Effect of Giving Aid Policy Direct Cash to the Poor Urban Community in East Java

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ABSTRACT

The purpose of this study was to obtain the advantages and disadvantages of the implementation of cash transfers in empowering the poor, especially in the urban areas of East Java that can be applied to future development programs in order to compensate for the increase in fuel better. The design of this study focused on how the distribution of direct cash assistance (BLT) in supporting the needs of the urban poor in East Java by using explanatory. Analysis of the data is done not only qualitatively but also quantitatively using analytical models Structural Equation Model (SEM) using AMOS program 4.01. In structural equation models, causality was fairly depicted in a path diagram, then the language program will convert the images to estimate equation. Thus the BLT program funds to compensate for the price increase BBT for the urban poor, especially in East Java was not able to sustain family life, because the purchasing power decreased despite increased revenue, and even lead to dependence on the BLT funds.

KEYWORDS: Policy, Direct Cash, the poor community, East Java

INTRODUCTION

Government policies to raise the base price of fuel, it can lead to increased prices of basic needs for the poor and may result in their purchasing power decline, because it will be difficult to adapt to developments in market prices. Direct cash assistance (BLT) is a form of direct cash assistance given number for targeted households (RTS)., While the RTS is the notion of households into the category of very poor, poor and near-poor [1], According Aviliani [2] argues the BLT implementation will not be effective to reduce or anticipate the impact of fuel price increases for low-income strata of society. Conditions encountered in the field indicate a variety of problems ranging data that does not match, wrong target, abuse, chaos. Lack of socialization program seems to be the cause of the chaos [3], Basic considerations taken by the President of BLT policies written in [4], that BLT short term and situational, and the channeling of cash transfers to targeted households based on the Indonesian Presidential Instruction No. 3 of 2008 on May 14 , 2008.

Lssswel and Kaplan [5] gives the definition of policy as an achievement of program goals, values and practices are directed. Anderson [6] states the policy is a set of actions that have a specific purpose are followed and implemented by an actor or group of actors in order to solve a particular problem. In the study of Public Policy Analysis, then one of the branches of the field of study is Policy Evaluation. Why do policy evaluation, because basically every state policy (public policy) is the risk for failure. Abdul Wahab [7] quoting Hogwood and Gunn [8] go on to explain that the cause of the failure of a policy *(policy failure)* can be divided into 2 categories: (1) because of the "non-implementation" (not implemented) and (2) as "unsuccessful" (implementations are not successful). Not implementation a policy means that the policy was not implemented as planned. The study on the impact or policy evaluation is intended to assess the effects of a policy or in other words to find the answers to what happened as a result of the "policy implementation" [7].

By Cook and Scioli [9]: the analysis of the impact of policies intended to assess the effects of the implementation of a policy and discuss "the relationship between the means used and the results are going to be achieved". The signal is further clarified by, from one of the books written by Dolbeare,[10]. The concept of impact evaluations that have the same meaning to the concept of a policy that has been mentioned above, namely: As in what was once defined by Dye [11]: *"policy valuation is learning about the Consequences of public policy"*.

Based on the problems described earlier with the existing theoretical foundation, the framework is formulated as in Figure 1 below:

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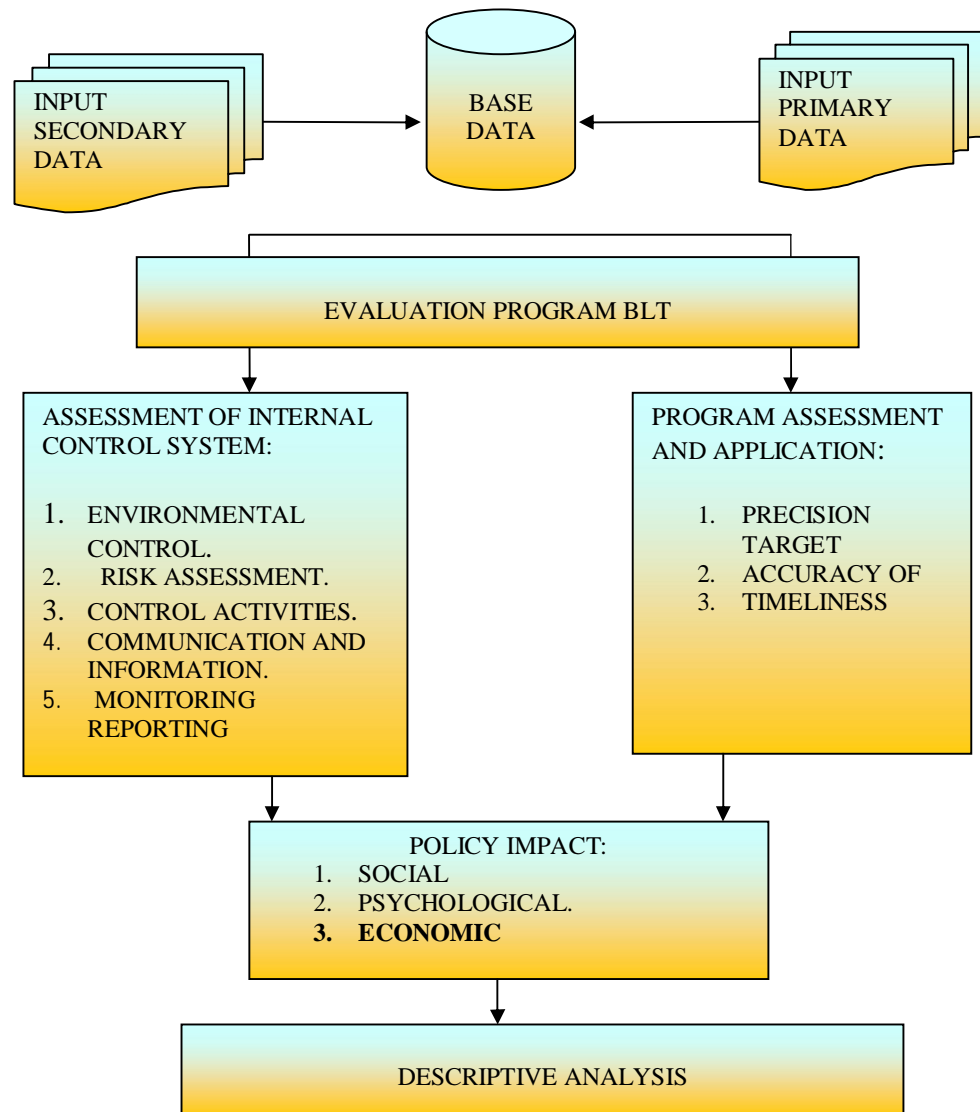
Figure 1 Theoretical Framework Thought

Based on Figure 1 can be explained that the BLT is a policy aimed at helping the poor to compensate for rising fuel prices. BLT policy impact is also evaluated through both policy and program evaluation systems and applications. In order to evaluate, in addition to methods of qualitative analysis with quantitative method, by analyzing the influence of each variable BLT policy and policy evaluation in the implementation of the impact on society. For that developed a conceptual framework as follows:
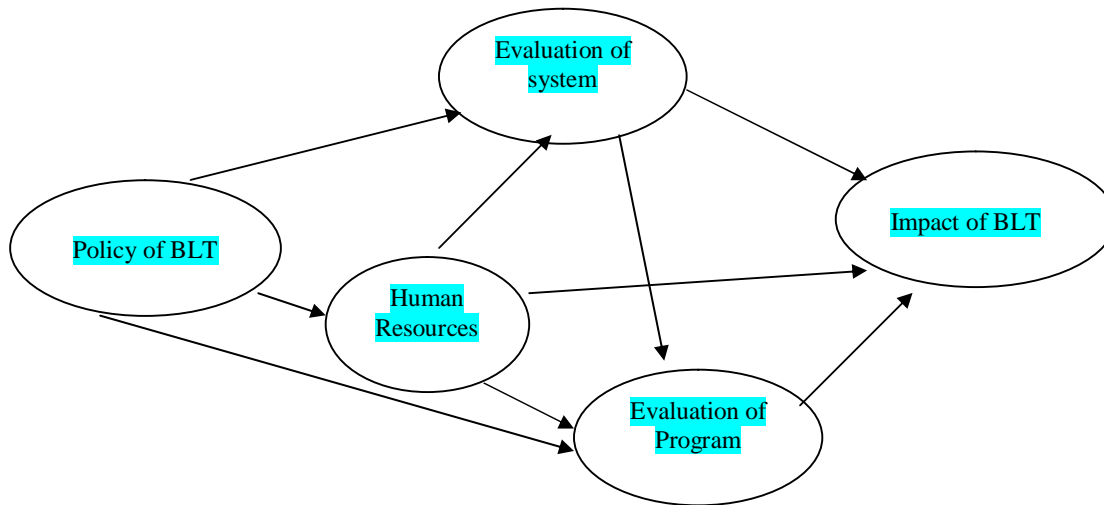
Figure 2 Charts Conceptual Framework

MATERIALS & METHODS

The design of this study focused on how the distribution of BLT in supporting the needs of the urban poor in East Java by using explanatory. Variables and questionnaire design in this study appear in Table 3.1 as follows.

