

**Implementation of the Subsidized Rice Program for the
Poor (RASKIN) in South Konawe District, Indonesia**

(インドネシア南コナウェ県における貧困層向け
補助米プログラム (Raskin) の実施に関する研究)

専攻 国際開発政策専攻

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List of Terms and Abbreviations

BKKBN	National Family Planning Coordinating Board
<i>Bulog</i>	State Logistic Agency
DP	Distribution Point
KPS	Pre-prosperous Family
KS1	Prosperous Family Level 1
NGO	Nongovernmental Organization
OPK	Special Market Operation
SUSENAS	National Socio-Economy Survey
THH	Targeted HH of RASKIN

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ABSTRACT

This paper studies the implementation of the subsidized rice program for the poor (RASKIN) in South Konawe District, Indonesia. This study has three objectives: investigate the workflow of RASKIN program implementation; identify problems encountered by administrators of the RASKIN program and recipient villages in South Konawe; and investigate the role of administration in supporting the RASKIN program and resolving those problems.

This paper uses qualitative method. Data collection and interviews were conducted between August 29 and September 15, 2010. Interviews were conducted with 17 village heads, the Head of the Economic Division of the South Konawe Local Administration, the Head of the Southeast Sulawesi *Bulog*, and the RASKIN program Secretary of the Southeast Sulawesi *Bulog*.

The research results show that some proportions of RASKIN rice were received by non-poor households (HHs). In 17 villages surveyed, 3,134 (92.07%) of the HHs received program benefits, but the government had stipulated that only 1,475 targeted HHs (i.e., 43.33% of all HHs) were to receive such benefits. This problem occurred for two reasons. One was the inaccuracy of HH data held by Indonesia's Central Bureau of Statistics (CBS), in which the number of poor village HHs was larger than the CBS's number of targeted HHs (THHs). Another reason was that villagers preferred to distribute RASKIN rice to all HHs, because their culture subscribes to a traditional egalitarian principle. Village heads thus distributed RASKIN rice to almost all the villagers, through a village meeting (*Mudes*); this move influenced the price, quantity, and frequency of RASKIN rice deliveries received by beneficiaries. The village-level RASKIN prices varied and exceeded the price fixed by the government. The quantity of rice and the frequency of distribution each varied by village. Many villagers received rice in a quantity smaller than that of the fixed quantity, and it varied among villagers. Village beneficiaries received rice once every two or three months.

The commitment of local government in supporting the RASKIN program and thus mitigate poverty issues was very low. Local administration could not disseminate reliable information concerning the program, creating very serious problems vis-à-vis accurate identification and targeting of the poor. Additionally, it was difficult for villagers to know the program rice price fixed by the central government, and how often or how many times per year they could receive RASKIN rice. The channel of claims or requests was not known among villagers, even after a complaint feedback system had been established.

Implementation of Subsidized Rice Program for the Poor (RASKIN)

in South Konawe District, Indonesia

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1. Introduction

1.1 Background

In mid-1998, the Indonesian government introduced the Special Market Operation (*Operasi Pasar Khusus* [OPK]) to increase food security and reduce the impact of economic crises. The price of program rice was below market price; however, this program received much criticism, chiefly because it failed to achieve food security for the poorest segments of Indonesian society.¹ To underscore the purpose of the program (i.e., to assist only poor families), in 2002, the program's name was changed to RASKIN (Subsidized Rice for the Poor), a name that is used to this day. The RASKIN program's aim is to reduce the expense burden experienced by targeted HHs (THHs) in purchasing some basic food needs, by providing assistance in the form of rice.

According to the General RASKIN Guideline Book (2010; hereafter referred to as "the Guideline"), the success of the RASKIN program can be assessed on the basis of its fulfillment of the "6P" (six precision) indicators: (1) precision in targeting household (HH) receivers, (2) precision regarding the amount of rice dispensed, (3) the precision of rice price, (4) the precision of distribution time, (5) the precision of administration, and (6) the precision of rice quality. Additionally, the following management principles were considered characteristics of a successful program: a commitment to targeting HH beneficiaries, transparency, participation, and accountability.

¹ A study of the implementation of the OPK conducted in five provinces in late 1998 reported that many poor families were not covered by the program (Hastuti and Maxwell, 2003, p. 2).

Since its expansion, the RASKIN program has experienced many implementation problems at the district level. Most of the problems have emerged between distribution points (DPs) at the village level and the THHs. The inaccuracy or absence of data pertaining to poor HHs, as gathered by Indonesia's Central Bureau of Statistics (CBS), caused RASKIN rice to be distributed not only to THHs but to almost all HH members in each village. Obviously, precision of implementation vis-à-vis RASKIN rice distribution was not achieved. In South Konawe District, owing to the absence of a list of poor HHs, many village heads were forced, for political reasons, to compromise with villagers during village meetings (*Mudes*) and distribute the program rice to almost all the villagers.

In creating the Guideline—by which poor HHs could be identified—inconsistency problems arose. The Guideline defined that only poor HHs listed in the data gathered by the Social Protection Program in 2008 (PPLS08) were eligible to receive RASKIN rice.² Nonetheless, the Guideline allowed *Mudes* to assess a given HH as poor, even if it was not in the PPLS08, so long as it satisfied CBS criteria. In neglecting these criteria or in the absence of a listing in the PPLS08, most villagers could say that they were poor and therefore eligible for RASKIN rice. If their demands were not satisfied, they sometimes refused to become involved in *Kerja Bakti* (social work) or pay *Pajak Bumi dan Bangunan* (land and building taxes).

The implementation of the RASKIN program in the South Konawe District in 2010 was meant to result in rice distribution to every THH: 13.5 kg/month, from January to August 2010; 15 kg/month, in September and October 2010; and 18 kg/month in December 2010. This rice would be distributed at the price of Rp. 1,600/kg, at a predetermined DP. Instead, various prices were paid by beneficiaries that exceeded the fixed price stipulated by government, i.e., Rp. 2,000 or Rp. 2,500, on average. The amount of RASKIN rice per HH also varied from village to village.

² PPLS08 was conducted to update THH data for Direct Cash Transfer Programs (e.g., the direct cash transfer [BLT], eliminated in 2009) and the RASKIN program.

Because RASKIN rice was shared equally among villagers, some HHs in a village were able to receive 10 liters per month. The frequency of receiving RASKIN rice also differed from village to village; some HHs, for example, received rice once every two months, while others received it once every three months.³

Incapacities among district administration also resulted in this targeting issue being repeated in each year of the RASKIN program. Because the program was under the auspices of central administration, district administrations tended to overlook problems that had negatively influenced their commitment to support the program (Hastuti et al, 2008, p. vii).

As instructed in the Guideline, district administration should take responsibility in distributing RASKIN rice; this includes not only the management of rice distribution itself, but also the dissemination of information to people/villagers, program monitoring and evaluation, and program troubleshooting. District administration was also mandated to support the program by providing extra budgetary funds to finance RASKIN distribution from DPs to THHs.

In South Konawe, the role of district administration was small. District administration's extra budgetary funds only covered honoraria for RASKIN coordination team members; there was no budget to support information dissemination or to monitor or evaluate the program, and so it was very difficult for the community to know about the program in detail.

To handle problems, the district administration did not provide any grievance-handling system, such as a call center. Villagers preferred to complain in local parliament (*Dewan Perwakilan Rakyat Daerah* [DPRD]) rather than to the local administration. In one incident, members of the Amolengu Village community held a demonstration at the local parliament office.

³ Some villages measured in kilograms while others measured in liters. See footnote 17 for reference.

The community complained that the village head had sold RASKIN rice to other parties, resulting in their receipt of only a small portion of the RASKIN that they should have received.⁴

Support for the program budget was essential, as it was needed to finance logistics between the DPs and the THHs and assist poor HHs not found on the CBS list. District administration of South Konawe, however, provided no budgetary funds for these matters. Because it was considered a central administration program, the district government tended to be lax in supporting it. In our interview, the Head of the Economic Division of South Konawe District said that central administration did not provide any clear information about what district administration should have done to support the RASKIN program.⁵ He, in fact, had never been invited to any meetings at which the THH numbers of each district were determined. It can be said that local administration had never been involved in program decision making, and this is why local government seemed to overlook and not “buy into” this program. An investigation of the role of district administration in its support of the RASKIN program is important, if its implementation problems are to be resolved.

1.2. Objectives

The objectives of this research are to:

1. Examine the workflow of RASKIN program implementation
2. Identify problems encountered in the RASKIN program, and village roles in South Konawe
3. Pinpoint the role of district administration in supporting the RASKIN program and mitigating related problems

⁴ “Warga Amolengu Pertanyakan RASKIN [Amolengu Villages Asked Questions for RASKIN Rice]”; <http://kendariexpres.com/content/view/5029/36>, accessed October 25, 2010.

⁵ The interview was conducted on September 14, 2010, at the Economic Division office of South Konawe District.

1.3. Data Resources

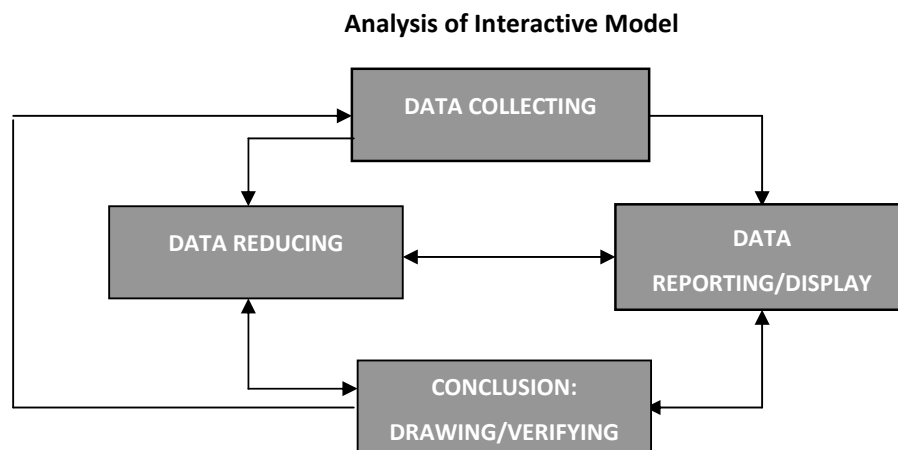
In-the-field, data collection took place between August 29 and September 15, 2010. The data sources were as follows:

1. Statistical data from CBS: the HH data of South Konawe District (2008), per village; the poor-HH data of South Konawe District (2008), per village; and South Konawe District in Figures (2010).
2. Interviews: 17 villages heads, the Head of the Economic Division of the South Konawe Local Administration, the Head of the Southeast Sulawesi *Bulog*, and the RASKIN program Secretary of the Southeast Sulawesi *Bulog*.
3. Monitoring and Evaluation Report (2007) of South Konawe.

