

(Research/Review) Article

The Influence of Social Assistance on Reducing Extreme Poverty in the Social Services of Serdang Bedagai District

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Abstract: Social structures always show complex categorization. Wealth and poverty are not only seen as the result of functional interactions in society, but a continuing social dialectic understood. This article explores the social life of beggar communities, focusing primarily on the development of the stigma they face from one side of society, and their efforts to exploit it poverty situation as social capital, as work done regularly to continue life. The research method used here is qualitative with a descriptive approach.

Keywords: Poverty, Social, Services, Extreme

1. Introduction

Indonesia as one of the largest archipelagic countries has biodiversity and resources nature (SDA) which has the potential for growth and improvement of people's welfare and quality of life. Indonesia is the country with the largest economy in ASEAN (Association of South East Asia Nation) with share of Gross Domestic Product (GDP) in 2020 was 35.3 percent (ASEAN Secretariat, 2021). A strong economy accompanied by good domestic demand opens up opportunities for increased growth sustainable Indonesian economy (Asian Development Bank, 2019).

Effort Poverty alleviation is also included in the national development agenda in the Development Plan National Medium Term (RPJMN) 2020 - 2024. In the RPJMN, one of the targets to be achieved namely reducing the poverty rate to 6 - 7 percent by 2024. The East Java Government through The 2019-2024 Regional Medium Term Development Plan (RPJMD) is committed to carrying out sustainable development based on a four-way development strategy consisting of pro-growth, pro-jobs, pro-poor, and pro-environment where the policy focuses on poverty reduction, access equitable services and guarantees, environmental sustainability, and justice for everyone.

According to the United Nations Development Program (UNDP), poverty is not just a lack income and access to production resources but also regarding how to guarantee life sustainability. Poverty includes hunger and malnutrition, limited access to education and other basic services, discrimination and social exclusion, and lack of participation in determining choice (United Nations, 2022). Poverty is not a condition of lacking a commodity or something The problem of satisfaction with these commodities is more about the poor condition of society maximizing the function and taking advantage of the commodity (Todaro & Smith, 2015). BPS defines the poor population as the condition of the population who has per capita expenditure for a month are below the poverty line. The Poverty Line is represented based on the minimum amount of rupiah needed to fulfill/guarantee the basic needs for food and drink is equivalent to 2,100 kilo calories per capita in a day and non-food basic needs (Sirusa BPS, 2022).

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Various government policies and programs have been implemented to alleviate the problem of poverty in the world, one of the main ones is social protection. In general, social protection relates to a series of policies and programs in the context of alleviating poverty and promoting employment opportunities, and increasing people's capacity to protect themselves from danger, harassment and loss of income (Barrientos, 2019). There are three commonly implemented social protection programs, namely (1) unconditional assistance, such as cash, goods and food assistance; (2) conditional assistance, there are conditions that must be met, usually to increase human resources; (3) public works programs, assistance in terms of making work easier for people (Lowder et al., 2017).

The government's role in poverty alleviation can be done by creating a policy that can be enjoyed and solved the problem of poverty in society. This is also adapted to which is the goal of the Indonesian state in the Preamble to the Law The 1945 Constitution of the Republic of Indonesia included the objectives of the state Indonesia is social welfare. To create a life that is suitable for society in order to achieve social welfare, then it is made a policy on social welfare, especially policy regarding poverty alleviation. A policy is made by looking at what actually happens. This means that policies are not made arbitrarily, they must be thought about how this policy can be implemented well. A policy not directly formed, but you have to look at what things are necessary so that the policy can be created. Preparation of a Public policy must be guided by what is really needed by the public, not made based on personal interests.

In an effort to accelerate the reduction and eradication of extreme poverty, the priority is to focus on three program strategies, namely reducing the burden of expenditure, increasing income, and minimizing pockets of poverty (Kominfo Jatim, 2021). Decline expenditure burdens include providing social assistance, social security, etc. Barrientos (2019) stated that expanding the provision of social assistance had an impact towards reducing extreme poverty and others remain in vulnerable and poor conditions.

The crisis caused by the pandemic has become a challenge and dilemma regarding the nature and objectives of social protection. Which segment of the population should be the main target whether the newly poor or the previously poor have been poor (McCord, 2010). Poverty can be understood as a reflection of the inadequacy of the individual, the home household, family, or community to achieve a socially acceptable minimum standard of living, needs basic consumption, or the income needed to meet basic needs (Mokomane, 2012).