Table 1 Research Variables and Questionnaire Design				
	Variables	Indicator	Item	Grain
1.	Policy and Program BLT (X1)	- Program -Target -Budget	- The existence of a clear program - Target defined clearly and precisely - Availability of the budget set	X1 X2 X3
2.	HR (X2)	- Readiness agencies	- Department of Social Welfare - PT. POS	X4 X5
3.	Assessment System (X3)	- The control environment - Risk assessment - Activity control - Communication and informants - Monitoring and reporting	- Realization of BLT funds safe, effective and efficient - Update Data BLT - BLT accountability mechanisms can be monitored - BLT program dissemination mechanism through socialization through TV and print media - Monitoring and evaluation by the designated - effective	Y1 Y2 Y3 Y4 Y5
4.	Assessment program (X4)	- The accuracy of target - The accuracy of the number - Timeliness	- Actual disbursements targeted BLT - Realization of BLT funds received each RT corresponding amount - Actual disbursements on schedule BLT specified time	Y6 Y7 Y8
5.	The impact of the policy (X5)	- Socio-cultural - Psychological - Economical	- Widespread distribution of income - Public awareness of the program and the poor BLT - Potential dependence - Increased income of the poor - Increased purchasing power of the poor	Y9 Y10 Y11 Y12 Y13

Data taken from several urban areas in East Java, in the form of:
- Data Primer, with direct interviews of the object of research is the BLT
- Secondary Data, by looking at data from every department related
This study took the entire sample of some of the urban areas of East Java. The population in this study was all urban areas in East Java, while the sample is taken, namely Surabaya and Malang.

Data analysis was carried out not only qualitatively but also quantitatively using analytical models Structural Equation Model (SEM) using AMOS program 4.01. In structural equation models, causality was fairly depicted in a path diagram, then the language program will convert the images to estimate equation [12].

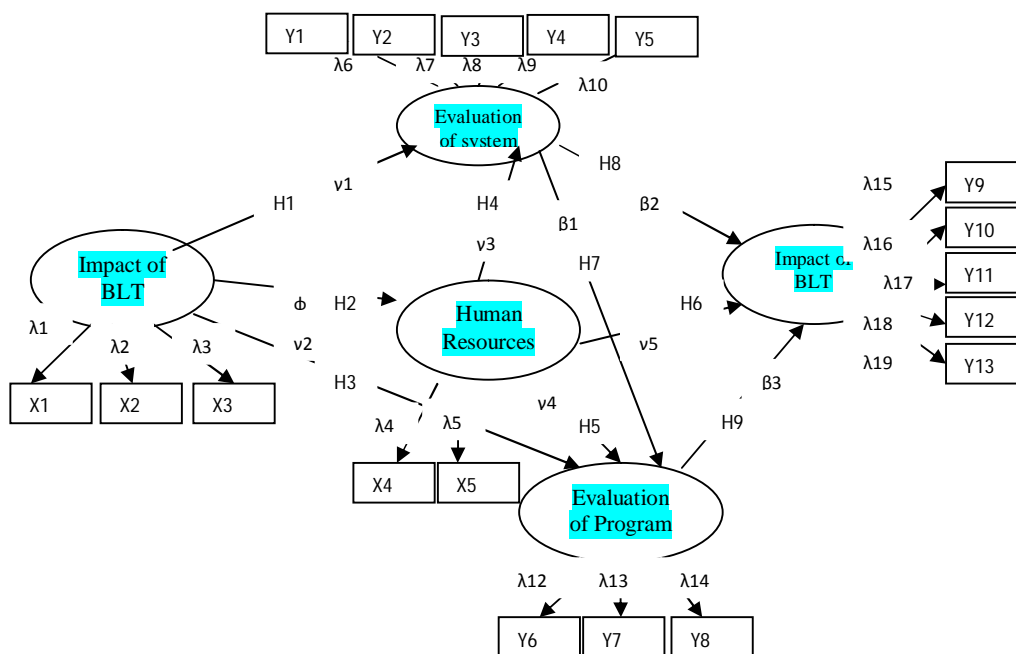Operational Model for SEM analysis depicted in the path diagram as follows: 4

Figure 3SEM Analysis Operational Model

RESULTS & DISCUSSION

BLT Realization Phase I in 2008 can be seen in Table 2 has been reported as shown in Table 3 as follows:

Table 2 Actual Reports Cash Assistance Program (BLT) Phase I in 2008

NO.	PROVINCE	ALLOCATION BLT (RTS)	DISTRIBUTION CARD (RTS)	REALIZATION OF PAY		Absorption
				(RTS)	(RUPEES)	(%)
1.	ACEH	495 668	464 385	484 958	145 487 400 000	97.84%
2.	NORTH SUMATRA	936 793	890 563	884 616	265 384 800 000	94.43%
3.	WEST SUMATRA	312 442	288 502	305 165	91,549,500,000	97.67%
4.	RIAU	293 707	251 293	235 603	70,680,900,000	80.22%
5.	JAMBI	198 176	184 610	192 206	57,661,800,000	96.99%
6.	SOUTH SUMATRA	685 886	632 428	629 529	188 858 700 000	91.78%
7.	BENGKULU	163 936	144 310	161 350	48,405,000,000	98.42%
8.	LAMPUNG	785 041	690 271	779 846	233 953 800 000	99.34%
9.	PEM. BANGKA BELITUNG	33,652	27,594	32,708	9812400000	97.19%
10.	ISLANDS RIAU	73,679	71,350	69,841	20,952,300,000	94.79%
11.	JAKARTA	157 515	152 169	150 270	45,081,000,000	95.40%
12.	WEST JAVA	2,897,807	2,628,296	2,852,042	855 612 600 000	98.42%
13.	CENTRAL JAVA	3,157,816	2,975,375	3,131,727	939 518 100 000	99.17%
14.	IN YOGYAKARTA	272 651	239 703	267 205	80,161,500,000	98.00%
15.	EAST JAVA	3,224,901	2,964,571	3,137,737	941 321 100 000	97.30%
16.	BANTEN	700 743	673 345	697 841	209 352 300 000	99.59%
17.	BALI	145 490	137 491	140 583	42,174,900,000	96.63%
18.	NUSA EAST WEST	566 142	546 821	555 254	166 576 200 000	98.08%
19.	NUSA EAST SOUTHEAST	619 429	591 272	608 768	182 630 400 000	98.28%
20.	WEST KALIMANTAN	359 042	350 059	355 397	106 619 100 000	98.98%
21.	CENTRAL KALIMANTAN	197 473	157 482	162 003	48,600,900,000	82.04%
22.	SOUTH KALIMANTAN	244 305	227 777	227 710	68,313,000,000	93.21%
23.	East Kalimantan	226 594	209 362	217 658	65,297,400,000	96.06%

24.	NORTH SULAWESI	123 447	108 761	111 273	33,381,900,000	90.14%
25.	CENTRAL SULAWESI	210 378	195 081	193 676	58,102,800,000	92.06%
26.	SOUTH SULAWESI	594 966	561 152	577 892	173 367 600 000	97.13%
27.	SOUTHEAST SULAWESI	271 042	257 742	257 933	77,379,900,000	95.16%
28.	GORONTALO	101 212	89,227	89,594	26,878,200,000	88.52%
29.	WEST SULAWESI	111 902	110 493	110 805	33,241,500,000	99.02%
30.	MALUKU	182 174	178 670	142 599	42,779,700,000	78.28%
31.	NORTH MALUKU	65,354	65,354	64,523	19,356,900,000	98.73%
32.	IRIAN JAYA WEST	124 543	122 766	106 150	31,845,000,000	85.23%
33.	PAPUA	486 857	474 775	310 056	93,016,800,000	63.69%
	TOTAL	**19,020,763**	**17,663,050**	**18,244,518**	**5,473,355,400,000**	**95.92%**

Source: Adapted from www.kompensasi.info and reports from the region (Department of Social Welfare, Post Office) and the Mass Media

BLT Realization Phase II in 2008 can be seen in Table 2 have been reported as shown in Table 3 as follows:

Table 3 Actual Reports Cash Assistance Program (BLT) Phase II in 2008

NO.	PROVINCE	ALLOCATION BLT (RTS)	DISTRIBUTION CARD (RTS)	REALIZATION OF PAY		Absorption (%)
				(RTS)	**(RUPEES)**	
1.	ACEH	495 668	464 385	479 786	191 914 000 000	96.80%
2.	NORTH SUMATRA	936 793	890 563	833 091	333 236 400 000	88.93%
3.	WEST SUMATRA	312 442	288 502	299 954	119 981 600 000	96.00%
4.	RIAU	293 707	251 293	223 232	89,292,800,000	76.00%
5.	JAMBI	198 176	184 610	191 076	76,430,400,000	96.42%
6.	SOUTH SUMATRA	685 886	632 428	627 189	250 875 600 000	91.44%
7.	BENGKULU	163 936	144 310	160 652	64,260,800,000	98.00%
8.	LAMPUNG	785 041	690 271	779 541	311 816 400 000	99.30%
9.	PEM. BANGKA BELITUNG	33,652	27,594	32,349	12,939,600,000	96.13%
10.	ISLANDS RIAU	73,679	71,629	68,947	27,578,800,000	93.58%
11.	JAKARTA	157 515	152 169	149 066	59,626,400,000	94.64%
12.	WEST JAVA	2,897,807	2,628,296	2,845,118	1,138,047,200,000	98.18%
13.	CENTRAL JAVA	3,157,816	2,975,375	3,125,050	1,250,020,000,000	98.96%
14.	IN YOGYAKARTA	272 651	239 703	266 688	106 675 200 000	97.81%
15.	EAST JAVA	3,224,901	2,964,571	3,126,518	1,250,607,200,000	96.95%
16.	BANTEN	700 743	673 345	695 912	278 364 800 000	99.31%
17.	BALI	145 490	137 491	140 880	56,352,000,000	96.83%
18.	NUSA EAST WEST	566 142	546 821	553 780	221 512 000 000	97.82%
19.	NUSA EAST SOUTHEAST	619 429	591 272	582 768	233 107 200 000	94.08%
20.	WEST KALIMANTAN	359 042	350 059	354 115	141 646 000 000	98.63%
21.	CENTRAL KALIMANTAN	197 473	157 514	161 236	64,494,400,000	81.65%
22.	SOUTH KALIMANTAN	244 305	227 777	226 435	90,574,000,000	92.69%
23.	East Kalimantan	226 594	209 354	214 146	85,658,400,000	94.51%
24.	NORTH SULAWESI	123 447	108 761	109 607	43,842,800,000	88.79%
25.	CENTRAL SULAWESI	210 378	195 081	192 144	76,857,600,000	91.33%
26.	SOUTH SULAWESI	594 966	561 152	575 322	230 128 800 000	96.70%
27.	SOUTHEAST SULAWESI	271 042	257 742	256 300	102 520 000 000	94.56%
28.	GORONTALO	101 212	89,227	89,380	35,752,000,000	88.31%
29.	WEST SULAWESI	111 902	110 493	109 216	43,686,400,000	97.60%
30.	MALUKU	182 174	178 670	119 333	47,733,200,000	65.50%
31.	NORTH MALUKU	65,354	65,354	63,311	25,324,400,000	96.87%
32.	IRIAN JAYA WEST	124 543	122 766	103 423	41,369,200,000	83.04%
33.	PAPUA	486 857	474 775	304 360	121 744 000 000	62.52%
	TOTAL	**19,020,763**	**17,663,353**	**18,059,925**	**7,223,970,000,000**	**94.95%**