1.4. Research Method

The approach will be used in this paper is qualitative research. Qualitative research properly seeks answers to questions by examining various social settings and the individuals who inhabit these settings (Berg, 2004:7). This paper is aimed to analyze Implementation of Subsidized Rice Program for the Poor (RASKIN) in South Konawe District, Indonesia.

This paper uses qualitative method which presents the data to be analyzed through data analysis process of Miles and Huberman Model.



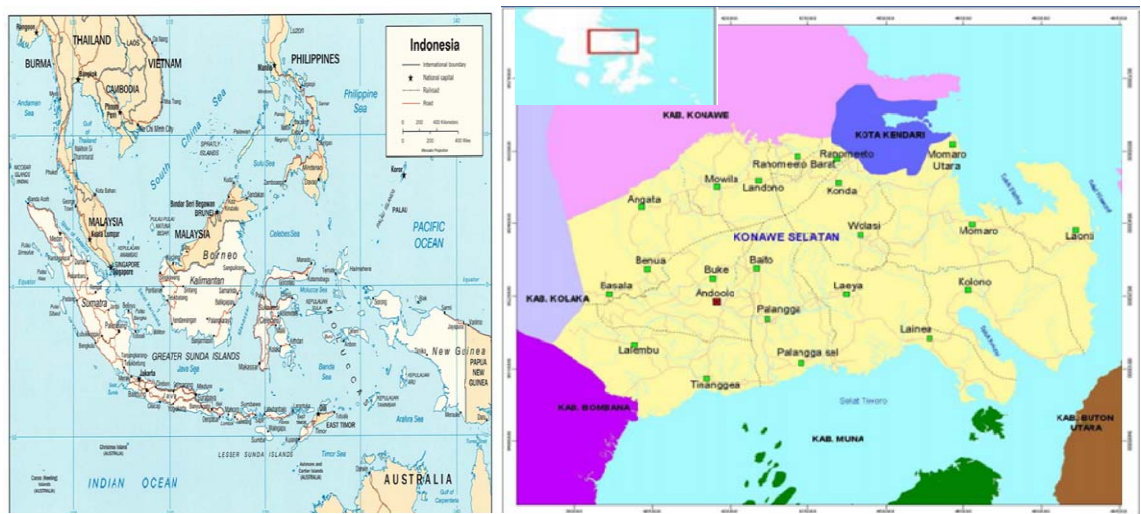
Source: adopted from Miles and Huberman (1994:12)

2. RESEARCH SITE

2.1. Geography and Population of South Konawe District

South Konawe District, with its capital Andoolo, is geographically located south of the equator. The land area of South Konawe District is 451,000 ha (i.e., 11.83% of the land area of Southeast Sulawesi Province). The water (sea) area is about 9,368 km². The district has good soil conditions for agricultural development.

Picture 1. Indonesia and South Konawe District Maps



Sources:

1. Map of Indonesia: <http://www.hir-net.com/link/map/indonesia.html>; accessed June 19, 2010.
2. Map of South Konawe District: CBS (2010).

South Konawe District comprises 22 sub-districts containing a total of 367 villages (see Table 1). All the villages are categorized as rural areas.

Table 1. Village Number and Area, per Sub-District

No.	Name of Sub-district	Number of Villages	Area (km ²)
1.	Tinanggea	26	37,904
2.	Lalembuu	19	29,864

3.	Andoolo	21	22,075
4.	Buke	16	18,768
5.	Palangga	16	22,115
6.	Palangga Selatan	10	12,085
7.	Baito	8	13,565
8.	Lainea	13	25,926
9.	Laeya	17	19,275
10.	Kolono	32	23,537
11.	Laonti	20	24,575
12.	Moramo	20	25,102
13.	Moramo Utara	10	20,352
14.	Konda	17	26,126
15.	Wolasi	10	22,425
16.	Ranomeeto	12	12,351
17.	Ranomeeto Barat	9	14,275
18.	Landonu	22	26,725
19.	Mowila	20	13,435
20.	Angata	25	13,251
21.	Benua	15	14,215
22.	Basala	9	13,475
Total		357	451,420

Source: CBS (2010).

The population of South Konawe District in 2010 was 244,046—49.70% (121,293) of whom were male and 50.30% (122,752) of whom were female. The population density at that time was 53.18/km². The annual population growth was 1.66%—a number much lower than that of the whole of Southeast Sulawesi Province (i.e., 2.86%).

Table 2. Population Growth (2005–2009)

No.	Sub-districts	Year				
		2005	2006	2007	2008	2009
1.	Tinanggea	32,875	33,280	19,044	19,204	19,611
2.	Lalembuu*	-	-	15,555	15,699	15,957

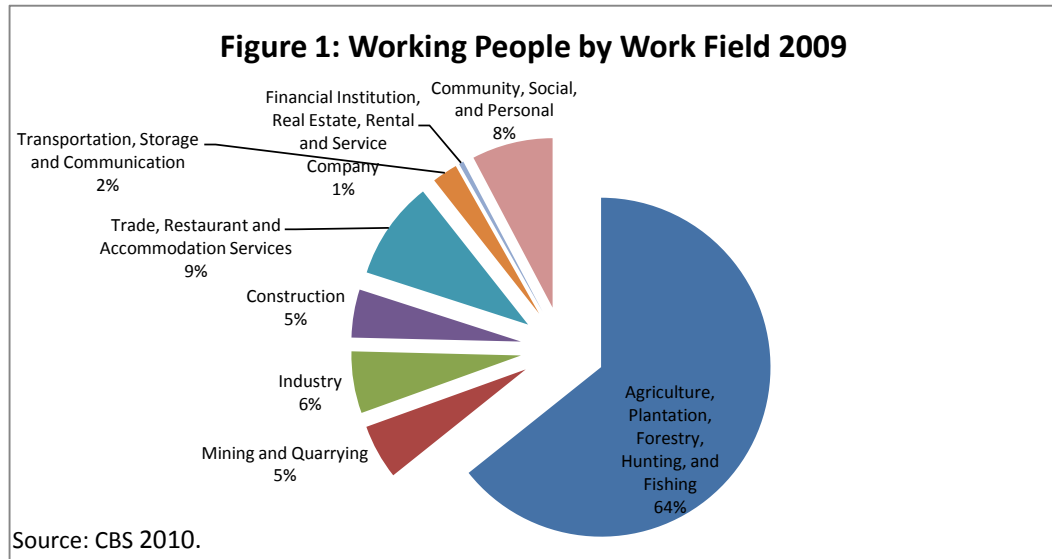
3.	Andoolo	24,965	25,275	16,304	16,444	16,662
4.	Buke*	-	-	11,433	11,547	11,744
5.	Palangga	21,355	21,620	10,458	10,562	10,758
6.	Palangga Selatan*	-	-	5,156	5,209	5,296
7.	Baito*	-	-	6,705	6,769	6,879
8.	Lainea	24,760	25,068	7,800	7,874	7,992
9.	Laeya*	-	-	16,202	16,348	16,666
10.	Kolono	13,116	13,279	13,737	13,851	14,025
11.	Laonti	8,872	8,983	8,883	8,954	9,100
12.	Moramo	18,068	18,292	11,521	11,619	11,859
13.	Moramo Utara*	-	-	6,211	6,265	6,388
14.	Konda	19,766	20,010	14,803	14,931	15,124
15.	Wolasi*	-	-	4,239	4,273	4,319
16.	Ranomeeto	18,522	18,751	12,684	12,795	13,081
17.	Ranomeeto Barat*	-	-	6,054	6,121	6,246
18.	Landono	20,431	20,682	11,342	11,451	11,610
19.	Mowila*	-	-	10,165	10,250	10,384
20.	Angata	28,804	29,160	13,377	13,491	13,737
21.	Benua*	-	-	9,286	9,362	9,487
22.	Basala*	-	-	6,959	7,034	7,121
Total		231,534	234,400	237,918	240,053	244,046

Source: CBS (2010).

Note: * These sub-districts were newly established in 2006.

2.2. Employment and Economy

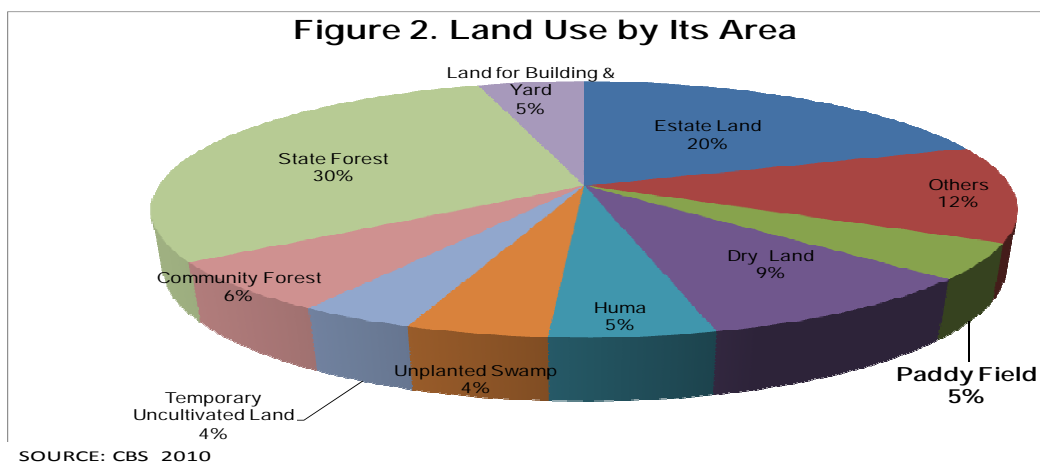
In total, 120,424 district inhabitants were in the labor force, 118,076 (98.05%) were economically active, and 2,348 (1.95%) were unemployed (South Konawe Statistical Data, 2009). Of the 118,076 economically active inhabitants, the agricultural sector was the largest employment sector—i.e., 75,895 (64.28%) inhabitants, consisting of 47,154 men and 28,741 women. The trade, restaurants, and accommodation service sectors together constituted the second-largest employment sector, while each of the other sectors was less than 8% (see Figure 1).



