

IMPACT OF THE SOCIAL ASSISTANCE PROGRAM ON POVERTY LEVELS IN URBAN AREAS

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Abstract

Poverty is a multidimensional problem and has far-reaching impacts. Poverty can be seen as the inability to meet various needs, the shackles of society by customary or cultural factors, or also the helplessness of society against an unjust social system. Handling poverty requires comprehensive policies from all relevant parties. The government is one of the keys to the success of poverty alleviation programs through the programs provided. One of them is social assistance. The aim of the research is to find out the impact of the cash social assistance policy on the poverty level in Palu City. The type of research is qualitative with descriptive research type. Data collection techniques are observation, interviews and documentation. Data analysis uses data reduction, data presentation, and data verification. The results of research regarding the impact of social assistance programs in Palu City show that various initiatives, such as Business Capital Assistance, Self-Help Housing Stimulant Assistance, and Business Equipment Assistance for PPKS, positively influence poverty and community welfare. The Business Capital Assistance Program provides economic encouragement to small businesses, Self-Help Housing Stimulant Assistance improves the quality of housing and public awareness of the living environment, while Business Equipment Assistance for PPKS empowers individuals or groups who need social welfare services.

Keywords: Social Assistance, Poverty, Business Capital Assistance, Self-Help Housing Stimulant Assistance, and Business Equipment Assistance for Recipients of Social Welfare Services (PPKS).

A. INTRODUCTION

Poverty remains a serious challenge in many countries, including Indonesia, even though various efforts have been made to overcome this problem (Huraerah, 2013). As a multidimensional problem, poverty can not only be measured from the economic aspect, but also involves socio-cultural factors that influence community conditions (Nurwati, 2008). Apart from facing economic constraints, poor people are often shackled by certain cultural norms or customs that limit their access to educational opportunities, employment and health services (Rahman et al, 2019).

The impact of poverty covers various aspects of life, including lack of access to public services, decent employment, social security and protection (Arifin, 2020). This condition puts additional pressure on poor people, especially in efforts to meet basic needs such as food, clothing and shelter (Setiawan, 2017). Even though there have been various poverty reduction programs implemented, these challenges still leave complex problems. A holistic approach is needed that involves cross-sector collaboration and active community participation to address the root causes of poverty and create sustainable solutions (Ludoni et al, 2017).

Based on BPS data, poverty shows a trend that continues to decline from year to year. However, different things happened in the last three years. In March 2021, 27.54 percent of Indonesia's population was poor (BPS, 2021). When compared to 2019 and 2020, there was an increase in the population percentage. In 2020, the poor population in Indonesia was 26.42 percent. Meanwhile, in 2019, the figure was 25.14. This increase in the percentage of poor people is thought to be inseparable from the influence of the Covid-19 pandemic. Limited economic activity causes a reduction in people's income (BPS, 2021)

The 1945 Constitution, especially Articles 33 and 34, provides a strong mandate to the Indonesian state to protect the entire nation and promote general welfare in the context of realizing social justice for all people (Suhardin, 2017). In line with this mandate, the Indonesian government has taken concrete steps to improve social welfare through providing social assistance (Bansos), as regulated in Law Number 11 of 2009 (Martilova, 2019). According to Minister of Finance Regulation Number 181 of 2012, Social Assistance is defined as expenditure in the form of transfers of money, goods or services provided by the central or regional government to the community. The main aim of providing social assistance is to protect the community from possible social risks, increase economic capacity, and advance community welfare in general (Purnomo, 2023).

Although providing social assistance (Bansos) is a positive step in efforts to improve social welfare, there are findings from research in low-income countries that are experiencing a transition period, as stated by Habibov & Fan (2006). Empirical evidence shows that social assistance is not always able to significantly alleviate poverty and reduce inequality. This research highlights the fact that the benefits received by the community from social assistance programs are often relatively small, and only a small portion of the poor population can feel the positive impacts (Anggreni & Subanda, 2020).

In addition, social assistance programs are often not designed with the explicit aim of alleviating poverty and reducing inequality. Inappropriate design and an economic scale that is in transition make it difficult for the government to accurately and precisely target poor people who need support. Other findings from Gupta & Abed (2002), Rajkumar and Swaroop (2008), and Devarajan and Reinikka (2004) emphasize that one of the key factors in achieving the expected results from government spending, including the Social Assistance program, is good governance. Efficient and transparent governance also needs to be strengthened so that aid distributed can

achieve maximum targets, reduce the potential for misuse, and ensure a more significant impact in overcoming poverty and inequality.

