



Field Report

Rice for Poor Families (RASKIN): Did the 2002 Program Operate Effectively?

*Evidence from Bengkulu and
Karawang*

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ABBREVIATIONS AND ACRONYMS

Bappenas	<i>Badan Perencanaan Pembangunan Nasional,</i> National Development Planning Board
BBM	<i>Bahan Bakar Minyak,</i> Refined Fuel Oil
BKKBN	<i>Badan Koordinasi Keluarga Berencana Nasional,</i> National Family Planning Coordinating Board
BPD	<i>Badan Perwakilan Desa,</i> Village Representative Council
BPS	<i>Badan Pusat Statistik,</i> Central Bureau of Statistics
Bulog	<i>Badan Urusan Logistik,</i> National Logistics Agency
Dolog	<i>Depot Logistik,</i> Provincial level office of the National Logistics Agency
FAO	Food and Agriculture Organization
JPS	<i>Jaring Pengamanan Sosial,</i> Social Safety Net
KB	<i>Keluarga Berencana,</i> Family Planning
KK	<i>Kepala Keluarga,</i> Head of Family, Household
KPS	<i>Keluarga Pra-Sejahtera,</i> Pre-prosperous Families
KPS ALEK	<i>Keluarga Pra-Sejahtera Alasan Ekonomi,</i> Pre-Prosperous Families (Economic Reasons)
KS-1	<i>Keluarga Sejahtera 1,</i> Level 1 Prosperous Families
KS-1 ALEK	<i>Keluarga Sejahtera 1 Alasan Ekonomi,</i> Level 1 Prosperous Families (Economic Reasons)
LKMD	<i>Lembaga Ketahanan Masyarakat Desa,</i> Village Community Security Council
Menpangan	<i>Menteri Negara Pangan dan Hortikultura,</i> Ministry of Food and Horticulture
NGO	Non Government Organization

OPK	<i>Operasi Pasar Khusus,</i> Special Market Operations program
PKK	<i>Pendidikan Kesejahteraan Keluarga,</i> Family Welfare Education program
PKS-BBM	<i>Program Kompensasi Subsidi BBM,</i> Fuel Subsidy Compensation Program
PLKB	<i>Petugas Lapangan Keluarga Berencana,</i> Family Planning Field Worker
PPD-PSE	<i>Program Penanggulangan Dampak Pengurangan Subsidi Energi,</i> Program to Tackle the Impact of Reducing Energy Subsidies
Raskin	<i>Beras Untuk Orang Miskin,</i> Rice For Poor Families program
RT	<i>Rukun Tetangga,</i> Neighborhood Association (lowest level)
RW	<i>Rukun Warga,</i> Neighborhood Association (consisting of several RTs)
Subdolog	<i>Sub Depot Logistik,</i> District level office of the National Logistics Agency
SUSENAS	<i>Survei Sosial Ekonomi Nasional,</i> National Socio-Economic Survey
UED-SP	<i>Usaha Ekonomi Desa – Simpan Pinjam,</i> Village Savings and Loan Scheme
UNICEF	United Nations International Children's Emergency Fund
VAM	Vulnerability Analysis and Mapping

INTRODUCTION

Background

For the fifth successive year the Indonesian government has been responsible for the implementation of a special welfare assistance program that is intended to deliver medium quality rice to poor and needy families at a heavily subsidized price. This program was originally an essential element in the government's emergency social safety net program, a set of measures hastily put in place during the second half of 1998 to provide support for those families most seriously affected by the economic crisis that began in mid-1997. The social safety net program included job creation schemes, education and health assistance measures, and also the provision of block grants and small-scale micro-credit programs that were supposed to operate as "revolving funds" within the local community, supporting the expansion of small-scale business activities. Some of these programs were very short-term ventures that either soon disappeared or were phased out over time, but the implementation of the rice subsidy program has continued to the present, passing through five funding periods.

