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Putri Prameshwari

Yogya Businesses Rising After Quake

Yogyakarta . Isti Rahayu thought her life had come to an end four years ago, when her house was flattened by an earthquake that rocked her village in Yogyakarta. Her family miraculously survived the 6.3 magnitude temblor that shook the region in May 2006 and left more than 5,700 people dead. The tremor destroyed around 350,000 houses and devastated not only Yogyakarta but also parts of Central Java.

"I was in shock for days," Isti said, adding that she had not only lost her home, but also her trade as a handicraft designer. "As if losing our families and homes were not enough, we could no longer earn money."

Aid from national and international donors quickly flew in, reaching more than \$94 million in total. Of this amount, 95 percent has been used, according to Shamima Khan, manager of the Java Reconstruction Fund.

Chris Hoban, World Bank's head of operations in Indonesia, said that with the amount of assistance flowing in, Yogyakarta had improved drastically since the disaster struck.

"We hope that such efforts will not stop even when the JRF ends its period in December 2011," he said.

People like Isti, who once managed micro-businesses, were the ones most devastated by the earthquake. The years since have been spent readjusting to a different business climate. Isti, for example, used to make hand bags and boxes from agel, the leaf of the gebang tree, and water hyacinth. The half-made handicrafts were sold to distributors, who finished the goods and sold them to retailers in larger cities.

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"However, now I can do the finishing on my own," said Isti, a mother of three. With the help of donors, Isti and her friends learned how to finish the products with their own resources, such as decorating the bags with flowers and beads. They also learned English and computer skills for basic marketing.

"[English is] very useful when I trade with foreigners," Isti said. Her business has also expanded to making small hand-woven furnishings such as boxes, lamp shades and trays.

Success stories like Isti's are not without problems, however. She acknowledged that she is now having difficulties finding a market and distributor for her products.

"We don't know where to sell our products to," Isti said. Before the earthquake, distributors utilized her weaving skills, but they would not let her do anything further. Now that she finishes her own products, the distributors refuse to cooperate. SR Yunastuti, a member of Yogyakarta's Chamber of Commerce, said finding a market for these micro-businesses was not easy.

Yunastuti added, however, the Yogyakarta administration had asked several handicraft shops to participate in this year's Indonesian Arts and Crafts Fair (Inacraft) held in Jakarta.

"They were surprised at how high their creations were sold at such a high price," she said. A piece of hand-crafted batik can cost up to Rp 2 million (\$216) in retail. But if customers are willing to make a longer trip to Sumberharjo, Central Java, they will find local craftsmen selling them for around Rp 350,000.