment is a development process in which the community has the initiative to go through a process of social activities to improve their own situation and conditions. Community empowerment occurs when the community itself participates. Community empowerment

has 4 principles that are often used for the success of empowerment programmes, namely the principles of equality, participation, sustainability and self-sufficiency or independence.

- 1. Principle of Equality The principle of equality is the main principle that must be adhered to in the community empowerment process, namely that there is an equal position between the community and the institutions that carry out community empowerment programmes, both men and women. The dynamics that are built are relationships of equality or alignment by developing mechanisms for various knowledge, experiences, and expertise with one another. Each recognises the other's strengths and weaknesses, resulting in a process of mutual learning and teaching.
- 2. Participation Principle Empowerment programmes that will stimulate community independence are those that are participatory in nature, planned, implemented, supervised, and evaluated by the community. However, in order to reach this level, it takes time and a mentoring process that involves mentors who are committed to community empowerment.
- 3. Principle of Sustainability Empowerment programmes should be designed/structured in such a way that they are sustainable, even though in the beginning the role of the facilitator is more dominant than the community itself. But slowly and inexorably, the role of the facilitator will be reduced, even eventually removed because the community has been able to manage its own activities.
- 4. The principle of self-sufficiency or independence The principle of self-sufficiency is to value and prioritise the ability of the community over the assistance of others. However, this concept does not see the poor as objects that are not 23 Isbandi Rukminto (2008: 89). Says the Purpose of Community Empowerment There are six objectives of community empowerment, including:
  - a. Institutional Improvement With improvements in activities or actions taken, it is expected to improve institutions, including the development of business partnership nets.
  - b. Business Improvement Improved education, improved accessibility, activities and institutional improvements, are expected to improve the business that is being carried out.
  - c. Income Improvement With the improvement of business, it is expected to improve the income earned, including family and community income.
  - d. Income Improvement is expected to improve the environment, because poverty or limited income is the cause of damage to the environment.
  - e. Life Improvement The level of income and good environmental conditions are expected to improve the lifestyle of each family and community. Improvement of the Environment Improvement of income is expected to improve the environment, because poverty or limited income is the cause of damage to the environment.
  - f. Improvement of Life Income levels and good environmental conditions are expected to improve the lifestyle of each family and communityf. Community Improvement Improved lives, supported by a better environment (physical and social), are expected to realise a better community life as well.

According to Eddy Ch. Papilaya (2001: 1) community empowerment is an effort to improve the dignity of groups of people who are in poor conditions, so that they can escape from the trap of poverty and backwardness and efforts to build community capacity, by encouraging, motivating, raising awareness of their potential and striving to develop that potential into real action.

Subejo (2013: 59) defines the community empowerment process as a deliberate effort to facilitate local communities in planning, deciding and managing their local resources through collective action and networking so that in the end they have the ability and independence economically, ecologically and socially.

According to Kartasasmita (2002: 156-160) community empowerment must be carried out through several activities, namely: 1. Creating an atmosphere or climate that allows community potential to develop (enabling) 2. Strengthening the potential or power possessed by the community (empowering) 25 Here lies the starting point, namely that the introduction of every human being, every

member of society, has a potential that can always develop. This means that there is no society that is completely powerless, because if so, it will easily become extinct.

According to Sumodiningrat (2004: 320), community empowerment is an effort to empower people through the realisation of their potential abilities. Community empowerment always involves two interrelated groups, namely the community as the empowered party and those who care as the empowering party. The main approach in this empowerment concept is that the community is not made the object of various development projects, but is the subject of its own development efforts. Based on this concept, Sumadiningrat. Suggests that community empowerment efforts can be seen from three sides, namely:

- 1. Creating an atmosphere or climate that allows the potential of the community to develop (enabling). Here the starting point is the recognition that every human being, every community, has potential that can be developed. That is, there is no such thing as a completely powerless society, because if so, it would already be extinct. Empowerment is an effort to build that power, by encouraging, motivating, and raising awareness of the potential it has and working to develop it.
- 2. Strengthening the potential or power of the community (empowering). This requires more positive steps than just creating the climate and atmosphere. This empowerment involves concrete steps, and involves the provision of various inputs, as well as opening access to opportunities that will make the community empowered. Empowerment involves not only strengthening individual community members, but also their institutions. Instilling modern cultural values such as hard work, frugality, openness, and responsibility is a key part of this empowerment effort. The same applies to reforming social institutions and integrating them into development activities and the role of the community in them.
- 3. Empowering implies protecting. In the process of empowerment, it must be prevented that the weak become weaker, due to the lack of empowerment in dealing with the strong. Therefore, protection and favouring the weak are fundamental to the concept of community empowerment. Protecting does not mean isolating or hiding from interaction, because that would dwarf the small and exclude the weak. Protecting must be seen as an effort to prevent unequal competition and exploitation of the strong over the weak. Community empowerment is not about making people dependent on handout programmes, because basically everything they enjoy must be produced by their own efforts (the results of which can be exchanged with others). Thus, the ultimate goal is to empower people, enable them, and build their ability to advance themselves towards a better life on an ongoing basis.

#### **Family Economy**

Definition of the phrase 'family economic status' Status means the state or position (person, body) in relation to the surrounding community. Economy means the financial affairs of the household (organisation, country) in society the term economy is usually related to the problem of rich and poor, family means mother father and his children the basic kinship unit in society. Social status in this family economy in every community environment intentionally or unintentionally formed by itself in this context Soekanto quoted Aris toteles: 'That in every country there are three elements, namely those who are very rich, those who are poor and those who are in the middle.'

Such remarks more or less prove that at that time, had a position that was stratified from bottom to top. A leading sociologist, Pitirim A. Sorokin, said: 'that the layer system is a permanent and common feature of a society that lives regularly. Those who have a very large number of valuable goods are considered in the superior class society. Those who only have a little something valuable in the view of society have a low position. Between the upper and lower layers there is a layer whose number can be determined by those who want to study the system of layers of society.

The existence of a system of layers of society can occur by itself in the process of the growth of society. But there are also those that are arranged deliberately to pursue common goals. Theoretically all humans are considered equal. However, in accordance with the reality of living social groups, this is not the case. The difference in layers is a unifersal symptom that is part of the social system of every society. To examine the occurrence of processes of layers of society, these points are found to be used as guidelines:

- a. The layer system is based on the system of conflicts in society. The system has a special meaning for the particular society that is the object of investigation.
- b. The layer system can be analysed within the scope of the following elements:
  - 1) Distribution of privileges such as wealth, safety, income authority and so on.
  - 2) The conflict system created by society.
  - 3) The criteria for the conflict system are obtained from personal qualities, group membership, certain relatives.
  - 4) Symbols of position such as manner of life, dress, housing, membership in an organisation.
  - 5) Easy or difficult to exchange positions.
  - 6) Solidarity among groups of individuals who occupy the same position in the social system of society.

Some use the term class only in layers based on the economic system and layers based on honour in society. Mak Weber makes a distinction between the economic basis and the basis of social position but still uses the term class in all layers. The existence of an economic class is subdivided into subclasses that are engaged in the economy using their skills. In addition, Mak Weber also still mentions a special honour class from society called Stand. Josep Schumpeter said that: The formation of classes in society is because it is necessary to adjust society to real needs. So classes and other societal phenomena can only be understood correctly if the history of the occurrence is known.

Thus, inevitably, there is a system of layers of society, but its form in society is also different. Because it depends on the shape and needs of each community. It is clear that the position of the role is considered the highest. There are not many individuals who have such requirements, maybe even only a small group in society. Therefore, in general, the upper-class is not too common when compared to the middle class and the lower class.

## 1. Aspects in the Family Economy

Different Family Economic Conditions In society, there are several different economic layers, namely the affluent economy, the medium economy, and the disadvantaged family economy.

