

UDC 332

## EFFECTIVENESS OF GOVERNMENT FUNDS IN POVERTY REDUCTION EFFORTS

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### ABSTRACT

Poverty reduction in each region is highly dependent on various programs and activities related to overcome said problem. The achievements of poverty reduction programs in the province of Bali managed to reduce the poverty rate each year, but the problem of the effectiveness of providing direct funding to the community, such as the distribution of financial assistance that is less objective so that it is not right on target due to data problems that are not valid or the interests of certain parties, then the accountability for financial assistance which often seems fictitious or used for other purposes so as not to change the real condition of the poor. This study aims to examine the effectiveness of government funding in poverty reduction efforts. The research method used is descriptive qualitative, namely using literature studies in answering research questions. The results obtained are that there are several things related to the provision of these financial assistance, which can be observed by knowing the effectiveness of grants to reduce poverty rates from budgeting in local governments, as well as the achievements of the program, especially in the Badung district government and Bali province. In general, the provision of government financial assistance is to support the policies of the regional head to run effectively, but for beneficiaries, namely community groups, it is not yet fully targeted so that the monitoring element from planning to reporting needs to be improved.

### KEY WORDS

Effectiveness, grant aid, poverty, supervision.

Poverty is a global social problem, both developed and developing countries cannot be separated from this problem. Indonesia as a developing country also faces the problem of poverty. Poverty alleviation policies and programs have actually been carried out by the government continuously, however, it can be said that the poverty reduction programs that have been implemented are not effective in solving the problem of poverty. The issue of poverty is also a multidimensional and complex problem, so the definition of poverty varies widely. Jordan defines the poor: "the poor are people whose lack of resources damage their capacity to participate in a market environment". This means that poor people are people who because of their lack of resources have damaged their capacity to participate in the market / business environment. (Jordan, 1996: 96)

It is further stated by Sajogya in Suyanto that he has made a limit or classification of poverty as follows: 1. For urban areas, a person is called poor if he consumes less than 420 kilograms of rice per year; 2. For rural areas, a person is called poor if he consumes 320 kilograms of rice, very poor if he consumes 240 kilograms of rice and the poorest if he consumes less than 180 kilograms of rice per year. (Suyanto, 2013: 4.)

Mubyarto stated that the definition of poverty is: "a situation of complete deprivation of the population which is manifested in the form of low income and is caused by low skills, productivity, income, weak production exchange rates and limited opportunities to participate in development. The low income of the poor causes low productivity and increases the dependency burden on the community. According to World Bank (2001) there are six elements that can be used, namely (1) lack of income and assets, (2) hunger and lack of food, (3) lack of access to basic infrastructure, such as housing, clean water, energy, and transportation, (4) lack of access to education, (5) poor health and disease, social isolation (World Bank, 2001). Poverty is a condition arising from the inability to fulfill basic needs. Bappenas (Crescent 2003: 4) defines "poverty as a situation or condition experienced by a

person or group of people who are unable to carry out their life to a level that is considered human". This condition causes the low quality of the population, such as limited adequacy and quality of food, limited and low quality of health services, child nutrition, and low quality of education services.

Indonesia has set a target in the 2015-2019 RPJMN, namely reducing the poverty rate by 7-8 percent. The national poverty rate during the period 2015 to 2019 tended to decline, namely by 11.13 percent and tended to decline to 9.22 percent in 2019, while the poverty rate in Bali province during the period 2015 to 2019 was 5.25. percent to 3.61 percent, far below the national poverty rate of 9.22 percent. This percentage leads the province of Bali to become the province with the second lowest percentage of poverty rate in Indonesia after Jakarta, which is 3.42 percent. However, the province of Bali, which consists of 9 districts / cities, has not been completely free from the poverty rate evenly, as shown in table 1.

Table 1 – Number of poor people in Bali province by regency / city (thousand people)

Regency/City	Year				
	2019	2018	2017	2016	2015
Jembrana	13.55	14.35	14.78	14.53	15.83
Tabanan	18.74	19.77	21.66	21.90	24.05
Badung	11.89	12.97	13.16	12.91	14.40
Gianyar	19.85	21.26	22.42	22.13	22.89
Klungkung	9.66	10.43	11.15	11.21	12.11
Bangli	10.08	11.05	11.76	11.66	12.74
Karangasem	25.99	26.02	27.02	27.12	30.33
Buleleng	34.26	35.20	37.48	37.55	43.43
Denpasar	19.83	20.72	20.70	19.17	20.94
Bali Province	163.85	171.76	180.13	178.18	196.71

Source: Central Bureau of Statistics of Bali Province, 2020.

The reduction in the number of poverty numbers was also felt in all districts in the province of Bali for the period 2015 to 2019, where the districts with the highest poverty rates were Buleleng and Karangasem districts. Badung Regency as the richest region still has poor people at 1.78 percent or 11.89 thousand.

Table 2 – Lines depth index and poverty severity by district / city in Bali province in 2015 and 2019

Regency/City	Bali province poverty severity index by district / city					Poverty depth index for Bali province by district / city				
	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
Jembrana	0.19	0.08	0.19	0.09	0.11	0.83	0.53	0.86	0.57	0.59
Tabanan	0.09	0.12	0.13	0.10	0.03	0.50	0.57	0.69	0.50	0.26
Badung	0.02	0.05	0.05	0.07	0.03	0.17	0.19	0.21	0.28	0.16
Gianyar	0.10	0.07	0.11	0.08	0.03	0.56	0.43	0.57	0.43	0.27
Klungkung	0.22	0.13	0.04	0.21	0.13	1.00	0.78	0.33	0.79	0.62
Bangli	0.17	0.12	0.10	0.10	0.02	0.77	0.63	0.52	0.49	0.24
Karangasem	0.20	0.09	0.18	0.22	0.14	1.01	0.58	0.87	0.83	0.75
Buleleng	0.14	0.15	0.14	0.13	0.14	0.73	0.75	0.72	0.62	0.72
Denpasar	0.04	0.03	0.12	0.07	0.06	0.24	0.20	0.40	0.32	0.29
Bali Province	0.14	0.09	0.16	0.18	0.11	0.66	0.51	0.68	0.68	0.53

Source: Central Bureau of Statistics of Bali Province, 2020.