Poverty reduction in urban areas is an important thing that must be done immediately by the government. This is because poverty will give rise to other problems such as crime, disease, and colonization by other nations (Aneta, 2012). As is the case with muggings that occur in almost every urban area, including the city of Palu, one of the main reasons that causes this criminal act is a person's inability to solve the problem of fulfilling his life's needs (Barlinti, 2007).

The World Bank Report (2013) states the main differences for poor and non-poor urban households in terms of education, employment, household size, access to services, security of tenure and housing conditions. Heads of poor urban households are more likely to rely on self-employment and less likely to be wage or salaried workers when contrasted with heads of non-poor households, indicating the importance of informal sector employment by the poor (Girsang & Auwalin, 2023). The poor in the city have lower education than the non-poor, about a third of whom have less than primary school education. These results are in accordance with the profile of urban poor communities in several developing countries (

In Central Sulawesi, especially Palu City, the problem of urban poverty is a serious agenda that is being faced and addressed. Based on observations made by researchers, there are still many abandoned children and beggars on a number of streets in Palu City. In Palu City, the number of poverty in 2023 will be 6.63% or 29,995 thousand households. Although it is lowest in the Central Sulawesi Region. However, the number of poor families is still considered quite high by the Palu City Government. Palu City in the 2023 fiscal year has budgeted IDR 161 billion to overcome the problem of poverty spread across 15 (fifteen) OPDs and 8 (eight) sub-districts.

This research aims to investigate the concrete impact of the Social Assistance Program on poverty levels in the city of Palu. By focusing the analysis on the implementation of social assistance programs in the region, this research aims to identify the extent to which these programs are effective in reducing poverty levels. It is hoped that the benefits of this research will provide a deeper understanding regarding the effectiveness of social assistance programs in the context of the city of Palu, so that it can provide constructive input for local governments in designing further policies and improving the welfare of local communities.

B. METHOD

This type of research is descriptive research that uses a qualitative approach. Research using this method does not look for or explain relationships, does not test hypotheses or make predictions, but focuses on observations and natural settings (naturalistic settings) (Yulianah, 2022). Descriptive research is research that attempts to explain the solution of existing problems based on data, so researchers also present data, analyze and interpret data. Descriptive research not only explains (analytically), but also combines (synthesis). Not only classification, but also organization. Research like this requires adequate qualifications. First, researchers must have a receptive nature. Researchers should always search, not test. Second, researchers must have

integrative power, the power to combine the various kinds of information they receive into one unified interpretation. Data collection techniques are observation, interviews and documentation. Data analysis techniques are data reduction, power presentation, and data verification. Data validation techniques are source triangulation, technical triangulation, and time triangulation.

C. RESULTS AND DISCUSSION

In general, Palu City shows a relatively lower poverty level compared to 13 other cities/districts in Central Sulawesi Province. However, data from the Central Statistics Agency from 2020 to 2022 records fluctuations in poverty levels in the city. In 2020, the number of poor people in Palu City was recorded at 26,890 people or the equivalent of 6.80%, but in 2021 there was an increase to 28,600 people or 7.17%, indicating an addition of 1710 poor people. Then, in 2022, the poverty rate will decrease to 26,750 people or 6.63%, which shows a reduction of 1850 poor people. Analysis of this data indicates that poverty in Palu City tends to fluctuate from year to year, reflecting the dynamics of population development and social challenges that need serious attention from the government in designing effective policies.

Based on research in the field, researchers found that the Palu City government in its efforts to overcome poverty carried out a social assistance program in the form of running a Business Capital Assistance (BMU) program, a Joint Business Group (KUBE) program, self-help housing stimulant assistance, and business equipment assistance. for those in need of social welfare services. It is hoped that this assistance will have an impact on society to make it more prosperous and as an effort by the government to overcome existing poverty.

a. Joint Business Groups (KUBE) and Productive Economic Enterprises

Joint Business Groups (KUBE) are an important instrument in efforts to alleviate poverty and improve the social welfare of poor families. KUBE is a group formed by poor families' own initiative with the aim of implementing Productive Economic Enterprises (UEP). UEP itself is a form of social assistance provided to KUBE to increase the income and welfare of group members. KUBE usually consists of 5 to 20 heads of families who are included in the Integrated Data for Handling the Poor and Disabled People (DTFMTM). Through the mechanism for providing social assistance, KUBE receives support in the form of non-cash which is transferred directly to the group's account, enabling them to manage and develop productive businesses independently.

