

THE ROLE OF TARUNA TANI MSMEs IN BUILDING THE ECONOMY OF COFFEE FARMERS IN GOLULADA VILLAGE, DETUSOKO DISTRICT, ENDE REGENCY

Inosensius Lalo¹, Raymundus Lullus Rua Raki²

^{1,2}Program Studi Ilmu Sosiatri, Sekolah Tinggi Pembangunan Masyarakat (STPM) Santa Ursula, EndeIndonesia

Coresponding Email; raymundusraki@stmpsantaurusla.ac.id

Informasi Artikel

Recieved: 14 Agustus 2025; Accepted : 11 September 2025; Publish: 11 September 2025

Abstract

This research, entitled *The Role of Taruna Tani MSMEs in Building the Economy of Coffee Farmers in Golulada Village*, aims to examine the role of Taruna Tani MSMEs in enhancing the economic conditions of coffee farmers in Golulada Village, Detusoko District, Ende Regency. The study adopts the theory of community empowerment through the asset-based community development (ABCD) approach, utilizing a descriptive qualitative research method. The findings reveal that Taruna Tani MSMEs play a central role in developing the economy of coffee farmers by creating employment opportunities, improving community welfare, promoting equitable economic distribution, and supporting the economy during times of crisis. The analysis further indicates that the initiatives of Taruna Tani MSMEs, which mobilize all community assets and economic strengths, have contributed to increased welfare and living standards in the village. The study recommends the importance of maintaining the optimism of the Taruna Tani MSME group and fostering sustainable collaboration with coffee farmers to strengthen the village economy.

Keywords: *Agriculture, development, economy, MSMEs, village*

Abstrak

Penelitian dengan judul Peran UMKM Taruna Tani Dalam Membangun Perekonomian Petani Kopi di Desa Golulada ini, bertujuan untuk mengetahui bagaimana peran UMKM Taruna Tani dalam membangun perekonomian petani kopi di Desa Golulada, Kecamatan Detusoko Kabupaten Ende. Penelitian ini menggunakan teori pemberdayaan masyarakat melalui pendekatan *asset-based community development* (ABCD) dengan metode penelitian kualitatif deskriptif. Hasil penelitian menunjukkan bahwa peran UMKM Taruna Tani sangat sentral dalam membangun perekonomian para petani kopi dengan membuka lapangan pekerjaan, meningkatkan kesejahteraan masyarakat, mendorong tercapainya pemerataan ekonomi dan menopang perekonomian di kala krisis. Analisis penelitian ini pun memperlihatkan bahwa tindakan UMKM Taruna Tani yang mengorganisir seluruh aset dan kekuatan perekonomian masyarakat dapat meningkatkan kesejahteraan dan peningkatan taraf hidup masyarakat desa. Penelitian ini merekomendasikan pentingnya optimisme kelompok UMKM Taruna Tani dan jalinan kerjasama berkelanjutan dengan para petani kopi untuk membangun perekonomian desa.

Kata Kunci: *Pertanian, pembangunan, ekonomi, UMKM, desa*

INTRODUCTION

Development planning is a form of planning aimed at increasing economic growth and community welfare, including at the village level, by involving various local stakeholders (Fitrianti et al., 2022). As a developing country, Indonesia also implements development planning activities. Furthermore, Indonesia has experienced a paradigm shift in its development planning approach (Puteri & Rani, 2020).

Development planning itself is a process of formulating strategic steps to advance a region or community, involving the identification of needs, the establishment of long-term goals, the analysis of resources, and the creation of action plans encompassing infrastructure, public services, environmental concerns, and other socio-economic aspects (Roseland, 2000). The ultimate aim is to achieve sustainable development and improve the quality of life for the community.

Meanwhile, the Law of the Republic of Indonesia Number 25 of 2004 on the National Development Planning System stipulates that the community is an important stakeholder that must be involved in the planning process. This is based on the principle that communities are the most knowledgeable about the conditions of their environment. Insufficient community involvement in development—for example, in the establishment of small and medium-scale enterprises—can weaken the national economic system. This vulnerability was evident during the 1997/1998 monetary crisis when many businesses, built without strong community-based economic support, could not survive (Putra, 2016).

Furthermore, the Law of the Republic of Indonesia Number 20 of 2008 on Micro, Small, and Medium Enterprises (MSMEs) or UNDANG-UNDANG REPUBLIK INDONESIA NOMOR 20 TAHUN 2008 TENTANG USAHA MIKRO, KECIL, DAN MENENGAH defines micro enterprises as productive businesses owned by individuals or individual business entities that meet the criteria stipulated in the law. Small enterprises are productive economic businesses that stand alone, operated by individuals or business entities that are neither subsidiaries nor branches of larger companies—whether directly or indirectly controlled—and meet the criteria for small enterprises as stipulated by law. Medium enterprises are productive economic businesses that stand alone, operated by individuals or business entities that are not subsidiaries or branches of large companies, with net assets or annual sales within the limits set by law.