The district / city poverty line from 2017 and 2018 shows an increase per year, namely the city of Denpasar in 2018 has the highest poverty line of Rp. 545,357 then Badung district with a value of Rp. 534,069, and the badung regency severity index increased to 0.28 and the badung regency depth index in 2018 increased 0.2 points to 0.07 but was still below the value of the province of Bali.

PAD is the original regional income which is the revenue obtained by the region from its regional sources consisting of local taxes, regional levies, proceeds from the management of separated assets, and other legal components of the pad. Pad sources are collected based on regional regulations in accordance with applicable laws and regulations

(Suwandika, Yasa, 2015). The existence of a pad capable of encouraging economic growth, good economic growth is a pro-people economic growth. According to Mills and Pernia (1993) in Tambunan, it shows that poverty in a country will be lower if its economic growth is high. The acquisition of this pad is used to develop regions and alleviate poverty. PAD as outlined in the regional revenue and expenditure budget (APBD) of Badung Regency is used as widely as possible for development and poverty alleviation. Badung district's APBD continues to increase as shown in Figure 1.

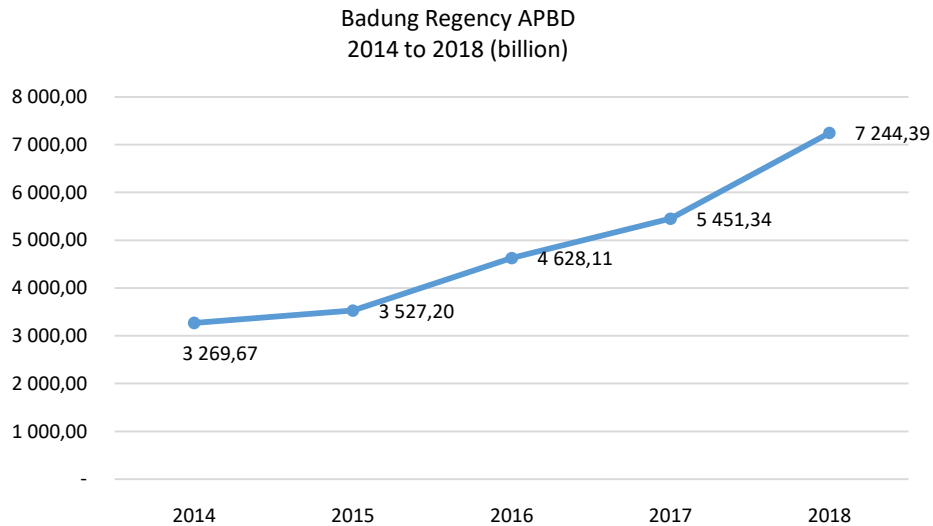


Figure 1 – Badung Regency APBD (Source: Bappeda Badung Regency, 2020)

The APBD of Badung Regency for a period of 5 (five) years, from 2014 to 2018, continues to experience a significant increase as shown in Figure 1.1 above, namely in 2014 amounting to Rp. 3.27 trillion and until 2018 amounted to Rp.7.24 trillion. The high increase in the budget of the Badung district government was not able to alleviate poverty, namely that in the year there were 1.78 percent of the population who were below the poverty line. Regional autonomy is a form of political decision to give authority to regions in an effort to improve public services and community welfare (Puspitosari, 2006: 23). In line with the objectives of the state, how is set forth in the fourth paragraph of the opening of the 1945 constitution of the Republic of Indonesia, namely advancing public welfare. Article 18 paragraph (1) of the 1945 constitution of the Republic of Indonesia also states that government power is divided into three, namely the central government, provincial governments and district / city governments which have responsibility for fulfilling the welfare in their territory and based on their affairs and each other. Regional financial management begins with the planning / preparation of a regional income and expenditure budget (APBD).

Nasucha (2004: 37) states that public policy is the authority of the government in making a policy that is used in legal regulations. This policy aims to absorb social dynamics in society, which is used as a reference for formulating social policies in order to create harmonious social relationships. Tempo.co, 2016 reported that the Riau regional police finally detained the bangkalis regent for the 2010-2015 period with the initials hs on Friday, March 4, 2016 in connection with the corruption case of Bengkalis social assistance funds (bansos) for the 2012 fiscal year amounting to 272 billion. The alleged corruption case in Bengkalis has been rolling since 2012, the grant and social assistance budget of 272 billion was channeled to 2,000 social institutions and community organizations that were suspected to be fictitious because the types of activities and social goals were unclear (source: tempo co. 2016). This shows that grants and social assistance are very vulnerable to abuse. This means that a policy that regulates and directs the management of grants and social assistance is expected to be implemented well.

Governance of the distribution of grants and social assistance (bansos) has become a national legal problem in Indonesia. The regulations and procedures related to the distribution of grants and social assistance, the administrative implementation process for the distribution of grant funds and social assistance are still carried out manually and in a closed manner. There are several weaknesses in channeling these funds to the public and community organizations, including weaknesses in planning and proposals, fictitious accountability, cuts in funds by the committee, realization that is not in accordance with the allocation, and the existence of recipients of the same social assistance funds. It is difficult for the community / they do not know to whom the grants and social assistance funds are distributed, how much funds are distributed to recipients, what are the forms of activities and what are the forms of accountability. The provision of government funding assistance with a large amount of value, both in the form of grants and social assistance, appears to be full of interests and less effective in reducing poverty in the regions. Government funding assistance for poverty reduction is generally adjusted to the poverty category to make it more effective.