Source: Adapted from www.kompensasi.info and reports from the region (Department of Social Welfare, Post Office) and the Mass Media

Policy BLT measured based program (X1), and target (X2), and budget (X3). Loading factor for each indicator variable BLT policy is shown in Table 4 below:

Table 4 Indicators measuring BLT policy

Variables	Indicator	Weighting factor	P	S / TS	Information
Policy BLT	X1	0.762	0.000	S	Indicators that can be used as a measure of policy BLT is the target set
	X2	1.019	fix	S	
	X3	0.965	0.000	S	

Sources: primary data processed

Human resources (HR) was measured by the readiness of Social Service (X4), and ready for PT. Pos Indonesia (X5). Loading factor for each indicator variable HR shown in Table 5 below:

Table 5 Indicators measuring HR

Variables	Indicator	Weighting factor	P	S / TS	Information
Human Resources (HR)	X4	0.738	fix	S	Indicators that can be used as a measure of SDM is the readiness Social Services
	X5	0.080	0.406	TS	

Sources: -primary data processed

Analysis of the data for testing the hypothesis in this study is using *Structural Equation Modeling* (SEM). *Software* for AMOS calculation used is 4.01. To test the predictive power of each indicator and each hypothesis used benchmark value of CR *(critical ratio)* on the *regression weight* with a minimum of 2 in absolute value. Furthermore, to examine the variables that define a factor that cannot be measured directly used *confirmatory factor analysis,* where the analysis is to make sense of the latent variables were confirmed. Tests conducted by Figure 4 as follows:
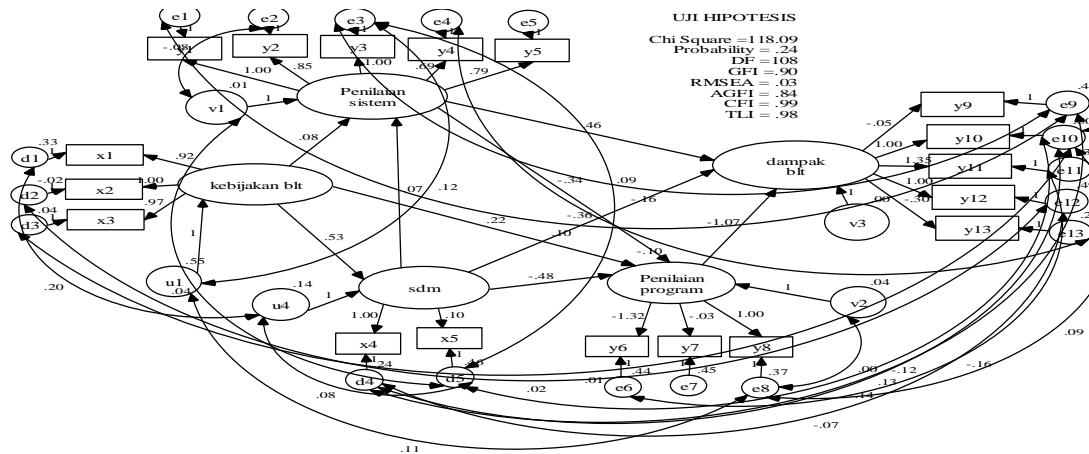

Figure 4 Analysis of BLT and HR policies influence the assessment system, assessment of the program and the impact on the urban poor BLT.

