

Poverty Reduction Policy Model of Denpasar City Government

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Abstract. This research is entitled Denpasar City Government Poverty Reduction Policy Model which aims; (1) to map the results of the analysis of the Denpasar City Government's Poverty Reduction Policy, (2) to develop a projected poverty alleviation policy model in the future (2021-2025). This research applied qualitative approach by making a systematic, accurate and factual description of the Poverty Reduction Policy in the Denpasar City Government. The data were analyzed using A Nine-Step Process for Analyzing Qualitative Data (McNabb, 2002). The results of the study found that (1) institutional aspects, program aspects and funding aspects of poverty reduction program policies in the Denpasar City Government as a result of an analysis of poverty reduction policies (retrospective). From the institutional aspect, Poverty Reduction Policies are implemented based on nationally centralized institutions (top down) while from the aspect of poverty reduction policy programs, they are grouped into three poverty reduction programs based on social assistance and protection, poverty reduction programs based on community empowerment, and poverty reduction programs based on the empowerment of micro and small economic enterprises. From the aspect of funding allocation, only about 17% or six Regional Apparatus Organizations (OPD) allocate funds for poverty reduction programs. This study also carried out (2) a projected (prospective) model of Denpasar poverty reduction policy recommendations for the next four years (2021-2025).

Keywords: Policy Analysis, Public Policy, Poverty Reduction

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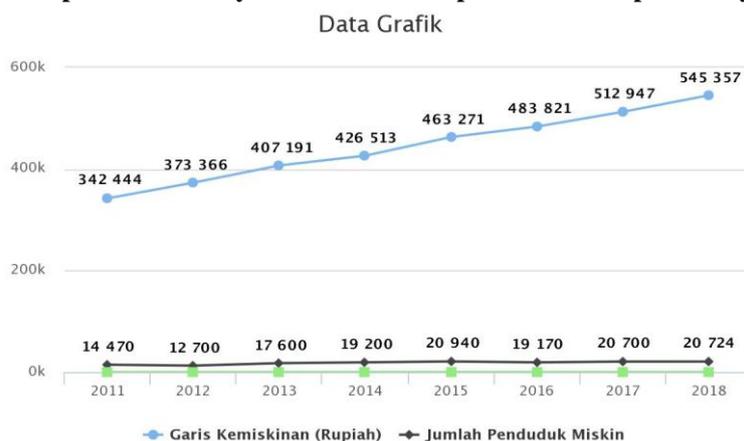
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I. Introduction

Poverty in Indonesia has existed long before Independence Day. Hunger, poverty, lack of access to education and health have led to poverty during the colonial era. Poverty is one of the fundamental problems that is the center of government attention wherever and whenever (Central Bureau of Statistics, 2012).

Poverty has become a sustainable population problem both nationally and regionally. So that poverty alleviation requires appropriate and sustainable strategies. Denpasar City is the capital city of Bali Province where the population is more than other districts. In managing areas with a larger population, a strategy is needed to make policies that are more effective and efficient, so that these policies, especially in tackling the problem of poverty, can be carried out on target.

Graph no 1. Poverty Line and Poor Population in Denpasar City



Source: BPS, Denpasar City in 2019 Figures

This graph shows that every year the percentage of poor people and the poverty line in Denpasar City is increasing. This shows that there is a need for appropriate policy-making strategies in tackling poverty problems in Denpasar City (Statistics, Denpasar in Figures 2019, 2019)

Based on this, the Denpasar City government needs to have a policy plan that is expected to synergize all poverty reduction programs (pronangkis) within the Denpasar City Government so that later it can become a reference and solution in tackling poverty. This study focuses on a retrospective study, namely to see what has been done regarding poverty reduction efforts. Retrospective studies or analysis of policies that have been carried out are very important in determining future policies. Therefore, this research prospectively develops alternative models that are expected to be policy recommendations in efforts to reduce poverty in the future.

Previous research from Erna Haryanti Koestedjo, entitled "Regional Poverty Reduction Strategy for Gresik Regency" (Scientific Journal of Sosio Agribis 2018) revealed that the poverty reduction strategy of Gresik Regency has considered efforts to (1) reduce the burden of spending on the poor; (2) increase the ability and income of the poor; (3) develop and ensure the sustainability of micro and small businesses; (4) developing community empowerment program innovations in the context of poverty alleviation; (5) strengthening of poverty reduction institutions in order to realize the synergy of poverty reduction policies and programs. The important thing from this research is that it provides an indication of the existence of a determinant of poverty that is useful for comparison with the factors that affect poverty in the research location. However, in terms of substance, the research conducted by Erna Haryanti Koestedjo is different from the author's research, which in this study conducts a retrospective study as the basis for developing a model for future preventive policy recommendations.