## **METHODS OF RESEARCH**

This research method uses a literature review. Material in the form of reviews, summaries, and thoughts about several library sources (articles, books, slides, information from the internet, etc.) On the topic being discussed is part of the writing of a literature review. Writing that is relevant, up-to-date, and adequate reflects the writing of a good literature review.

## **RESULTS AND DISCUSSION**

### **Poverty Conditions**

Various poverty reduction measures have been taken to prevent this social disaster. Discussions about the pattern of effective poverty alleviation programs have also become an intense theme in both academia and state administrators around the world, but they do not appear to have shown significant results. Poverty remains the most difficult socio-economic problem to overcome as stated by Blanden and Gibsson (2006: 1). Poverty alleviation is a problem above a complicated problem (meta problem), which requires the right policies (Dunn, 2003: 227), in order to improve distribution inequality, limited access and increase the ability of the poor to be involved in economic activities. To alleviate poverty requires the involvement of various parties through poverty alleviation programs, ranging from social assistance to empowerment.

The percentage of poor people, both the number of poor people and the percentage of poor people, has almost the same trend where in March 2013 to September 2015 fluctuates, after that month the trend tends to fall. The highest percentage of poor people for the national level was in September 2013, while for Bali it occurred in September 2015 and the lowest both nationally and in the province of Bali in March 2018. From the Figure 7 the percentage of poor people, both the number of poor people and the percentage of poor people, the trend is almost the same where from March 2013 to September 2015 fluctuated, after that month the trend tended to decline. The highest percentage of poor people nationally was in September 2013, while for Bali it occurred in September 2015 and the lowest was both national and Balinese in March 2018.

Based on the presidential regulation of the Republic of Indonesia number 13 of 2009 concerning coordination of poverty reduction, the direction of national poverty reduction policies is guided by long-term development plans. The direction of regional poverty reduction policies is guided by long-term regional development plans. The strategy for accelerating poverty reduction is carried out by: 1). Reducing the expenditure burden of the poor 2). Increasing the ability and income of the poor 3). Developing and ensuring the sustainability of micro and small businesses and 4) synergizing poverty reduction policies and programs.

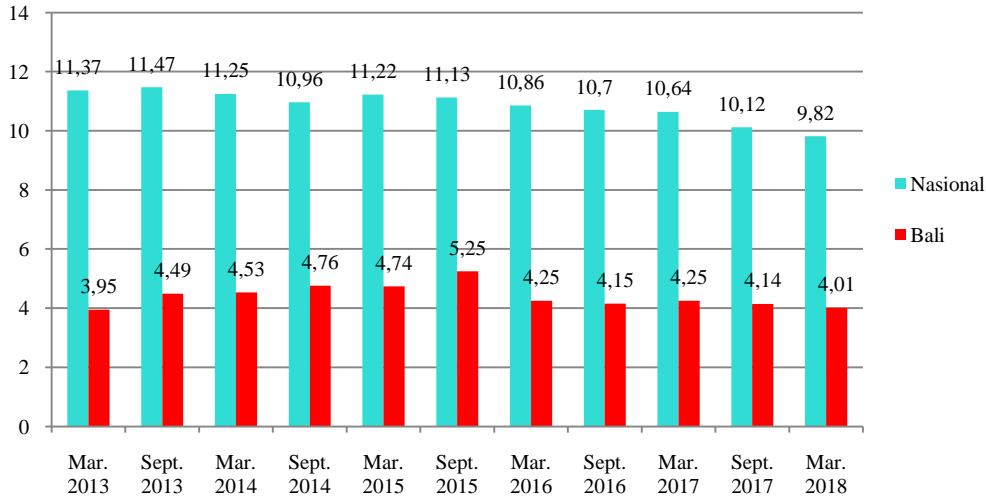


Figure 2 – Percentage of poor people in Bali and the national level, March 2013 to March 2018  
 (Source: Central Bureau of Statistics of Bali Province, 2020)

Every poverty reduction program is an elaboration of the direction of poverty reduction policies. Poverty alleviation programs are grouped into 4 (four) program groups as follows:

- 1) The group of social assistance and protection-based poverty alleviation programs consisting of programs aimed at fulfilling basic rights, reducing the burden of life, and improving the quality of life of the poor;
- 2) Community empowerment-based poverty reduction program groups consisting of programs aimed at developing the potential and strengthening the capacity of poor community groups to be involved in development based on the principles of community empowerment;
- 3) The poverty reduction program group based on the empowerment of micro and small economic enterprises consists of programs aimed at providing access to and economic strengthening for micro and small scale business actors.
- 4) Other programs, either directly or indirectly, can improve economic activity and the welfare of the poor. (Preisdan regulation number 15 of 2010 concerning the acceleration of poverty reduction)

The poverty reduction program group based on social assistance and protection has the characteristics of program activities that fulfill the basic rights of poor individuals and households, which include education, health services, food, sanitation and clean water. The community empowerment-based poverty reduction program group has characteristics:

- 1) Participatory approach based on community needs;
- 2) Strengthening community institutional capacity;
- 3) Implementation of activities by the community in a self-managed and group manner.

The management of the poverty reduction acceleration program group consists of:

- 1) Ministries / government agencies and local governments implementing accelerated poverty reduction programs;
- 2) Community organizations, businesses, and international institutions with a mission to accelerate poverty reduction.

Based on the presidential regulation of the Republic of Indonesia number 13 of 2009 concerning coordination of poverty reduction in principle, poverty reduction policies at the national, provincial and district / city levels are directed at:

- 1) increasing the income of the poor through increasing employment opportunities, increasing work productivity, increasing access to business and employment opportunities and increasing market places.
- 2) reducing the expenditure burden of the poor through assistance to fulfill basic needs such as food, housing and household infrastructure, education assistance, health insurance and other infrastructure that can increase economic activity.

