

# Policy Evaluation Study on Subsidy Policy, Qualitative Basis, for Poverty Alleviation in Parepare, South Sulawesi

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**Abstract:** *The main problem of subsidy policy is, rice program for the poor and cash aid as a social safety net policies, a tendency to use quantitative measurement unit for the success of the policy by the policy actors in achieving their goals in recent years. In fact, in the context of social policy, there are some more indicators of success that cannot be quantified, especially for the qualitative outcomes, such as the satisfaction, access improvement, and the comfort and well-being feelings of the target groups. On the other side, it seems that there is phenomenon of excessive distribution of funds for social improvement as subsidy policy nowadays, but the fact of poverty at the national level is only able to be eliminated around 0.9 % on the average in a year for over past 6 years. While in fact, in Parepare, the local poverty since the 2008-2010 its figure was likely to increase. This means that it is necessary to find out an instrument than just describe the output of the phenomenon into qualitative approach. To answer the problematic situation, the strategy used is the case study analysis to build a model-based evaluation of qualitative empirical facts raised by both the interviews and observations and document analysis. Selection of study subjects was determined by the method of purposive both implementers and evaluators, while the beneficiaries of an effort to collect data and information that is included as a component of subject formation qualitative evaluation model. The results showed that the implementation of poverty alleviation programs have not shown yet the optimal results of both approaches as well as the effectiveness of its distribution program to the recipients. This result in inaccuracies to the relief's because there is no real data from BPS and Social. Search qualitative model in the evaluation process of poverty alleviation has always demanded participation of the target group or beneficiaries. The strength of qualitative models based on citizen participation targets provide sufficient space for effective program implementation as well as to reduce the risk of waste of resources, because it can directly identified the actual recipient group.*

**Keywords :** Poverty Alleviation, Policy, Qualitative Model, and Subsidy

## 1. Introduction

### 1.1 Background

State policies that have been implemented to address the problem of poverty through social policies such as subsidies for the poor with highly quantitative indicators of success and measurable so far did not find and resolve the root causes of the poverty in Indonesia. SBY government has, from 2006 to 2012, has been issued for poverty alleviation budget of Rp. 402.4 trillions. However, the control of poverty was only 0.9% on the average within 6 years, (Indonesian Forum for Budget Transparency, Jakarta, 24, 12, 2012). The budget for the poor increased to 23.5 trillion since 2006; it amounted of 46.6 trillion to 70.1 trillion in 2012. Assuming that every recipient of government aid only gets 221,000 rupiahs/year, while the other aid, cash direct aid, common called as BLT, each recipient accepts 752,300 rupiahs/year.

Poverty problem, as the social problem may be analysed by policy analysis, public policy, evaluation aspect of public policy in particularly. The basic question is, that can be asked and raised, why the amount of the poor is relatively high even though the state has spent great substantial funds for poverty alleviation ?. Based on some study findings of public policy evaluations that the mechanism and distribution processes and inaccuracy target are the main obstacles in achieving the goals of poverty reduction policies. This is one of the lacks and shortcomings of quantitative approach on the study of public policy evaluation that invite much attentions and critics as it only highlights how far is

the output produced. Whereas, community participation is necessary for delivering the relief of poor people increasing their income, which called Taskin. The social participation is not only to wish or not wish, but the extent to which society benefits from such government assistance to improve their socio-economic life. This assumption is in line with the results of Roemingsih and Ariadi research (2005) that there were many recipients rejected the government aid as they did not feel its direct impact. Generally, the development procedure is, to get the aid, still required.

The national phenomena exists and becomes local fact, such as in Parepare, South Sulawesi. Based on the data of Parepare In Figures of 2011, Parepare Dalam Angka 2011, shows that the amount of the poor from 2008 to 2010 tended to increase, as presented in Table 1 below.

**Table 1:** Population Amount & The Poor In Parepare 2008 – 2010

No	Years	Poverty Line	Population Amount	Poor Amount
1	2008	154.868	117.063	8.320
2	2009	188.525	118.842	7.690
3	2010	199.796	129.262	8.500

Source: Parepare Dalam Angka 2011, Parepare In Figures

The increasing of the poor numbers is, as shown on Table 1 above, assumed crucially as both the central government and local government have distributed quite big funds for reducing them, but the programme did not produce optimal result. Therefore, this study tries to find some other clearer answers by applying qualitative approach as such sense of dissatisfaction from the recipients appear. In fact, policy on

the basis of quantitative measurements has provided accurate information to the phenomenon and the degree achieved by the implementation of a policy, as described above. It means that the success on implementing a public policy still needs other assessment formula, qualitative approach that could provide a solution to the target groups that were not touched by the quantitative approach.