The program, widely known until 2002 by its Indonesian abbreviation OPK (Operasi Pasar Khusus, Special Market Operations), was originally planned and put into effect by officials from the Ministry of Food and Horticulture (Menpangan) working in close collaboration with the National Logistics Agency (Badan Urusan Logistik - Bulog).¹ Under the first phase, rice began to be dispersed in a few parts of the country in July 1998, gradually spreading throughout the archipelago over the following months as the OPK program was brought up to full scale. When Menpangan was dissolved in the ministerial restructuring that followed in the wake of the 1999 national elections, Bulog assumed full responsibility for the implementation of the OPK program.

In its original phase, OPK aimed to deliver 10kg of rice per month to poor families at Rp1000 per kg. The intended beneficiaries of the program were defined as those families who were listed in the lowest welfare category by the National Family Planning Coordinating Board (Badan Koordinasi Keluarga Berencana Nasional - BKKBN) classification of family socio-economic status: those who were referred to as "pre-prosperous families" (*keluarga pra-sejahtera* or KPS).² The variables upon which this classification was based covered food consumption patterns, the type of health care family members were able to access, the possession of alternative sets of clothing, the material and size of the floor of the family home, and the ability of household members to practice their religion. Families that failed to meet certain minimal

¹ The term OPK was adopted to distinguish this program from those market operations (*operasi pasar*) that Bulog occasionally conducted by "dropping" rice into the market place as a price stabilization measure. This had been carried out frequently during 1997 in response to perceived shortages in the availability of rice and other foodstuffs as a result of the El Nino drought.

² The other levels, indicative of improving socio-economic status, were "prosperous families" level 1, level 2, level 3, and level 3 plus (*keluarga sejahtera 1, keluarga sejahtera 2, keluarga sejahtera 3, and keluarga sejahtera 3+*).

standards in any one of these five areas were listed as KPS and were thus eligible to receive OPK rice allocations.

Changes were made to the program on several occasions during the first year, reflecting the government's anxiety about the extent of the deepening social impact of the economic crisis. There were fears that the poorest sections of the community, affected by falling real incomes and rising food prices, would be unable to afford to purchase rice, the staple food for Indonesians in most parts of the country. National allocations and rice tonnages were steadily increased, enabling "level 1 prosperous families" (*keluarga sejahtera 1* or KS-1) to be also included on the list of program beneficiaries.

From December 1998, the monthly allocation per family was increased to 20kg at the same subsidized price of Rp1000 per kg. If this intended allocation had indeed been achieved, it would have constituted an indirect net monthly income transfer of approximately Rp20,000 to Rp30,000 per family.³ This would have been a considerable achievement. However, it is apparent from the results of a number of independent studies that the OPK program failed to achieve its stated objective of providing food security for the poorest sections of society. An early field-based study of the implementation of OPK was conducted in five provinces in late 1998. In addition to commenting on the need for a far more effective public information and outreach campaign to inform the community about the goals of the program and pointing out certain shortcomings in the administration and implementation procedures, the study also found evidence that many poor families were not being reached by the program. The report called for a revision of the BKKBN eligibility criteria to include more realistic measures of need, and to consider allowing some form of local decision-making into the targeting process.⁴

As a result of such criticisms, during 1999 an attempt was made to improve targeting and to tighten the eligibility criteria for social safety net programs such as OPK. This was achieved by persuading BKKBN to distinguish two additional categories of families based on particular "economic" criteria. Thus for the past several years BKKBN have been producing a separate classification of both "pre-prosperous families" (*keluarga pra-sejahtera* - KPS) and "level 1 prosperous families" (*keluarga sejahtera 1* - KS-1) for economic reasons. These two additional classifications are referred to as KPS ALEK and KS-1 ALEK.

The indicators used by village-based, family planning cadre to determine which families fall into these categories are as follows. Any family will be classified as KPS ALEK if it fails to meet any one of the following criteria:

- All family members are usually able to eat at least twice a day;
- All family members have different sets of clothing for home, for work or school, and for formal occasions;

³ Rice prices spiraled for a short period during late 1998 reaching over Rp 3,500 per kg. See Syaikhul Usman and M. Sulton Mawardi (1998). Fortunately, this was a temporary state of affairs and on average the price of medium quality rice has remained between Rp 2,000 and 2,500 for much of the subsequent period. Admittedly, actual rice prices vary across the country and are also subject to seasonal fluctuations.

