Adaptation of Livelihood Migrant Circular Informal Sector in Gorontalo City

Sri Endang Saleh, Syarwani Canon
Gorontalo State University, Indonesia

Abstract. There are permanent and non-permanent movements of people called circular migration. Migrants generally believe that one of the ways to improve family welfare is that people must leave their home areas for a while to work for additional income in the city. Economic development occurs in Gorontalo City, one of which is the trade and service area. The Central Market is one of the main destinations for migrants. This research focuses on traders who are circular migrants. How is the adaptation to the livelihoods of circular migrants who work in the informal sector in the central market of Gorontalo City? The positivistic paradigm is used in this study. The quantitative descriptive analysis technique was used to describe the results of the questionnaire. This research is based on this primary survey to see the adaptation process of circular migrants that has occurred since they migrated.

Generally, migrants tend to make adaptations that refer to survival, especially in economic interests. Livelihood strategies carried out by circular migrants in the informal sector are survival strategies, such as debt, and network utilization. Circular migrant community networks have a very large role in assisting new migrants, generally from the same area. These circular migrants were invited by friends and relatives who had previously succeeded in becoming traders at the Central Market of Gorontalo city. The first time to get a job is to apply directly by going to the merchant himself and asking to be hired. Socio-economic changes can be seen from the improvement in the economic level of circular migrant households, an increase in income, and an increase in ownership of business capital.

Keywords: Circular migrants, adaptation, livelihood strategy

Introduction

The gap between rural and urban is the main reason why rural people migrate to cities. The migration of the population is permanent and temporary or non-permanent. A migrant who aims to change his place of residence permanently can be categorized as a permanent migrant. On the other hand, if there is no intention to stay permanently in the destination area, then they are referred to as non-permanent migrants or circular migrants.

Generally, migrants do circular migration driven by economic motives, namely by looking for jobs in cities with higher incomes to provide additional family income or even become the family's main income. Economic factors are the motives most often used as the main reason in a person's decision to migrate. The driving factor is the availability of increasingly smooth transportation facilities and the costs can be reached by all levels of society. Although in general, the population migrates from one area to another for economic reasons, also limited natural resources and employment opportunities to meet socio-economic needs are the dominant factors for residents to leave their areas of origin.

A common phenomenon shows that migration tends to urban areas. Gorontalo City is one of the areas that are the main destinations for migrants. Gorontalo City is the capital of Gorontalo Province, it is not surprising that the development carried out tends to be concentrated in this region, which has a strategic function and role as a residential center, government center, economy and trade, center for educational activities, and health services that play a major role in Gorontalo's economic development.

The majority of the presence of circular migrants to urban areas is due to economic motives and works in the informal sector. On the other hand, the existence of circular migrants in urban areas to be able to continue to exist requires a process of struggle and adaptation to

the urban environment in which they reside. The informal sector has a high absorption of labor so that workers find it easier to enter this sector, and circular migrants who work in the informal sector freely (flexibly) determine the days and hours of work. This freedom of time is what migrants need to circulate back and forth from/to the village city.

From 2013 to 2015 there was an increase in the number of informal sector workers in the Gorontalo City area. In 2013 the number of workers reached 80,087 and increased in 2014 which amounted to 85,215 and in 2015 amounted to 92,164. (BPS, 2016). The central market of Gorontalo City is the center of the informal sector. In this place, 610 traders are ranging from traders who use the runway, courtyard, hallway, and street vendors (Disperindag Gorontalo City, 2017). This indication of a large number of circular migrants in the Central Market area prompted research entitled "Adaptation of the livelihoods of Circular Migrants in the Informal Sector in Gorontalo City". The purpose of this study was to examine the livelihood adaptation strategy of circular migrants in the informal sector in Gorontalo City.

Theoretical Basis

The main motive is often used as the main reason for migrating is economic reasons. Because economic growth is considered rational, mobility to cities has expectations, namely the hope to get a job and the hope to get a higher income than the income earned in the area of origin or rural areas. In cities, there are wider economic opportunities compared to rural areas so that there is the migration of people from rural areas to cities in the hope of increasing their income (Todaro, 2000). The existence of circular migrants in urban areas to be able to continue to exist requires a process of struggle and adaptation to the urban environment in which they live.