## 2. Research Problem and Objective

Development of a model-based policy evaluation format with a qualitative approach can, to the subsidy policy for poverty reduction, be regarded as the companion measure to

### 3.1 Previous Studies

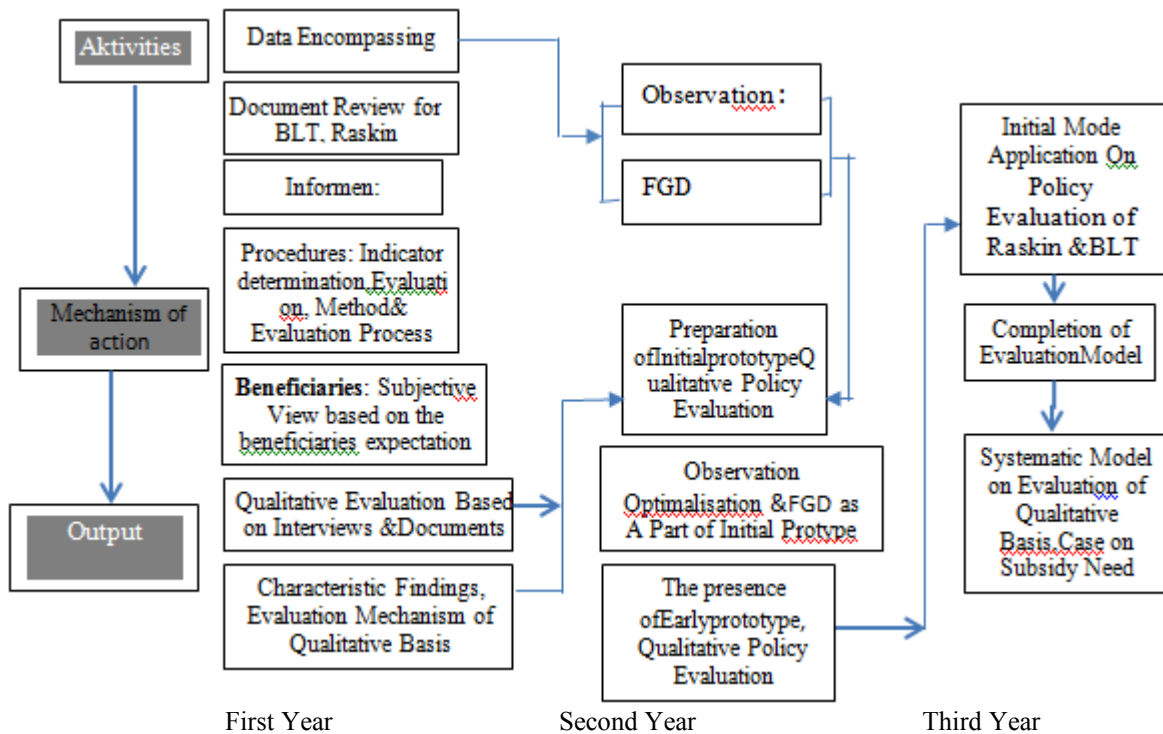


Figure 1

### 3.2 Theoretical Framework and Library Studies

Studies on the development of public policy evaluation model that focuses on aspects of subsidies for the poor is more geared to the development of models to explain and formulate qualitative analysis to assess the impact of poverty reduction policies.

According to Keban (2004) that one of the variants of the public administration is public policy as one of the strategic dimensions into function and also the role that needs to be played by the state administration. The study of public policy can be viewed from various perspectives based on the policy analysis process cycle itself. Such perspective is the study of policy evaluation. Therefore, the study of the development of a policy evaluation model based on the qualitative subsidy policies to alleviate poverty becomes the choice and the focus of this study.

There were some research findings indicate that social policy evaluation processes, with policy variations, generally

see the success of the implementation of a policy. Therefore, based on this assumption, the research problem is formulated as; how is the design of policy-based qualitative evaluation on the subsidies especially in Pare-pare. This study focused on finding characteristic-based design and evaluation mechanism with depth qualitative case study on subsidies.