⁴ Sri Kusumastuti et al. (1998). See in particular, pp.18-19.

- The largest section of the floor of the family home is not made of earth; and
- Sick children are able to receive modern medical attention and women of fertile age are able to access family planning services.

And any family will be classified as KS-1 ALEK if it fails to meet any one of the following criteria:

- At least once a week the family is able to eat meat, fish or eggs as side dishes to their meals;
- Every family member has obtained at least one new set of clothes during the past year;
- There is at least 8 m² of floor space in the family home for every member of the household; and
- All children between 7 and 15 years of age are presently attending school.

The initial concerns about the effectiveness of the OPK program's targeting of the poor were confirmed by a number of important studies that appeared over the following two years. Drawing on panel data from several rounds of the One Hundred Village Survey conducted by the Central Bureau of Statistics (BPS) and UNICEF, as well as data from a special module on the Social Safety Net (JPS) in the February 1999 National Socio-Economic Survey (SUSENAS), SMERU researchers published a number of analytical studies demonstrating that the coverage and targeting of the OPK program was seriously deficient.⁵ These analyses revealed that an estimated 20.2 million households across Indonesia had received the benefits of the program over one six-month period, almost double the number of intended beneficiaries. Furthermore, the coverage of poor families (defined by levels of household expenditure) was disappointingly low, as only 52.6% of poor families had received OPK rice. Meanwhile, there was a high degree of "leakage" since a considerable percentage of the rice was actually being delivered to non-poor families, who made up about three-quarters of all recipients. Far from fulfilling the aims of the program planners, the benefits of the program were spread almost equally between poor and non-poor families, in other words an indication of random rather than effective targeting.

Despite the technical sophistication of these studies and the importance of their findings, some significant gaps in understanding remain for a complete explanation of what has occurred over the course of the subsidized rice program. There are obvious limitations to the information that can be extracted from BPS statistical surveys and the other panel data sources. Consequently, although the data analysis studies have been able to tell us a great deal about inadequate program coverage and ineffective targeting, they have not been able to shed much light on the reasons why the program has not been implemented in the way that central government planners intended. The data analysis studies cannot account for the social and political dynamics at work at the grassroots level that underlies what actually happens when the cheap rice is delivered to the distribution points in the villages. Further field-

⁵ See especially the following studies: Asep Suryahadi, Yusuf Suharso and Sudarno Sumarto (1999); Sudarno Sumarto, Asep Suryahadi and Lant Pritchett (2000); Sudarno Sumarto, Asep Suryahadi and Wenefrida Widyanti (2001). The central conclusions and main findings from the above papers have recently been restated in Lant Pritchett, Sudarno Sumarto and Asep Suryahadi (2002).

based investigations were required to identify and describe the various local factors that have determined how the program really operates.⁶

Although the data sources used in these studies only covered a specific time period of the OPK program's operations, subsequent field-based observations confirmed the data analysis findings, with reports from a wide variety of locations that rice was being dispersed to a far larger number of families, and hence in much smaller amounts, than what was detailed in the implementation procedures set out in the program guidelines.⁷ Despite these critical independent findings, there was no sign that the central government was prepared to address the underlying problems. In fact, Bulog officials were initially reluctant to admit what was really happening once the OPK rice was delivered to the distribution points in the villages,⁸ even though the evidence was overwhelming. Nevertheless, when the official guidelines were released for the 2000 and 2001 OPK program, although the target group of families was still described as the poor and food-insecure, the reality of what had been happening had been tacitly accepted: the total allocations for each recipient had been changed from 20kg for each family to a maximum of 20kg and a minimum of 10kg.⁹

Raskin – the 2002 Program

By the second half of 2001 it had become obvious to senior Bulog staff that the problems and weaknesses of the OPK program needed to be addressed. It was apparent that an attempt had to be made to revise the program to ensure that its intended aims could be achieved so that the benefits of the program were being delivered to the nation's poorest families.