The importance of the role of KUBE Companion cannot be ignored. The KUBE companion is tasked with accompanying and guiding the group in implementing the program, with the aim of improving the welfare of KUBE members. The mentor's role includes providing guidance, training, as well as providing necessary technical assistance. With the KUBE Companion, it is hoped that groups can optimize the use of social assistance and develop their economic potential in a sustainable manner. Thus, this approach model not only provides direct assistance, but also provides ongoing support to ensure the sustainability and success of productive economic businesses run by poor community groups.

b. Business Capital Assistance

Business Capital Assistance, provided by the Palu City government, has the main objective of providing financial support to economic business actors in the region. This assistance not only aims to increase business capabilities and work productivity, but also to increase income and create mutually beneficial business partnerships. By providing business capital assistance, the government hopes to provide significant encouragement for business actors, especially those belonging to the poor, to increase the scale and quality of their businesses.

The process of disbursing business capital assistance is regulated through a structured mechanism. First, disbursement is carried out after going through the verification and validation stages by the Business Capital Assistance Verification and Validation Team at the Palu City Social Service. This process ensures that aid is allocated to recipients who meet the criteria and need financial support to develop their businesses. Second, the mechanism for disbursing business capital is based on laws and regulations related to regional financial management, ensuring transparency and accountability in the use of public funds.

The third step, which is no less important, is the disbursement of business capital assistance through the channeling bank transfer mechanism to the accounts of the poor families who receive the assistance. This approach ensures efficiency in aid distribution, avoids uncertainty, and provides greater security and accessibility to aid recipients. Thus, Business Capital Assistance is not only a form of financial support but also a concrete step in building an inclusive and sustainable business ecosystem in the City of Palu.

c. Self-Help Housing Stimulant Assistance (BSPSPS)

The Self-Help Housing Stimulant Assistance Program (BSPSPS) marks a close collaboration between the Social Service and the Housing and Settlement Area Service in Palu City. This program offers a synergistic approach to provide support to communities in efforts to improve their housing conditions. Within the framework of this program, the Social Service provides a contribution in the form of cash social assistance to BSPSPS recipients which has been carefully determined by the Palu City Housing and Settlement Area Service. Through this approach, the program not only provides financial stimulants for recipients, but also utilizes data and knowledge from the Housing Department to ensure assistance is distributed in a targeted manner to those in need.

Cross-sector collaboration between the Social Service and the Housing and Residential Areas Service reflects the joint efforts of the Palu City government to improve community housing conditions. By providing social assistance directly to BSPSPS recipients, this program is expected to encourage independent housing development and improvement. In this context, Self-Help Housing Stimulant Assistance becomes an instrument that accommodates the community's urgent needs while providing them with the opportunity to actively participate in improving the quality of life through improving their housing conditions.

d. Business Equipment Assistance for Those Requiring Social Welfare Services

Business Equipment Assistance for Recipients of Social Welfare Services (PPKS) is an initiative of the Palu City Government in an effort to improve the welfare of its people. This

program is a form of direct support to business actors who meet the criteria for Requiring Social Welfare Services (PPKS). PPKS recipients are identified in accordance with the definition provided by the Minister of Social Affairs Regulation No. 5 of 2019 concerning Integrated Social Welfare Data Management, which describes them as individuals, families, groups, or communities who experience obstacles, difficulties, or disturbances so that they are unable to carry out their social functions properly. optimal.

The business equipment assistance provided through this program has a dual purpose, namely providing encouragement to PPKS business actors to increase their business capacity and productivity and providing concrete solutions to the obstacles or difficulties they face. The business equipment provided is expected to have a positive impact on the sustainability of the aid recipients' businesses, create better economic opportunities, and ultimately, improve their overall social welfare. This program reflects the Palu City Government's commitment to empowering economically weak communities to independently achieve a better level of prosperity.

All forms of social assistance that have been mentioned, such as Business Capital Assistance, Self-Help Housing Stimulant Assistance, and Business Equipment Assistance for Recipients of Social Welfare Services (PPKS), have the potential to have a positive impact on poverty in Palu City. The positive impact felt by the recipients include the following:

a. Overcoming Community Poverty in Palu City

The social assistance program provided by the Palu City Government offers a significant positive impact, especially in overcoming community poverty. First of all, Business Capital Assistance provides economic encouragement to small business actors who fall into the poor category. With business capital, they can develop their businesses, increase productivity, and gradually reduce the level of dependence on social assistance. This program not only provides financial assistance but also empowers recipients to achieve economic independence.