## 3. Research Method

Procedure and stages of field data collection, data analysis, and model application are presented in the following Picture 1.

concluded that need to study more than just look at the symptoms and measurable phenomena associated with the achievement of the policy objectives. Amongst those findings are Martin Ravallion study (2005) on Evaluation of poverty alleviation programs in Bangladesh. N. Lyndon et. al. study (2011) on the evaluation process and policy implementation of the history of Bidayuh community. And the study of Achimugu et. al. (2012) on the government policy of poverty alleviation in Nigeria. In addition, the policy itself, from the formulation to the evaluation process, does not involve the role of community participation as an urgent problem. The basic concept can be determined based on policy evaluation approach expressed by Patton and Sawicki (1986) who insists that all parties are still in a dubious position after the policy is implemented, whether to proceed or not enforced at all. After the policy is implemented, it raises two conditions, policies should be continued or discontinued. These conditions encourage the policy evaluation process to ensure that the activities of policy implementation can be run according to the direction desired by the policy and does not lead to the end of the road which is not desirable.

According to House (In Soenarko; 1996) that there were some models for public policy evaluation, Transaction Model is the one and the selective model for this study. The transaction models prefer the use of naturalistic case study. One of this model forms is illuminative evaluation which aimed to assess the innovative program to provide a description and interpretation of the execution of a program/ø±ÆÊ. This evaluation seeks to reveal and document the parties participating in the program.

### 3.3 Research Results and Its Discussion

#### 3.3.1 Respondent Understanding on Government Aids, BLT/BLSM and Raskin

The informant's understanding on the government aids, such as cash transfers and rice for the poor program, commonly called as BLT and Raskin, could be an effective instrument to assess the success of government policies, as describing by one of the program managers in the development planning office, in-depth interview, in Parepare

"Urban community development programs, such as the program applied in Pare-Pare is a very effective program to improve people's lives through the provision of support tools and infrastructure required. However, lately, some problems occurred such as the scarcity of fuel and the price of basic commodities generally rose very high," (in-depth interview on August 24th, 2013)

The above interview illustrates that the government aids, such as BLT and Raskin, is the excellent program in Parepare as that programs have resulted in a contribution to improving the community welfare. However, the program seems to be blocked by obstacles, of which coincide with other activities in the implementation. Another interview, from one of the recipients, M. Bakri seems to support the above interview and illustration, as exposed below;

"The BLT program is very good as there is a significant change in community, so this program hopefully continuously applied in order to increase the economics of community as a great part of the Pare-pare community only work with a very small income, such as pedi cab drivers, bricklayers, fishermen, farmers, and small traders," (in-depth interview on July 25th 2013).

The interview above seems to notable to touch the whole community because the poverty still remains fluctuatively in Pare-pare from year to year, as illustrated in Table 2 below;

**Table 2:** The development of the poor, 2005 - 2011

Years	Total of The Poor	Its Percentages of Total Population
2005	7,800	6,70 %
2006	9,100	7,86 %
2007	8,800	7,65 %
2008	8,320	7,10 %
2009	7,690	6,52 %
2010	8,500	6,53 %
2011	7,741	5,91 %

**Source :** National Survey By Statistical Centre Bureau, Parepare 2012

### 4. Implementation Mechanism

The implementation of government aid mechanism was stated by an executive of BLT and Raskin, Mrs Syarifah in an in-depth interview (August 1st, 2013), as follows;

"... to determine the target location on the Raskin and BLT recipients, the first was to determine the villages or urban neighborhoods in where there are a lot of well potential populated fisheries, agriculture and plantations and trade, as well as rural areas in where there are still very vulnerable and not optimal developed. Then, after the specified target determined, the assistants identify prospective beneficiaries. If the identification is completed then the prospective beneficiaries are required to provide the necessary data administratively accountable as administrative completeness. Once approved, the program administrative assistance will be channeled through the villages and rural areas respectively to receive the intended aid.

Based on the interviews with field workers BLT and Raskin in Parepare Raskin who said that the process of implementation of policies and programs, especially for people who have economic vulnerability in the village and the target area was generally carried out to see no conflict at the time of the provision of aid in recipient groups there. This was done more carefully by implementers as seen from the context of horizontal conflicts often occur when gave to a particular group over another group. This mechanism has been the general rule that the bedrock of the implementation of existing programs. It is also closely related to the issue of accurate data collection so that the receiver between groups of people with one another can each control apparatus in which the role of the program participants to identify the main reference that must be considered.

### 5. Control of Program Implementation

Social service offices and office local development planning, Dinas Sosial dan Bappeda, in Parepare explained about the process of program implementation control in an in-depth interview;

"For the local level, then it shall be in the Regional Planning Agency in the implementation guidelines, but the reality is not much involved. As its coordination, then execution is only limited coordination of program implementation reports on a regular basis just to the government officials, both in terms of administration and finance in accordance with Regulation 39 of the finances. (Interview BLT program implementers and Raskin, August 1, 2013).