#### a) Affordable Family Economy

It is an undeniable fact that the economy is a factor that determines a person's behavior in society and also his environment. In society, there are economic classes that can be said to be family economics that can be compared with other family economies. In daily life, the family economy is able to be different from the economy with the family economy under it. These differences are what cause the difference between the economic class of the wealthy family and the economic class of the weak family. Finally, it causes a difference between the poor and the underprivileged based on the economic level of the family. Marx says: As long as the people are still divided into classes, it is in the ruling class that all power and wealth will be gathered. Law, philosophy, religion and art are reflections of this economic status. However, the laws of change play a good role in history so that the situation can change well with the revolution. However, when there is still a ruling class, there is still an exploitation of the weaker class.

One of the functions of the family is the economic function, which is a state in which the family is an independent society, in which the family members consume the goods they produce. In this context, the family needs financial support or sufficient funds to meet the family's production needs. This is because the family also functions as education for the entire family, providing education to children and adolescents.

What is more about the community is that it makes it easier for families who have a family economy to be able to be compared with the economic status below them. In addition, they have many facilities as a result of the support of a well-established economy in satisfying their parents and also in educating their children. The measures or criteria that can be used to classify

members of society into a layer are the measure of wealth, the measure of power, the measure of honor and the measure of science

The above measures are very decisive as the basis of the layer system in society. In traditional society, it is the people who clear the land who have the highest class, the descendants and relatives of the land clearing are considered by the village community as the highest class. Certain upper layers of society in everyday terms are called elites. And usually the upper class is a small group in society and also controls society. Wealth can be found in this society and is considered a natural thing.

## b) Medium Family Economy

The status that often exists in the community is the status of the medium class. The status of this group can live in the midst of a diverse society, in this group a person is not excessive in spending his property nor lacking in meeting the needs of his family. Their status can communicate both with the status above it and can communicate both with the status below it. In this level, it is rare to find prominent problems in communicating with other statuses. As stated by W.A. Gerungan My unnatural behavior is least experienced by children from middle socioeconomic backgrounds. This shows that the middle economy class can communicate well with other economic status, this causes this class to have no problems that arise in the psychology of children in getting along.

The size of the family status is not very prominent compared to the status status that is above it because this status is too much in the community. This status can be determined by the environment in question. Basically, this family status can fulfill its parents like many other families, it's just that the difference is that the level of facilities used is different from the economic facilities above. But they are still worthy of living with people in general. In his work, Durkheim argues that: The standard element in society is the solidarity factor, he distinguishes between societies characterized by mechanical solidarity and organic solidarity. In a society with mechanical solidarity, the citizens of the community do not yet have a differentiation of the division of labor. Meanwhile, organic societies already have a division of labor marked by a certain degree of specialization.

#### c) Economically Unable to Afford

The third family status is the economic status of the weak family, this status can be said to be the economic status of the underprivileged (poor) family, usually this status often comes from the countryside and also residential areas of the underdeveloped community. The consequences of poverty have a great impact on human life, especially on education and also the need to meet the needs of life. Poverty causes a lot of children to work to help their families in meeting their needs, even though they are still required to seek education. As a result of poverty, many children drop out of school. As quoted by Tadjudin Noer Efendi stated: Many little girls have learned to shop on their own at the market for their family's needs and if their mother shops at the market they can replace the mother for a short time. Meanwhile, boys work as cigarette makers in shops, as bus ticket drivers, as tailors and carpenters.

It is very bad for the development of society, underdevelopment due to the inability of people to get education is the effect of poverty. From the study, it can be ascertained that the condition of the family is economically weak and is very unfavorable for family life. Therefore, poverty must be dealt with seriously, so that the future of family life will be better.

The root of poverty in Indonesia must not only be found in the lazy culture of work. Meanwhile, limited insights, lack of skills and lack of health and poor work ethic, are all internal factors. And external factors are poor health, low community nutrition resulting in low income and limited natural resources.