Adaptation is an effort to adjust living things to their environment based on their response to stimuli by changing their behavior. Adaptability has value for survival, the greater the adaptability, the greater the possibility of survival of a type of living thing. With great adaptability, a type of living thing can occupy a variety of habitats. Humans are examples of types of living things that have enormous adaptability so that almost all types of habitats can be inhabited by humans for their survival and livelihood.

Life is not something temporary, but must be strong and can be sustained until the end. Chambers and Conway (1992) define livelihood as follows:

> *A livelihood comprises the capabilities, assets (including both material and social resources), and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.* (Chambers & Conway, 1992)

In general, the strategies actively developed by the community are mostly related to household economic aspects to meet basic needs. These efforts are mainly aimed at survival (Cederroth, 1995, in Sulistyastuti and Faturochman, 2000). In addition to carrying out a survival strategy by increasing income and saving expenses, another strategy is to migrate. With migration or population mobility, it is more closely related to efforts to survive and increase income. Because it is difficult to find job opportunities in the area of origin. By migrating to the destination, we must adapt to the new environment.

In general, the migrant population tends to make adaptations that refer to survival, especially in economic interests. This study has inspired many migration theories, as expressed by Mabugonje (1970), Manning, et al (1996), and Todaro (2000). In this context, the power of migrants in adapting only oriented to economic interests does not seem to be a strong basis for survival.

Research Method

This research was conducted in the migrant destination area, namely Gorontalo City. The research method is descriptive, determining and selecting the location by *purposive sampling*. The location chosen is the Central Market of Gorontalo City with the consideration that there are informal sector migrants who work as traders. The number of samples is 30 circular migrants who work as traders, selected by *convenience sampling* based on the ease with which they can obtain the required data. Data collection are direct observation, questionnaires, in-*depth interviews*, documentation, and literature. Descriptive data analysis produces a simple table-like picture that reflects the frequency and percentage. The data are presented descriptively based on existing information and social reality, then conclude.

Results and Discussion

Gorontalo City Central Market Informal Sector

The Gorontalo Central Market is one of the traditional markets in Gorontalo which has a very large role in the community's economy and is also the foundation of people's hopes not only in Gorontalo City but also outside Gorontalo. The Gorontalo Central Market becomes the economic foundation of the community as a whole, which can support the dynamics of Gorontalo's economic growth and can contribute to Regional Original Income.

Actors in the Gorontalo Central Market carry out activities according to their roles, which can be grouped as follows:

a. Seller

Sellers are tenants of shop units, kiosks, and stalls that serve and organize buying and selling.

b. Manager

Managers are individuals who have the task of managing, regulating, organizing, and managing the operations, management, and maintenance of the central market so that the service system runs well.

c. Supplier

Suppliers are fillers for merchandise needed by traders who sell at the Gorontalo Central Market.

d. Consumer

Consumers, Visitors, or Buyers are the most decisive factors in activities at the Gorontalo Central Market.

Gorontalo Central Market is one of the markets operating in Gorontalo City, which was established in 1970 and renovated in 2000. The central market is located in the center of Gorontalo City with its address at Jalan Setiabudi No. 1 Limba U1 Village, South City District, Gorontalo City. The area of the central market is 13,306 m2 and its ownership is under the auspices of the Regional Government and the management of the market is left to the market manager. The number of Gorontalo City Central Market Traders in April 2017 amounted to 610 traders located on the runway and courtyard, while those occupying the plots amounted to 291 traders with various kinds of merchandise/materials.

Characteristics of Respondents

The age of the migrants who were the respondents in this study was between 19 - 66 years. The average respondent of informal traders with migrant status is 44 years old, with the youngest respondent being 19 years old and the oldest being 66 years old. Most of the respondents are in the 41-50 years age group, which is 40%. Based on these data, it can be seen that the migrant age group is dominated by the relatively productive age group. Formal

education, which has been completed: 6 people from elementary school, 7 people from junior high school, 14 people from high school, and 3 people from a bachelor's degree.