- 3) equitable development between regions as well as rural and urban areas to avoid population accumulation and economic activity and to prevent the creation of pockets of poverty that are concentrated at certain points.

### **Government poverty alleviation program**

Regulation on poverty reduction in the province of Bali, the provincial government of Bali does not yet have a regional regulation on poverty reduction. However, the poverty reduction policies in the province of Bali are contained in: a) Bali provincial regulation number 6 of 2009 concerning the long-term regional development plan (RPJPD) of the province of Bali for 2005-2025. b) Bali provincial regulation number 2 of 2017 concerning amendments to regional regulation number 1 of 2014 concerning the regional medium-term development plan (RPJMD) of the province of Bali for 2013-2018 and c) Governor of Bali Decree number 663/04-a / hk / 2018 , February 1, 2018, regarding the formation and composition of the coordination team for poverty alleviation in the province of Bali, Baliprovinsi also has several programs / superior activities for poverty alleviation in the context of realizing community welfare, including:

First, House Renovation. The house renovation program is one of the poverty reduction programs in the province of Bali. This program aims to realize a livable house as one of the basic needs. This program is aimed at people who meet the criteria, namely that they are included in the rts list, the status of the land they occupy is property rights, and the house they occupy is unfit for habitation. The further criteria for unfit for habitation based on the report of the Bali Province Poverty Reduction Coordination Team (Tkpk), Bapeda Prov. Bali, in 2018, namely:

- 1) building area less than eight m<sup>2</sup>;
- 2) floors of dirt / bamboo / alang-alang or thatch / low quality wood;
- 3) low quality bamboo / thatch / wood walls;
- 4) low quality bamboo / thatch / wood roof;
- 5) cooking with firewood / charcoal;
- 6) non-electric lighting;
- 7) source of drinking river water / rainwater;
- 8) Does not have a bathroom / latrine.

This house renovation program is implemented in two funds. The two funds referred to are funding with APBD and funding with corporate social responsibility (CSR). During the period 2010-2018 the total number of house renovations with APBD reached 12,379 units. The total achievement of the house renovation program through CSR was 1,454 units.

Second, The Bali Mandara Health Insurance Program (JKBM) aims to improve access and quality of health services for the Balinese people. Before the national health insurance program (jkn) was implemented nationally, actually the jkbn program was not only aimed at the poor, but all Balinese people who did not have health insurance. Through JKBM, it is hoped that all Balinese residents will get quality health services and can be carried out at all levels of health service areas from the village and sub-district level (puskesmas) to the central level (Sanglah central public hospital). Funding for this program is carried out jointly through sharing financing by the Bali provincial government and the regency / city governments in Bali. The jkbn program began to expand health services to dialysis patients, mental illnesses and single accident victims in 2014. Starting in 2017 jkbn joined the jkn program. The integrated jkbn with jkn budget is intended to subsidize premiums / contributions and service coverage for 40% of the poor in Bali province. Report of the Bali Province Poverty Reduction Coordination Team (TKPK), Bapeda Prov. Bali, 2018.

Third, Micro And Small Business Empowerment Based Programs:

- a. The Bali provincial plantation office with a program to strengthen the group business capital (PMUK) for plantation commodity.
- b. Office of cooperatives for micro, small and medium enterprises in the province of Bali with a program namely the people's market
- c. Animal Husbandry Service of Bali Province with programs, namely 1). Development of livestock product processing, 2). Supervision and nursery 3). Supervision and

- development of animal feed, 4). Guidance, provision, development of livestock facilities and infrastructure
- d. Manpower and transmigration office of Bali province with a program that is to strengthen capital to send workers abroad
  - e. Bureau of the economy and development of the provincial secretariat of Bali with a program that is funds to strengthen capital at LPD in Bali
  - f. Maritime and fisheries office of Bali province with a program namely rural economic business institutions, in the form of funds to strengthen capital to groups
  - g. Women's empowerment and child protection agency for the province of Bali with a program, namely the p2wkss grant
  - h. The provincial office of industry and trade with the program, namely 1). Food packaging and brand training, 2). Training on design and diversification of blacksmith handicrafts in Tabanan Regency 3). Design training and diversification of bamboo handicrafts, 4). Design training and weaving product diversification, 5). Silk yarn dyeing training 6). Endek weaving yarn dyeing training 7). Training on the development of Sangkar Agung songket weaving crafts, 8). Design training and diversification of wood crafts 9). Decorative pottery finishing training 10). Product packaging design training

### **Other programs to support poverty alleviation**

Department of transportation, information and communication for the province of Bali with programs, namely: increasing the accessibility of provincial roads and the trans sarbagita network (report of the Bali provincial TKPK team, Bappeda Bali, 2018). The poverty reduction programs and activities described above have been implemented in real terms by the provincial government of Bali and are running effectively, which can be seen from the output of activities and subsequently, in fact, in the achievement of macro indicators on reducing the poor population in Bali province.

In connection with the role of the government in every development program that deals with the public interest, Sumodiningrat (1999: 202) emphasizes that: community empowerment programs are designed by the government to solve three main development problems, namely unemployment, inequality, and poverty alleviation. Efforts to alleviate poverty that are recommended according to the community empowerment policy are none other than the policy of providing space, public facilities and opportunities that are conducive to the increasing capacity and possibilities of poor groups of people to solve their own problems and not to suppress and push them to the margins. or to temporary dependency positions, Rondinelli (1990: 91) argues that there are three basic program strategies aimed at helping the poor, namely: 1). Aid is channeled to places where the majority of the poor live, through integrated village development programs or village-oriented service production projects. 2). Assistance is focused on addressing the handicapped standard of living of the poor through basic human needs programs. 3). Assistance is focused on groups with the same socio-economic characteristics that encourage or sustain them to continue to wallow in the cycle of poverty through projects designed for specific communities

### **Study on the effectiveness of poverty reduction**

The implementation of regional government in this autonomy era has the essence that regional governments are given the freedom to choose ways of developing their regions according to the potential of existing natural and human resources by involving as much community participation as possible in accordance with applicable laws (Wiagustini, 2017). The programs for realizing welfare that have been implemented by the government, whether implemented by the central or regional governments, have not been entirely on target. The middle and lower class of society have not fully enjoyed the welfare improvement program implemented by the government. Limited funds, resources, data and information are the main factors for realizing the welfare of the people as a whole. As a manifestation of the government's seriousness in carrying out development programs in the field of public welfare, the government has issued a policy through the Minister of Home Affairs regulation

number 32 of 2011 concerning guidelines for grants and social assistance sourced from regional budgets and expenditure revenues as amended by the ministerial regulation in country number 39 in 2012.