#### 3. RESEARCH METHODS

The research method used in this study adopts a qualitative approach with a phenomenological method. This approach is employed to understand the subjective experiences and meanings attributed by individuals or groups in the context of managing economic potential to improve family welfare in Papua. The phenomenological method allows the researcher to delve deeply into how the people of Papua perceive and experience the process of economic empowerment, especially concerning sectors such as agriculture, handicrafts, and creative industries that form the basis of their economy.

Data collection is carried out through in-depth interviews with community members, traditional leaders, and parties involved in economic empowerment programs in Papua, including the government, non-governmental organizations (NGOs), and the private sector. The data collected is then analyzed using phenomenological analysis techniques, which involve identifying key themes emerging from the informants' experiences and how they interact with the resources available in their surroundings.

This process aims to provide a thorough understanding of how community members in Papua perceive their economic conditions, the challenges they face, and the impact of various empowerment initiatives on their families' well-being. By using this method, the study seeks to capture the essence of their lived experiences, highlighting the unique socio-economic factors at play in Papua's economic development.

#### 4. DISCUSSION

## Economic conditions of marginalized (poor) communities in Papua

The economic condition of marginalized communities in Papua is one of the complex issues and requires serious attention. Papua, despite its abundance of natural resources such as gold, copper, natural gas, and vast tropical forests, faces major challenges in ensuring that the fruits of these natural resources can be enjoyed by all its people, especially those in the marginalized or poor categories.

#### 1. Economic Inequality

Papua experiences a significant level of economic inequality. This is due to the uneven distribution of income and access to resources. In urban areas such as Jayapura and Timika, there are community groups that enjoy better economic facilities, including access to education, health services, and formal employment. However, in remote rural and mountainous areas, people often live below the poverty line. They rely on subsistence farming, hunting, and gathering, the results of which are often insufficient for basic daily needs.

This inequality is exacerbated by the lack of infrastructure in rural and remote areas. Damaged or non-existent roads, difficult access to transportation, and the absence of electricity and clean water networks are some of the main obstacles faced by marginalized communities in Papua. This condition hinders them from accessing markets, health services, and education, which ultimately exacerbates the cycle of poverty.

#### 2. Access to Education and Job Skills

Access to education plays an important role in improving the economic conditions of communities, but many Papuans, especially in marginalized areas, do not have adequate access to education. Illiteracy rates are still high in some areas, especially among women and children. In addition, the quality of education in rural schools is often low due to the lack of qualified teachers, adequate facilities, and access to books or teaching materials.

This lack of education has a direct impact on the low work skills of the community. Most marginalized communities in Papua do not have the technical skills or expertise that can improve their competitiveness in the labor market. As a result, they tend to be stuck in informal or traditional jobs with unstable and minimal incomes Education and Job Skills.

# 3. Dependence on Natural Resources

Most of the marginalized communities in Papua depend on natural resources for their livelihoods. However, the limitations of technology and knowledge make it difficult for them to manage these resources productively and sustainably. For example, many farmers in Papua still use traditional methods of farming, so their crop yields are low and not enough to meet their daily needs or to be sold in the market.

In addition, the massive exploitation of natural resources by large corporations often does not provide direct benefits to local communities. Royalties and revenues from the mining, forestry, or fishing industries often do not reach marginalized communities, while negative impacts such as environmental degradation and reduced resources actually add to their burden.

#### 4. Health and Nutrition Issues

Health is one of the important indicators in assessing the economic condition of the community. In Papua, many marginalized communities live below decent health standards. Diseases such as malaria, tuberculosis, and HIV/AIDS are still major problems. Access to health facilities is often limited, especially in remote areas, where health centers or hospitals are difficult to reach. Nutrition issues are also a serious concern. Many families in Papua are malnourished due to economic inability to afford nutritious food or due to ignorance of healthy diets. Malnutrition not only affects people's quality of life, but it also impacts their ability to work and overall productivity.

