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## Analysis and Strategy to Accelerate Urban Poverty in Central Kalimantan Province

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### Abstract

*Nowadays, poverty is a global and national issue, so it is still a concern for many parties. Poverty rate in Central Region of Kalimantan is relatively low at national scale. One of the factors contributing to such condition is inadequate budget from the central and regional government to support poverty eradication program. Such conditions are the focus of this research. This is a qualitative research using descriptive-analysis method. This research uses relevant secondary data. The result of this research reveals that the central and regional governments of The Central Region of Kalimantan should continuously improve the people's welfare in the region by formulating new strategies such as creating job opportunities, business opportunities to low income people, and allocating more budget coming from regional and central government. The regional government should also protect the poor by identifying and developing the potentials of local economy and productive efforts to boost the people's income. Coordination on the policy and program between the central and regional governments is particularly helpful in eradicating poverty in Central Region of Borneo.*

**Keywords:** Poverty, Government Policy, Central Region of Kalimantan.

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### INTRODUCTION

Poverty is a global and national issue so it is still a concern for many parties. In almost every country, poverty is still an important problem, including Indonesia. Poverty alleviation is still the theme of development, the main and sustainable agenda throughout the world, including in Indonesia. In the Outcome Document Transforming Our World: The 2030 Agenda For Sustainable Development, the goal of ending poverty is the "main" goal of the 17 goals agreed in the SDGs. In addition, in the 2020-2024 RPJMN, the poverty reduction strategy is one of the national development priorities. As is well known, the 2020-2024 RPJM sets macro development targets, namely reducing the poverty rate between 6-7 percent by the end of 2024. As a UN member state, Indonesia is also committed to addressing various existing problems in order to achieve the SDGs, especially related to poverty which is a top priority.

Based on the official news statistics No. 07/01/Th.XXVI from the Central Bureau of Statistics on January 16, 2023 obtained data on the development of the national poverty rate in September 2022 reaching 26.35 million people. Compared to March 2022, the number of poor people increased by 0.20 million people. Meanwhile, when compared to September 2021, the number of poor people decreased by 0.14 million people. The percentage of poor people in September 2022 was recorded at 9.57 percent, an increase of 0.03 percentage points from March 2022 and a decrease of 0.14 percentage points from September 2021.

Kapuas is still a district that has the lowest poverty line, namely Rp. 424,066.00 per capita per month. Cumulatively, data on the number of poor people in Central Kalimantan Province in March 2022 amounted to 145,000 people (5.28 percent) of the total population of Central Kalimantan Province, namely 2,741,075 people. This shows an increase compared to conditions in March 2021, namely 140,040 thousand people (5.16 percent). During the period March 2021-March 2022, the urban poor population increased by 5,380 people, while those in rural areas decreased by 320 people. In general, during this period, the poverty rate in Central Kalimantan decreased both in terms of number and percentage, except for the year 2002, 2005, 2006, 2014, 2021 and 2022. In the 2001-2022 period, the poverty rate in urban and rural areas decreased, but started to increase slightly from March 2021. During that period, there was a decrease in the percentage of poor people in rural areas but an increase in urban areas.

In rural areas, in 2001, the percentage of poor people was 14.86 percent and in 2022 it will decrease to 5.26 percent. Meanwhile in urban areas, the percentage of poor people in 2001 was 3.99 percent and in 2022 it will rise to 5.17 percent. Central Kalimantan Province is one of the areas that has quite good economic potential in the Kalimantan region. But in reality there are still poor people in urban areas in 2022 amounting to 5.17 percent or as many as 141,713 people of the total population of Central Kalimantan. Poverty reduction in Central Kalimantan is used as a development priority scale. In its implementation it involves several sectors or regional work units which are described in various programs and activities.

## **METHOD**

The method used in this writing is descriptive method. While the design used in this paper is the design of library studies where the author conducts a search of the literature and then conducts a review.