Following a series of wide-ranging discussions with various interested parties, a revised program was drawn up for 2002. The most obvious and immediate difference with the previous phases of the subsidized rice program was the change of name. The mechanistic OPK label had indicated nothing about the real purpose of the program, which was frequently known and referred to by villagers as simply "*sembako*" (literally, nine basic necessities) that had been delivered to the community by the government. The program's new acronym, Raskin, was chosen to draw people's attention to the fact that the cheap rice was really intended only for the poorest families: Raskin, "*Beras untuk Keluarga Miskin*" or Rice for Poor Families. Bulog set out to reinforce this message through a national television advertising campaign, although the reach and effectiveness of this measure would be dependent upon the funds that were made available. Although Bulog was now stressing that this program should no longer be

⁶ For one such study, see Benjamin A. Olken, Musriyadi Nabiu, Nina Toyamah and Daniel Perwira (2001).

⁷ See the following studies: LP3ES and MENPHOR (2000); Tim Dampak Krisis (2000); Benjamin A. Olken, et al. (2001).

⁸ In numerous official reports on the results and achievements of the government's social safety net program, the number of supposed recipients of OPK rice was based on the total tonnage of rice that had been dispersed from Bulog's warehouses and storage facilities. This practice was widely repeated even after evidence that more than double the number of families quoted in these official estimates had actually been receiving cheap rice. See for example Puguh B. Irawan [ed.] (2001:17-20).

⁹ See for example Badan Urusan Logistik (2000:7).

regarded as an emergency measure arising from the economic crisis, but rather a social protection program, the target group within the population remained the same as it was under the OPK phases of the program: those families who are poor and at risk of being unable to provide an adequate measure of food security.

At the end of 2001, Bulog planners were also considering the introduction of a radically different and much more complex approach to the targeting of the subsidized rice that it was intending to disburse throughout the following twelve months. At the urging of several international agencies concerned with food security, in particular FAO and the World Food Program, serious consideration was given to introducing a technique known as the Vulnerability Analysis and Mapping (VAM) methodology.¹⁰ Using a multivariate statistical approach and drawing on data from a range of sources, including data on household consumption and expenditure, nutrition and poverty levels, in combination with data on food crop production levels, it was argued that this methodology could be used to create a series of digital maps covering the entire country and coded to indicate levels of local vulnerability to food insecurity in specific areas. Those local areas identified as being at greatest risk of experiencing food insecurity would be selected to receive the subsidized rice.

Whether this methodology could be implemented in Indonesia from a practical perspective and whether it would result in improved targeting of the food assistance program remain unproven, for Bulog's proposal to pilot VAM in several Java provinces in early 2002 did not win the support of provincial and *kabupaten* administrations. As a result, the basic principles of Raskin as outlined in the 2002 official program guidelines are essentially little different from the earlier versions of the subsidized rice program.¹¹ Some of the key elements of the planned program are worth restating here:

- The Raskin program aimed to provide poor families with 20 kg of rice every month throughout 2002 at Rp1000 per kg.¹²
- How were those families to be selected? According to the program guidelines, each village was given considerable responsibility and autonomy over the selection of the actual beneficiaries. The Bulog planners who designed the program simply stipulated that the determination of the families to be listed as beneficiaries should be made in the first instance with reference to BKKBN's data on those families classified as KPS ALEK and KS-1 ALEK.¹³
- This data was to be the subject of further discussion and consultation at village-level meetings attended by the village head (*kepala desa* or *lurah*), prominent local community leaders, local family planning and family welfare

¹⁰ The VAM methodology was outlined and discussed at a Bulog workshop in Jakarta in November 2001, organized to review the targeting issues. See the workshop proceedings, Badan Urusan Logistik (2001b).

¹¹ See Badan Urusan Logistik (2001c).