Based on the informant information that addresses the problem of coordination in the process of monitoring the implementation of program activities and Raskin BLT with relevant agencies indicate that the informant more emphasis on coordination with the ditanggapinya Bappeda merely routine surveillance. In such case, it can be concluded that the handling problems of coordination and supervision of the activities carried out although still not optimal due to the number of programs that must be anticipated both institutionally and administratively by the Planning Agency. This is precisely why the constraints supervision of social

assistance activities not be given the top priority, even though the budget implementation has been disbursed.

## 6. Determination Process of Recipient Group

The process of determining the recipient groups seems a mismatch indication between the aid recipients and the field executors. Determination of the target group will be receiving funds tend to be met by a variety of fraud so that the level of objectivity and validity are quite doubtful. Between the fact of poverty and the distributed funds, both by the local and central governments, seems to have a fairly accurate imbalance. This is the main problem and obstacle in implementation of public policy in Indonesia, included in Parepare. In order to support this explanation, an in-depth interview with one of the recipients is presented below:

"To determine whether you, Sir as the one who accepts the social assistance from the government, were you involved? Usually, they were involved in terms of coordination, not more than that. In our opinion, it would be much better if the authority given to districts to determine the target villages as well as the target group beneficiaries as it is an empowerment as we better understand the characteristics of the existing society," (interview with beneficiary, July 15th, 2013).

Various studies above indicate that the process of evaluation of social policies with different variations of the analyzed policies generally have come to the conclusion that the need to study more than just look at the symptoms and measurable phenomena in relation to the achievement of policy objectives. From the other side that the policy itself from the process of formulation is very important to the evaluation process which is formulated in an inclusive perspective in which the role of participation is necessary to be placed in a position that is urgent. Based on this perspective that the method of qualitative analysis is important in understanding the success of the policy was developed through a series of studies to establish a format that is more inclusive and involve the user community the policy being evaluated

Associated with the concept of Dye (2008) which states that the policy evaluation is inquired what happened after the adoption of a public policy. Even more than that Dye tried to reveal that the end of the evaluation activity rather than just to see what is perceived by the public (The effects of the policy will be felt by society) in accordance with what is desired by the policy itself. It is interesting that the subject of study outcomes approach rather than a program with the involvement of the beneficiaries to be very relevant and consistent.

Dye approach to the analysis and confirms that in many cases that it is necessary and prudent to assess the real impact of a public policy. Thus it can be stated that in view of the policy evaluation confirms Dye more related on aspects to the consequences of public policy. Nevertheless for Wholey (1994) that the policy with regard to the evaluation or assessment of the effectiveness assessment national program reaching the target both in absolute and relative terms.

## 7. Conclusion and Policy Recommendation

The characteristics of the implementation of poverty alleviation programs in Parepare do tend to be not in accordance with the characteristics of the target group or the BLT program beneficiaries and Raskin ones. This happens in terms of determining and monitoring mechanisms that target group will be financed through a mechanism yet BLT and Raskin determined based on accurate data from both BPS and Social Service office. It appears that cross-agency coordination of institutional control poverty in Parepare also becomes one of the causes of errors in the determination of the target group of the program. A qualitative approach is always correct for the involvement of the public or beneficiaries in the process of determining both the recipient and the amount of assistance and even the mechanism of implementation of the program. This has not been done consistently in improving processes and creating conditions BLT implementation of poverty alleviation programs and Raskin on target.

As a result of the quantitative approach is not optimal and the absence of applied indicators agreed to be one of the main reasons why poverty alleviation programs through qualitative path less popular both in beneficiaries and implementors of the program. So, the determination of the mechanism of target groups based on quantitative process is also a factor that causes chaos subject data collection will be financed by the government through the mechanism of BLT and Raskin.

Early identification process and the characteristics of the BLT and Raskin policy evaluations using qualitative approach suggests that the mechanism of the qualitative evaluation of the program can be formulated starting from the stage of determination of the program, the determination of the target group to the tracking mechanisms and the provision of assistance by relying on a mechanism for the participation of the beneficiaries.

Evaluation of control policies poverty in both groups of community institutions in Parepare through a qualitative approach needs to be done by way of using a lot of programs that can provoke the implementation of the institutional community empowerment program beneficiaries. Increasing access and participation of program beneficiaries can anticipate a wide range of errors of poverty alleviation programs in the City of Parepare, from now targeting to implementation of existing poverty alleviation programs.

Determination of target groups and indicators of the success of poverty alleviation programs in Parepare can be executed based on a qualitative approach, in which the role of the receiver group and citizen participation in the program becomes the main target. Design programs by both the central government and at the local level should reflect how the local community that exists around the location of the implementation of social policies can be optimally insurmountable.

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