Poverty alleviation that has been running so far is inseparable from the three aspects consisting of institutional aspects, program aspects and funding aspects. These three aspects were analyzed as the main part of the retrospective analysis. Starting from the description above, this study tries to further examine poverty reduction policies based on aspects of policy implementing institutions, aspects of programs that have been carried out so far and aspects of funding for poverty reduction programs. Based on the policy analysis of the three aspects, then a model of poverty reduction policy recommendations (prospective) is built.

II. Literature Review

Public policy analysis

Policy analysis is the process or activity of synthesizing information, including research results, to produce recommendations for public policy design options (Hogwood, B.W. and L.A. Gunn. 1988.) . In the context of this policy analysis, what is meant is public policy as a product of the government to regulate all people's lives. Public policy is a government decision about what the government does or does not do. There are four stages of public policy, namely formulation, implementation, evaluation, and outcome. Meanwhile, part of the stages in order to get an efficient and effective impact for policy improvement requires analytical activities.

William N. Dunn explained that etymologically, the term policy (policy) comes from Greek, Sanskrit, and Latin. The Greek and Sanskrit roots polis (city-state), and pur (city) were developed in Latin into politia (state), and finally in English policie, which means dealing with public affairs or government administration. (Dunn, 2003 pp. 51-52).

James E. Anderson said "Public policies are those policies developed by governmental bodies and officials" (Anderson, 1976 p. 3). According to Anderson, the implications of the notion of public policy are explained that public policy has a purpose, the pattern of official action, public policy is not in the form of intent

but in the form of action, public policy is always guided by the laws and regulations. Carl J. Friedrich defines policy as:

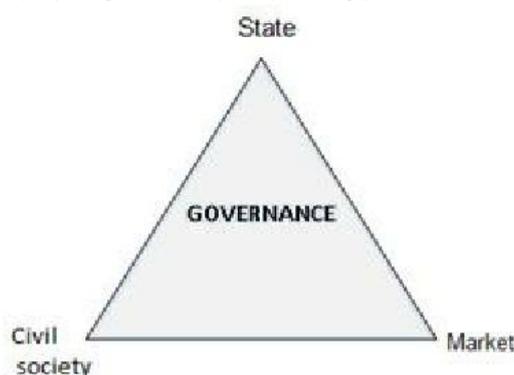
“A proposed course of action of person, group, or government within a given environment providing obstacles and opportunities which the policy was proposed to utilize and overcome in an effort to reach a goal or realize an objective or purpose.”(Friedrick, 1963, p.79).

Based on the description above, it means that the government must have a reliable ability to respond to, and overcome existing problems by paying attention to the resources they have and receiving input from a person/group, so that there is the best solution, and produced through an open process, and transparent.

A public policy cannot be separated from the institutional aspect as a policy actor. Therefore, institutional analysis is very important to produce knowledge related to the policy-making process and policy analysis (Helgetun, 2020). Howlett & Ramesh (2003) added that new institutionalism aims to explain the relationship between actors and institutions in the policy subsystem which is the main focus in the study of public policy.

Regarding the relationship between actors and institutions, if the emphasis is on the interaction between them, we will arrive at the concept of interactive governance. responsibility of the state, market and civil society together – in various combinations of interactions between actors and institutions within and between them (Kooiman 1993, 2003).

Picture no 1. General Form of the Governance Triangle



The interactive governance perspective results from the assumption that society is governed by a combination of governance efforts (Kooiman 2003). These governance efforts serve as "answers" to the growing diversity of social problems, dynamics and complexity, and responses to major social issues such as poverty and climate change. Interactive Governance is defined as all interactions that are used to solve social problems and to create community opportunities, including the formulation and application of the principles that direct these interactions and pay attention to the institutions that are active (involved) and control them.

Theoretically, the interactive perspective on governance proposes that society is formed from a large number of governance actors, who have limited limitations or the ability to act based on structure. An actor, in this perspective, is any social unit that has the institution or power/ability to take action. This includes individuals, associations, leaders, companies, departments and international bodies. Structure refers to the framework within which actors operate; this limits or expands their action potential, and must therefore be taken into account. Related to interactive governance is the concept of Public Policy Governance, which describes how policy elites and networks interact to create and regulate the public policy process.