According to records from the Ministry of Cooperatives and MSMEs (2024) or UNDANG-UNDANG REPUBLIK INDONESIA NOMOR 25 TAHUN 2004 TENTANG SISTEM PERENCANAAN PEMBANGUNAN NASIONAL, 2004, there are approximately 30.18 million MSME units in Indonesia (Kamar Dagang dan Industri Indonesia, 2024) MSMEs play an important and strategic role in national economic development and have long been the backbone of many countries' economies, including Indonesia (Putra, 2016). MSMEs have a crucial function in creating jobs, fostering economic growth, and improving public welfare, with significant potential to strengthen community economic conditions (Vinatra et al., 2023).

Typically, MSMEs operate on a small scale and may be owned by individuals or groups. Their operations are often localized, producing a variety of goods and services tailored to

community needs. This flexibility allows MSMEs to be responsive to local conditions (Vinatra et al., 2023) One of the ways MSMEs improve community welfare is by creating jobs (Sofyan, 2017). This makes them major contributors to job creation worldwide, especially in the informal sector. By employing local residents, MSMEs help reduce unemployment, lessen economic inequality, and provide access to economic opportunities for disadvantaged groups—such as women, youth, and indigenous or rural communities—alongside the roles of existing village-owned enterprises (BUMDesa) (Rua Raki, 2023). Through their activities, MSMEs add value to the economy by producing goods and services, contributing to tax revenue, and supporting infrastructure development, which in turn stimulates domestic consumption and fosters sustainable economic growth (Vinatra et al., 2023).

In Ende Regency, data from the Central Bureau of Statistics or BPS- Provinsi Nusa Tenggara Timur, 2022 of East Nusa Tenggara Province, indicates the presence of 8,839 MSMEs. Among them is the Taruna Tani MSME in Golulada Village, Detusoko District, which focuses on coffee production and sales. The coffee distributed by Taruna Tani MSME is sourced from local farmers and processed according to specific quality standards to maintain its quality.

The Taruna Tani MSME program combines two main concepts: micro, small, and medium-scale enterprises (MSMEs) and agricultural activities conducted by young farmers (taruna). The program aims to develop economic potential in the agricultural sector by engaging young people, thus improving their welfare and contributing to national economic development. Taruna Tani MSME provides training, capital, and other support to young farmers to start or expand their agricultural businesses, thereby increasing productivity and competitiveness at the local level.

Founded by Mr. Lukas Lawa in 2020 and based in Golulada Village, the Taruna Tani MSME focuses on processing coffee into beans and powder for distribution outside the region. The MSME provides training to coffee farmers, beginning with downstream activities (replanting coffee trees) and purchasing coffee beans at high prices according to its quality standards. This includes post-harvest processing, fermentation, wet pulping, drying, milling, packaging, and preparing the coffee for market.

However, Taruna Tani MSME faces competition from middlemen in purchasing coffee from farmers. These middlemen often have larger market access and established distribution networks, while Taruna Tani MSME must work hard to expand its market reach. Middlemen also tend to offer farmers lower prices, whereas Taruna Tani MSME offers more competitive rates or added value, such as quality assurance and sustainable production practices.

The presence of middlemen has affected farmers' earnings, created income disparities and forcing many farmers into debt, particularly during periods of low harvest. In response, Taruna Tani MSME has sought to collaborate with coffee farmers in Golulada Village to address these issues. Given the role of MSMEs and the challenges faced by coffee farmers in Golulada, this study seeks to analyze the role of Taruna Tani MSME in building the economy of coffee farmers in Golulada Village, Detusoko District, Ende Regency. The research applies the theory of community empowerment through the asset-based community development (ABCD) approach, using a

descriptive qualitative method to examine the synergy between Taruna Tani MSME and coffee farmers in promoting village economic empowerment and development.

RESEARCH METHODOLOGY

This study employs a qualitative research approach aimed at conducting an in-depth exploration of the social world, allowing conclusions to be drawn from the experiences, perspectives, and histories of the participants (Kemperaj & Chavan, 2013). The purpose of qualitative research is to understand and describe the phenomenon under study in depth and detail, which requires direct engagement in the field alongside the research subjects (Creswell & Creswell, 2018). In this study, the units of analysis are the coffee farming community of Golulada Village and the Taruna Tani MSME institution. The respondents were selected purposively to provide the necessary information and insights for the research. A total of 8 informants were involved, consisting of four coffee farmers, three members of the Taruna Tani MSME group, and one village official.