Respondents Based on Region of Origin and Type of Trade

The area of origin is the original place of residence of a worker, for migrant workers in the informal sector the area of origin is thought to reflect the ability to adapt in the Central Market of Gorontalo City, both to communicate between traders and buyers as well as in choosing the location of informal businesses. An overview of informal sector migrant workers in the Central Market of Gorontalo City based on regional origin is presented in Figure 1.
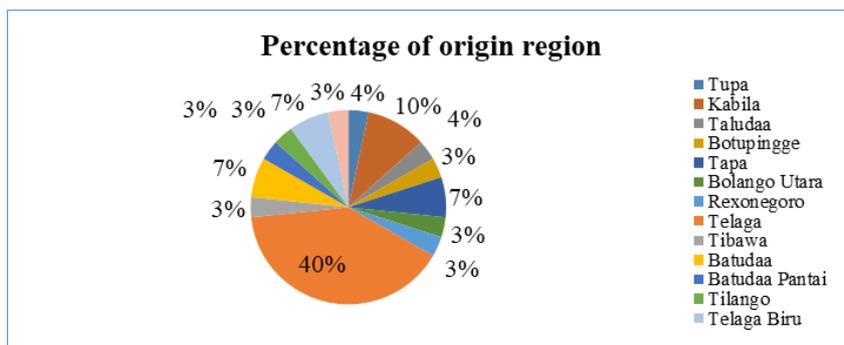

Figure 1. Percentage of Migrant Respondents by Region of Origin

The general description of migrant traders in the Central Market of Gorontalo City by type of merchandise is presented in Figure 2.
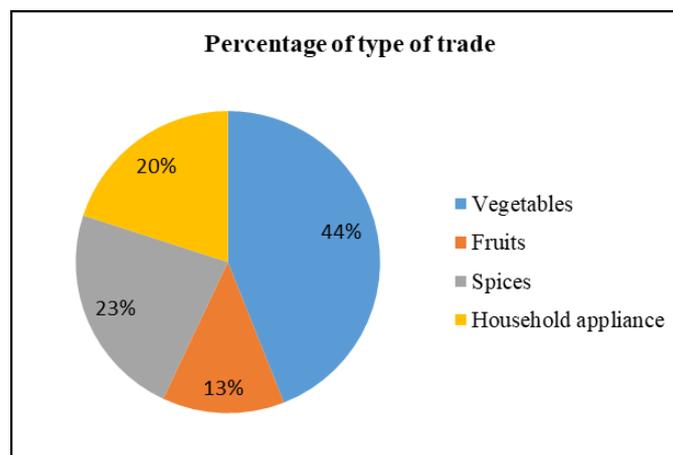

Figure 2. Distribution of Circular Migrants by Type of Trade

Informal Sector Circular Migrant Income

As previously stated, income is the amount of income or wages from selling businesses for one day in rupiah. Figure 3 presents the distribution of respondents according to the amount of income/day.
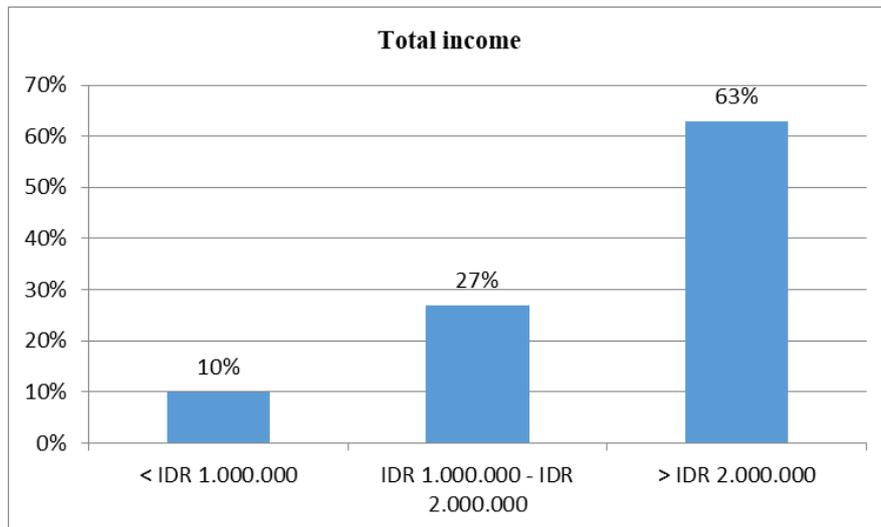
Figure 3. Circular Migrant Distribution by Total Income

The total daily income of migrants is not net income, but this income is still used to pay user fees, transportation costs, and to buy new materials for resale.