Various government countermeasures programs have been given from year to year but how effective a program can be achieved if the program is right on target, goals are achieved and have a positive impact on the community. Like the research below.

Research on the effectiveness and influence of social assistance on the level of fulfillment of the basic needs of the elderly in Mengwi sub-district, Badung district. The data used in this study are secondary and primary data. Collecting data related to this research is by interview and observation with a sample of 98 respondents. The analysis technique used is the effectiveness analysis technique, Wilcoxon test and McNemar-Bowker test. The results of the analysis show 1) government funding assistance in the form of social assistance for elderly residents in the Mengwi sub-district, Badung Regency, is very effective. 2) the proportion of the use of all social assistance funds is at most in the field of food. 3) there is a difference in the level of fulfillment of basic needs between before and after the provision of social assistance for elderly residents in the Mengwi sub-district, Badung Regency. 4) there is a difference in the degree of health between before and after the provision of social assistance for elderly people in the Mengwi sub-district, Badung district (Pramisita, et al, 2015).

A research by Mahaeni, et al., (2014) found out that the evaluation of poverty alleviation programs in the province of Bali is shown as follows: Overall, the effectiveness of the assistance program in the field of food, especially Raskin assistance, is lower than the effectiveness of the other two assistance, namely in the education and health sectors. . Some of the people receiving Raskin assistance thought that the recipients of this food aid did not comply with the stipulated requirements. This is due to the fact that some regions share the Raskin quota for their district among all citizens, so the amount received by poor families is much lower than the amount that should be received, which is 15 kg / family. 1) targets for assistance in the education and health sectors are in accordance with the requirements, so that the accuracy of targets can be achieved. 2) The benefits felt by recipients of assistance in the field of food, particularly Raskin assistance, can be said to be the lowest. Recipients of assistance in the education sector received the highest benefit compared to other types of assistance. 3) Obstacles in the field when the aid has not been distributed, such as the village meetings (musdes) or village meetings (muskel) is not carried out in a timely manner, so that the data from the center that is received by the regions as the basis for distributing Raskin is not accurate. Another obstacle is that there are regions that distribute Raskin to those who are not entitled or who are not on the list of beneficiaries. In addition, each region has different geographical constraints, so in receiving Raskin assistance, they have to go to a place where they have to spend more transportation costs to get assistance.

Based on the results of research on the effectiveness and impact of the rural independent community empowerment program (PNPM-MPD) on improving the welfare and work opportunities of target households in the Abiansemal sub-district, Badung Regency (Putra, & Budhi, 2021) regarding the level of effectiveness and impact of the national program for independent community empowerment rural areas (PNPM-MPD) on the welfare and job opportunities of target households in the Abiansemal sub-district, Badung regency, can be concluded as follows. 1) the effectiveness level of implementing PNPM Mandiri in rural areas in overcoming poverty in Abiansemal sub-district is classified as very effective at 93.68 percent in terms of three indicators, namely the program planning process 98.94 percent, the program implementation process 92.27 percent, and the supervision and control process. 86.31 percent program. 2) the implementation of PNPM Mandiri in rural areas in the Abiansemal sub-district had a positive and significant impact on the increase in monthly income of target households by Rp. 2,066,000 before the program increased to Rp. 2.691,000, -after the program, the average increase in the respondent's income was Rp. 625,000, - 3) the implementation of PNPM Mandiri in rural areas had a positive and significant impact on the increase in employment opportunities for target households as seen



from the respondent's working hours per day of 5.86 hours before the program increased to 8.29 hours after the program, an average increase of 2.43 hours per day.

The effectiveness of various poverty reduction programs, the problem of poverty is a very complex issue. Many factors play a role in causing poverty. Disadvantages inherent in poor families, limited asset ownership (poor), physical weakness, isolation, vulnerability, and powerless are the various causes why poor families always lack basic fulfillment. life, such as food, clothing, shelter, health, and proper education for their children. The lack of conditions of the poor causes them to be unable to carry out their social functions. In addition, the culture of poverty which is still thick in society with a culture of helping can, on the one hand, be positive, but on the other hand it can also obscure the true meaning of poverty. People who are actually very poor feel less poor because of the social assistance around them. The condition of poverty is also exacerbated by the social obligations borne by poor families, such as the obligation to contribute. This situation causes various poverty reduction and rural development programs to face obstacles in their implementation (Umi Listyaningsih, 2004).

According to Chambers (1998) in Suyanto (2013), poverty is an integrated concept which has five dimensions, including: 1) poverty (proper). The problem of poverty, as in its initial view, is a condition of the inability of income to meet basic needs. 2) powerless. In general, low income ability will have an impact on the social power of a person or group of people, especially in obtaining justice or equal rights to get a decent living for humanity. 3) Vulnerability to face an emergency situation (state of emergency). A person or group of people who are called poor does not have the ability to face unexpected situations, where this situation requires an allocation of income to solve it. 4) dependency. The limited income capacity or social strength of a person or group of people who are called poor causes a very high level of dependence on other parties. They do not have the ability or power to create solutions or solve problems especially those related to new income generation. Assistance from other parties is needed to overcome problems, especially those related to the need for sources of income. 5) isolation. The dimension of alienation as intended by chambers is the location factor that causes a person or group of people to become poor. In general, these so-called poor people are located in areas far from the centers of economic growth. This is because most of the welfare facilities are more concentrated in centers of economic growth such as in cities or big cities. People who live in remote areas or which are difficult to reach by welfare facilities have a relatively low standard of living so that this condition is the cause of poverty. From some of the opinions of experts on poverty described above, an understanding can be drawn, namely the problems and problems of poverty in fact always have a relationship with the effectiveness of government funding and powerlessness.

