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The Profitability of Livestock Donation in the Tsunami Affected Aceh Besar District in Indonesia

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Abstract

The Tsunami on December 26, 2004 devastated the livestock sector in Aceh, Indonesia. Many families lost their animals, the primary or secondary source of income. Thereafter, numerous programs were established by different organizations, one activity being livestock distribution to replace the loss. Most of the livestock given to farmers were chicken, goats and cattle, whereby goats and cattle were popular. Donors and farmers assumed that these animals improve farmers' livelihoods and did not consider the marked differences in values and management requirements, both from an animal husbandry and from an economic point of view. Therefore this study aimed at analyzing the management requirements and economic profitability in donated goats and cattle. The data were collected in four villages using in-depth structured interviews with 10 cattle and 10 goat farmers per village. The data was subjected to gross margin (GM) analysis and simple statistical analysis. The average GM (in million Rupiah) was 4.8 in cattle and 1.3 in goat. The t-test showed that there was a significant difference in GM between cattle and goat farmers ($p < 0.05$). Moreover, cattle were also used for fieldwork in many households. In cattle farmers, the consumption of own products accounted for 12.5% of total beef consumption, while the consumption of goat meat in goat keeping households was only based for 2.5% on own goat products. Furthermore, 25 of the goat keeping households but only 14 of the cattle keeping households reported diseases in their animals ($p < 0.05$). It is concluded that in the Tsunami affected area, the monetary and non-monetary benefits of cattle donations were more interesting for the farmers than those of goat donations.

Keywords: Donations, profitability, gross margin, tsunami