#### 5. The Role of Government Programs

The government has launched various programs to overcome poverty in Papua, such as the Family Hope Program (PKH), Village Funds, and Papua Special Autonomy. These programs aim to improve community welfare through direct assistance, infrastructure development, and increased access to education and health services.

However, the effectiveness of these programs is often hampered by implementation issues. For example, there is a misuse of funds, lack of supervision, or programs that are not in accordance with local needs. In addition, many marginalized communities do not have knowledge or information about these programs, so they cannot make full use of them.

#### 6. Improvement Prospects

Although the challenges faced are quite large, there is hope to improve the economic conditions of marginalized communities in Papua. One of them is to increase community participation in the development process. A community-based approach that involves the community directly in the planning and implementation of the program can increase the sense of ownership and effectiveness of the program.

In addition, investment in education and skills training is key to empowering marginalized communities. With a better education, they can increase their job opportunities and income. Technology can also be an effective tool to open access to information, markets, and new economic opportunities for the people of Papua.

Ultimately, the success of these efforts requires close cooperation between the government, the private sector, NGOs, and the community itself. With the right steps, the economic conditions of marginalized communities in Papua can be improved, so that they are able to get out of the poverty trap and contribute to more inclusive development.

## Challenges faced in reducing poverty in Papua

Reducing poverty in Papua is a major challenge that requires a multidimensional approach. This region has unique characteristics that distinguish it from other regions in Indonesia, both in terms of geography, culture, and socio-economic conditions. The following are some of the main challenges faced in efforts to reduce poverty in Papua.

#### 1. Difficult Geographical Conditions

Papua has a large area with diverse topography, including high mountains, deep valleys, and dense tropical forests. Most areas in Papua are difficult to access due to the lack of infrastructure such as highways, bridges, and public transportation. This condition hinders the distribution of goods, services, and development programs to remote areas. As a result, people in remote areas are often isolated and do not have access to adequate educational, health, and economic facilities.

## 2. Infrastructure Inequality

Infrastructure development in Papua is still uneven. Although there have been major projects such as the Trans Papua Road, many areas have not been touched by development. Poor infrastructure not only limits physical access, but also has an impact on limited internet and communication connectivity. This hinders Papuans from accessing information and wider economic opportunities, thus reinforcing the cycle of poverty.

#### 3. Inadequate Education

The level of education in Papua is still far below the national average. Many children in Papua do not receive adequate formal education, especially in remote areas. Factors such as a lack of qualified teachers, minimal school facilities, and geographical challenges leave many Papuans without sufficient skills or knowledge to compete in the job market. Low education also has an impact on low awareness of the importance of sustainable natural resource management.

#### 4. Limited Access to Healthcare

Poverty in Papua is also exacerbated by limited access to health services. Many remote areas do not have proper health centers or hospitals. In addition, the lack of medical personnel, medicines, and health facilities makes it difficult for people to get adequate health services. Health problems such as malnutrition, malaria, tuberculosis, and HIV/AIDS are still serious challenges in Papua.

#### 5. Dependence on Natural Resources

Papua is rich in natural resources, but its management often does not provide direct benefits to the local community. The exploitation of natural resources by large corporations often ignores the needs of local communities and has an impact on environmental damage. In addition, many Papuans still rely on subsistence practices such as hunting and gathering, without having access or the ability to manage resources productively.

## 6. Non-Conformity of Development Programs

Although governments have launched various programs to reduce poverty, the effectiveness of these programs is often limited. One of the main reasons is the lack of a culturally based approach and local community participation. Programs designed without understanding the local context or engaging the community are often unsustainable or even rejected by the community.

## 7. Social and Security Conflicts

Papua often faces social conflicts and security issues that hinder the development process. These conflicts are often linked to economic inequality, cultural differences, and political issues. This instability not only creates fear, but also disrupts the implementation of development programs aimed at reducing poverty.