### **Achievement of poverty reduction in the province of Bali**

Effectiveness is the achievement of real performance with planned performance. However, comparisons with other local governments or with national and international standards will be attempted, this is constrained by the limited data they have. In the evaluation, it describes the things that support success and the factors that cause failure (obstacles), as well as corrective steps (problem-solving solutions) that will be carried out for future improvements. Activity efficiency is the ability of an activity to use fewer inputs but can produce the same output, or the same input can produce a larger output. The focus of attention in measuring efficiency is the input and output indicators of an activity. The efficiency achievement figure is obtained by comparing the output achievement with the input performance. An overview of the achievement of macro indicators is the result of the performance of all development actors, can be seen in the following table. The macro indicators for 2019 all development policies contained in the objectives of the mission and development priorities for 2019 are directed at achieving the macro indicator targets for the province of Bali in 2019 according to table 3.

The poverty reduction budget needs to be evaluated against the allocation and management of public expenditure budgets in the field of basic services that need to be evaluated every time. The suitability of budget allocations will ensure the implementation of programs / activities for effective and efficient poverty reduction. These fields are a). The

health sector, the health function budget for the province of Bali for the years 2015 to 2017 tends to increase. The health function budget in 2015 amounted to 364.50 billion rupiah, increasing to 380.32 billion rupiah in 2017.

Table 3 – Macro indicators are measured from the rate of economic growth, inflation, the poor, poverty and IPM levels from 2015 to 2019

No	Macro Indicators	2015	2016	2017	2018	2019
1	Economic growth rate(%)	6,03	6,32	5,57	6,35	5,63
2	Inflation (%)	2,75	3,18	3,32	3,13	1,57
3	People below poverty	196,71	178,18	176,48	171,76	163,85
4	Rate of people below poverty (%)	4.74	4.25	4.25	4.01	3,79
5	Human Development Index	73,27	73,65	74,3	74,46	74,77
6	Unemployment rate. (%)	1,99	1,89	1,48	1,37	1,52
7	Per capita regional income ( in million rupiah )	42,48	46,21	50,17	54,47	58,24

Source: Central Bureau of Statistics of Bali Province, 2020

### Analysis of Bali provincial spending on poverty reduction

The period from 2015 to 2017 there was an increase in the health budget which had an impact on improving the achievement of health indicators at that time, namely indicators of infant mortality. under-five mortality rate and maternal mortality rate while b). The education sector budget for the education function of the province of Bali has increased over the last three years (2015-2017). The education function budget in 2015 amounted to 1,114.23 billion rupiah, increasing sharply to 1,779.38 billion rupiah in 2017. The budget allocation for education in the province of Bali has increased from time to time. An increase in the education sector budget does not directly affect the increase in the performance of indicators in the education sector in general. On the gross enrollment rate indicator (APK), the increase in the budget seems to be correlated with the achievements at the junior high school and senior high school level. Meanwhile, APK at the elementary level tends to decline. C) in the infrastructure sector, namely the budget allocation for basic infrastructure which tends to decline from 2015 to 2017. The budget for basic infrastructure functions in 2015 amounted to 980.87 billion rupiah, decreasing to 360.02 billion rupiah in 2017. The trend of decreasing infrastructure budget allocation basic is inversely proportional to the achievement of indicators in the infrastructure sector. The achievements of basic infrastructure indicators include: the proportion of households with proper sanitation, the proportion of households with proper drinking water and the proportion of households with access to electricity, and the achievement in this period has actually increased over the last three years.

Table 4 – Analysis of the effectiveness of the budget for basic service functions on the achievement of indicators according to the basic service sector in 2015-2017 in the province of Bali

No	Basic service area	Year		
		2015	2016	2017
A	Analysis of the effectiveness of the health function expenditure budget on health sector achievements in 2015-2017 in Bali province			
	Health function budget (billion rupiah)	364,5	365,27	380,32
	Infant mortality rate (per 1,000kh)	5,7	6,01	4,83
	Number of mothers giving birth (per 1,00,000kh)	83,41	78,72	68,6
	Under-five mortality rate (1000kh)	6,35	6,99	5,82
B	Analysis of the effectiveness of the education function budget on the achievements of the education sector in 2015-2017 in the province of Bali			
	Education function budget (billion rupiah)	1114,23	1147,94	1779,38
	Elementary (%)	105	104,97	104,35
	Junior high school (%)	96,82	96,19	96,29
	Senior high school(%)	86,61	86,41	90,04
C	Analysis of the effectiveness of the budget for basic infrastructure functions on the achievements of the infrastructure sector in 2015-2017 in the province of Bali			
	Infrastructure function budget (billion rupiah)	980,87	504,9	360,02
	Proportion of households with proper sanitation (%)	105	104,97	104,35
	Proportion of households with safe drinking water (%)	96,82	96,19	96,29
	Proportion of households with access to electricity (%)	86,61	86,41	90,04

Source: Bali Provincial Development Planning Agency, 2020.

The effectiveness analysis shows that the efforts of the Bali provincial government in reducing the number of poor people have been quite effective, the relevance analysis shows that the number of poor people in the province of Bali during the 2016 to 2017 period has not been in line with the national trend.