The concept of poverty

Poverty is a social problem that has existed since the beginning of human civilization. Poverty is a complex phenomenon and has its roots in various sectors and conditions. According to BPS (2020) poverty is defined as the inability to meet the minimum standard of basic needs in life which includes food and non-food needs. As a multidimensional problem, conditions that can be categorized as poverty can change according to the background of social, political, economic life, as well as the environmental conditions of the community itself.

Experts agree that poverty is a complex multi-dimensional problem, therefore poverty reduction programs must be integrated and not overlapping. The World Bank (1990) defines the poor as those who have an income below \$1.9 per day. This nominal is also known as the International Poverty Line (IPL) or the International Poverty Line (World Bank, 1990). In 2018, the World Bank updated the definition of poverty which now includes more than monetary poverty. It is agreed that poverty is a multi-dimensional phenomenon that is not only measured by income but also other welfare supporting factors such as education, access to basic

utilities, health, and security (World Bank, 2018). This definition also changes the view that previously assumed that poverty alleviation should be done through development in the economic field alone. Instead, investments should be made in various fields to improve the overall Human Development Index (HDI) which includes consumption, education, and improvement of basic infrastructure.

III. Method

This research applied a qualitative approach, which is a tradition in the social sciences that fundamentally relies on direct observation of humans in their real life environment and emphasizes the socially constructed nature of reality, involving a close relationship between the researcher and the subject being studied while trying to find answers. on questions that highlight the way in which social experience emerges as well as the acquisition of its meaning (Denzin and Yvona, 1997: 8).

According to Prastowo (2011), the qualitative method is a systematic research method used to examine or examine an object in a natural setting without any manipulation in it and without any hypothesis testing, with a natural method method where the research results are not generalizations based on the size of the quantity but in the form of meaning (in terms of quality) of the observed phenomena. Starting from the above understanding, through this research, poverty reduction policies will be analyzed from the aspects of implementing institutions, program aspects and funding aspects of poverty reduction policies. Based on the policy analysis, an alternative model of poverty reduction that is projective in the future can be drawn up.

The subjects of this research are parties who are institutionally responsible and competent to be involved in poverty alleviation problems in the Denpasar city government. The key informant is the Head of the Denpasar City Regional Development Planning Agency. Other informants are the Head of Planning, Control and Evaluation with 3 heads of related sub-sectors such as the Head of the Planning and Funding Sub-Sector, the Head of the Control and Evaluation Sub-Sector and the Head of the Data and Reporting Sub-Sector. Sub-Sector of People's Welfare Development. Data collection techniques used in this study were through observation, interviews and documentation. Data were analyzed using 9 (Nine) steps of the Qualitative Data Analysis Process (A Nine-Step Process for Analyzing Qualitative Data) from McNabb (2002, p.371) and modeling by exploring models in interactive governance.

IV. Results and Discussion

Institutional aspect

From the institutional aspect, it can be seen that the problem of poverty alleviation is managed by a working team in a centralized manner. At the National Government Center, the National Team for the Acceleration of Poverty Reduction, abbreviated as TNP2K, was formed, which is a cross-sectoral and cross-stakeholder team at the central level to accelerate poverty reduction. The legal basis for TNP2K is Government Regulation No. 15/2010 whose membership is regulated in accordance with Presidential Regulation No. 96 of 2015. Furthermore, at the provincial level a Provincial Poverty Reduction Coordination Team was formed which is a cross-sector and cross-stakeholder coordination forum for poverty reduction at the provincial level. The Regency/City Poverty Reduction Coordination Team is a cross-sectoral and cross-stakeholder coordination forum for poverty reduction at the district/city level.

Coordination of poverty reduction includes synchronization, harmonization, and integration of poverty reduction policies and programs, as well as coordination of controlling the implementation of poverty reduction programs carried out by the National Poverty Reduction Coordination Team, Provincial Poverty Reduction Coordination Team, and Regency/City Poverty Reduction Coordination Teams. It can be said that in the Denpasar City government, the problem of poverty alleviation is not initiated and carried out directly by the Regional Apparatus Organization (OPD) under the direction of the Mayor, but is coordinated and regulated centrally.

Program aspect

Regional Poverty Reduction Plan, hereinafter abbreviated as RPKD, is a regional development policy plan in the field of poverty reduction for a period of 5 (five) years. Annual Action Plan is a regional development work plan in the field of poverty reduction for a period of 1 (one) year. The direction of national poverty reduction policies is guided by the Long Term Development Plan. The direction of regional poverty reduction policies is guided by the Regional Long-Term Development Plan. Each poverty reduction program is an elaboration of the direction of poverty reduction policies. This finding shows that the poverty reduction program is structured in stages and adjusted to the period of the policy action. Poverty reduction programs are grouped into three program groups, which are as follows:

First, poverty reduction programs based on social assistance and protection which consist of programs aimed at fulfilling basic rights, reducing the burden of life, and improving the quality of life of the poor; This

program has the characteristics of program activities that fulfill the main basic rights of poor individuals and households which include education, health services, food, sanitation, and clean water.