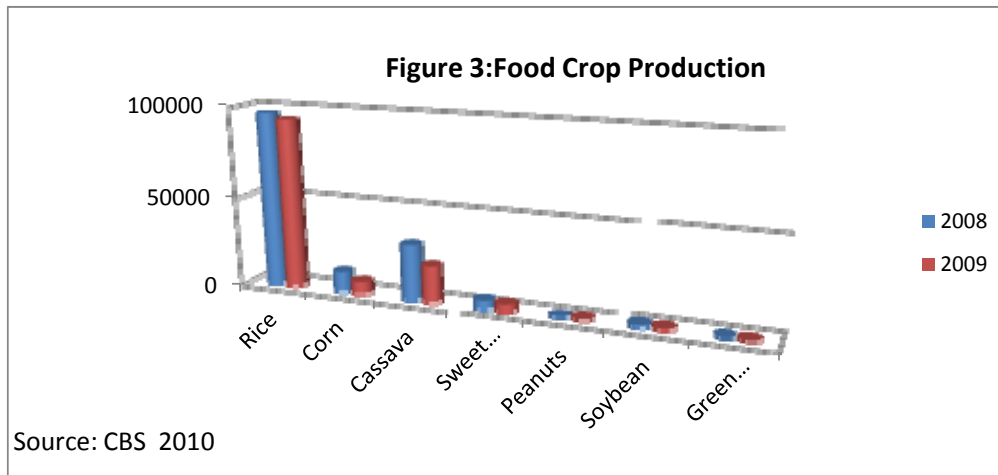
2.3. Agriculture and Land Use

As mentioned, the agriculture sector plays a major role in South Konawe's economy. Agricultural development policy in South Konawe aims to increase the production, income, and welfare of farmers in rural areas. Considering that the majority of South Konawe's inhabitants are employed in the agricultural sector, it is critical to expand employment opportunities therein.

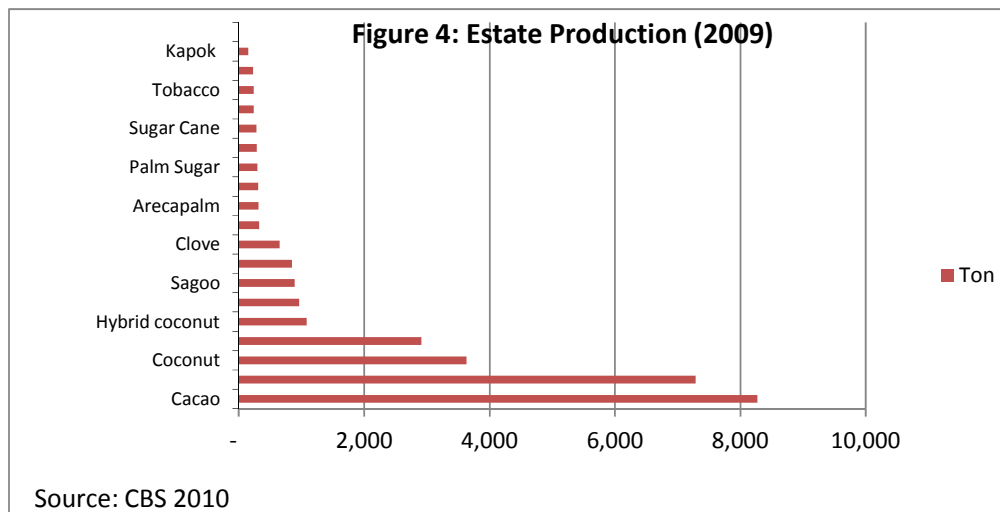
Of the 451,185 ha of agricultural land in South Konawe, 430,650 ha (95.45%) is dry land; the remaining 20,535 ha (4.55%) comprise paddy fields. State forests constitute the largest portion of the total area of South Konawe (i.e., 133,751 ha [30%]) (see Figure 2).



The major food crops produced in South Konawe in 2009 were as follows: rice (93,000 tons), cassava (19,000 tons), corn (6,000 tons), sweet potatoes (3,725 tons), soybeans (853 tons), peanuts (202 tons), and green beans (194 tons) (see Figure 3).



There are some estate crops grown in South Konawe District, including coconut, coffee, cloves, and cacao. From the production side, the most important perennial crop was cocoa, of which 8,268 tons were produced in 2009; this is followed by cashews (7,288 tons) and coconut (3,634 tons) (see Figure 4).



2.4. Level of Poverty

The poverty in South Konawe was very severe in 2004, when 127,600 (55.67%) inhabitants were classified as “poor.” Its low education levels, inadequate infrastructure, and lack of economic resources could be linked to poverty problems within the district.⁶ CBS data from 2008 shows that 29,009 (46.98%) of the 61,744 HHs in South Konawe District were poor. Compared to national poverty percentages, the level of South Konawe was high.⁷

⁶ “50 persen penduduk Konsel tergolong miskin [50 Percent of People in South Konawe District Are Poor]”; <http://www.suarakarya-online.com/news.html?id=142672>, accessed May 20, 2010.

⁷ At the national level, the percentage of the 2004 population living in poverty was 16.66% (Statistical Yearbook of Indonesia 2004, CBS, p. 577).

3. Implementation of the RASKIN Program in Indonesia

3.1. Special Market Operation (OPK) Program

With the Southeast Asian economic crisis of 1997–98, Indonesia's government announced a series of programs to protect poor and vulnerable people.⁸ One of the programs was OPK. That program's aim was to ensure that the poor could access rice, a staple food, at an affordable price. Under the program, based on BKKBN (*Badan Kesejahteraan Keluarga Berencana Nasional*: the National Family Planning Board) criteria, eligible HHs were each allowed to buy 10 kg of medium-grade rice every month at the subsidized price of Rp. 1,000/kg. The *Bulog*, in collaboration with local government officials, had the responsibility of distributing rice to the THHs.

In the first phase, only a KPS (*Keluarga Pra Sejahtera*: Pre-prosperous Family), as defined by BKKBN criteria, could be part of the program, in which a total of 7.3 million HHs were estimated to be taking part. Because of the deepening economic crisis, the government expanded the program and many HHs who were classified as KS1 (*Keluarga Sejahtera 1*: Prosperous Family 1) were newly classified as KPS. With the program expansion came a 130% increase in the number of recipient families (Rahayu et al., 1998, p. 2).⁹

According to Tabor and Sawit (2001), there were income-transfer and nutritional benefits derived from the program. For the first 12 months of program implementation, the program delivered Rp. 3.4 trillion in indirect income transfer benefits, to an average of 9.3 million HHs that had received program benefits. It was estimated that every HH who received OPK rice in the first year of the program could receive benefits equivalent to Rp. 6,413 per person, per month.

⁸ The social safety net launched at the time of the economic recession in 1997–98 included five major programs: food security (OPK), *padat karya* (employment creation), education scholarships, free health service, and community empowerment (Sumarto and Suryahadi, 2001, p. 9).

⁹ The classifications indicating socioeconomic status are *Keluarga Sejahtera 2* (Prosperous Family 2), *Keluarga Sejahtera 3* (Prosperous Family 3), and *Keluarga Sejahtera 3+* (Prosperous Family 3 plus). The criteria of KPS and KS1 are explained in Appendix 1.

According to the results of the December 1998 SUSENAS survey, in 1998, the average OPK transfer benefit was equivalent to 10% of the average income of a poor urban HH and 11% of a poor rural HH.

Tabor and Sawit (2001) state that if there had been no OPK program, the diet intake of poor HHs would have deteriorated significantly. The calorie and protein consumption of the rural poor would have been lower 7% and 8%, respectively, than those of the more financially affluent.

Nonetheless, the program also received many criticisms vis-à-vis its implementation. The Smeru Special Report (1998) of the results of five provincial surveys reported that the OPK was reaching the people who needed more rice, but not all the people who needed it were receiving program benefits. For instance, in Jakarta, there was an increase in the number of families classified as KPS (i.e., approximately 48,556 families) in September, but BKKBN data suggested that only 23,348 families qualified; this meant that there were 25,556 families not covered by the program.

Another study reported that this program's benefits were not distributed directly to the poor. In fact, it was estimated that only 52.6% of the poor were covered by the OPK in Indonesia, while 36.9% of those who *were* covered by the program were not poor (Sumarto and Suryahadi, 2001). It was also reported that OPK rice was sold by heads of villages in markets and that OPK rice was shared equally among all HHs, regardless of status.

There were also some suggestions regarding institutional aspect, by which the program's results could be improved. An example of such a suggestion involved a nongovernment organization (NGO) that would help improve distribution and socialization, assist in data collection, and allow the program to be accurately carried out as it achieved its goals. In this regard, Gajah Mada University (UGM) suggested that the program change its name.¹⁰

¹⁰ "Studi evaluasi RASKIN [RASKIN evaluation studies]"; www.bulog.co.id/eng/studiRASKIN_v2.php, accessed October 11, 2010.

3.2. Rice for the Poor (RASKIN) Program

To sharpen the purpose of the program and target only poor families, the program name was changed to RASKIN (Subsidized Rice for the Poor) in 2002, and it stands to this day. It is considered a social protection program, in addition to an emergency program (i.e., part of the social safety net). However, THH data are still based on BKKBN data, which was gathered in 2002.

There have been many critics of the use of BKKBN data in identifying poor HHs. The BKKBN's welfare criteria were not designed specifically to identify food-insecure HHs, and villagers often define food insecurity in a way different from how program managers do (Tabor and Sawit, 2001). There were also items drawn from non-economic criteria—e.g., the capacity of family members—that were regarded as being rooted in religious principles (Sumarto and Suryahadi, 2001).

In 2007, the government started to use CBS data to categorize poor HHs; in that year, there were 19.1 million poor HHs, as reported by CBS; the central administration designated 15.8 million THHs. Therefore, 3.3 million poor HHs were considered ineligible for RASKIN, which could very well have influenced RASKIN's targeting performance and the quantities of rice received by THHs. In 2008, however, the RASKIN program was able to cover all THHs identified by CBS (see Table 3).