Test results can be explained in more detail on the evaluation of the model. The results of testing the model in this study suggests that relatively small chi squared 118.09 with p = 0.24 ≥ 0.05, GFI = 0.90 ≥ 0.90, RMSEA = 0.03 ≤ 0.08, CFI = 0, 99 ≥ 0.90, TLI = 0.98 and ≥ 0.95, which meets the critical value.

The results of model testing are presented in the table as shown in Table 6:

Table 6 Testing *Goodness of fit Overall Model*

Goodness of fit	Calculation Results	*Cut-off*	Information
Chi Squares	118.09	Relatively Small	Models Good
P	0.24	³ 0.05	Models Good
GFI	0.90	³ 0.90	Models Good
RMSEA	12:03	£ 0.08	Models Good
AGFI	0.84	³ 0.90	Marginal Model
CFI	0.99	³ 0.95	Models Good
TLI	0.98	³ 0.95	Models Good

Sources: -primary data processed

Rating system is measured by the control environment (Y1), risk assessment (Y2), control activities (Y3), communication and information (Y4), and monitoring and reporting (Y5). Loading factor for each indicator variable assessment system is shown in Table 7 below:

Table 7 Gauge Indicator Assessment System

Variables	Indicator	Weighting factor	P	S / TS	Information
Assessment system	Y1	0.197	Fix	S	Indicators that can be used as a measure of valuation is the system control activities
	Y2	0.156	0.236	TS	
	Y3	0.178	Fix	S	
	Y4	0.148	0.268	TS	
	Y5	0.156	0.205	TS	

Sources: -primary data processed

Program Assessment and Application measured based targeting accuracy (Y6), the precision number (Y7), timeliness (Y8). Loading factor for each indicator variable assessment system is shown in Table 8 below:

Table 8 Indicators Measurement Assessment and Application Program

Variables	Indicator	Weighting factor	P	S / TS	Information
Assessment and Application Program	Y6	-0.491	0.001	S	Indicators that can be used as a measure of program assessment and the application is targeting accuracy.
	Y7	-0.013	0.914	TS	
	Y8	0.429	Fix	S	

Sources: primary data processed

Precision targets showed significant negative value of -0.491, while the perception of the respondents indicated that 59.3% of people strongly agree and agree, a relatively low number. This suggests that the target of BLT tend not right, even upside down, for the non-target households BLT, proved that there are still many poor households that do not receive the BLT.

BLT impact is measured by the widespread distribution of income (Y9), community care (Y10), the dependence (Y11), income (Y12), and increased purchasing power (Y13).
Loading factor for each indicator variable assessment system is shown in Table 9 below:

Table 9 Indicators of Impact Estimator BLT

Variables	Indicator	Weighting factor	P	S / TS	Information
BLT Policy Impact	Y9	-0.017	0.899	TS	Indicators that can be used as a measure of the impact of the BLT is a BLT dependency on funds
	Y10	0.342	fix	S	
	Y11	0.500	0.019	S	
	Y12	0.345	fix	S	
	Y13	-0.144	0.242	TS	

Sources: primary data processed

Analysis of the effect of policy and human BLT on system assessment, program assessment, and the effects of BLT made with SEM. The results can be seen in Appendix presented again in Figure 4.2 5 as follows:
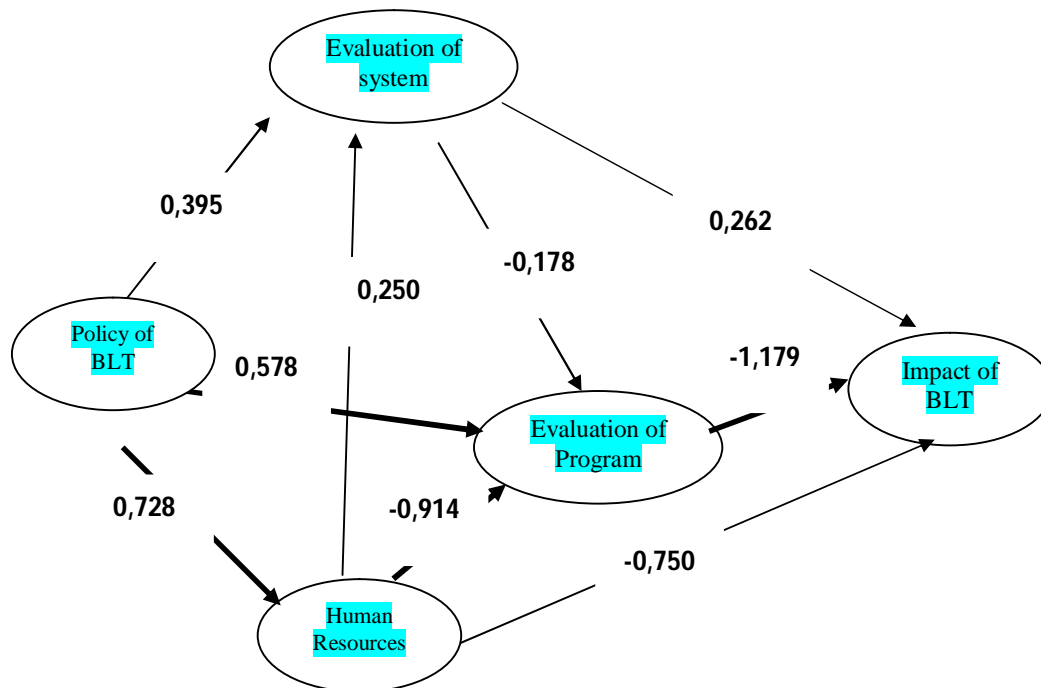
Description:
- Figures bold path coefficients (standardized)
- Numbers in parentheses *p value* Figure 5Structural Influence Model BLT and HR policies to the assessment system, assessment of the impact of programs and BLT