Migrant Adaptation Process

The process of adapting circular migrants to the informal sector, especially traders at the Central Market of Gorontalo City, has occurred since the circular migrants migrated. This can be observed from the time migrants decide to migrate, to the adaptation strategy in managing their business as traders in the central market. Migration decisions are made based on self-intentions because in general there are already circular migrant communities in destination areas.

The circular migrant community network, admitted by most respondents, has a very large role in helping new migrants, generally from the same area. The results showed that 64 percent of these circular migrant respondents were invited by friends and relatives who had previously succeeded in becoming traders at the Central Market of Gorontalo city. The first time to get a job is to apply directly. Migrants go to traffickers themselves and beg for work. The details are presented in Figure 4.
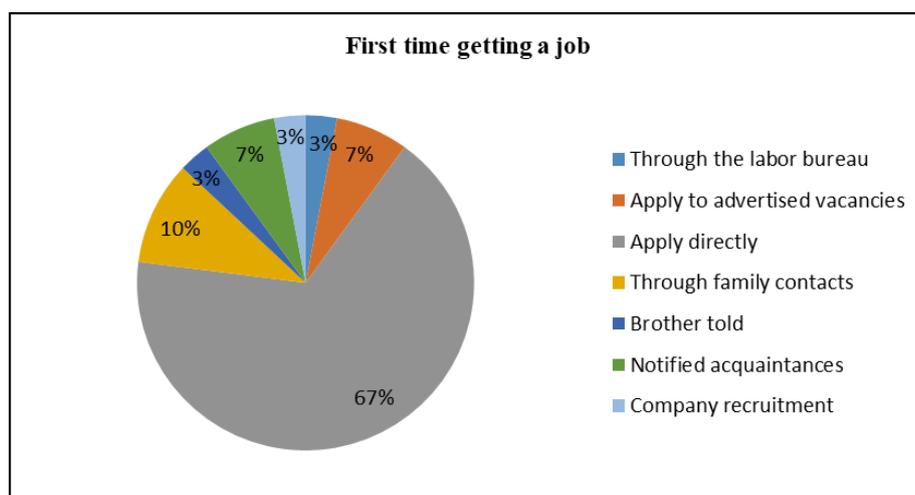

Figure 4. First time getting a job at Gorontalo City Central Market

Adaptation starts from the process when the migrant is first able to find a place to live in

the destination city of Gorontalo, and then how to adapt to the new living environment. Before getting a job, every day new migrants help families of previous migrants with various domestic jobs and help sell installs, this is a process of introducing the work environment (as in Figure 5).
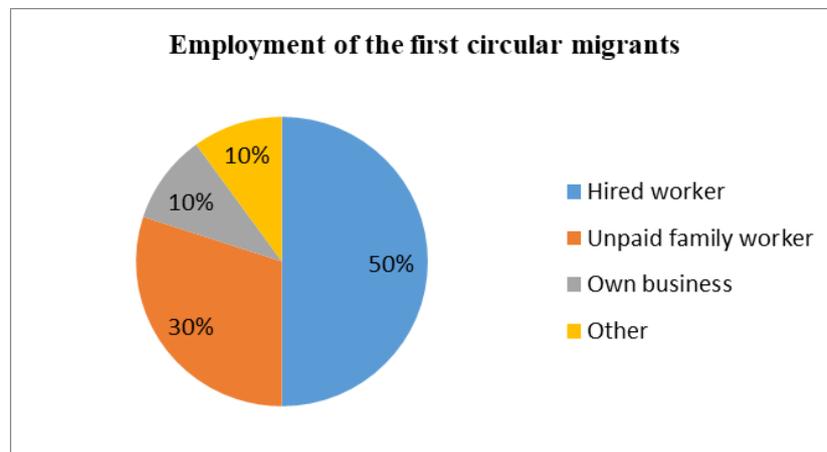