## **RESULTS AND DISCUSSION**

Based on the direction of the President of the Republic of Indonesia in the Limited Meeting on March 4 2020 concerning the Strategy for the Acceleration of Poverty Alleviation and the Limited Meeting on June 21 2021 concerning the Chronic Management Strategy, so that poverty alleviation is carried out in a consolidated, integrated and targeted manner through collaborative interventions, so that extreme poverty can reach zero level percent by 2024. Following up on

these directives, extreme poverty reduction efforts are carried out through special efforts in the form of multiple interventions. These efforts are carried out using two main approaches, namely first, reducing the expenditure burden of the poor and vulnerable groups through various social protection programs and subsidies. Second, carry out empowerment in order to increase the productivity of the poor and vulnerable groups to increase economic capacity or income. Efforts to accelerate are carried out in areas that have pockets of poverty, bearing in mind that extreme poverty is common in these areas.

### **Institutional Poverty Alleviation Strategy.**

To improve coordination for integrated poverty reduction, the government has issued Presidential Regulation Number 15 of 2010, concerning the Acceleration of Poverty Reduction, which is a refinement of Presidential Regulation Number 13 of 2009 concerning Coordination of Poverty Reduction. The Presidential Decree mandates the formation of a National Team for the Acceleration of Poverty Reduction (TNP2K) at the central level whose membership consists of elements from the government, community, business world and other stakeholders. Meanwhile, in the provinces and districts/cities, Provincial and District/City Coordinating Teams for Poverty Reduction (TKPK) were formed.

The duties of the Provincial/Regency/City TKPK are to coordinate and control the implementation of poverty reduction at the provincial level for Provincial TKPKs and to coordinate and control the implementation of poverty reduction at the district/city level for Regency/City TKPK. Given the importance of TKPK's role, it is deemed necessary for Central Kalimantan Province and all Regencies/Cities to evaluate the performance of existing TKPKs and optimize TKPK tasks and functions in each region so that the process of coordinating and integrating poverty alleviation programs, especially in urban areas, can be accelerated quickly and on target. .

The government can also innovate through institutions for holistic poverty alleviation programs to increase cross-institutional acceleration and coordination in efforts to accelerate urban poverty reduction in Central Kalimantan Province by issuing Regent/Mayor Regulations regarding the formation of sub-district and sub-district/village poverty reduction teams.

### **Short Term Urban Poverty Reduction Strategy.**

Comprehensive poverty alleviation requires the involvement of various stakeholders. The central government, regional governments, the business world (private sector) and the community are parties that have the same responsibility for poverty alleviation. The government has carried out poverty alleviation through various programs in an effort to adequately fulfill the basic needs of citizens, improve the socio-economic welfare of the poor, strengthen community socio-economic institutions and carry out accelerated development of underdeveloped areas in an effort to achieve a prosperous, democratic and just Indonesian society. However, these efforts have not been maximized without the support of other

stakeholders.

The government stipulates these poverty alleviation strategies, including: (1) Improving social protection programs; (2) Increasing access to basic services; (3) Empowerment of poor community groups; and (4) Creating inclusive development. For more details, the following will describe each strategy in question:

**1. Strategy 1: Improving Social Protection Programs.**

The first principle is to improve and develop social protection systems for the poor and vulnerable. The social protection system is meant to help individuals and communities deal with shocks in life, such as falling ill, death of a family member, loss of job, being hit by a disaster or natural disaster, and so on. An effective social protection system will anticipate that a person or community experiencing a shock will not fall into poverty.

**2. Strategy 2: Increasing Access to Basic Services.**

The second principle in poverty alleviation is improving the access of the poor to basic services. Access to education, health, clean water and sanitation, as well as food and nutrition services will help reduce costs for the poor. On the other hand, increased access to basic services encourages increased investment in human capital. National Team for the Acceleration of Poverty Reduction Empowering the poor is very important to increase the effectiveness and sustainability of poverty alleviation. In poverty alleviation efforts it is very important not to treat the poor solely as objects of development. Efforts to empower the poor need to be made so that the poor can try to get out of poverty and not fall back into poverty.

**3. Strategy 3: Empowering Poor Community Groups.**

The third principle is that efforts to empower the poor are very important to increase effectiveness and sustainability counter measures poverty. In effort Poverty reduction is very important not to treat the poor solely as objects of development. Efforts to empower the poor need to be made so that the poor can try to get out of poverty and not fall back into poverty.