Table 3. Development of the RASKIN Program

Year	2004	2005	2005	2007	2008	2009
Number of Poor HHs	15,746,843	15,791,884	15,503,295	19,100,905	19,100,905	18,497,302
Number of THHs	8,590,804	8,300,000	15,781,884	15,781,884	19,100,905	18,497,302
% of THHs over Poor HHs	54.56	52.56	69.86	82.62	100	100
Quantity of Rice per THH (kg per month)	20	20	15	10	15	15
Total Distributed	2,061,793	1,991,897	1,624,500	1,736,007	3,342,500	3,329,514

RASKIN Rice (tons)						
Duration (months)	12	12	10	11	12	12
Total Distributed	2,060,198	1,991,131	1,624,089	1,731,805	3,236,644	3,244,941
Rice, in Tons (%)	(99.92)	(99.96)	(99.97)	(99.76)	(96.83)	(97.46)

Source: <http://www.bulog.co.id>; accessed October 11, 2010.

Like other programs, RASKIN has also received a variety of criticisms. The official *Bulog* website shows that targeting has been a main problem in the RASKIN program. There were many cases reported in which RASKIN rice received by THHs were in amounts lower than the fixed amount. A study of the performance of the RASKIN program conducted jointly by 35 universities in Indonesia in 2003 reported that the following percentages of respondents replied that: (1) “program targeting was accurate” (83.74%), (2) “the supply amount was accurate” (59.74%), (3) “the frequency of distribution was proper” (64.00%), (4) “the program satisfied food needs” (44.90%), and (5) “the program was effectively done” (57.90%).¹¹

According to the Smeru Research Institute (2008), the RASKIN program exhibited relatively low effectiveness, prompted by many problems that had emerged in rice distribution between the primary DPs and the beneficiaries; furthermore, such problems occurred each year.

3.3. Mechanism of the RASKIN Program

3.3.1. Organization

The RASKIN program’s implementation mechanism was initiated by the issuance of the Decree of Stipulation Ceiling RASKIN, by the Ministry of Public Welfare; this Decree fixed the

¹¹ “Studi Evaluasi RASKIN [RASKIN Evaluation Study]”; http://www.bulog.co.id/eng/studiRASKIN_v2.php, accessed November 11, 2010.

number of THHs and the RASKIN rice quota for one year. To implement the RASKIN program, every level of administration—i.e., at the central, provincial, and district levels—established a RASKIN coordination team, the members of which have different responsibilities in accordance with the level of each regional task.

At the central level, the RASKIN coordination team was formed by the Ministry of Public Welfare. The members of that team have the following responsibilities:

1. Fix RASKIN quotas in each province
2. Fix the THHs in each province
3. Prepare the Guideline
4. Coordinate, plan, evaluate, and monitor the RASKIN program's implementation among provinces, etc.

The team members consist of several ministries related to poverty issues and food security, such as the Ministry of Agriculture, the Ministry of Social Affairs, the National Development Planning Agency (Bappenas), the CBS Head Office, the *Bulog* Head Office, and so forth.

At the provincial level, the team is formed by the Governor. Team members consist of some institutions at the provincial level, such as the Provincial Secretary, the Provincial Development Planning Agency (Bappeda), social agencies, the People Empowerment Agency, the Provincial CBS Office, the *Bulog* Branch Office, and so on. Its duty is to allocate RASKIN quotas and THHs in each district, and to budget, monitor, and evaluate the RASKIN program.

At the district level, the team is formed by the *Bupati* (Head of the district). It consists of some agencies, such as the Local Secretary, the District Development Planning Agency (Bappeda), the People Empowerment Agency, the District CBS Office, the Food Security Board, and the like. The duties of the district team are to prepare technical guidelines, fix RASKIN quotas and THHs

per sub-district and village, disseminate information, monitor and evaluate the program, and produce and distribute RASKIN cards to THHs. In line with the *Bupati* Decree, the district team needs to prepare reports concerning the implementation of the RASKIN program.

Each level of team coordinates with one another in the implementation stages and conducts periodical meetings every two or three months. Meetings are held at each level to evaluate the implementation of the RASKIN program.

3.3.2. Determination of Beneficiaries

Recent THH data by province, district, and village are based on the Survey of Social Protection Program in 2008 (*Program Pendataan Perlindungan Sosial Tahun 2008* [PPLS08]), undertaken by CBS. The PPLS08 was carried out to update the THH data of 2005, for the benefit of the Direct Cash Transfer Program (*Bantuan Langsung Tunai* [BLT]) and the RASKIN program.^{12,13} Its revision takes place every three years. There are 14 criteria by which THHs are assessed (see the criteria in Appendix 2).

From the THH data, a list of poor HH names and their addresses should be generated; it should then be sent to central administration to be authorized and then distributed to the respective coordination teams at each level.

In order to adapt to THH changes, a village meeting (*Mudes*) is established. The function of *Mudes* is to verify the listed names of THHs as prepared by CBS, determine whether or not they

¹² There is a difference in implementation between the BLT and RASKIN programs. Implementation of the former involved giving money, in cash (Rp. 100,000), to each THH, per month. Each THH was given a coupon called a *Kartu Kompensasi BBM* (compensation fuel card), which could then be redeemed as cash once every three months at the post office. The RASKIN program, meanwhile, provides assistance in the form of 13.5 kg of rice per month. The coupon known as “the RASKIN card” can be exchanged for rice by paying Rp. 1,600/kg at the village head’s house or an appointed place.

¹³ The BLT program was abolished in 2010, due to improvements in the Indonesian economic condition. See <http://pakarbisnisonline.blogspot.com/2010/03/alasan-pemberhentian-program-blt.html>, accessed 17 June 17, 2011.

do qualify precisely as “poor HHs,” and review HH migrations or deaths. If such changes happen, HHs on the list can be replaced by newly poor HHs who are registered by the *Mudes*.

The *Mudes* should be held in a transparent and participatory manner by involving all village community members, including members of the poor HHs. In determining the new THHs, *Mudes* should be shepherded and supervised by the *Mantri Statistik* (the Sub-district Field Officer of Statistics). However, *Mudes* cannot change the number of THHs fixed by the *Bupati*. Changes to the list of THHs are reported to sub-district administration and are finally verified by the RASKIN district team.

3.3.3. Workflow of the RASKIN Program at the District Level

At the district level, there are two institutions in charge of RASKIN rice distribution, i.e., the *Bulog* branch office and the local administration. The *Bulog* is responsible for distributing RASKIN rice between the *Bulog* warehouse and the DP, while the local administration is responsible for that between the DP and the THHs.¹⁴

The RASKIN rice distribution process at the district level is initiated with the proposal of a *Surat Perintah Alokasi (SPA)*, or an allocation demand letter, from the *Bupati* to the *Bulog*. The SPA cites the number of THHs per village, the amount of RASKIN rice per THH, and the total amount of rice per village per batch of supply.

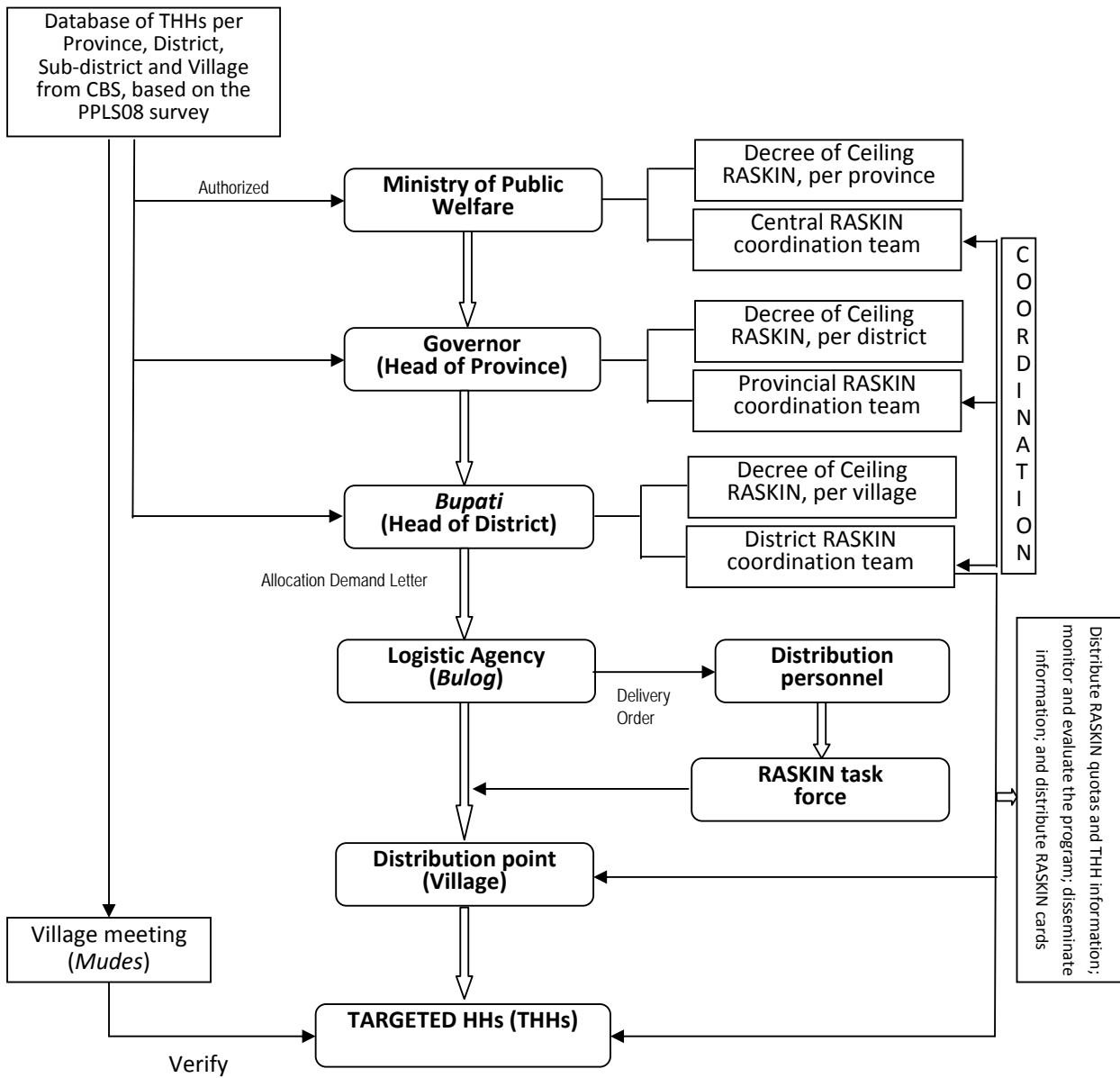
Furthermore, the Head of the *Bulog* Branch issues a delivery order (DO) after RASKIN rice money is paid by the village head. There are two possible routes of RASKIN payment made by the village heads, i.e., (1) pay it to the *Bulog* branch office, whereupon the rice is delivered, or (2) pay it at the DP when the rice is handed over to the village heads. Due to the occurrence of some