Figure 5. Employment of the first circular migrants in the Central Market of Gorontalo

Livelihood Adaptation Strategy for Informal Sector Circular Migrants Survival (survival strategy)

The strategy for meeting basic needs is a way or an effort for migrants to strengthen their business by taking advantage of existing opportunities, even though they have weaknesses or limitations. In daily life, migrants have to fight hard to maintain their family life. The strategy for meeting basic needs in this study is shown in Figure 6.
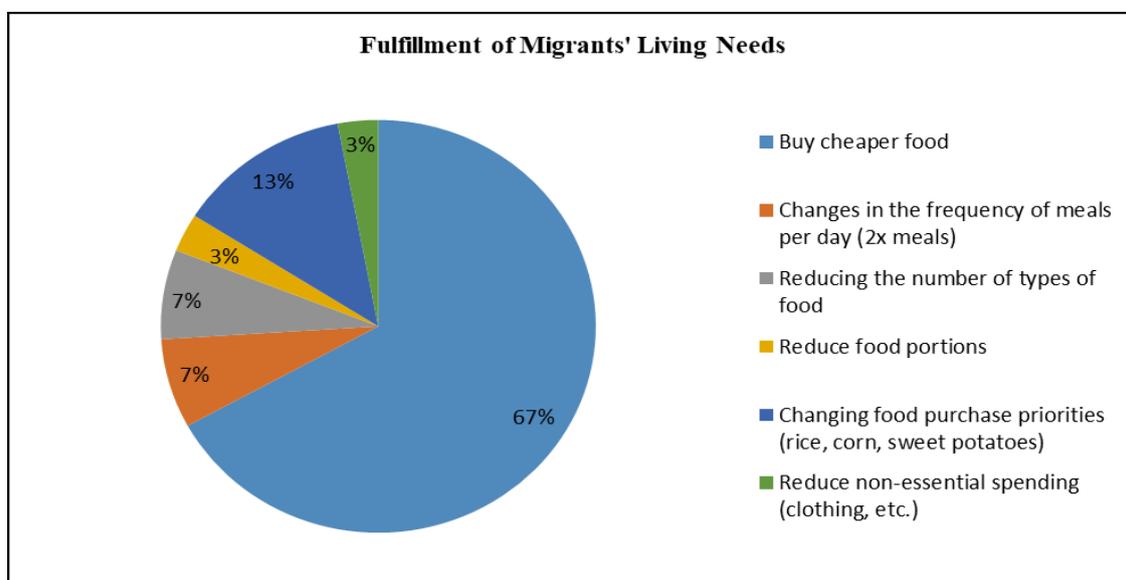

Figure 6. Fulfillment of Migrants' Living Needs

Livelihood strategies for just survival (survival strategy) of migrant respondents in the central market of Gorontalo City for the percentage of buying food at lower prices, generally buying at the central market location as much as 60 percent. Furthermore, changing the purchase priority for food rather than other consumer goods. From the results of the interview that, if the family's food needs are met, then the profits can be saved for expenses such as

education, health, and unexpected costs.

Generally, migrants have access to ownership of household assets and income that is more than sufficient to meet their daily needs. Thus, households in this village will improve strategies not only to survive but will switch to strategies such as saving and investing.

Urban life is very complex, causing these migrants to be unable to do much except be dragged into city life, and have to work in the informal sector. The dynamics of living in the city make them have to try to find ways or strategies to get money to finance life with their families. The strategies used by migrants are relatively able to support their families. According to Scones (2001); DFID (2000) that livelihood strategies are activities to carefully organize or plan in response to changes in a life carefully to obtain the desired target or goals.

