ANALYZING THE BLT POLICY’S EFFECTS DURING THE PANDEMIC ERA: AN ISLAMIC ECONOMIC PERSPECTIVE STUDY

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ABSTRACT

Background: Direct cash assistance in Indonesia is organized by a mechanism in the form of compensation for cash, food, health insurance, and education with a target of three levels. Almost poor, poor, very poor. BLT was first held in Indonesia in 2005.

Aims: This study aims to analyze the impact of the direct cash assistance program policy in the era of the COVID-19 pandemic with a review of the Islamic economic perspective.

Method: This type of research uses a qualitative approach that produces descriptive data in the form of words from interviews conducted by the author to village officials and recipients of direct cash assistance.

Findings: The results of this study indicate that, during the covid-19 pandemic, the government provided assistance in cash which was shown to the groups most affected by COVID-19, including the poor, formal workers, and online transportation business actors. And economically, the provision of BLT can only meet the needs of the community within a period of 2 weeks and cannot help the community to meet the needs within a period of 1 month as determined, and after that BLT cannot increase people's income, and this assistance also cannot be used for working capital.

KEYWORDS impact; policy; direct cash assistance

INTRODUCTION

Direct cash assistance in Indonesia is organized by a mechanism in the form of compensation for cash, food, health insurance, and education with a target of three levels. Almost poor, poor, very poor (Iping, 2020). BLT was first held in Indonesia in 2005 and continued in 2009 and 2013 was renamed to temporary direct community assistance (BLSM). The government introduced BLT to the public in 2005. The program was initiated by Jusuf Kalla right after he and Susilo Bambang Yudhoyono won the Indonesian presidential and vice-presidential elections in 2004 and finally based on presidential instruction number 12 was promoted Unconditional Cash Direct Assistance Program from October 2005 to December 2006 with a target of 19.2 million poor families (Suharto, 2009). Then because the world oil price rose again, BLT was held again in 2008 based on the instruction of the President of Indonesia number 3 of 2008. Finally, in 2013 the government again organized BLT but under the new name Temporary Direct Assistance Community (BLSM). The BLSM mechanism is the same as BLT. The amount of budget spent on this program is 3.8 trillion Rupiah for 18.5 million poor families with cash of 100 thousand Rupiah per month (Maftuchan, 2020).

During the reign of President Joko Widodo – Jusuf Kalla also issued a policy by improving the Social Protection Program. This strategy is a step to reduce poverty. The first principle is to improve and develop social protection systems for the poor and vulnerable. Social protection systems are intended to help individuals and communities deal with shocks in life, such as...
falling ill, the death of family members, losing their jobs, being hit by disasters or natural disasters, and so on.

Direct Cash Assistance (BLT) is direct assistance in the form of a certain amount of cash for target households (RTS), while the understanding of RTS is a household that falls into the category of very poor, and almost poor. The economic impact caused by the Covid-19 pandemic is very influential for the level of community welfare. This is due to restrictions on economic activities that macro-decrease economic growth and cause many people to lose their jobs, potentially increasing the number of poor people.

In March 2020 the Covid-19 pandemic was officially declared into Indonesia. Since then, its spread has expanded and expanded throughout almost the entire province. This outbreak is projected to increase the number of poor people in Indonesia by about 3.6 million people by the end of 2020. This figure is higher than the September 2019 data. Therefore, the government provides direct cash assistance to the community-sourced from village funds to reduce the burden of the poor due to Covid 19. The government has designed various new policies in order to suppress the spread and handling of this virus. One of them is the issuance of Law Number 2 of 2020 on the establishment of government regulations in lieu of Law Nomor 1 Tahun 2020 on the state's financial policy and financial system stability for handling the Covid-19 pandemic and in order to deal with threats that endanger the national economy and financial stability into law (Nurhasanah, 2015).

In addition, in order to protect the poor, the government expanded the social safety net (JPS) including those contained in PDTT village minister regulation No. 6 of 2020 on changes to PDTT village minister regulation No. 11 of 2019 on the priority of using village funds, including related to the provision of direct cash assistance sourced from village funds (Apriliana, 2017). In order to implement BLTDana Desa, various policies have been issued including the Instruction of the Minister of Home Affairs No. 3 of 2020 on the handling of Covid-19 in the village through the village revenue and spending budget of The Minister of Finance Regulation No. 40 of 2020 on changes to the regulation of the minister of finance No. 205 of 2019 on village fund management (Maftuchan, 2020).

In general, the village of Pasar 3 Natal is a village where most people only work as fishermen and traders. Income from fishermen and swords is only enough to meet the daily needs of the family. In addition, considering that Indonesia is currently affected by the Coronavirus, and plus the Coronavirus causes the economic activities of the community to macro-decrease economic growth and causes people to lose their jobs so as to potentially increase the number of poor people. With circumstances like this, it is important to observe how to make the community can meet the needs of families who only work as fishermen and traders (Rivai & Buchari, 2009).

<table>
<thead>
<tr>
<th>No</th>
<th>Professions</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fisherman</td>
<td>132</td>
</tr>
<tr>
<td>2</td>
<td>Merchant/Self-employed</td>
<td>69</td>
</tr>
</tbody>
</table>
Direct Cash Assistance (BLT) as a short-term compensation program whose main goal is to keep the level of household consumption that is classified as poor does not decrease during the current pandemic that occurred in Indonesia. Although the Cash Direct Assistance (BLT) program is not the only program related to poverty reduction, it is expected to encourage poverty reduction. In this case, BLT is expected to help and alleviate the burden of the poor in meeting their needs.