¹⁴ The DP is where RASKIN rice is handed over from the RASKIN task force to the village head; sometimes it is in the village office, but in cases where the village cannot be accessed by *Bulog* transportation, RASKIN rice can be handed over in a very nearby place, according to a written agreement between the *Bupati* (District Head) and the *Bulog* branch office head.

default cases in previous years, the *Bulog* will deliver rice only *after* it is paid by the village head.¹⁵ Based on the DO, a RASKIN task force will receive RASKIN rice in the *Bulog* warehouse, whereupon it will transport and hand it over to the village head at the DP. Members of THHs come to pay for and take RASKIN rice by showing their RASKIN card at the DP, which is most frequently the house of the village head. RASKIN cards are prepared on the basis of THH data from CBS, and each one should include the name of the HH head, his or her address, and the distribution frequency and amount of RASKIN rice; recorded on it are the dates on which RASKIN rice was received, as well as the signature of the village's person of responsibility for the RASKIN program.

¹⁵ In the Madiun District of East Java, the Ngawi village had the highest debt amount (Rp. 19.2 million) owing to the *Bulog* for rice already distributed. While the money is collected from villagers at the DP by the village officials, the *Bulog* has not received the money and is currently halting further allocations of subsidized rice to the village (World Bank, 2006, p. 197).

Figure 5. Workflow of the RASKIN Program (2010)



3.4. Targeting the RASKIN Program in South Konawe

Targeting is a very crucial issue in ensuring and maintaining the efficacy of the social safety net, as well as that of social security and poverty-reduction programs. Better targeting allows anti-poverty programs to be more cost-effective (Ravallion, 2007). Appropriate targeting

enables the concentration of expenditures on those who really need its support, hence allowing for savings in implementation cost and improvements in program efficiency.

As noted earlier, targeting is a basis used to measure the performance of the RASKIN program, but targeting has been found to be the greatest challenge to its effective implementation (Sumarto and Suryadi, 2001). It is difficult, in general, to achieve accurate targeting, not only because of budget constraints but also because of the need to properly identify target groups.

There are two basic errors in targeting: exclusion and inclusion errors. An exclusion error occurs when a percentage of the poor are wrongly excluded from the target group members; they experience, in other words, program “non-coverage.” An inclusion error occurs when a percentage of subsidy recipients are not poor and should not receive a subsidy—in other words, they benefit from a program “leakage” (Jha and Ramaswami, 2010). Analysis of these errors has been presented by Coady (2004) in the form of a two-by-two matrix.

Table 4. Inclusion and Exclusion Errors of the RASKIN Program, in 17 Villages

Number of HHs	Recipients of RASKIN Rice	Exclusion Error	Inclusion Error
3,404	3,134	0.00%	48.7%

Source: Table 8. Calculating Exclusion and Inclusion Errors, in Appendix 3.

As shown in Table 4, all THHs received RASKIN rice, without exception, in the surveyed villages. On the other hand, the inclusion error was very large. More than 48% of the rice was

received by non-poor HHs—a percentage significantly higher than the national level (36.90%) (Sumarto and Suryahadi, 2001). As mentioned, this widespread inclusion error is sometimes referred to as a program “leakage.”

However, inclusion and exclusion errors are largely numerical matters, as inclusion errors are generally observed in RASKIN program implementation, in any case. Given the extent of this so-called leakage, however, the government must have spent a large amount on subsidies without effectively reducing the burden of the poor. We need to investigate further the reasons why such inclusion errors or “leakage” existed. First, we need to investigate what happened in the villages and how the villagers managed the program, especially given the importance of the role of local administration in implementing the RASKIN program.

4. Mode of RASKIN Program Operations at the Village Level in South Konawe

The performance of the RASKIN program can be evaluated by examining the objectives at each level of administration. As noted earlier, one method of measuring program performance can be assessing the level of achievement of the “6P” (six types of precision). However, this subsection will focus on the following three points that can be observed at the village level, in order to garner a better understanding of the mode of program operation, and problems therein.

1. Targeted recipients and actual recipients
2. Quantity and price of distributed RASKIN rice at the village level
3. How the village meeting (*Mudes*) was conducted

Let us examine each of these three points, in greater detail.

4.1. Targeted Recipients and Actual Recipients

The Guideline clearly indicates that only HHs as determined by the CBS list—based, in turn, on 14 criteria—can receive program rice; as mentioned, these are referred to as THHs. CBS sends the list of THHs to district administration, which then generates a list of RASKIN recipients. This list is used to fix a detailed quota per village, which is set in the form of the Decree of Determination of Ceiling RASKIN (Sub-Districts and Villages). The Decree references the Guideline. South Konawe District follows this implementation workflow (see further explanation in section 3.3.3).

The bulk of the problems experienced happened between the DPs and the THHs (Smeru Research Institute, 2008), and so it is crucial to observe what happened after the *Bulog* sent RASKIN rice to the DPs and who really received RASKIN rice. Based on the data collected and interviews with the 17 village heads, we found that most of the RASKIN rice was distributed to non-THHs. As shown in Table 5, in sampling the villages, we found that RASKIN rice has been

distributed to a far larger number of HHs than that fixed by CBS: RASKIN rice has been received by 92% of all HHs, despite the fact that THHs accounted for only 43% of all HHs.

Table 5. Total Number of HHs, THHs, Poor HHs, and Actual Beneficiaries (2010)

Name of Village	Total HHs ¹	THHs ²	Poor HHs ¹	Actual Beneficiaries ¹	% of Actual Beneficiaries over Total HHs
Ranomeeto Sub-district					
1. Onewila	249	114	135	151	60.64
2. Ambaipua	450	72	244	319	70.98
3. Rambu-rambu Jaya	416	48	328	409	98.32
Mowila Sub-district					
4. Mataiwoi	133	127	109	133	100
5. Wuura	114	55	93	114	100
6. Mulyasari	140	42	112	140	100
Landono Sub-district					
7. Wawobende	145	100	106	141	92.74
8. Tetenggabo	128	61	111	120	93.75
9. Wonua Koa	108	64	87	108	100
Palangga Sub-district					
10. Eewa	124	77	104	124	100
11. Onembute	171	98	149	163	95.32
12. Mekar Sari	317	126	203	315	99.37
Lainea Sub-district					
13. Pangan Jaya	217	66	116	210	96.77
14. Polewali	108	100	91	105	97.22
15. Lalongombu	331	185	241	329	99.40
Wolasi Sub-district					
16. Lalosingi	111	60	89	111	100
17. Aoma	142	80	124	142	100
Totals	3,404	1,475	2,442	3,134	92.07

Sources:¹ Interviews with village heads.² From both CBS (based on the Social Protection Program Survey in 2008) and the *Bupati* Decree of Fixed Targeted HHs for the RASKIN program (2010).

Why is there such an inconsistency between the target numbers and reality? First, within the villages, no THH name lists had been released by CBS. A village received only the number of THHs and the total amount of rice distributed per month, even though the Guideline states that a village must acquire a THH name list and post it in a place where it can be viewed by all villagers. The village head, together with the villagers, can decide by themselves who is and is not eligible to receive RASKIN rice. It is likely that the distribution of RASKIN rice to all HHs was approved as a result of consultations facilitated by a *Mudes*. Second, the number of THHs recorded by CBS can often be rejected by villagers. In the interviews, the village heads said that the numbers of THHs cited by the CBS were not accurate and that, in fact, the number of people who needed cheap RASKIN rice exceeded that CBS number. As shown in Table 5, the numbers of poor HHs identified by village heads exceeded those cited by CBS.

Third, villagers preferred to share rice with all HHs, both from the perspective of fairness and equity, as well as in terms of maintaining village harmony. If a village head does not share equally with villagers, there could be both social and political ramifications. For instance, in one sample village, the villagers denied RASKIN rice tended not to participate in *gotong royong* (social work) every Friday nor to pay house and land taxes. Fourth, the villagers insisted on buying RASKIN rice, because it was cheaper than that of market-price rice of the same quality: the market price was around Rp. 5,500–Rp. 6,000 per liter, while RASKIN rice was only Rp. 1,600/kg. Therefore, village heads and villagers decided to distribute RASKIN rice to all its HHs.

In all 17 villages surveyed, some wealthy people who worked as government employees or business people were excluded from the program. However, two villages—i.e., Eewa and Mataiwoi—made no exception for government employees and business people, and so they too were able to receive RASKIN rice. There were also five HHs in Onewila Village who could not buy the rice—i.e., four widows and one disabled individual—but were permitted to receive RASKIN rice free of charge, in contravention of the fixed amount of RASKIN rice per HH.

4.2. Price, Quantity, and Frequency of RASKIN Rice Received by Villagers

According to the Guideline, each THH can receive as much as 156 kg of RASKIN rice per year, at the price of Rp. 1,600/kg, at its DP.^{16,17} In practice, there were differences among the villages in terms of the prices, quantities, and time intervals related to receiving RASKIN rice (see Table 6). Let us examine, in greater detail, these three points of divergence.

4.2.1. Price

There were several different prices set for RASKIN rice among the villages. The district administration had stipulated that every THH should pay Rp. 1,600/kg for 12.5 kg, for a total of Rp. 20,000 per allotted distribution. However, as shown in Table 5, the actual prices applied in villages exceeded the stipulated price. Some heads villages in South Konawe sold RASKIN rice for as much as Rp. 35,000/kg, thus reaping illegal profits as high as Rp. 15,000 from each HH's allotted distribution.