Debt

Debt is a supporting strategy for households. In difficult conditions where income is not sufficient to meet business needs and capital, additional strategies that are built are borrowing or asking for financial assistance from other parties. The uncertainty of the business results of migrant respondents affects their income level. Respondents generally feel financial shocks, so they first ask for help from close relatives or close neighbors. When the business results can no longer be sufficient to meet the needs of his life and business capital, then the steps taken are borrowing money, especially banks. The percentage owed is presented in Figure 7.
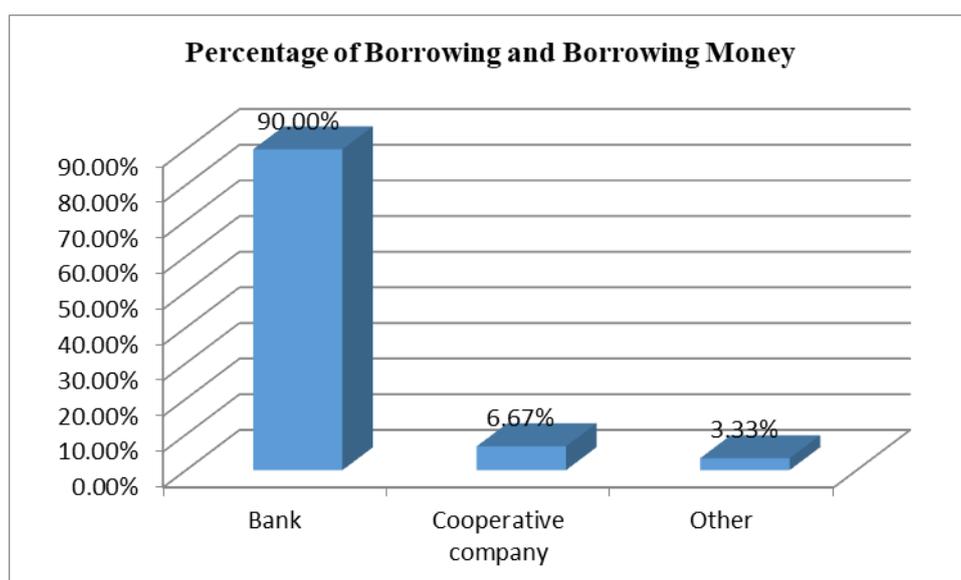

Figure 7. Percentage of Borrowing and Borrowing Money (Debt)

The amount of money borrowed from the bank is Rp. 10,000,000.- to Rp. 30,000,000. The loan is considered very large and respondents usually do not dare if the loan is higher than that number. The loan money is used for basic needs for business capital, and children's education costs. The procedure for repaying debts to banks or cooperatives is generally monthly.

Network Utilization

Network utilization is one of the adaptation strategies in the efforts taken by circular migrants in the Central Market of Gorontalo City in overcoming household financial problems. The network in question is their social relationship, both formally and informally with the social environment and institutional environment. The use of this social network is seen when there are economic problems such as a decrease in income from the results of migrant

businesses. To strengthen kinship and ties between migrants, they form associations and activities such as social gatherings, and cooperation.

From the results of the study, the activities of associations that are attended by migrants to strengthen the ties of brotherhood are by participating in social gatherings (63.33 percent), others (36.67 percent). In addition, fellow migrants share information about pleasant or sad things that hit the migrant household, which can be immediately identified by members of the group. In such circumstances, fellow migrants will pay attention to each other. Those who have difficulty, in general, will get help from other members of the migrant group.

Improving the Socio-Economic Status of Migrants

The results showed that circular migrants from the central market of Gorontalo City stated that there was an increase in income after they tried as traders in the central market by 86.67 percent. In addition, with the increase in ownership of business capital, as well as the use of income from their trading business, there is also an increase in homeownership. More details are presented in the following Table 1.

Table 1. Percentage of Business Capital Ownership, Income Utilization, and Home Ownership Status

Business Capital Ownership			Revenue Utilization			Home Ownership		
Description	Jlh	%	Description	Jlh	%	Description	Jlh	%
Owned	25	83,33	Education	12	40,00	Owned	25	83,33
Employer	4	13,33	House Renovation	11	36,67	Owned by Parents	2	6,67
Family	1	3,33	Saved	7	23,33	Rent	2	6,67
						Debt	1	3,33
Total	30	100,00	Total	30	100,00	Total	28	93,33

Source: Primary Data Processed, 2017

Improving the welfare of migrants in the informal sector of the Central Market of Gorontalo City can be made possible if the income of migrants increases and they can meet the basic needs of life that are available and easily accessible. In general, every migrant tries to increase their income through various strategies to meet the needs of themselves and their families. The increase in income is closely related to the sustainability of the livelihood economy. In a general sense, income is the result of business livelihoods. According to Winardi (2000) income is the result in the form of money or other materials that can be achieved from the use of production factors.