Self-Help Housing Stimulant Assistance, through collaboration between the Social Service and the Housing and Settlement Areas Service, has had a positive impact on community welfare by improving housing conditions. Better quality housing not only provides a decent place to live, but also provides a stable foundation for families to develop holistically. By ensuring comfortable homes, this program has the potential to have a long-term impact in improving the quality of life and welfare of families, while reducing uncertainty and the risk of poverty.

Meanwhile, Business Equipment Assistance for PPKS has had a positive impact by providing direct assistance to individuals or groups who need social welfare services. The business equipment provided aims to increase their ability to earn a living, reduce the level of dependence on social assistance, and provide them with better opportunities to increase income and welfare. This approach effectively targets individuals or groups who need specific social assistance, thereby providing a more focused and sustainable impact on poverty alleviation efforts in Palu City.

b. Providing an educational impact, experience and knowledge of the community as recipients of assistance.

The social assistance program implemented by the Palu City Government not only has an economic impact, but also has a significant educational dimension. First, Business Capital Assistance not only provides financial assistance, but also creates opportunities for recipient business actors to increase their knowledge in managing a business. Through the training, guidance, and mentoring that this program may provide, entrepreneurs can gain new skills, better management strategies, and deeper understanding regarding the development of their business. This not only increases individual capacity, but also has the potential to increase the competitiveness and sustainability of their businesses.

Self-Help Housing Stimulant Assistance also provides an educational impact by improving housing conditions. Housing construction and repair involves a process that involves the active participation of the community receiving assistance. Apart from gaining an understanding of the concept of adequate housing, the community is also involved in decisions related to the design and implementation of housing projects. This provides a hands-on and educational experience, raising public awareness of the importance of good housing conditions for family well-being.

Business Equipment Assistance for PPKS also has an educational impact, especially in increasing the understanding and experience of aid recipients regarding managing their business equipment. By providing business equipment, this program indirectly provides practical lessons about the use and maintenance of the equipment. This direct experience not only provides technical knowledge, but also builds the skills and confidence of aid recipients in running their businesses. All of this creates a wider positive impact, increasing the competitiveness and business development potential of recipients, as well as stimulating economic growth at the community level.

c. Influence the solidarity attitude of society as social creatures.

The social assistance program implemented by the Palu City Government has a significant impact in forming and strengthening the community's solidarity as social creatures. First of all, Business Capital Assistance builds bonds of solidarity between recipient business actors. By participating in the same program and facing similar challenges, business actors tend to support each other and share experiences. This kind of solidarity creates a strong cooperative environment, where collaboration and knowledge exchange can occur, benefiting all parties involved.

Self-Help Housing Stimulant Assistance can also strengthen community solidarity through a participatory process in improving housing conditions. People who are actively involved in improving the environment in which they live tend to develop a sense of shared ownership and responsibility for that environment. Solidarity arises when communities unite to achieve common goals, such as ensuring that every family has a decent and safe place to live. This process not only increases the sense of community among residents, but also creates a stronger foundation for solving problems together and building empowered communities.

Business Equipment Assistance for PPKS also contributes to community solidarity through empowering individuals or groups who need social welfare services. By providing specific assistance to groups in need, this program creates awareness and empathy among the wider

community regarding the challenges faced by their peers. This positive impact strengthens social ties within society, mobilizes collective support to help those in need, and stimulates the formation of a more inclusive and caring social environment.

D. CONCLUSION

The social assistance program implemented by the Palu City Government has a significant impact in forming and strengthening the community's solidarity as social creatures. First of all, Business Capital Assistance builds bonds of solidarity between recipient business actors. By participating in the same program and facing similar challenges, business actors tend to support each other and share experiences. This kind of solidarity creates a strong cooperative environment, where collaboration and knowledge exchange can occur, benefiting all parties involved. Self-Help Housing Stimulant Assistance can also strengthen community solidarity through a participatory process in improving housing conditions. People who are actively involved in improving the environment in which they live tend to develop a sense of shared ownership and responsibility for that environment. Solidarity arises when communities unite to achieve common goals, such as ensuring that every family has a decent and safe place to live. This process not only increases the sense of community among residents, but also creates a stronger foundation for solving problems together and building empowered communities. Business Equipment Assistance for PPKS also contributes to community solidarity through empowering individuals or groups who need social welfare services. By providing specific assistance to groups in need, this program creates awareness and empathy among the wider community regarding the challenges faced by their peers. This positive impact strengthens social ties within society, mobilizes collective support to help those in need, and stimulates the formation of a more inclusive and caring social environment.

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