Some village heads reported a reason why the price exceeded that fixed by government. As the *Bulog* set a "cash on delivery system," the village heads must prepare a cash payment representing the total amount owed for the RASKIN rice shipment, to produce when receiving the shipment. To pay cash, the village head needed to borrow money, but sometimes an interest rate

¹⁶ Taking into account changes in rice prices between pre-harvest and harvest times, the central government stipulates a per-year quantity, not per-month. The price of rice could increase at pre-harvest, and so local governments could order the distribution of RASKIN rice in two- or three-month quotas in one distribution period, in order to mitigate price-change risk.

¹⁷ There was a difference in the quantity of RASKIN rice, between that stipulated by the Guideline and that by District Decree. The Guideline stipulates 156 kg per THH, per year; this means that every THH would receive as much as 13 kg/month of RASKIN rice. The District Decree, however, stipulates that every THH is to receive 12.5 kg/month, not 13 kg. This happened when the central government submitted a RASKIN budget for approval by Parliament (DPR). Due to budget shortfalls, the per-THH amount of rice could be reduced to the amount of RASKIN rice per THH, depending on the central government's budget.

as high as 10–20% was charged. Because of the lack of pricing information among villagers, the village head sometimes obtained additional revenue from the RASKIN distribution operation. Thus, village heads were able to manipulate the rice's price, to their own benefit.

Table 6. Price, Quantity, and Frequency of RASKIN Rice

Name of Village	Price (Rp.)	Quantity	Unit Price (Rupiah)	Distribution Frequency (Months)
Ranomeeto Sub-district				
1. Onewila	35,000	12.5 kg	2,800/kg	2
2. Ambaipua	40,000	17 liters	2,353/liter	3
3. Rambu-rambu Jaya	20,000	10 liters	2,000/liter	3
Mowila Sub-district				
4. Mataiwoi	38,000	20 kg	1,900/kg	2
5. Wuura	23,000	13 liters	1,770/liter	2
6. Mulyasari	20,000	10 kg	2,000/liter	2
Landono Sub-district				
7. Wawobende	30,000	12.5 kg	2,400/liter	2
8. Tetenggabo	25,000	12.5 kg	2,000/liter	2
9. Wonua Koa	35,000	12.5 kg	2,800/kg	2
Palangga Sub-district				
10. Eewa	30,000	12.5 kg	2,400/kg	2
11. Onembute	30,000	15 liters	2,000/liter	2
12. Mekar Sari	25,000	12.5 kg	2,000/kg	2
Lainea Sub-district				
13. Pangan Jaya	35,000	12.5 kg	2,800/kg	2
14. Polewali	50,000	25 liters	2,000/liter	2
15. Lalonggombu	20,000	10 liters	2,000/liter	2
Wolasi Sub-district				
16. Lalosingi	30,000	12.5 kg	2,400/kg	2
17. Aoma	30,000	12.5 kg	2,400/kg	2

Sources: Interviews with village heads.

4.2.2. Quantity and Frequency

In South Konawe, each THH can receive 12.5 kg/month of RASKIN rice. In reality, as shown in Table 5, there were variations in the quantities received by each HH in each village. Some villages distributed RASKIN rice in accordance with the amount set the by government—i.e., 12.5 kg—but other villages dispensed it in liters, rather than kilograms.¹⁸ Differences were also observed in terms of distribution interval. Central administration stated that RASKIN rice was to be distributed to THHs every month, but in the surveyed villages, distribution occurred every two or three months. In the case of Ambaipua Village and Ramburambu Jaya Village, HHs received rice only once every three months, because the number of HHs was so large that the quota could not cover all HHs in one distribution.

The quantities and distribution intervals related to RASKIN rice deliveries differed among the villages. These differences were caused by differences between the number of stipulated THHs and the actual number of recipients, the latter of which was fixed through the mutual agreement of villagers. This is a very important and critical explanation for why the amount of RASKIN rice often became smaller per recipient (beneficiary), and/or distributions occurred in rotation to cover all HHs in villages.

4.3. Village Meeting (*Mudes*) for Decision-Making

The Guideline states that the function of *Mudes* is to cope with changes to the list of THHs and dynamic changes in a variety of conditions, as follows:

1. The *Mudes* helps verify the names of THHs based on CBS data; it also replaces non-qualifying HHs with poor HHs that are not yet registered yet.
2. The *Mudes* helps ensure that poor HHs that are newly considered eligible, in accordance with CBS criteria, can receive RASKIN rice.

¹⁸ Although the distribution amount per THH is fixed by the government, the distribution interval is not.

Since village heads and villagers did not have lists of THHs—nor did they know the CBS criteria for “poor HH”—it was difficult to verify which HHs could, in fact, be considered poor. Even when villagers consented to an allocation for an unregistered poor HH, it was impossible to replace the THHs in a list, because it was valid for one year and could not be changed within the year. Addressing this matter requires supervision and coordination on the parts of both district administration and CBS. Nevertheless, it is impossible to cover all the villages, since district administration and CBS have a limited number of personnel. This is essentially why district administration inevitably devolved decision-making vis-à-vis THHs to villagers.

The *Mudes* is the highest decision-making institution in the village. Its members are all from the village community. All decisions regarding the interests of the village community are decided by the *Mudes*, and its decision must not conflict with national law. For RASKIN program implementation, the *Mudes* provides a means of providing villagers with detailed information pertaining to the RASKIN program, and it makes decisions regarding the beneficiaries, quantities, prices, and dates of RASKIN rice distributions. The *Mudes* is usually held once per year.

The decisions of *Mudes* relating to the targeting, prices, quantities, and frequencies of RASKIN rice distribution should align with central administration rules; in the case of the RASKIN program in South Konawe, the decisions of *Mudes* differed. Village heads and villagers decided by themselves the targeting, prices, quantities, and frequencies associated with their implementation of the RASKIN program, in accordance with their own needs and conditions.

There were some reasons why the *Mudes* in that district modified the central administration rules for its own purposes. First, as noted earlier, that district administration and CBS could not provide a THH name list; rather, it could produce only the number of THHs, prompting the villages to decide by themselves through the *Mudes* who should receive RASKIN rice. Second, the obligation of villagers was to distribute RASKIN rice equally among almost all the HHs, taking into account fairness and equity. Sharing RASKIN rice among almost all HHs through

Mudes was meant to preserve community harmony. In the case of Jati bali Village in 2007, there was a move by the *Camat* (sub-district head) to restrict the distribution of RASKIN rice solely to poor HH, even though the community demanded that it be shared equally among all HH; eventually, the village head and villagers decided to refuse RASKIN rice altogether, to avoid conflicts among the villagers.

Fourth, extra budget from district administration was not available to support the poor HHs who were not covered by CBS (see the discussion of extra budgetary finances, in subsection 5.2). As shown in Table 4, the number of poor HHs in the villages was greater than that of THHS recorded by CBS. This prompted the villages, through *Mudes* decision-making, to adjust rice distribution by sharing RASKIN rice with non-covered poor HHs.

Table 7. Frequency of Village Meetings (*Mudes*)

Name of Village	Frequency of Village Meetings (<i>Mudes</i>)	Document Result
Ranomeeto Sub-district		
1. Onewila	Held in 2008	No document
2. Ambaipua	No <i>Mudes</i>	No document
3. Rambu-rambu Jaya	Held in 2007	No document
Mowila Sub-district		
4. Mataiwoi	Held in 2008	No document
5. Wuura	Held in 2005	No document
6. Mulyasari	Held in January 2010	Yes document
Landono Sub-district		
7. Wawobende	No <i>Mudes</i>	No document
8. Tetenggabo	Held in 2008	No document
9. Wonua Koa	Held in 2007	No document
Palangga Sub-district		
10. Eewa	No <i>Mudes</i>	No document
11. Onembute	No <i>Mudes</i>	No document
12. Mekar Sari	Held in January 2010	Yes document
Lainea Sub-district		
13. Pangan Jaya	Held in January 2010	Yes document

14. Polewali	Held in February 2010	Yes document
15. Lalonggombu	Held in 2008	No document
Wolasi Sub-district		
16. Lalosingi	No <i>Mudes</i>	No document
17. Aoma	No <i>Mudes</i>	No document

Sources: Interviews with village heads in August and September 2010.

As shown in Table 7, 10 of 17 surveyed villages held *Mudes* between 2005 and 2010 inclusive, but only four of them generated a *Mudes* document; none of the rest kept records of the *Mudes*. Most villages held *Mudes* only once, when village heads were inaugurated.

It seems that the role of the village head was very dominant in determining the beneficiaries, quantities, prices, and frequencies of RASKIN rice distribution. If there were no *Mudes*, the village heads could easily manipulate the prices and quantities of rice, to their own benefit. In Amolenggu Village, for example, the village head sold RASKIN rice to another party for his own benefit.

There were 17 objections from people in a variety of villages, between January and August 2007. They claimed that they had not received RASKIN rice, owing to their political orientation.¹⁹ It seems that a village head has strong power over the decision-making regarding RASKIN rice distribution (Hastuti and Maxwell, 2003).

¹⁹ Those who complained said that when the village-head election was held, they would not vote for the incumbent village head (The Monitoring and Evaluation Report 2007 of South Konawe).

5. The Role of the South Konawe District Administration

The district administration shares the role of overseeing the distribution of RASKIN, from the DPs to the THHs.²⁰ The responsibilities of the district administration are as follows: (1) the management of distribution, (2) the dissemination of information, (3) monitoring and evaluating the program, (4) taking measures that resolve problems, (5) supporting the program by providing the extra budgetary funds needed to finance RASKIN distribution from the DPs to the THHs, and (6) supporting poor HHs not covered by the RASKIN program, on account of their exclusion from the THH list prepared by CBS.

In this section, the following three important roles of district administration will be investigated:

1. Dissemination of information, and monitoring and evaluating the RASKIN program
2. Complaint-handling
3. Providing the extra budgetary funds needed to support the RASKIN program

5.1. Dissemination of Information and Money of the RASKIN Program

5.1.1. Dissemination of Information

Efficient information dissemination is one of the keys to successful RASKIN program implementation. The dissemination of public information regarding the RASKIN program is about providing clear information about the program, so that targeted communities can have a sound understanding of the program, including the rights and obligations of communities and the complaints-handling mechanism available. For a community as a whole, information dissemination regarding the RASKIN program can provide them with the awareness and understanding that the RASKIN program targets only poor HHs.