There is an increase in the income of migrants, affecting their purchasing power. From this result, it can be seen that there is an increase in business capital ownership and homeownership by 83.33 percent, although it is undeniable that there are still migrants who do not have their capital and house. The results of migrants' hard work are mostly used for education costs, renovating houses, and can be saved for the future and survival of migrants and their families.

The socio-economic changes that occur such as the improvement in the economic level of circular migrant households can be seen from the changes in the quality of their house owners. Migrants' ability to build or renovate houses is closely related to their economic capacity. Changes in the floor quality component of migrant houses in the area of origin from before to after migration are shown in Figure 8.
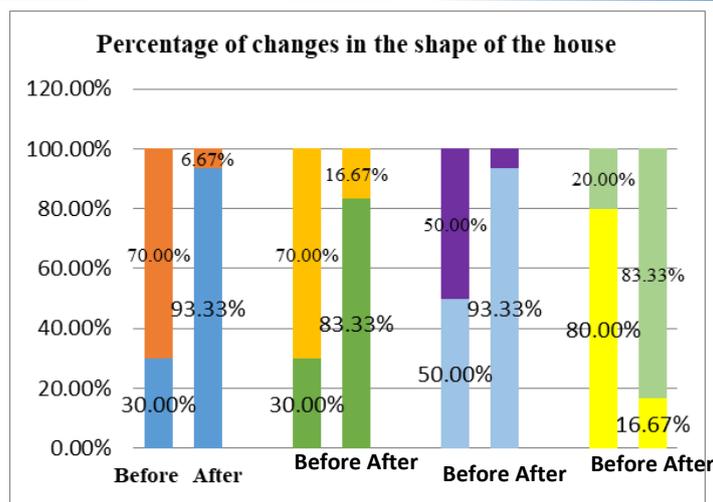
Figure 8. Percentage of changes in the shape of the house before and after performing circular migration

Note:

- House Floor Changes (Ceramic and Non-Ceramic)

- Roof Change (Title/Zinc and Others)

- House Wall Changes (Wall and Non-Wall)

- Changing the Shape of the House (Modern and Traditional)

The results showed that there was an increase in the economic status of migrants, especially in changing houses from before and after circular migration by trading in the central market of Gorontalo City.

Migrant households that have succeeded in making changes in the form of house building renovations, actually do not use remittance funds that migrants send regularly within a certain time. Some migrants stated that to build or renovate houses, they used the funds they had saved and had designed to repair or build houses.

The conclusion is that the future of circular migrants is generally improving economically. Individually, the economic success of a circular migrant is highly dependent on the individual's ability to struggle to earn an income. Murdiyanto (2001), revealed that households that do circular migration can improve their quality of life which is characterized by an increase in their household economy.

Conclusion

The Gorontalo Central Market becomes the economic foundation of the community as a whole, which can support the dynamics of Gorontalo's economic growth and can contribute to Regional Original Income. Actors in the Gorontalo Central Market carry out activities according to their roles including Sellers, Managers, Suppliers of goods, as well as Consumers, Visitors, or Buyers.

The process of adapting circular migrants to the informal sector, especially traders at the Central Market of Gorontalo City, has occurred since the circular migrants migrated. The circular migrant community network, admitted by most respondents, has a very large role in helping new migrants, generally from the same area.

The Livelihood Strategy carried out by Circular Migrants in the Informal Sector is Survival (survival *strategy)*, namely as a strategy for meeting basic needs, debt, and network utilization. Furthermore, the socio-economic changes that occurred, such as the improvement in the economic level of circular migrant households, an increase in income, an increase in capital ownership, and a change in the quality of housing ownership.

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