Seeing from the impact of this policy, this policy does not have a significant impact on people in Indonesia, especially in rural areas, this is due to nominal BLT that is not balanced with the cost of living for the community. In addition, the impact that the BLT policy is not able to have a positive impact on increasing the productivity of the poor, but tends to have a negative impact on the decline in productivity.

In general, this Natal III market village is a village that most people only work as fishermen and traders. And the income from the eyes of the search is only enough to meet the basic needs of the household daily. In addition, after this assistance is completed the community will again experience economic difficulties because it does not get any more help from the village government, most people expect the training, special skills, and business capital assistance to be provided from the village government so that the community does not receive free assistance but also capital that is special skills and business capital to connect their lives.

### METHOD

This type of research is qualitative research, which uses observations, interviews, or document reviews. Qualitative research is research that emphasizes the aspect of deep understanding of a problem and looking at problems for generalization research (Afrizal, 2014). Qualitative data is in verbal form rather than in the form of numbers. Qualitative data management is done by transcribing data both interview results and documents related to writing (Rahmani & Ahmadi, 2016). Then the data is clarified according to the issues discussed. The type of research used is to use field research (Field Research) which is a researcher directly to the research place with the research subject of Pasar 3 Natal Village Community, Natal Subdistrict, Mandailing Natal Regency.

### RESULTS AND DISCUSSION

This direct cash assistance program aims to help the economy of the poor during the covid-19 pandemic so this assistance is expected to help the community in meeting the needs and helping the economic life of the poor. As for the data on public expenditure in 1 month and nominal BLT received that we must know. With the aim, so that we know this direct cash assistance helps the community or not. The data presented is as follows.

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Occupations</th>
<th>Expenditure/Month</th>
<th>Nominal of BLT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Zuraidah</td>
<td>Merchant</td>
<td>Rp. 1,000,000</td>
<td>Rp. 600,000</td>
</tr>
<tr>
<td>2</td>
<td>Fuadsyah</td>
<td>Merchant</td>
<td>Rp. 1,000,000</td>
<td>Rp. 600,000</td>
</tr>
<tr>
<td>3</td>
<td>Ganda Sinaga</td>
<td>Merchant</td>
<td>Rp. 800,000</td>
<td>Rp. 600,000</td>
</tr>
<tr>
<td>4</td>
<td>Ali</td>
<td>Merchant</td>
<td>Rp. 700,000</td>
<td>Rp. 600,000</td>
</tr>
</tbody>
</table>
From the table above it is explained that there are 8 respondents with their work and household expenses in 1 month and the nominal BLT they receive. This table aims to see how helpful BLT is for the community in a period of 1 month with a nominal BLT of Rp.600,000 / month.

Table 3. Number of BLT Recipients and Allocation of BLT Village Funds

<table>
<thead>
<tr>
<th>No</th>
<th>Number of BLT Recipients</th>
<th>Village Fund BLT Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>114</td>
<td>Rp.800,000,000 (25%)</td>
</tr>
</tbody>
</table>

Prospective recipients of BLT village funds are poor families both recorded in integrated social welfare data and those that do not meet the following criteria:

a) Households that must be isolated due to Covid 19 infection;

b) Poor elderly residents and vulnerable households affected by Covid 19;

c) Poor households with sick family members and having to bear medical expenses;

d) Households registered as recipients of assistance at the village level that has not been reached by national/regional programs, such as zakat-receiving households;

e) Households with primary breadwinners who are unable to work or earn are severely affected by the Covid 19 outbreak.

f) Households that are unable to buy or access basic necessities, especially food, due to the Covid 19 outbreak.

g) Households that according to the local community are recommended to receive program benefits in accordance with local opportunities and wisdom.

If you look at this Direct Cash Assistance helps or not, the Cash Direct Assistance Program in Pasar III Natal Village does not reduce poverty, but this assistance can help the poor to survive so that the poor do not become poorer. This assistance can only help in meeting the needs of life, but this assistance cannot be used as business capital because the amount is still small and temporary.

This assistance is also not in accordance with the state of society and is considered ineffective to help the poor because this assistance is direct and cash makes people lazy to work, but it would be nice for the government to provide assistance in the form of cash for business capital and also provide training to the community so that after this assistance is completed the community will not feel economic difficulties (Mannan, 1997). However, this help is expected to help the community so that the purchasing power of the community is maintained.

Giving BLT as described above, in general, can relieve the household economy during the pandemic, and from the results of data and interviews that the author did, the BLT has helped but helped not for a long period of time but only helped in a period of 2 weeks, this is complained by the community because, in public expenditure data, It has been explained that
the average public expenditure from Rp.800,000-Rp.1,000,000 / month. when viewed from the nominal BLT assistance is only Rp. 600,000 / month. Then it can be concluded that the BLT provided has not been able to help the community within a predetermined period of time or within a period of 1 month.

CONCLUSION
The conclusions in this study are:
1) Direct Cash Assistance (BLT) in Pasar III Natal Village has not run smoothly, this is because the village device is less transparent to the community so that the community does not know the procedures and mechanisms in the distribution of cash assistance funds and also village devices do not conduct deliberation to the community; and
2) Direct Cash Assistance (BLT) has not been able to reduce the poor, because the relatively small nominal BLT and nominal assistance cannot be used for business capital, but this assistance has helped in meeting the needs of life.

REFERENCES