¹² Note that the Raskin program aimed to provide 20kg for every family, a revision of the formulation of previous years when beneficiaries were supposed to be provided with a minimum of 10 and a maximum of 20kg. See Badan Urusan Logistik (2001c:2).

¹³ See Badan Urusan Logistik (2001c:5).

cadre (PKK and PLKB), local NGO leaders, and other leading community figures. As a result of these deliberations, a list of beneficiaries was to be finalized.

- The guidelines also stipulate one further important consideration: village decision-makers were expected to work within the limitations of the ceiling or quota that had already been determined for each village. This means that every village was to receive a specific allocation of rice each month that was intended to supply a certain fixed number of families with a 20kg allotment. Thus, in theory, the number of families listed by the village as recipients of the Raskin program should not exceed this quota.
- The agreed list of beneficiaries was to be ratified by the village head, and forwarded to the local *camat*.
- The list of eligible families was also to be posted in a prominent place within the village for all members of the community to see.
- Each family on the list was to be issued with an official Raskin Card containing coupons for each month of the year, which were to be used each month when the allocation of rice was collected at the distribution point.
- The guidelines also set out in considerable detail the procedures that were to be followed for the delivery and distribution of the rice at the distribution points, the payment process, as well as arrangements for monitoring and evaluation.

In late 2001 the Indonesian government decided to commit sufficient funds to provide 2,349,600 tonnes of subsidized rice during the 2002 calendar year. This amount was intended to assist a total of 9.8 million poor families each month under the subsidized rice program. In addition to the Rp4,67 trillion earmarked for the Raskin program, the government had also allocated a further Rp500 billion for food relief under a program known as the Fuel Subsidy Compensation Program (*Program Kompensasi Subsidi BBM*, PKS-BBM).¹⁴ Funds for this special program were set aside from the savings made from the phased reduction in fuel subsidies that had been announced in 2001, and the food relief component was designed to assist 1,000,000 poor families directly affected by the rise in fuel prices.

Although Bulog has required that its own internal financial administration and internal reporting of the PKS-BBM program be kept separate from Raskin, the implementation of both programs have been thoroughly integrated with the same procedures and delivery mechanisms in place. In effect, in almost all locations, the rice provided under the PKS-BMM program was simply added to the Raskin allocation so that from the perspective of the villages there was a single subsidized

¹⁴ See Badan Urusan Logistik (2002). During the second half of 2001 a similar allocation had been made under a temporary program known as the Program to Tackle the Impact of Reducing Energy Subsidies. See Badan Urusan Logistik (2001a). This program had also been integrated into the existing OPK program.

rice program in operation during 2002. For this reason we will simply refer to the Raskin program throughout the following pages.

In fact, the 9.8 million figure was suddenly revised downwards before the program began when the government decided to set aside a special allocation of rice to assist the victims of social and political unrest in several regions that had created temporary camps of internally displaced refugees. As a result, the national quota for the 2002 subsidized rice program was reduced to 2,167,100 tonnes intended to assist 9,029,584 families (see Table 1).¹⁵ By way of comparison, the actual disbursements of subsidized rice for each of the previous four funding periods are also included in the attached table. With the exception of the 1999/2000 OPK program – the period when the government’s social safety net program was at its maximum level of operation as a result of the economic crisis – the table reveals that the amount of rice being disbursed under OPK and now Raskin has been rising every year. Furthermore, the allocations for the 2002 Raskin program represent a considerable increase over the previous year’s OPK program.

How did the government arrive at the 2002 allocations? According to Bulog officials, the original quota of 9.8 million families was the result of a process of consultation with other government agencies, in particular the Ministry of Finance and the National Development Planning Board (Bappenas). The government also took into account the most recent poverty data that was available from the BPS and the BKKBN lists of family socio-economic status. According to the BKKBN data for 2000 that was available to Bulog when the 2002 programs were being drawn up, the original allocation was aimed to assist approximately 20% of all Indonesian families, while the revised figure would assist 19% of the total number. Nevertheless, the allocation was insufficient to cover all those families in the lowest welfare categories, KPS ALEK and KS-1 ALEK, even though these were the two categories specifically referred to in the Raskin program official guidelines. (For the BKKBN data on these two categories, see the final two columns in Table 1).