Data for this study were collected through interviews with informants considered knowledgeable and capable of providing relevant data and narratives based on their experiences. In addition, observations and documentation of the activities carried out by Taruna Tani MSME, as well as its products, were also gathered. The data analysis process followed an inductive approach, which involves understanding the information provided by participants through the interpretation of their actions and the context surrounding them, as well as examining the activities of the research subjects (Maxwell & Reibold, 2015).

RESULTS AND DISCUSSION

Creating Employment Opportunities

The creation of employment opportunities and the increase in productivity in the sectors supported by MSMEs can significantly contribute to enhancing the income and economic well-being of the community members involved. Based on interviews and observations, through collaboration and interaction with coffee farmers, the Taruna Tani MSME has successfully generated employment opportunities for coffee farmers in Golulada Village, particularly for the youth.

Data indicate that the presence of Taruna Tani MSME has created jobs for at least 50 individuals. This was confirmed in an interview with Mr. Wilfridus Suprpto (45), a village official, who stated:

“As a village official, I believe that the existence of Taruna Tani MSME has created excellent employment opportunities for the community, especially for young people, allowing them to find work locally. With the jobs provided by Taruna Tani MSME, young people no longer need to migrate to other areas to seek employment.” (Interview, May 12, 2024).

Similarly, Mr. Lukas Lawa (65), the manager of Taruna Tani MSME, emphasized:

“One of the reasons and goals for establishing the Taruna Tani MSME group was to create jobs, particularly for the youth, as I have observed many young people in this village spending their days idly.” (Interview, May 12, 2024).

These accounts illustrate that the existence of Taruna Tani MSME has been instrumental in providing employment opportunities, fostering trust in the younger generation, and reducing idleness among rural youth in Flores, despite the agricultural potential of their villages. Moreover, this situation has helped discourage youth migration caused by limited local job opportunities, ultimately contributing to the economic improvement of the village community.



Figure 1. Coffee harvesting and drying process. Source: Researcher's documentation

Improving Community Welfare

By creating employment opportunities, the presence of Taruna Tani MSME has also contributed to improving community welfare—enabling residents to fulfill their material, spiritual, and social needs, thereby enhancing their overall quality of life. In relation to this, Sius Pande (46), a coffee farmer, stated:

“It has truly brought progress to our community, especially for me as a coffee farmer. My life and that of my family have improved, and I can say that we have begun to achieve a better standard of living.” (Interview, May 16, 2024).

Similarly, another coffee farmer, Mikael Lawa (52), expressed:

“The Taruna Tani MSME group, which exists in our community, has had a positive impact on us coffee farmers. We have experienced improvements in income and financial well-being.” (Interview, May 16, 2024).

These testimonies indicate that the residents of Golulada Village, particularly coffee farmers, have started to experience tangible improvements in welfare since the establishment of Taruna Tani MSME. Through the group, farmers receive training in coffee processing—from replanting, selecting quality coffee cherries, fermentation, drying, milling, to packaging. In terms of income,

the sale of high-quality coffee processed according to the MSME's standards has enabled farmers to meet their daily needs, a notable improvement compared to the period before Taruna Tani MSME existed, when earnings from coffee sales were significantly lower.



Figure 2. Coffee drying and roasting process at Taruna Tani MSME. Source: Researcher's documentation

Promoting Economic Equity

Economic equity refers to efforts to ensure a fair distribution of economic resources, opportunities, and wealth among individuals and groups within a community, with the goal of achieving economic equality and reducing socio-economic disparities (Buhana Jaya, 2023). Based on interviews with several informants, Maria Dekosta Loba (19), an employee of Taruna Tani MSME, stated:

“As an employee of Taruna Tani MSME, I have observed that this group greatly assists the community, particularly coffee farmers, in promoting economic equity.” (Interview, May 17, 2024).

Similarly, Densiana Sabu (23), also an employee of Taruna Tani MSME, expressed:

“In my opinion, the presence of Taruna Tani MSME in the community helps coffee farmers in achieving economic equity, as the MSME provides training and mentoring.” (Interview, May 17, 2024).

From these observations and interviews, it can be concluded that Taruna Tani MSME has contributed to promoting economic equity in the agricultural sector. This is achieved through training programs—covering downstream coffee activities, proper selection of coffee cherries, fermentation, drying, milling, and packaging—and mentoring, which includes guidance on selecting suitable coffee varieties, proper planting methods, effective fertilization, and pest and disease management. As a result of these training and mentoring efforts, coffee farmers now sell

their products to Taruna Tani MSME at higher prices than those offered by middlemen, whereas in the past, they were compelled to sell their coffee to middlemen at below-average market rates.