Rahman (2013) states that the household's ability to obtain a level of income certain conditions are largely determined by the internal characteristics of the household. Household concept according to BPS, it is a group of people who live together and have one management in fulfilling their needs daily necessities (one kitchen). The number of family dependents in a household has a positive effect on the amount of household consumption (Hanum, 2018). The current phenomenon is there is more than one family (Kartu Keluarga) living together in one household, so it will be more expensive. The characteristics of socially vulnerable households also trigger problems of poverty, such as household ownership status. In general, households rent housing because it is temporary and does not have enough finances. In extreme cases, households don't have a choice of livable housing at low prices, so there are more socially vulnerable (Cutter et al., 2003; Hummell et al., 2016). The increasing number of households falling into extreme poverty will put a burden on poverty alleviation and future development.

The first research was conducted by Novia Elva Leni, M. Benny Alexandria, Slamet Usman Ismanto, Ida Widyaningsih (2018), with title Utilization of Research Results in Public Policy. Studies Case at the Sumatra Province Research and Development Agency West. The results of this study indicate that the utilization of results research as input or recommendations for public policy at the Sumatra Provincial Research and Development Agency West is based on demand and tailored to needs data on regional heads and regional apparatus organizations.

Poverty can be understood as a reflection of the inadequacy of the individual, the home household, family, or community to achieve a socially acceptable minimum standard of living, needs basic consumption, or the income needed to meet basic needs (Mokomane, 2012). Objective This research is to identify factors that explain the influence of poverty at the micro level (household) which is expected to provide insight into policies to alleviate poverty in Serdang Bedagai, especially regarding extreme poverty.

2. Preliminaries or Related Work or Literature Review

The analytical methods used in this research are descriptive analysis and inference. Analysis descriptive is used to obtain a general picture of the status of extreme poverty based on household characteristics. Meanwhile, inferential analysis uses binary logistic regression to determine the determinants of extreme poverty status of households in East Java. Logistic regression was used to estimate parameters using the maximum likelihood estimation method. Maximum Likelihood Estimator Method (MLE) can be used when the dependent variable has a specific distribution (Hosmer & Lemeshow, 2000). In this research, the dependent variable has a binomial distribution with two categories, namely poor and poor extreme.

3. Result

Poverty indicators have always been a measure of community welfare in an area. Various Policies have also been pursued in terms of alleviating the problem of poverty in Indonesia. Currently, the government has a target to eradicate poverty starting from the lowest level, namely extreme poverty. This condition is targeted to be realized in 2024 with a zero condition extreme poverty status. The following is an illustration of the condition of poverty in households in Serdang Begadai district.

4. Discussion

This research discusses the extreme poverty status of households in Serdang Begadai Regency. The data used comes from the social service with the unit of analysis as many as 2,240 poor households in East Java. Household poverty status is grouped into "poor" and "extreme poor". The cut-off for poor households is adjusted to the poverty line of each district/city, while the cut-off for extreme poor households uses World Bank standards. amounting to USD 1.9 PPP (Purchasing Power Parity).

The regional government assistance variable has a statistical value from the Wald test of 9.749 and a p-value of 0.796. These results indicate that this variable has no significant effect on status household poverty in East Java. This shows that households received assistance local governments in both poor and extreme poor status have almost the same percentage, so cannot differentiate between the two poverty statuses. Suryahadi (2019) found help The government in the form of financial aid did not change the behavior of aid recipients significantly.

It is hoped that the expansion of social assistance can reduce poverty rates, especially poverty extreme (Barrientos, 2019). Conditions in East Java show that social assistance in the form of non-cash (BPNT) is more has an effect on reducing extreme poverty compared to providing cash assistance (PKH and aid local government). This is in accordance with the calculation of the poverty rate in Indonesia which uses food expenditure approach of 2,100 calories per capita per day. Households with poor status extremes who receive BPNT can increase the value of food expenditure, while aid recipients cash tend to spend the money for other purposes. As for providing assistance local government for poor households has not been significant in reducing extreme poverty.

5. Conclusion

The distribution of extreme poor households is almost half of all poor households in Indonesia. This condition is a concern for local governments in terms of poverty alleviation, which is necessary giving priority to households with extreme poverty status. Various social assistance programs have been implemented distributed, such as PKH, BNPT, and Regional Government Assistance. The results of the logistic regression analysis show that the type of assistance in the form of BNPT has more influence on household poverty status.

Apart from that, household characteristics that have a significant influence are family size and house rental status residence. The results of this analysis can be used as a consideration for local governments when distributing aid for extreme poor households, priority is given to staple foods (non-cash). The hope is, household those with extreme poverty status who receive BPNT can have their basic food needs resolved, so that the productivity of household members can increase. Evaluation of the BNPT program needs to be carried out carefully periodically, so that the household target can be reduced over time, until it can reach the target Extreme poverty will be zero by 2024. Apart from social assistance variables, household characteristics influence extreme poverty namely the number of families (KK) and ownership status of the residential building. Dense population in the environment Poor households further worsen poverty status. Residential construction subsidies for houses poor households are very necessary, especially for extreme poor households. This is also possible reduce environmental problems caused by slum and inadequate living areas.

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