Under the Raskin program, the central government assumed responsibility for determining the quotas for each of the provinces.¹⁶ According to Bulog, the precise allocation for each province was calculated proportionally according to the BKKBN data on KPS ALEK and KS-1 ALEK. The provincial governments were informed in November 2001 of their precise allocations for 2002. On the basis of these allocations, every provincial government was asked to determine the quotas for each *kabupaten* and *kota* within its area of jurisdiction, again drawing on BKKBN data. Finally, at the *kabupaten* and *kota* level, the local administration was given the task of deciding on the exact quotas for each of the distribution points within their region.

¹⁵ The original figure of 9.8 million families appears in the Raskin program guidelines. See Badan Urusan Logistik (2001c:2). Bulog planned to revise the quotas again later in the year when the actual disbursements to the recipients were finally realized.

¹⁶ See Badan Urusan Logistik (2001c:5).

Table 1: Subsidized Rice Programs 1998/1999 – 2002: Disbursements and Quotas

Province	1998/1999 OPK (tonnes)	1999/2000 OPK (tonnes)	2000 OPK (tonnes)	2001 OPK (& PPD-PSE) (tonnes)	2002 Raskin (& PKS-BBM)				
					Allocation (tonnes)	Disburse- ments (tonnes)	Target No. of Families	KPS ALEK	KS-1 ALEK
Aceh Darussalam	17,418	79,993	48,596	58,793	77,977	85,691	324,070	237,059	213,891
Sumatera Utara	8,552	46,121	26,092	31,933	40,310	32,224	167,958	184,886	394,293
Riau	9,354	35,315	20,086	24,472	33,856	26,573	141,069	76,632	157,460
Sumatera Barat	1,417	18,289	11,672	17,975	24,789	25,470	103,286	16,307	117,442
Jambi	7,758	22,399	10,526	14,774	20,426	21,434	85,109	118,203	11,067
Sumatera Selatan	26,644	65,865	21,209	42,119	57,886	63,886	241,192	248,842	307,910
Bangka & Belitung	–	–	–	–	6,441	7,641	26,838	–	–
Bengkulu	5,695	13,523	9,770	17,411	23,315	25,612	97,147	44,541	85,979
Lampung	65,590	122,501	64,969	72,324	114,139	125,585	475,579	429,916	297,011
DKI Jakarta	6,804	18,172	12,915	20,559	28,278	24,258	117,825	11,794	116,157
Jawa Barat	115,976	435,145	197,200	233,026	270,867	266,522	1,128,613	1,100,809	1,823,309
Banten	–	–	–	–	44,348	53,691	184,783	–	–
Jawa Tengah	367,383	706,206	357,946	325,658	498,007	498,006	2,075,031	1,934,757	710,172
Yogyakarta	16,082	41,350	21,144	31,829	43,385	43,385	180,770	128,052	143,764
Jawa Timur	299,006	579,827	277,314	250,305	428,763	424,619	1,786,511	1,799,518	933,541
Kalimantan Barat	4,364	30,772	18,856	25,184	30,431	30,364	126,797	9,990	188,822
Kalimantan Timur	1,521	14,453	7,766	12,956	17,599	21,590	73,331	35,677	93,016
Kalimantan Selatan	4,160	31,310	17,917	24,893	34,187	36,013	142,444	50,955	146,350
Kalimantan Tengah	3,934	12,492	10,075	13,575	19,969	22,079	83,206	43,897	88,056
Sulawesi Utara	8,673	42,449	16,509	24,087	18,224	20,206	75,933	73,296	69,471
Gorontalo	–	–	–	–	11,660	13,116	48,582	–	–
Sulawesi Tengah	3,764	21,070	16,376	28,521	30,604	34,559	127,516	128,116	90,648
Sulawesi Tenggara	4,921	18,969	23,699	19,323	19,902	22,438	82,925	87,537	114,390
Sulawesi Selatan	10,146	69,432	28,235	32,858	40,370	44,634	168,207	191,868	335,171
Bali	691	7,015	6,453	7236	11,003	12,922	45,844	37,896	56,030
Nusatenggara Barat	25,549	68,836	39,170	42,442	65,784	72,731	274,099	312,236	244,175
Nusatenggara Timur	15,674	44,970	40,191	47,374	84,355	92,828	351,481	585,538	–
Maluku (Ambon)	3,745	8,907	18429	31,630	21,609	28,928	90,038	135,605	69,578
Maluku Utara	–	–	–	–	10,020	7,702	41,750	–	–
Irian Jaya (Papua)	8,429	35,853	31,135	30,574	38,596	42,141	160,816	236,400	92,181
Timor Timur	7,124	6,947	–	–	–	–	–	–	–
Total	1,050,374	2,598,180	1,353,248	1,481,829	2,167,100	2,226,847	9,029,584	8,260,327	6,899,884