## 8. Low Financial Literacy

The ability of the Papuan people to manage finances is also a big challenge. Many people do not have access to formal financial institutions such as banks, so they find it difficult to save, get credit, or invest. This low financial literacy hinders them from taking advantage of existing economic opportunities.

## 9. The Limited Role of Women

In many communities in Papua, women often face barriers to actively participating in economic activities. In fact, women's empowerment can have a significant impact on poverty reduction.

These challenges include cultural norms, lack of access to education, and lack of opportunities to get decent work.

## 10. Dependence on the Special Autonomy Fund

The Special Autonomy Fund (Otsus) has been allocated to Papua as an effort to improve development and community welfare. However, in practice, the use of these funds is often ineffective due to corruption, mismanagement, or the inability of local governments to plan appropriate programs. The dependence on Special Autonomy funds also makes it difficult for regions to develop alternative sources of income.

#### **Necessary Solutions**

Addressing these challenges requires an integrated and sustainable approach. The government, non-governmental organizations (NGOs), and the private sector need to work together to ensure that the programs designed truly address the needs of the Papuan people. Investments in education, health, and infrastructure should be prioritized, accompanied by the involvement of local communities in every stage of program planning and implementation.

In addition, it is important to increase financial literacy and access to formal financial services for the Papuan people. Women's empowerment must also be part of the strategy, because women have an important role in managing the family economy. By comprehensively addressing these challenges, it is hoped that poverty rates in Papua can be reduced, and its people can enjoy better welfare in a sustainable manner.

# C. What is the management strategy for economic potential in improving family welfare in Papua

Building a family economy in Papua is one of the strategic steps to improve the welfare of the community as a whole. With the unique characteristics of the region and its distinctive social, cultural, and economic challenges, an effective approach requires a combination of locally-based strategies, community empowerment, and multi-stakeholder support. The following are some strategies and efforts that can be made in building the family economy in Papua:

## 1. Community-Based Empowerment

Community-based community empowerment is one of the most effective approaches. This strategy involves the community directly in the process of planning, implementing, and evaluating economic programs. For example, village cooperative programs can be established to support local economic activities, such as agriculture, livestock, and handicrafts. With cooperatives, families can access financial facilities such as microloans as well as obtain training to increase their business productivity.

#### 2. Sustainable Agriculture Sector Development

Most people in Papua depend on the agricultural sector for their livelihoods. Therefore, the development of sustainable agriculture is an important step to build a family economy. These efforts include:

- a. Provide training on modern agricultural techniques that are environmentally friendly.
- b. Introducing superior plant varieties that are suitable for the soil and climate conditions of Papua.
- c. Helping farmers access markets so that their crops can be sold at a better price.
- d. Provide the assistance of simple agricultural tools and technologies to increase production yields.

By supporting farmers in managing their land efficiently, the family economy can be significantly improved.

# 3. Increasing Access to Education and Training

Education is the main key to building a sustainable family economy. Formal and informal education programs tailored to local needs can help improve the skills of Papuans. Some of the steps that can be taken include:

- a. Providing scholarships for children from underprivileged families.
- b. Conducting job skills training for adults, such as handicrafts, building engineering, or processing agricultural products.
- c. Introduce financial literacy programs so that families can better manage their income.

Education based on local wisdom is also important to maintain the cultural identity of the Papuan people while improving their economic capabilities.

## 4. Development of Creative Industries and Tourism

Papua has great potential in the field of creative industries and tourism. With its incredible natural beauty as well as rich culture, families can be empowered to engage in tourism-based economic activities, such as:

- a. Opening homestays or small inns for tourists.
- b. Selling traditional handicrafts such as carvings, noken, or Papuan jewelry.
- c. Become a local tour guide to introduce local culture and traditions.

This creative industry not only opens jobs but also strengthens people's sense of pride in their identity.