Supporting the Economy During Times of Crisis

The sudden onset of crises—such as the 1998 monetary crisis and the COVID-19 pandemic in 2019—posed severe challenges to Indonesia’s economic stability due to the public health measures that had to be observed. During such crises, MSMEs gradually emerged as pillars of the national economy.

This role continues to be demonstrated by Taruna Tani MSME, as reflected in the statement of Densiana Sabu (23), an MSME employee:

“In my opinion, Taruna Tani MSME has been very helpful to the community in Golulada Village, particularly to coffee farmers, because it assists them in maximizing agricultural production and supports them during times of crisis by providing facilities such as coffee grinders.” (Interview, May 18, 2024).

Similarly, Mr. Lukas Lawa (65), the owner of Taruna Tani MSME, stated:

“As the owner of Taruna Tani MSME, I help the community of Golulada Village during economic crises by creating job opportunities and providing them with public facilities such as coffee grinders and roasters. These allow coffee farmers to process large quantities of coffee quickly, without incurring additional costs for roasting large volumes.” (Interview, May 18, 2024).

These accounts highlight how Taruna Tani MSME has supported the local economy even during crises by providing capital loans and access to essential processing facilities, such as coffee grinders, to maximize production. The processed coffee, in turn, achieves higher market value. Such initiatives represent concrete measures taken by the MSME to sustain the economy of Golulada Village, especially for coffee farmers, during difficult periods.



Figure 3. Packaged coffee products for sale by Taruna Tani MSME. Source: Researcher’s documentation

ANALYSIS

The empowerment movement initiated by the Taruna Tani group represents a farmer-led initiative that leverages the various capacities and resources possessed by the group itself. When examined through the lens of the *asset-based community development* (ABCD) approach—a framework that views communities as already possessing assets in the form of skills, capacities, and resources that can serve as the foundation for development, including sustainable development (Green, 2010)—the dynamics between coffee farmers and Taruna Tani MSME can be understood in the following ways: First, in the ABCD approach, natural resources are considered essential assets. In this context, Taruna Tani MSME capitalizes on natural resources in the form of coffee plants purchased from local farmers, while also providing them with training in coffee processing—from replanting, selecting quality cherries, fermentation, drying, milling, to packaging. The use of these resources has enabled community members to secure employment opportunities.

Second, the ABCD model emphasizes that every community has the capacity to mobilize its own resources to create sustainable economic growth (Haines, 2014). This is reflected in the role of Taruna Tani MSME in promoting local welfare and economic equity by providing facilities such as coffee grinders to farmers, enabling them to process large quantities of coffee efficiently without incurring additional costs. The MSME also offers training in selecting quality coffee beans, fermentation, and sales strategies, as well as mentoring in selecting appropriate coffee varieties, applying proper fertilization, and managing pests and diseases. Furthermore, Taruna Tani MSME provides capital loans to coffee farmers under the condition that the harvested coffee is sold back to the MSME to repay the loan, demonstrating its efforts to foster equitable economic distribution.

Third, the role of Taruna Tani MSME in supporting the local economy during crises—particularly during the COVID-19 pandemic—illustrates its function as a community-based enterprise that emerged from within the social structure of the village and actively contributes to strengthening the economic resilience of farmers and the broader local community.

CONCLUSION

This research yields several key conclusions: First, applying the asset-based community development (ABCD) approach—which leverages natural resources and the capacities of local organizations for self-empowerment and sustainable development—can be observed in the case of coffee farming in Golulada Village. The utilization of coffee farming as a natural resource has contributed to job creation, especially benefiting the youth, by providing them with employment opportunities in the Taruna Tani MSME at times when other local job prospects were limited.

Second, the initiative has enhanced the welfare of Golulada Village residents, particularly coffee farmers, who now receive training in coffee processing and have experienced improved income through the sale of higher-quality coffee, enabling them to meet their daily needs. Third, through both formal and informal social assets, Taruna Tani MSME has promoted economic equity

by conducting training programs for coffee farmers on how to process and produce quality coffee beans and how to market them effectively and profitably.

Fourth, the MSME has played a vital role in strengthening the local economy during times of crisis, such as by providing capital loans and business facilities to the community. These measures have helped sustain the livelihoods of Golulada Village residents, particularly coffee farmers, during economically challenging periods.