The structure effect relationships between variables in Figure 5 are detailed in Table 10 are presented as follows:

Table 10 Path coefficients between the study variables

	Path coefficient	Probability	Information
Rating system ß BLT policy	0.395	0.467	Not significant
HR ß policies BLT	0.728	0.000	Significant
Assessment program ß policies BLT	0.578	0.026	Significant
Rating system ß HR	0.250	0.597	Not significant
Assessment program ß HR	-0.914	0.037	Significant
Impact BLT ß HR	-0.750	0.075	Not significant
Assessment program ß assessment system	-0.178	0.761	Not significant
Impact BLT ß Assessment system	0.262	0.595	Not significant
Impact BLT ß Assessment program	-1.179	0.030	Significant

Sources: -primary data processed

Table 10 shows that of the nine hypotheses, there are 4 hypotheses were accepted, while others rejected the hypothesis 5:

1. **Hypothesis 1 is rejected**
   Theoretically that if the policy of good BLT made the assessment system will be better. Results showed no effect of BLT on system assessment policy and direction of the positive effect of 0.395. It can be explained that policies BLT had been followed by a good program, targets appropriately, and no budget that support it, the most important in this case the target has been set correctly. But the assessment of the system consisting of the control environment and control activities is not optimal. Thus we can conclude that the program is as good as any in the absence of a conducive control environment and control activities were optimal then the policy will not work as expected.
   Implication: BLT yet optimal policy outlined in the program, budget, and especially targets that are not clear, so just follow the rules in the paper without a good system.

2. **Hypothesis 2 received**
   Theoretically that if the policy has been established BLT well then it will be followed by HR-related readiness. Results showed no effect and the direction of the positive effect of 0.728, it can be explained that it is the policy in this case the target has been clearly established and must be followed by the readiness of the Social Service Human Resources is responsible for collection of poor households.
   Implications: Policies BLT is not optimal policies outlined in the program, budget, and especially targets that are not clear, leading to the unpreparedness of Social Services to collect data

3. **Hypothesis 3 received**
   Theoretically, if a policy is said BLT set appropriate targets, the assessment shows targeted program. Results showed no effect and the direction of the positive effect of 0.578, but the indicators actually show a negative assessment of the program, which means that the target is already set with the right but not the right target.
   Implications: Policies BLT is not optimal policies outlined in the program, budget, and especially targets that are not clear, leading to misdirected citizens who are not entitled to receive the BLT.

4. **Hypothesis 4 is rejected**
   Theoretically, it is said that if HR are well prepared, it will facilitate the assessment of the system. Results showed no effect and the direction of the positive effect of 0.250, it can be explained that when the government is preparing HR well in this case the Department of Social Services in the data collection, it is easy but ineffective control activities.
   Implications: HR unpreparedness especially Social Services in data collection, confusing system that has been built.

5. **Hypothesis 5 received**
   Theoretically, it is said that if HR has been well prepared, the assessment program will run properly. Results showed HR has an influence on the assessment program and the negative effect of -0.914. It can be explained that the government was already preparing human resources through the Department of Social Welfare for the collection, but the reality is that the distribution of the BLT is not on target.
   Implications: HR unpreparedness especially Social Services in data collection, causing the target does not match.

6. **Hypothesis 6 is rejected**

Theoretically, it is said that if HR has been well prepared, it will have a positive impact on society. Results showed no effect on the readiness of human resources and the direction of impact BLT negative effect of - 0.750. It can be explained that the government has attempted to prepare human resources for the Department of Social Welfare to record RT target, but more the fact worsened the impact of BLT. Because poor people claiming more and more and it will lead to dependence BLT funds.

Implications: HR unpreparedness especially Social Services in data collection, a negative impact on the urban poor in East Java

7. **Hypothesis 7 is rejected**

Theoretically, it is said that if the system has been running well, it will be the program will run well too. Results showed no effect of the assessment system assessment program and the negative effect of -0.178. It can be explained that the government was trying to run the system properly through control activities, but it turns out the program is not well targeted on Poor Households.