²⁰ The Guideline (2010), pp. 14–15.

Information dissemination is one of the activities essential to the success of the RASKIN program. The Guideline notes that program dissemination is about providing complete information about the program to implementers, stakeholders, THHs, and the community.²¹ It also explains that program dissemination can be done through a variety of effective ways, as follows:

1. Meeting coordination

Meetings can be organized by the RASKIN coordination team at all levels (i.e., central, provincial, district, sub-district, and village). The material disseminated includes RASKIN policies and the various mechanisms inherent in the program.

2. Mass media

Mass media is utilized to facilitate the fulfillment of program goals, largely by inducing implementation effort among community members.

3. Other media

Posters, booklets, stickers, or banners can be produced in local or national languages. Religious, cultural, and social gatherings can also be organized.

However, the Guideline does not provide a detailed explanation of how dissemination activities should be carried out; details thereof are expected to be designed by district administrations while taking into account local conditions.

In South Konawe District, no dissemination activities took place in 2009 or 2010. The most recent dissemination activity took place in 2008, in cooperation with the *Bulog* Sultra; all

²¹ Chapter 5 of the Guideline (2010), pp. 37–39.

sub-district and village heads were invited.²² No posters, booklets, stickers, or banners were made available in the villages.

According to the Head of the Economic Division (*Bagian Ekonomi*) of South Konawe, dissemination activities were not conducted in either of these two years, because there was not enough budgetary funding to support such activities. The Economic Division provides only a total of Rp. 21,900,000 per year to support honoraria payments to eight RASKIN coordination team members (see Figure 6), and no transportation funding was provided for information dissemination or monitoring and evaluating (Monev) activities in villages. It was very difficult for the RASKIN team to discharge its duties, since South Konawe is large and public transport has not been fully developed. Only 54.79% of the budgeted Rp. 21,900,000 was paid to five unit personnel who *should* work in the fields, although none of them actually had.

The Secretary of the RASKIN program of the Sultra *Bulog* branch office also pointed out that information dissemination was not undertaken directly with the public, because there was no budget for such activities. To overcome this constraint, *Bulog* staff visited sub-district heads to discuss the program, so that they could distribute information in this way among village heads and villagers.²³

Given the lack of dissemination activities, it is not surprising that villagers were unaware of the details of the program, including the meaning behind the program name or the rice prices, rice quantities, and frequencies of rice distribution stipulated by the government.

The shortage of budgetary funds constrained information-dissemination activities at the local level. It would be better to divert funds from the honoraria payments for the RASKIN team

²² The South Konawe district administration and the Sultra *Bulog* branch office conducted socialization (i.e., information dissemination) concerning the RASKIN program by inviting all village heads and sub-district heads; this information became known during an interview with the Secretary of the RASKIN program of the Sultra *Bulog* branch office, in August 2010.

²³ This interview was conducted in the Sultra *Bulog* branch office in August 2010.

members to broadcasting through Indonesia National Radio (*Radio Republik Indonesia* [RRI]); doing so would be cheaper and easily accessed by members of the communities.²⁴

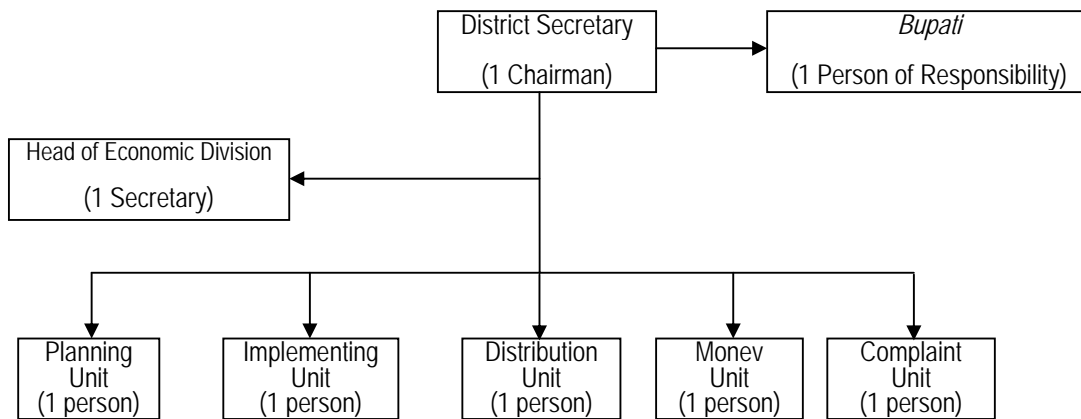
5.1.2. Monitoring and Evaluation (Monev)

In the RASKIN program, Monev is meant to assess whether the program has succeeded in terms of performance benchmarked by the aforementioned “6P” (six precisions). Monev is carried out by central, provincial, district, and sub-district RASKIN team members, and it should be conducted regularly (i.e., once per month and additionally as necessary). Monev results are discussed in the central, provincial, district, and sub-district RASKIN meetings, and then, they are followed up in accordance with their own perspectives and problems.

In South Konawe District, Monev is monitored by the RASKIN coordination team. It consists of several *Dinas* (agencies). Team members thereof include the *Penanggung Jawab* (person of responsibility), the Chairman, the Secretary, and several units that each address a separate function: planning, implementation, distribution, Monev, and complaints. The team organization is determined by the Decree of the District. The Secretariat Office is the Economic Division of the South Konawe District Administration.

²⁴ The dissemination of information through radio is much cheaper than the spread of information through field-officer visits to villages. The radio advertising rate with RRI is only Rp. 50,000/min. For example, to disseminate information through radio advertisements as frequently as twice a day with a duration of 2 min each, aired for three months, the cost would be only Rp. 18 million. The official expenses for a visit to each village is Rp. 215,000 for the villages closest to the capital city of South Konawe and Rp. 575,000 for the most distant villages. If half the 367 villages in South Konawe can be considered close to the capital ($N = 183$), then the cost associated with visits *only* to those nearest villages is $183 \times \text{Rp. } 215,000 = \text{Rp. } 39,345,000$.

Figure 6. Organization of the RASKIN Team of South Konawe District (2010)



However, there were no documents showing that this team had worked together; it appeared to be a team “only on paper.” Team members nonetheless received honoraria payments every three months. Only one document showed that, during January 18–21, 2010, the Head of the Economic Division, as a Secretary of the team, and one staff member from the planning unit visited 13 sub-districts. These visits were not for the purpose of Monev activities but to deliver RASKIN cards to the sub-districts. In fact, there were no reports of Monev activities at all.

The RASKIN team was not effective, mainly for the following reasons. First, the RASKIN team members consisted of some district agency staff members, such as the District Development Planning Board (*Badan Perencanaan Pembangunan Daerah* [Bappeda]), the People Empowerment Board (*Badan Pemberdayaan Masyarakat*), the CBS of South Konawe District, the Food Security Board (*Badan Ketahanan Pangan*), and the Economic Division (*Bagian Perekonomian*). All these staff members had their own particular jobs in their own offices, and so it was very difficult for them to meet each other. Second, the *Bupati* (District Head), as a person of responsibility for the RASKIN program, neither asked for any report about RASKIN program implementation nor conducted a meeting for the RASKIN team, leading to a RASKIN team that was indeed “only on paper.” Third, the RASKIN team was never invited to the provincial RASKIN

team meeting to evaluate the RASKIN program implementation or to report on RASKIN program implementation at the district level.

5.2. Complaint-handling System

Complaints, criticisms, or suggestions are important forms of community feedback that can lead directly to improvements. To handle these matters, the community complaints unit (*Unit Pengaduan Masyarakat* [UPM]) was established. According to the Guideline, the UPM was set up as part of the RASKIN Team at the central, provincial, and district/city levels, under the coordination of the ministry in charge of community empowerment.

In South Konawe District, the UPM was established within the Economic Division. In fact, due to the absence of dissemination activity, community members did not know where the UPM office was located, nor to which agents or with whom they should register their feedback. The community tended to ignore the problems it faced; if a problem really was a grave one, people could (and would) organize a demonstration, like that which occurred in Amolenggu Village.²⁵

In the Economic Division, not since 2009–10 have there been documents or reports produced regarding complaints or other feedback vis-à-vis RASKIN implementation. This does not mean that there were no problems, but it does indicate that communities know about the existence of this UPM. Some village heads said that problems actually emerged in the RASKIN program, including those involving a shortage of rice from the *Bulog*. Although such problems had happened continuously for many years, there have been no responses from either the district office or the *Bulog*. Due to the inaccuracy of THH data, many poor HHs were not registered by CBS, but as there was no feedback from CBS or the district office, it has been difficult to improve program implementation.

²⁵ See footnote 3.

Public complaints about the implementation of the RASKIN program *could* be delivered directly to the Secretariat of the UPM at the central, provincial, or district/city level, through electronic means such as a call center. However, there was no such call center. A call center can serve as an easy complaints-handling means that people can easily access. Since almost half the population of Indonesia has a landline or cellular phone—and cellular phones are so inexpensive, at Rp. 300,000 each—it would be quite useful if district administration were to set up a call center to accommodate complaints regarding the RASKIN program, rather than force villagers come to the UPM from their villages.²⁶ Indeed, there seems to be no reason for district administration *not* to set up a call-center service, to facilitate RASKIN information dissemination and complaints handling.

In 2007, the UPM of the RASKIN team received many complaints from village heads about a reduction in rice quantity supplied by the *Bulog*. The UPM delivered all complaints to the *Bulog*. The *Bulog*, together with the Economic Division Head of South Konawe and the UPM personnel, conducted an in-the-field investigation directly. They found that a worker had taken some portions of RASKIN rice in the course of transport, which the RASKIN task force considered an incidence of fraud. Ultimately, a worker was fired, and the task force then set about resolving issues in another district. Following this chain of events, the village heads said there had been no reduction in the quantity of rice from the *Bulog*. This anecdote serves as preliminary evidence that a call center could help improve the performance of RASKIN program.

