

# Constraints and role of women in beef cattle farming to access financing in South Sulawesi, Indonesia

*by* A Asnawi

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## 4 Constraints and role of women in beef cattle farming to access financing in South Sulawesi, Indonesia

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**Abstract.** Beef cattle farming plays an important role in the fulfillment of meat for human needs, reducing poverty and unemployment in Indonesia. Although the role is very large, one of the challenges faced is the low accessibility of financing. This study was aimed to determine the constraints and roles faced by women to access financing in the beef cattle farming. Data were collected through a survey using questionnaires with a sample size of 80 people. This was descriptive research and used descriptive statistical analysis. The result revealed that the greater workload of women in housekeeping and relatively small time allocations and autonomy in determining financing decisions is a constraint faced by women. The role of women were the contributor, in giving consideration whether need to be financed with debt or not, able to control the risk of financing because women are usually more careful in making decisions related; Collaborators, women collaborate with their husbands in managing livestock conducted, while still taking care of household chores and family activities, participate in decisions and use of resources and assets, it is rare to find women who have a small side business that can sustain business capacity, and; Main Proprietor, her own income-generating in beef cattle farming, which she manages and controls herself, provides input to family financial decisions and asset use.

### 1. Introduction

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Livestock business in Indonesia has an important role especially in helping the fulfillment of animal protein requirements for its people and become a source of income for society, especially in the rural area [1]. The growing population of the population requires the availability of the amount of meat is also increasing as well [2]. Therefore, the government is now giving considerable attention to helping the sustainability of beef cattle business in Indonesia.

One form of government support is provided subsidized loans through several banks for the implementation. This subsidized credit is provided because there are interest rate constraints that are often complained about by the people in the rural area so that it constraint them to access the financing from the bank [3]. Thus, that credit is expected to reduce capital constraints for farmers.

However, there are still many rural farmers who did not know the sources of financing from the government. In addition, long procedures [4], collateral requirements [5–8] and the relatively long distance between breeders and banking institutions were the constraints faced by the farmers in accessing financing [9–12].

Associated with cattle breeding in rural areas, women were also involved in many activities. Business owners and livestock ownership are not only dominated by men but women are very large. It is not

uncommon <sup>2</sup>that successful beef cattle breeding in rural areas because the <sup>6</sup>business is run by men and women together. The animal farming activities that can be done by women such as fodder collection, feeding, watering, health care, and management, household-level processing, and marketing could be done by women in rural areas [13]. Creating opportunities for livestock products was increasing rapidly [14]. Of course, many roles belong to rural women in livestock [15]. Not only as a companion but with his collaboration as well as his caution in acting is a trait that many women have. Such properties certainly contribute to the decision-making process associated with the development of livestock businesses that are run including those related to financing. Included in the effort to find sources of financing both formal and informal financing institutions when needed funding in an effort to increase the capacity of his livestock business.

In terms of cattle breeding business, livestock breeders also have difficulty in accessing financing, especially from formal financing institutions [16]. But there is also denying the ability to access financing in the business of beef cattle because of the role and involvement of women. Therefore this paper was aimed to identify the obstacles faced by women and their role in accessing financing and developing beef cattle farming in rural areas.

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## 2. Materials and methods

The study was conducted in Bone <sup>3</sup>district, an area with the largest population of livestock in South Sulawesi and a large population, especially women. This research is descriptive research which tries to give a description of obstacles and role given by a woman in accessing financing <sup>8</sup>. The number of respondents is 80 people taken from several villages in Bone regency by purposive. Data were analyzed using descriptive analysis.

## 3. Results and discussion

### 3.1. <sup>4</sup>The constraint of women in beef cattle farming to access financing

There are several obstacles faced by rural women associated with financing in formal institutions. They are time allocation, autonomy in decision making, and lack of knowledge.

3.1.1. *Time allocation is relatively small.* Women have <sup>7</sup>responsibilities in taking care of the household, providing household necessities such as food preparation, cleaning the house, clean up after meals, washing clothes, child care, fetching water from morning till night. While on the other hand if they want to access financing for formal financing institutions would require a relatively large amount of time. Starting from the administrative completeness at the farmer group level, the village level, sub-district, related institutions, and targeted financing institutions. The length of the procedure certainly requires a lot of time which is an obstacle for most rural women in accessing financing in formal institutions.

3.1.2. *Autonomy in decision making.* Women although from the side of livestock ownership are not few in rural areas but it does not automatically have the authority to make decisions. Decisions related to who will provide daily feed and those related to the source and type of financing used. This is related [17] that women have a very important role in making decisions related to animal production activities both alone and jointly with men. Specifically related to financing decisions, is a decision taken by the consideration of other family members. Similarly, if the decision is to use the debt from the institution of financing both formal and informal also generated from decisions taken jointly by women through consideration of other family members. This is a habit and culture that has been generally accepted, especially in the Buginese, including in Bone regency. The position of men as the head of the family has a very big role in family decision making, including financing in the business of beef cattle farming.

3.1.3. *Lack of knowledge.* This <sup>11</sup>is closely related to the low level of education of women in rural areas. For this study, 35% of women <sup>5</sup>graduated from senior high school and 42% graduated from junior high school. The ability to communicate especially when giving understanding and confidence to the lender

in order to be financed is largely determined by the knowledge and ability of women to explain well. In addition, women generally lack access to information about financing sources than men, so this is an obstacle faced by rural women.

### 3.2. Role of women in beef cattle farming to access financing

The roles of women associated with access to financing for livestock were contributors, collaborators, and proprietors.

3.2.1. *Contributor.* As contributor especially in giving consideration and input whether the beef cattle farm business that is run needs to be financed with debt or not. It is not uncommon for men before taking financing decisions to ask for consideration and advice from women as his wife and sister. This means that the decision on how much the cost is needed and where the source of financing is a joint decision is not a one-man decision. This suggests that women have contributed to financing decisions.

In addition, women will become a controller, especially in the timely payment continuity so that risk can be minimized. Women are usually more careful in managing funds so that they become more disciplined in setting aside money that will be used to pay installments. Thus, women greatly contribute to managing finances and can reduce the delay in installment payments to the bank. If this can run continuously then the farm business that runs will gain the trust of the lender so that in the future easier to get more loans. Surely this condition can help farmers in accessing financing.

3.2.2. *Collaborators.* Women collaborate in managing the husbandry business conducted by her husband, while still taking care of household chores every day. A woman's ability to divide time between her routine work as a housewife, in taking care of children and other household needs and on the one hand is still taking the time to help her husband in taking care of cattle owned. She helped her feed, drink and feed her husband together. Not only that, sometimes accompanied her husband to come to the source of financing to provide confidence that the beef cattle breeding business is indeed feasible and worth to be financed. Generally collaboratively will manage the finances in the form of revenue and calculate the cost required so that financial management can be better organized.

3.2.3. *Proprietor.* It is not uncommon to find women also have businesses that can generate their own income, especially related to agriculture, which they manage and control themselves. Provide input and determine the financial decisions of the family and the arrangement and use of assets and resources it has. It is common to find women managing and owning a small side business that can support their family income. This certainly provides a positive assessment of the financing institution at the time of proposing the financing to the lender. The additional assets in addition to the fund for the beef cattle business is certainly a consideration for the lender in approving the credit application. Assets and funds showed the ability of the owner to manage the business [18].

## 4. Conclusion

Women's barriers in accessing financing are relatively small-time allocations, autonomy in making decisions and low knowledge and education of women in rural areas. Women in rural cattle farms played important roles linked in access to financing because they act as a contributor, controller, and main proprietaries which can help in the ownership of livestock business capital managed by their family.

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