**4. Strategy 4: Inclusive Development.**

The fourth principle is inclusive development which is defined as development that includes and simultaneously benefits the entire community. Participation is the key word of all development implementation. Facts in various countries show that poverty can only be reduced in an economy that is growing dynamically. Conversely, stagnant economic growth will almost certainly lead to an increase in the poverty rate.

**Medium/Long Term Urban Poverty Alleviation Strategy**

**1. Strategy A :**

**Improving the Quality of Human Resources for the Poor.**

This program is very necessary in order to prepare HR poor people to take

advantage of growing economic opportunities in Central Kalimantan. This program can be in the form of providing free formal education for children of poor families and organizing "Chasing Paket ABC" for poor elderly people. Programs like the ones above some of them have been implemented by the Provincial/District/City Governments in Central Kalimantan through the Budget and Regulatory Approach but perhaps the intensity needs to be improved as well as targets participants should really pay attention. This program is only intended for the registered poor family is not for those on the outside poor family group. If the implementation encounters obstacles, especially the limitations of the apparatus organizer, then it can involve non-governmental groups concerned with the problem of poverty. Likewise, if constrained by funding problems in the APBD, the Government can ask for Corporate Social Responsibility (CSR) funding for companies in Central Kalimantan.

## **2. Strategy B :**

### **APBD Focused on Poverty Reduction.**

Besides being improved, the allocation APBD is also not too widely distributed to several SKPD. Based on the results, the study is known that the effect of direct spending (public) in the regional budget for poor households has a significant effect even though the figure is positive. The increase in direct spending will lead to an increase in poor households. The real direct shopping leverage is if there is an increase in direct spending APBD of IDR million, it will increased poverty by 7.38 person. This means that it is necessary to evaluate real direct spending that has been planned and issued so that it is right on target and able to reduce the poverty rate.

The evaluation includes planning and implementation. At the planning level it is reflected in program integration and does not overlap, while at the implementation stage it is capable absorb energy from poor families. Focused preparation of APBD on poverty alleviation means that there has been an increase in the budget allocation for poverty alleviation programs.

## **3. Strategy C :**

### **Prevention Of Excessive Private Land Tenure**

Prevention of land tenure by private sector excessively, especially those that have the potential to get rid of the local population of Central Kalimantan is urgently needed. The potential for the emergence of new poverty is partly due to the transfer of ownership of strategic land from local residents to private investors. Local residents who experience this then move to suburban areas that are less potential with low infrastructure. People living far from centers economic growth so reducing their access to economic opportunities. The Provincial Government of Central Kalimantan needs to make policies that limit private land ownership. This can be stated in the Regional Spatial Plan (RTRW) which determines which areas can be developed by private investors and which areas are residential areas for local residents. An example is where



the private sector controls a lot of land and develops it into settlements, shops and modern recreation centers.

## **Grand Theory dan Theoritic Implication**

### **Poverty Theory**

What is meant by a trap circlePoverty is a series of forces that influence one another in such a way as to create conditions in which a country will remain poor and will experience many difficulties in achieving high levels of economic growth. Poverty is not only caused by the absence of past development, but also causes obstacle to future development. In poor countries this is not possiblehigh growth of capital formation (investment) (Sukirno, 1985). Other poverty trap theories too put forward by Meier and Baldwin who explained that to develop the wealth of natural resources owned in a society, there must be a workforce that has the expertise to lead and implement various kinds of economic activity. In countriesdeveloping, natural resource wealth has not been fully exploited and developed due to the level of public education is still relatively lowthus causing a lack of experts needed in the management of natural resources, and limited mobility of resourcesexisting in the country, including limited capital (Sukirno, 1985)

### **Definitions of Poverty and Urban Poverty.**

The definition of poverty has expanded along with the increasing complexity of the causal factors, indicators, and other problems surrounding poverty itself. Poverty is currently not only seen as an economic dimension, but has expanded to include social, health, educational and political dimensions.