5.3. Extra Budget for Supporting the Program

There are some obstacles to achieving target precision and budget availability. The lack of THH data has become a pervasive problem in the field. There are many poor HHs beyond the CBS

²⁶ “2010, Pengguna Ponsel Indonesia Capai Separuh Populasi [2010, Half of Indonesia’s Population Has Cell Phones]”; <http://m.detik.com/read/2007/09/07/131313/826987/328/2010-pengguna-ponsel-indonesia-capai-separuh-populasi>, accessed August 8, 2011.

criteria who cannot access RASKIN rice. In such cases, local wisdom and an egalitarian mindset have induced THHs to share some of their rice allocations with other poor HHs. This seems to be the best solution at the community level, although this community reaction is frequently considered “inaccurate targeting.”

Meanwhile, price accuracy is constrained by geographical conditions. Some THHs are located far from their respective DPs, the final destination of the *Bulog*'s delivery. The transport of rice to their homes incurs an additional cost, including various handling and transportation costs. For instance, in the Laonti sub-district, as all villages are located on an island, each village head must prepare (or rent) a boat to transport the rice to his village; this arrangement certainly affects the price of their RASKIN rice. The role of local administration is to help THHs access RASKIN rice at an appropriate price by setting up a nearby DP for the THHs, and also to procure extra budgetary funds that support activities.²⁷ However, since doing so is not obligatory, district administration tends to ignore this role as suggested by the Guideline, and South Konawe District administration does not provide extra budgetary funding to support the identification of changes to the list of poor HHs. District administration would, at most, spend money on honoraria for RASKIN team members, even if they did not fully discharge their duties.

Taking into account these conditions, it is understandable that the district administration often fully devolves its authority to village heads and villagers, so that village heads and villagers become more involved in distributing RASKIN rice—often, it has been determined, to almost all the HHs in their villages.

²⁷ “RASKIN Distribution at a Glance”; http://www.bulog.co.id/eng/glance_v2.php, accessed November 11, 2010.

6. Summary of Results and Policy Implications

6.1. Summary of Findings

1. Targeting in the RASKIN program in South Konawe was not done well. Some proportions of RASKIN rice were received by non-poor HHs. This was caused by the absence of some THHs names from lists issued by CBS and by a lack of accuracy in CBS data vis-à-vis poor HHs. CBS and local administrations did not forward these lists to the villages, and surveys were conducted only once every three years.
2. The absence of some THH names from CBS lists and a lack of precise information about the program at the village level made it impossible to identify which HHs were indeed poor. On account of these developments, village heads could not limit the number of truly poor HH who should have had access to cheap RASKIN rice. The concept of THHs did not hold socioeconomic legitimacy among the villagers and thus, could not be applied to rice distribution at the village level.
3. The villagers preferred to distribute RASKIN rice to all HHs, on account of their traditional egalitarian principles and to preserve harmony among the villagers. This strategy was decided through a village meeting (*Mudes*).
4. Incomplete targeting influenced the RASKIN rice prices. The prices at the village level varied from village to village and exceeded the price fixed by the government. It also influenced the quantity of rice distributed and the frequency of distribution. Many villagers received rice in amounts below the fixed quantity, and it too varied from village to village. In the survey villages, beneficiaries received RASKIN rice once every two or three months.
5. The commitment of local administration to supporting the RASKIN program and resolving problems was very low. Local administration did not disseminate clear information about the program; in fact, its lack of information dissemination *caused* very serious problems in identifying and targeting the poor. The villagers found it difficult to know the amount of rice

allowed per program beneficiary or the rice price stipulated by the government, as well as how often or how many times per year they could receive rice. Even after a complaint-handling unit (UPM) had been established to address problems, the villagers did not know the channel of claims or proposals, as information vis-à-vis the UPM itself had not been disseminated among the villagers. As a result, the villagers were continuously confused by various aspects of RASKIN program implementation.

6.2. Policy Implications

Overcoming targeting problems with regard to the RASKIN program is not easy, since the local administration is not authorized to demonstrate a strong commitment to supporting the program (i.e., provide monetary funding) and overcome chronic problems deeply rooted therein. A lack of collaboration among the CBS district office, district administration, and village heads makes it impossible to enhance the targeting process. There are a number of ways by which problems could be resolved:

1. The Indonesian government needs to update data each year and disseminate detailed information about the program. Monitoring and evaluation activities are essential to improving program implementation; local administrations need to set aside sufficient budgetary funding for these activities. It is true that most local administrations have budgeting problems; under such conditions, transferring targeting authority to the village level is a practical way to work, and reality is in line with this methodology.
2. Since villages know their own true condition best, it does make sense to hand over targeting decision-making to *Mudes*. However, most villagers are illiterate and thus find it difficult to identify themselves as poor or not, according to CBS criteria. This handing-over of decision making can also make the number of THHs swell, if most of the villagers claim to be “poor.”

Local administration and CBS need to coordinate and supervise the targeting of the poor, to avoid swelling the numbers of THHs due to villagers making baseless claims.

3. The government can reduce the administrative costs associated with collecting and updating poor-HH data, by focusing on THH data reliability. For instance, in South Konawe District, of 61,744 HHs, 29,009 (46.98%) HHs are categorized as “poor HHs.” In collecting and updating data, by focusing only on these 29,009 poor HHs, the local administration could easily check on the poor HHs at the threshold level and know of changes therein; changes could then be conveyed to the registration system. By improving the reporting system at the village level, HHs who consider themselves as newly poor HHs can report to the local administration, so that local administration can reduce administration cost rather; this is a feasible alternative to conducting a survey of all HHs in all villages. The estimated costs associated with these activities could be lower than those of conducting surveys of all the HHs in all the villages. For this purpose, local administrations need to enhance activities related to monitoring and evaluation, and devote more resources thereto.
4. The direct application of the “6P” evaluation criteria could “muddle” RASKIN implementation at the local level. To some extent, some latitude is necessary at the local level, to take into account local conditions and the limited capacities of local governance.

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APPENDIX 1

BKKBN CLASSIFICATION INDICATORS

A family is classified as KPS (*Keluarga Pra-sejahtera*, or pre-prosperous) if it fails to meet one of the following five criteria:

1. Family members are able to adhere to the religious principles of the religion of their choice
2. All family members are able to eat at least twice a day
3. All family members have different sets of clothing for home, work, school, and visits
4. A large proportion of the HH floor is not made of dirt
5. The family is able to obtain modern medicine when a child is sick, or family planning services.

A family would be classified as KS1 (*keluarga sejahtera tahap I*, or just prosperous) if it can meet the above criteria but fails to meet any of the following criteria:

6. The family is able to follow religious laws and customs
7. At least once a week, the family is able to consume meat, fish, or chicken
8. Each family member obtains at least one new set of clothing each year
9. There is at least 8 m² of HH space for each occupant of the house
10. All family members have been healthy over the last three months
11. At least one family member older than 15 years has a fixed income
12. All family members who are between 10 and 60 years of age can read and write
13. All children between seven and 15 years of age are enrolled in school
14. If the family has two or more living children and are still within the reproductive age group, the family uses contraceptives
15. The family has the ability to improve its religious knowledge
16. The family is able to save part of its earnings

17. The family is able to eat together with able members at least once per day, and that opportunity is used for communication amongst family members
18. The family normally takes part in local community activities
19. The family undertakes recreational activities outside the home at least once every six months
20. The family is able to obtain news from newspapers, radio, TV, or magazines
21. Family members are able to use local transportation facilities

(Source: Tabor, Steven R. and Sawit, M. Husein. 2001. "Social Protection via Rice: The OPK Rice Subsidy Program in Indonesia". *Journal of the Developing Economics*, Volume No. XXXIX-3 (September), p. 294.)

APPENDIX 2

CBS CLASSIFICATION INDICATORS

A family is classified as poor if it meets the following 14 criteria:

1. Extensive residential building offers fewer than 8 m² per person
2. Residential building flooring is made of dirt/bamboo/cheap wood
3. Wall housing are made of bamboo/thatch/low-quality wood/brick wall without plaster
4. Do not have toilet facilities in which all HH members can defecate
5. HH lighting sources do not use electricity
6. Drinking water comes from wells/unshielded springs/rivers/rainwater
7. Fuel for daily cooking is wood/charcoal/kerosene
8. Consume meat/milk/chicken only once a week
9. Buys a new set of clothes only once a year
10. HH members are able to eat just once or twice a day
11. Not able to pay the cost of treatment in health centers/polyclinics
12. Sources of income of HH heads are: farmers with a land area not exceeding 0.5 ha, farm laborers, fishermen, construction workers, plantation workers, or other jobs with incomes below Rp. 600,000 per month
13. The highest education level of the HH head is no school/not finished elementary school/graduate from primary school only
14. The HH does not have savings/goods that are easy to sell with a value of Rp. 500,000, such as: bike (credit/non-credit), gold, livestock, motor boats, or other capital goods

(Source: CBS. 2009. Analysis and Calculation of Poverty Level 2009. Jakarta. CBS.)

APPENDIX 3

The Two-by-Two Matrix Method for Calculating Exclusion and Inclusion Errors

Data are based on Table 5, in consideration of total HHs, THHs, and actual beneficiaries.

Mathematical notations:

$$\text{Exclusion error (non-coverage)} = N_{p,0}/N_p$$

$N_{p,0}$ = number of poor HHs not covered by the program

N_p = total number of poor HHs

$$\text{Inclusion error (leakage)} = N_{np,i}/N_i$$

$N_{np,i}$ = number of non-poor HHs in the program

N_i = total number of targeted HHs in the program

Calculation of exclusion error (under-coverage):

Here,

$N_{p,0} = 0$ (all HHs are included in the program)

$N_p = 1,475$ HHs

Exclusion error = 0%

Calculation of inclusion error (leakage):

Here,

$N_{np,i} = 1,659$ HHs

$N_i = 3,404$ HHs

Inclusion error = 48.74%

Table 8. Calculating Exclusion and Inclusion Errors

	Welfare Status of HHs		
	Poor	Non-poor	Total
HHs Excluded from Program	0 0.00% (Np,0/Np)	270	270
HHs Included in Program	1,475	1,659 48.74% (Nnp,i/Ni)	3,134
Total	1,475	1,929	3,404

Source: Coady, David, et al. 2004. *Targeting of Transfer in Developing Countries*. Washington DC. World Bank Regional and Sectoral Studies. pp. 10, 11, and 16.