Implication: The system is not well in the monitoring mechanism, causing the wrong target and repeated the next stage.

8. **Hypothesis 8 is rejected**

Theoretically, it is said that if HR has been well prepared, it will have a positive impact on society. Results showed no effect on the readiness of human resources and the direction of impact BLT negative effect of - 0.750. It can be explained that the government has attempted to prepare human resources for the Department of Social Welfare to record RT target, but more the fact worsened the impact of BLT. Because poor people are claiming more and more and it will lead to dependence BLT funds.

Implications: HR unpreparedness especially Social Services in data collection, a negative impact on society.

9. **Hypothesis 9 was rejected**

Theoretically, it is said that if HR has been well prepared, it will have a positive impact on society. Results showed no effect on the readiness of human resources and the direction of impact BLT negative effect of - 0.750. It can be explained that the government has attempted to prepare human resources for the Department of Social Welfare to record RT target, but more the fact worsened the impact of BLT. Because poor people are claiming more and more and just me. It can be concluded that policies BLT was followed by a less precise targets, and lack of preparation for Social Agency in data poor households lose control activities, and further negative impact on the form of the dependence BLT urban poor households in East Java. This means that policies BLT applied only to prepare human resources and programs that are good, without a good system. HR prepared was not able to run the program, coupled with a system that is not good, have a negative impact on society BLT.

Research Implications: BLT policies initiated by the government as compensation for the fuel price hike is not optimal, and virtually in shambles because there is no good system. Moreover unpreparedness followed by HR, which actually worsen the condition of the urban poor in East Java.

Results and Impact Evaluation of the BLT program briefly can be seen in Table 11 below:

Table 11 Impact BLT

Program	Activity	Criteria	Quantitative Analysis		SS / S	Evaluation
			Weighting factor	Significance	%	
	Program	Program	0.762	S	55.9	Self-explanatory
		Target	1.019	S	50th	Less clear
		Budget	0.965	S	57.3	Self-explanatory
	HR	Social Services	0.738	S	26.9	Less ready
		PT. Post. Indonesia	0.080	TS	84.2	Ready
BLT	Assessment System	Environmental Control	0.197	S	82.2	Effective & efficient
Help		Risk Assessment	0.156	TS	72.2	Less than optimal
Direct		Control activities	0.178	S	63	inadequate
Cash		Communication and information	0.148	TS	74.2	Less effective
		Monitoring and reporting	0.156	TS	75th	Less effective
	Assessment programs & applications	Targeting accuracy	-0.491	S	59.3	Not exactly
		The accuracy of the number	-0.013	TS	98.9	Not Exactly
		Timeliness	0.429	S	92.6	Quite right
	Impact	Social: equity	-0.017	TS	86.1	Not achieved
		Social: society should concern	0.342	S	81.4	Reached
		Psychological	0.500	S	83.3	Not achieved
		Economical; revenue	0.345	S	97.2	Reached
		Economical: purchasing power	-0.144	TS	75th	Not achieved

Description: SS: strongly agree, S: agree

In order to accommodate a variety of problems in the disbursement of funds BLT, the reality in the field, and enter the various parties, it is necessary to develop a value in motivating the community so that people have the same understanding and conducive. By providing expertise as well as employment to poor people tend to be much more effective. Because it does not teach people to be people who beg and do not fool the public. Overcoming poverty is not an easy way. BLT program launched by the government is not able to reduce the level of poverty of the people of Indonesia.

CONCLUSION

It can be concluded that the BLT program funds to compensate the increase in fuel prices for the citizens of the urban poor, especially in East Java was not able to sustain family life, because the purchasing power decreased despite increased revenue, and even lead to dependence on the BLT funds.

RECOMMENDATIONS

Specialization BLT funds for the elderly
Specialization BLT funds for the elderly, to minimize the burden of the government in the Budget. For the elderly need to identify them as indicated by the ID card lifetime as already applied for this. Documenting lifetime ID will allow the government to identify the funds needed for the elderly.

Providing Employment to absorb unemployed
Governments need to pursue the jobs for the community by setting up industrial centers households to villages that have certain natural resources. Household industry centers are established by looking at the potential of the targeted areas by providing training and funds as initial capital. With an initial capital is expected that the area will be able to absorb quite large and reduce unemployment, so that the villagers no longer have to go flocked to the city to find work.

The transfer to the BLT Program PNPM program by providing funding still is not dependent on the state budget.
Provision of funds BLT fixed without interrupting or dependent on the state budget is a policy that should be taken by the government. This policy can be done by conducting cooperation with both state-owned enterprises and local enterprises. As there has been done by the government in partnership, such as PT. Jasa Marga, PT. Telkom and others that have a large enough profit to help small and medium enterprises. This is done by providing training to small businesses to manage their own business so that they can independently.

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