#### 5. Access to Microfinance Services

Many families in Papua have difficulty accessing formal financial services, such as banking. Therefore, the development of microfinance services is an important solution. Microfinance institutions can provide small loans with low interest to families for business capital. In addition, savings and microinsurance programs can also be introduced to help families manage risks and plan for their future.

## 6. Improving Economic Infrastructure

Adequate infrastructure is a prerequisite to support the economic development of the family. Some of the steps that can be taken include:

- a. Build roads that connect remote villages with the main market.
- b. Expand access to electricity and clean water to rural areas.
- c. Providing an internet network to support digital-based economic activities.

With better infrastructure, families in Papua can more easily market their products and access relevant information for business development.

# 7. Collaboration with the Government and Non-Governmental Organizations (NGOs)

Partnerships between the government, NGOs, and local communities are essential to ensure the success of the family economic development program. Governments can provide supportive policies and regulations, while NGOs can provide training, mentoring, and technical assistance. In addition, programs such as the Village Fund and the Special Autonomy Fund can be directed to support local initiatives that have a direct impact on families.

#### 8. Strengthening the Role of Women in the Family Economy

Women have an important role in managing the family economy, especially in household financial management and children's education. Therefore, women's empowerment through job skills training, access to credit, and participation in economic decision-making can have a significant impact. Special programs that support women entrepreneurs also need to be developed to encourage their contribution to local economic development.

## 9. Technology Development and Local Innovation

Technology can be a powerful tool to build the family economy in Papua. For example, technology-based applications can be used to introduce farmers to digital markets or provide

information about commodity prices. In addition, local innovations such as processing non-timber forest products into value-added products can also help increase family income.

## 10. Raising Awareness of the Importance of Savings and Investment

Many families in Papua do not have awareness about the importance of saving or investing. Financial literacy programs that teach basic financial management, such as how to prepare a household budget, save, and invest in children's education, can have a great positive impact. Building a family economy in Papua requires a holistic and inclusive approach, taking into account local needs and involving the community at every stage of the development process. With the right combination of strategies, from community empowerment to infrastructure development and education, families in Papua can improve their quality of life and get out of poverty in a sustainable way.

#### 5. CONCLUSION

The economic condition of marginalized communities in Papua is influenced by inequality of access to resources, education, health services, and infrastructure, even though the region is rich in natural resources. Rural and remote communities still rely on subsistence agriculture and natural resources with traditional technologies, while large-scale exploitation often does not provide them with direct benefits. Lack of education and job skills exacerbates their inability to compete in the labor market, while health and nutrition issues hinder their productivity.

Government programs such as PKH and the Special Autonomy Fund have been pursued, but their effectiveness is often hampered by suboptimal implementation. To improve this condition, there needs to be increased access to education, skills training, and active community participation in community-based and inclusive development programs, with collaborative support from the government, the private sector, and NGOs...

Building the family economy in Papua requires a holistic approach that takes into account local characteristics, involves community-based empowerment, and is supported by multi-stakeholder collaboration. The main strategies include the development of the sustainable agriculture sector, access to education and training based on local wisdom, and strengthening the role of women in the family economy. In addition, the creative and tourism industries are also a great potential to be developed, supported by adequate infrastructure and microfinance services. The use of local technology and innovation, as well as the improvement of financial literacy, are important steps to improve productivity and family economic management. With synergy between the government, the community, and NGOs, families in Papua can overcome socio-economic challenges and build a more prosperous life in a sustainable manner.

Reducing poverty in Papua requires a multidimensional approach that takes into account geographical challenges, infrastructure inequality, low education, and limited health services. Natural resource management that does not empower local communities, dependence on Special Autonomy funds, social conflicts, and low financial literacy are also inhibiting factors. Sustainable solutions include improving access to education, health, and infrastructure; women's empowerment; and better financial management. With the collaboration of the government, NGOs, and local communities in planning culturally based programs and specific needs, the well-being of the Papuan people can be significantly improved.

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