The results of the calculation of life expectancy in the province of Bali in 2013 were 70.4 years when compared to the national one, there was a slight difference, namely 1.1 years, when viewed from the development trend there was a tendency to increase both in Bali and nationally. Based on the speed of development of life expectancy, from 2013 to 2017 the increase in life expectancy in Bali reached 1.45 percent or an annual increase of 0.16 per year. With such speed it means that it takes a relatively long time for the Balinese people to reach the ideal life expectancy, which is 85 years.

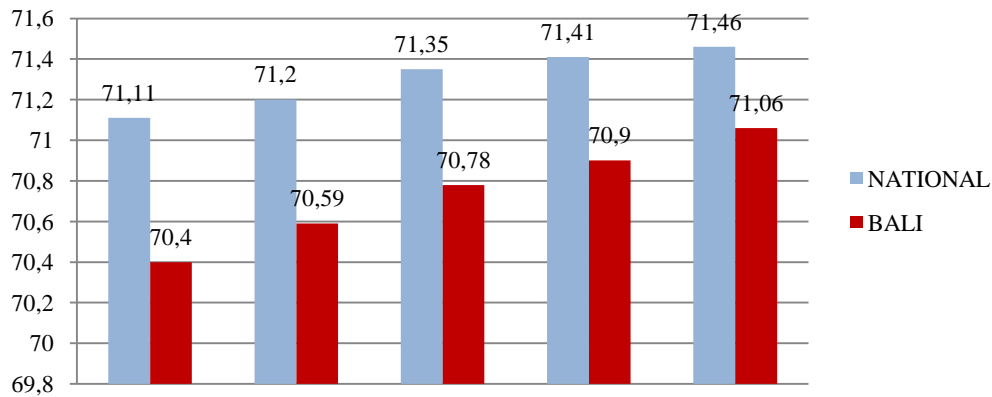


Figure 3 – Life expectancy (ahh) Bali and national 2013 to 2017 (Source: Central Bureau of Statistics of Bali Province, 2020)

Based on Figure 4, in general the life expectancy of Balinese people is relatively bad when compared to the national life expectancy because the life expectancy of Balinese people is still below the average life expectancy at the national level.

IPM is built through a basic three-dimensional approach. These dimensions include long life and health; knowledge and a decent life. These three dimensions have a very broad meaning because they are related to many factors. Measuring the dimensions of health used life expectancy. Furthermore, to measure the dimensions of knowledge, a combination of indicators of literacy rates and average length of schooling is used. As for measuring the dimensions of proper living, purchasing power indicators are used. For more details, the Bali and National IPM are presented in Figure 4.

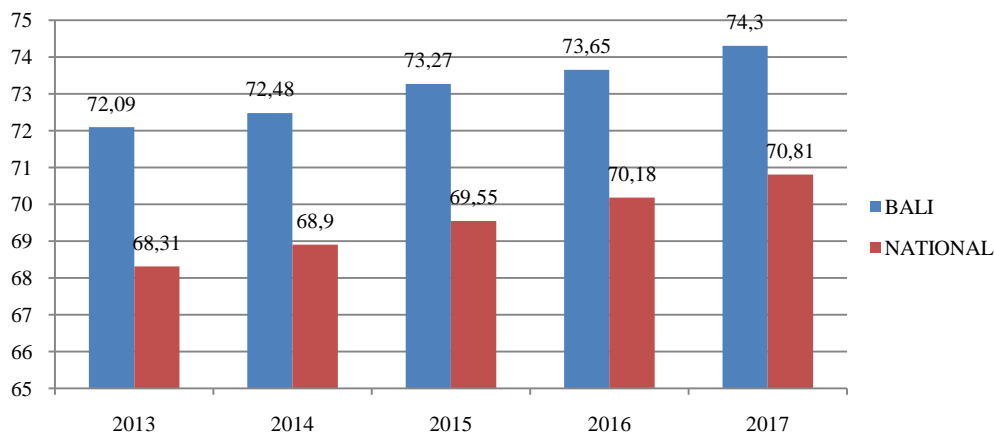


Figure 4 – Bali and National Human Development Index (IPM) 2013 to 2017 (Source: Central Bureau of Statistics of Bali Province, 2020)

According to Figure 4 above, the Bali Human Development Index (IPM) from 2013 to 2017 also experienced a fluctuation, however, IPM Bali was above the national IPM. Human development in Bali is already good, but it still needs to be improved so that the high human development category is achieved. Furthermore, if you look closely, it can be seen that from 2013-2017, the IPM value of Bali province always moved in a positive direction. In early 2013, IPM Bali was recorded at 72.09. This value continues to increase every year, reaching 74.3 in 2018. This shows that the quality of development in the province of Bali is increasing in line with the improving economic conditions in Bali.

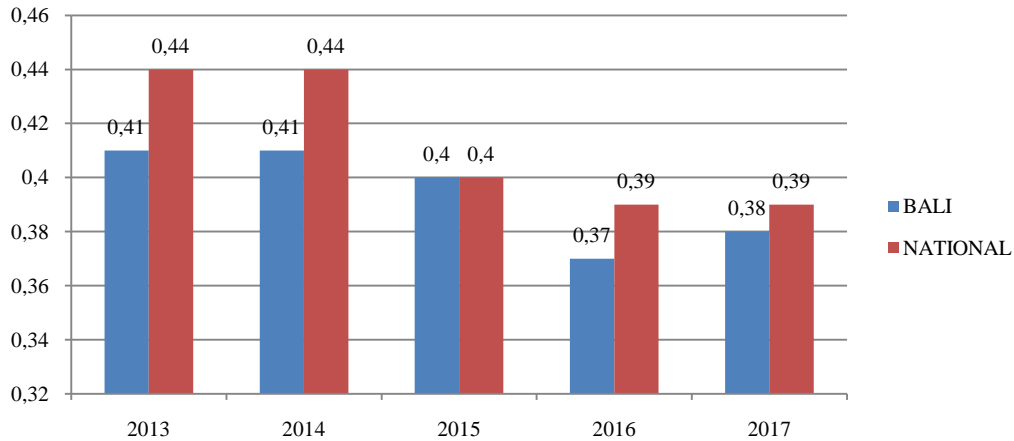


Figure 5 – Bali and National Gini Ratio Index 2013 to 2017 (Source: Central Bureau of Statistics of Bali Province, 2020)