Second, poverty reduction programs based on community empowerment are programs that aim to develop the potential and strengthen the capacity of poor community groups to be involved in development based on the principles of community empowerment. This program has the following characteristics:

- a. a participatory approach based on community needs;
- b. strengthening community institutional capacity;
- c. implementation of activities by the community independently and in groups

Third, poverty alleviation programs based on the empowerment of micro and small economic enterprises are aimed at providing access and strengthening the economy for micro and small-scale business actors. This program has the following characteristics:

- a. providing capital assistance or financing on a micro scale;
- b. strengthening business independence and access to markets;
- c. improving skills and business management.

Implementation in the field of poverty reduction programs is generally through a top-down mechanism (top-down). The weakness of this mechanism is that it does not involve community participation. All poverty reduction program initiatives come from the government (central), as well as its handling. Implementation instructions and technical guidelines for program implementation are always made uniform regardless of the characteristics of the poor in each region. As a result, the programs provided are often not correlated with the priorities and needs of the local poor. With these considerations in mind, a comprehensive effort accompanied by empowerment of the poor is one of the main principles in the poverty reduction strategy.

Funding allocation aspect

To accurately determine the poverty reduction program, this study explores and develops an analysis based on the allocation of the Regional Revenue and Expenditure Budget (APBD). In Table 1 of the Regional Apparatus Program in Poverty Alleviation, it can be seen that the Denpasar City Government has implemented several policies aimed at alleviating poverty. Based on the APBD allocation, it is known that several OPDs in the Denpasar City Government have programs that are relevant to poverty alleviation. The Denpasar City Education and Youth and Sports Office has two programs that have an impact on poverty alleviation, namely the Nine-Year Basic Education Compulsory Education Program, the Education Service Management Program. Where the outcomes of these two programs are an increase in the number of children who complete nine years of compulsory education and the percentage of availability of smart home facilities and infrastructure. These two programs are said to have an impact on poverty alleviation because the increasing number of children who complete the nine-year compulsory education, further increases the chance of getting a better job, which in turn can have an impact on improving the quality of life. While the Denpasar City Health Office has a service program for the poor with the outcome of the percentage of poor people with cataracts who have cataract surgery. The Office of Manpower and Competency Certification with its program to improve the quality and productivity of the workforce whose outcome is the distribution of workers who take part in the training. This program is said to have an impact because an increase in the quality and productivity of a person will make it easier for that person to get a job. The Office of Cooperatives for Micro, Small and Medium Enterprises which has an entrepreneurship development program and competitive advantage for small and medium enterprises. With the increase in the level of community effort, the government expects the community to gain increased productivity.

Table no 1. Poverty Reduction Programs Based on APBD Allocations

No.	Program	OPD Executors
1	Nine Years Compulsory Basic Education Program Education Service Management Program	Department of Education, Youth, and Sports
2	Service program for the poor	Department of Public Health
3	Housing development program Healthy residential environment program	Department of Housing, Settlement Areas, and Land
4	Empowerment program for the poor, remote indigenous communities (KAT) and other social welfare problems (PMKS) Social welfare service and rehabilitation program	Department of Social Services
5	Workforce quality and productivity improvement program	Department of Manpower and Competency Certification
6	Entrepreneurship development program and competitive advantage of small and medium enterprises	Office of Cooperatives for Micro, Small and Medium Enterprises

Source: Extracted from the Analysis of APBD Allocation for Poverty Reduction
Poverty Reduction Policy Model

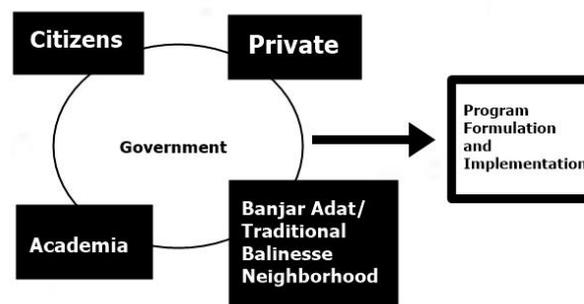
The Regional Poverty Reduction Policy is a regional development policy plan in the field of poverty reduction for a period of five years which is then translated into an Annual Action Plan. It includes a poverty alleviation program. Poverty reduction programs are grouped into three, namely Social Assistance and Protection-Based Poverty Reduction Program; Poverty Reduction Program Based on Social Assistance and Protection, and Community Empowerment-Based Poverty Reduction Program.