According to the Central Bureau of Statistics (2014), poverty is the inability to meet basic needs such as food, clothing, shelter, education and health. There are two categories of poverty, namely absolute poverty and relative poverty. Absolute poverty refers to a set of standards that are consistent, not affected by time and place or country. An example of an absolute measure is the percentage of the population that eats below the amount sufficient to sustain the human body's needs (roughly 2000-2500 calories per day for an adult male). Relative poverty is poverty seen from the aspect of social inequality, because there are people who have been able to meet their minimum basic needs but are still much lower than the surrounding community (their environment). The greater the gap between the livelihood levels of the upper and lower classes, the greater the number of people who can be categorized as poor, so that poverty is relatively closely related to the problem of income distribution. Poverty is one urban problems that occur as a resulturbanization and further exacerbated by urban fragmentation. It is related toincreased needs that arise as a consequence of the urbanization process that occurs such as the need for job creation, the need to fulfill urban facilities in the form of housing facilities, economic facilities, as well as other facilities support (facilities and infrastructure). support).

### **Urbanization as a City Development Process.**

Urbanization is a process that influence the development of cities in developing countries. The urbanization occurs due to the increasing number urban residents are not only caused by the natural growth of the population but also migration, namely the movement of villagers to cities in the hope of getting a better life. Urbanization causes cities to develop and grow because they have to meet the needs of a growing population. In addition, the process of development that occurs as well affect economic and social change. The economic changes that have occurred include: is a shift in employment from the agricultural sector to the non-agricultural sector, such as trade and industry. The existence of a shift in the employment sector causes an increase in the economic productivity of a city which in turn will increase development and activity city. Meanwhile, social changes are taking place in the process of urbanization is indicated by changes in the mindset and lifestyle of the population (Mc Gee, 1971). The phenomenon of urbanization causes growing urban area extensive, so that it will affect the physical structure of the city which is not only for large cities but also for small cities. Urbanization produces changes, both constructive and descriptive which depend on various factors, including the carrying capacity of the city, especially the physical and economic carrying capacity, the quality of the urbanites, especially in terms of education and entrepreneurial skills, as well as local government policies and national policies regarding urban and rural planning (Bintarto, 1984). Fast economic growth goes hand in hand. Urban development resulted in important changes in the distribution of regional income. This can be seen from the decrease agriculture and industrial improvement as well stable contribution from the service sector. There is visible heterogeneity the social differences of its inhabitants causes separation between population groups based on economic differences and social its inhabitants. Furthermore, this separation can be seen from the existence of the formal sector and the informal sector.

Based on the economic aspect, formal economic activities in urban areas are is a new form of global integration that is increasingly widespread, but these activities are unable to absorb workers with low education and ability. On finally, workers with low productivity work in the informal sector (Lacabana and Cariola, 2003). Aside from that visible existence of the formal sector and the sector spatially informal especially indicated by legal and illegal settlements. Matter This happens because of the shape of the urban space form is a form of competition growing population activity inside.

### **CONCLUSION**

The poverty reduction program should be seen as not just reducing the poverty rate according to poverty indicators (poverty line) but more importantly ensuring that every community can live a quality and dignified life. Urban poverty alleviation policies in Central Kalimantan must be carried out continuously and sustainably. By evaluating existing policies and programs to find strategic

solutions in the future and long term. Fiscal policies in the regions by increasing regional budgets, both the Central Kalimantan Provincial APBD and the Regency/City APBD in Central Kalimantan, as well as poverty funds originating from the APBN can help the poor by designing programs that are productive and can significantly increase their welfare.

Policies for the development of micro and small businesses for the poor and very low income communities need to be developed by the Provincial Government of Central Kalimantan. This will really help the poor to be independent, and increase their income which in turn will help them to survive and get out of the poverty line. In addition, the Provincial Government of Central Kalimantan also needs to encourage the regional economy with economic policies that are able to increase investment in economic sectors to create new jobs. Thus the unemployment rate will also be reduced.

Central government policies in poverty alleviation in Central Kalimantan Province such as rice for the poor (raskin) and direct cash assistance (BLT) or direct community assistance (BLM), including price subsidies for basic commodities and transportation subsidies as compensation for rising fuel prices, are also seen as helping the poor, even if only for a short term. However, the government must continue to look for comprehensive and strategic policies, as well as long-term ones that can reduce the poverty rate in a real way in Central Kalimantan Province.

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