It can be seen that the development of the Gini ratio trend during 2013 - 2017 ranged from 0.39 - 0.44 for the national level, including low and moderate inequality, while for Bali it ranged from 0.37 - 0.41, including low and low inequality. moderate. In the last two years (2016 and 2017) the level of inequality was in the low category, both national and Balinese, as a whole the trend of inequality for Bali was more even than national. In general, the growth trend of GDP per capita, both national and regional, tends to increase from year to year, this means that the level of community prosperity is increasing, but the growth in Bali is still below the national level. In 2016 - 2017 the difference in the growth of GDP per capita from the Bali region to the national one was getting smaller or one digit.

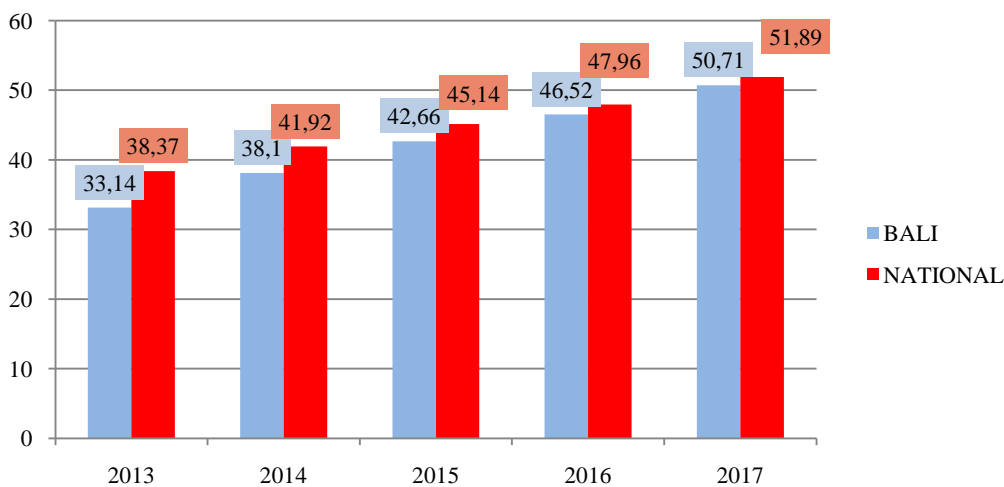


Figure 6 – Bali and national GDP per capita growth 2013 to 2017 (million per year) (Source: Central Bureau of Statistics of Bali Province, 2020)

### Open Unemployment Rate

Open unemployment is a situation where people are completely unemployed and are trying to find work. Open unemployment can be caused by unavailability of employment, mismatch between job opportunities and educational background and unwillingness to work. To calculate how much the open unemployment rate can be used the following formula: open unemployment rate = number of open unemployment / labor force x 100%.

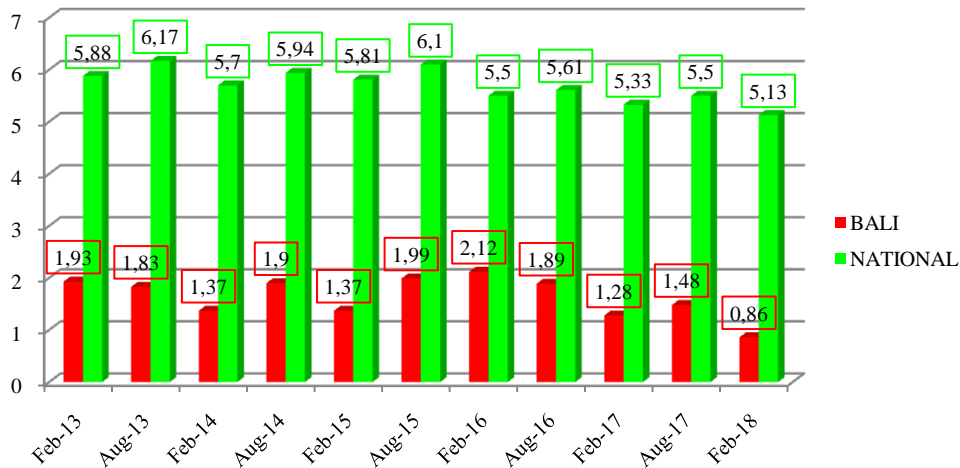


Figure 7 – Percentage of open unemployment rate (tpt) bali and national from 2013 to 2018  
 (Source: Central Bureau of Statistics of Bali Province, 2020)

In general, the trend of unemployment both nationally and in the Bali region tends to fluctuate, which is caused by many factors, one of which is that the national economy is not yet stable. Nationally, the highest open unemployment rate occurred in August 2013, while for the Bali area the highest was in February 2016, while the lowest was for the Bali area in February 2018, this means that the Balinese economy has experienced a recovery, especially in the tourism sector.

### CONCLUSION

The conclusion of this study is the effectiveness level of government funding in general in reducing poverty in the effective category according to the output of activities and the achievement of the poverty level, but guidance and supervision need to be improved. It is hoped that the distribution of government aid funds will be right on target for people in need and the program of activities provided can be coordinated between the government and the private sector, especially the regional apparatus in charge. Suggestions that can be given are government funding assistance provided in the form of grants of money and goods to suit the poverty conditions of the community in an area and involve coordination between regional officials to direct and supervise the use of these funds. The mechanism for submission, selection, determination, accountability reports including requirements, administrative consequences and supervision is expected to be electronically so that the provision of government funds can be transparent and accountable.

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