Management of poverty reduction policies is carried out through centralized hierarchical organization, working as a team. At the district/city level, from the institutional aspect, a District/City Poverty Reduction Coordination Team is formed which is a cross-sectoral and cross-stakeholder coordination forum for poverty reduction at the district/city level.

From the funding aspect, especially the APBD allocation for poverty reduction programs, only 17% or only six Regional Apparatus Organizations (OPD) out of 34 OPD allocate budgets for poverty reduction.

The analysis of the factual conditions above opens the recommended model development option by adding several aspects from government elements that need to be considered, such as: more OPDs are prioritizing their budget allocations for prevention, there is a need for synergy between OPD programs in the Denpasar City Government's integrated pronangkis program. Meanwhile, from another aspect is the need for policy formulation to produce an effective poverty alleviation program. In the realm of policy formulation, it is important to pay attention to the involvement of stakeholders to be able to jointly provide input related to solving the poverty problem. Several stakeholders that need to be involved are from universities, as well as building participation from the private sector. One thing that needs to be considered in this recommended model is the involvement of customary institutions/*Banjar Adat*, which are aware of the poverty conditions of the residents in their area. With the existence of customary institutions in governance interactions in formulating poverty reduction policies, accurate and useful information can be obtained from these traditional communities. This poverty reduction policy recommendation model can be simplified into a model as follows:

Picture no 2. Policy Model Recommendation



This recommended model is in line with what was stated by Koiman (2003) which states that society is governed by a combination of governance efforts. These governance efforts serve as "answers" to various social problems, dynamics and complexities, and as responses to major social issues such as poverty and climate change. All interactions that are used to solve social problems and to create community opportunities, including the formulation and application of the principles that guide these interactions, with attention to the institutions that are active (involved) and control them.

Poverty reduction efforts are activities carried out by the government, local governments, the business world, and the community to improve the welfare of the poor through various programs, which from the moment of policy formulation to determining the program programs should involve various stake holders according to the concept of interactive governance.

Poverty Reduction Policies in the regions are collaborative actions involving the central government, regional governments, the business world, and the community to improve the welfare of the poor. Poverty reduction is basically cross-sectoral and cross-stakeholder. Therefore, the effectiveness of poverty reduction will be greatly influenced by the quality of cross-sectoral and cross-stakeholder coordination in planning and implementing policies and programs in it.

V. Conclusions and Suggestions

To sum up, aspects of regional poverty reduction institutions are managed by the Poverty Alleviation Coordination Team (TKPK Regency/City) as a vehicle for cross-sectoral and cross-stakeholder coordination for poverty reduction at the district/city level. From the program aspect, poverty reduction is grouped into 3 (three) namely first; the second social assistance and protection-based poverty reduction program; Poverty Reduction Program Based on Social Assistance and Protection, and the third is a community empowerment based poverty reduction program. Meanwhile, from the aspect of funding allocation, 6 Regional Apparatus Organizations

(OPD) have allocated APBD funds for poverty reduction programs. Of the 3 policy aspects, the institutional aspect is centralized, in the form of a coordinating work team. Meanwhile, in the program aspect, the policy statement of the program is good, but it still needs to be investigated further on the achievement of the target considering that the poverty rate in the location tends to increase. In the aspect of funding allocation, the number of OPDs that allocate programs to reduce regional poverty is still relatively small.

The Poverty Reduction Recommendation Model is proposed by emphasizing the importance of interactive governance which is built from the policy formulation process, and then during its implementation. In the proposed model, the participation of involved stakeholders such as civil society, universities, the private sector and traditional institutions/banjars is involved in the formulation of policies/programs so as to enable a wider variety of information relevant to poverty alleviation to be jointly reviewed, then formulated. The involvement of traditional institutions/banjar adat in this model is very specific because in the area of Bali, especially the existence of these traditional institutions is attached as an inseparable part of the life of the Balinese people,

Finally, there are some suggestions that can be carried out from this research. First of all, on the institutional aspect, it is necessary to decentralize poverty reduction policies to regions by taking into account the financial capacity of the regions concerned. Moreover, poverty reduction policy programs should be prepared by involving all stake holders including traditional Balinese institutions Also, in the future, more Regional Apparatus Organizations (OPD) need to synergize to allocate funds for poverty reduction programs Last but not least, it is necessary to compare the *Pronangkis* policy models to develop a more comprehensive model.

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