For the future, the findings of this research suggest several recommendations: the Taruna Tani MSME group should maintain its optimism in developing the coffee farming economy and continue its collaboration with local farmers. Likewise, the community should remain proactive and self-reliant in their roles as local farmers, sustaining their businesses and partnerships. Finally, the village, district, provincial, and national governments should continue to support grassroots empowerment initiatives like the Taruna Tani MSME in Golulada Village as a model for local development and community-based economic independence, thereby contributing to regional and national economic resilience.

REFERENCES

- BPS- Provinsi Nusa Tenggara Timur. (2022). *Jumlah Perusahaan Industri Mikro dan Kecil Menurut Kabupaten_Kota - Tabel Statistik - Badan Pusat Statistik Provinsi Nusa Tenggara Timur*. <https://ntt.bps.go.id/id/statistics-table/2/MTQ0OCMy/jumlah-perusahaan-industri-mikro-dan-kecil-menurut-kabupaten-kota.html>
- Creswell, J. W., & Creswell, J. D. (2018). *Research Design Qualitative, Quantitative, and Mixed Methods Approaches* (5th ed.). SAGE Publications, Inc.
- Green, G. P. (2010). Lessons learned. In *Mobilizing Communities: Asset Building as a Community Development Strategy* (pp. 177–187). <https://www.scopus.com/inward/record.uri?eid=2-s2.0-84881028594&partnerID=40&md5=4dea854df1a369773d2ea8aedac78881>
- Haines, A. (2014). Asset-based community development. In *An Introduction to Community Development: Second Edition* (pp. 45–56). <https://www.scopus.com/inward/record.uri?eid=2-s2.0-84941278575&partnerID=40&md5=f7e1a34106e2d014cf4567c76362bf86>
- Kamar Dagang dan Industri Indonesia. (2024). *UMKM Indonesia - Kadin Indonesia*. <https://kadin.id/data-dan-statistik/umkm-indonesia/>
- Kemparaj, U., & Chavan, S. (2013). Qualitative research: A brief description. *Indian Journal of Medical Sciences*, 67(3), 89–98. <https://doi.org/10.4103/0019-5359.121127>
- Maxwell, J. A., & Reybold, L. E. (2015). Qualitative Research. In *International Encyclopedia of the Social & Behavioral Sciences: Second Edition* (pp. 685–689). <https://doi.org/10.1016/B978-0-08-097086-8.10558-6>
-

- Puteri, R., & Rani, H. (2020). *ANALISIS PARADIGMA PEMBANGUNAN DI INDONESIA ANALISYS OF DEVELOPMENT PARADIGM IN INDONESIAN*. 1(1), 40–52.
- Putra, A. H. (2016). Peran UMKM dalam Pembangunan dan Kesejahteraan Masyarakat Kabupaten Blora. *Artikel Jurnal Analisa Sosiologi*, 5(2), 40–52.
- Roseland, M. (2000). Sustainable community development: integrating environmental, economic, and social objectives. *Progress in Planning*, 54(2), 73–132. [https://doi.org/https://doi.org/10.1016/S0305-9006\(00\)00003-9](https://doi.org/https://doi.org/10.1016/S0305-9006(00)00003-9)
- Rua Raki, R. L. (2023). Pengaruh Aspek Sosial Budaya Pada Badan Usaha Milik Desa Maju Bersama Desa Wolotolo, Kabupaten Ende, Nusa Tenggara Timur. *Journal of Education, Humaniora and Social Sciences (JEHSS)*, 6(2), 1005–1016. <https://doi.org/10.34007/jehss.v6i2.1939>
- Sofyan, S. (2017). *PERAN UMKM (USAHA MIKRO, KECIL, DAN MENENGAH) DALAM PEREKONOMIAN INDONESIA*. 11(1).
- UNDANG-UNDANG REPUBLIK INDONESIA NOMOR 20 TAHUN 2008 TENTANG USAHA MIKRO, KECIL, DAN MENENGAH, Pub. L. No. 20 (2008). <https://peraturan.bpk.go.id/Details/%2039653/uu-no-20-tahun-2008>
- UNDANG-UNDANG REPUBLIK INDONESIA NOMOR 25 TAHUN 2004 TENTANG SISTEM PERENCANAAN PEMBANGUNAN NASIONAL, Pub. L. No. 25 (2004). <https://peraturan.bpk.go.id/Details/40694/uu-no-25-tahun-2004>
- Vinatra, S., Bisnis, A., Veteran, U., & Timur, J. (2023). Peran Usaha Mikro, Kecil, dan Menengah (UMKM) dalam Kesejahteraan Perekonomian Negara dan Masyarakat. *Jurnal Akuntan Publik*, 1(3), 1–08. <https://doi.org/10.59581/jap-widyakarya.v1i1.832>