Notes:

- (a) Figures for 1998/1999, 1999-2000, 2000, and 2001 are the actual disbursements of subsidized rice. The data are sourced from Bulog records. The time span of the 1998/99 and 2000 phases of the OPK program was nine months only; all other phases were for a full twelve-month period.
- (b) Figures for the 2002 Raskin program (including PKS-BBM) are Bulog's own announced allocations (tonnage quotas and the target number of families that the program was intended to reach) and the actual tonnage of rice disbursed throughout the course of the twelve months of the program. The data on disbursements are taken from Bulog's own official figures based on the monthly reports received from Dolog offices in all provinces. The figures on KPS ALEK and KS-1 ALEK included above are those used by Bulog to allocate quotas to each of the provinces in 2002, and were drawn from BKKBN 2000 data.

The Present Study¹⁷

A number of problems were identified throughout the course of the previous OPK phases of the subsidized rice program, in particular the apparent difficulties with targeting that resulted in a considerable proportion of the benefits of the program not reaching the poorest sections of the community. In view of the attempts made by Bulog to improve the implementation and delivery mechanisms of the 2002 Raskin program, it was decided to conduct a limited, rapid appraisal to try to discover to what extent, if any, the present program has been able to address some of these persistent problems.

The aim of this study was to assess the effectiveness of the Raskin program by conducting a village-level survey in selected locations and drawing on all available statistical data. All aspects of the implementation of the Raskin program were under consideration, including the extent and effectiveness of public education about the intended purpose of the program, delivery and payment procedures, and the extent and reliability of independent program monitoring and evaluation. However, the most important issues to be investigated in the villages that were surveyed were as follows:

- who was actually receiving the rice?
- what was the precise quantity of their monthly allotment? and
- how much were the recipients really paying?

Before field investigations began, we were greatly assisted by discussions with Bulog staff in Jakarta. We were also able to obtain official Bulog data about the allocations and quotas that had been established for each province for 2002, as well as useful comparative data detailing the actual disbursements of rice that had been delivered in previous years under the OPK program.

We decided to concentrate our attention on the province of Bengkulu, on the west coast of Sumatra. According to data from BPS, of all the provinces in Sumatra, Bengkulu has the second highest incidence of people living below the poverty line.¹⁸ In addition, in late May 2000 much of the province was seriously affected by a powerful earthquake that destroyed many houses, offices and public buildings, as well as inflicting considerable damage on public infrastructure in many areas, such as roads and communication networks, dykes and irrigation systems. This was a serious blow to a province where most of the population lives in rural areas and whose livelihood depends upon participation in agriculture. Following the onset of the Indonesian economic crisis in mid-1997, some smallholders in Bengkulu actually benefited from a sudden and unexpected rise in the price of certain export commodities. However, this state of affairs did not last for long and most Bengkulu farmers who depend upon

¹⁷ The authors would like to acknowledge the assistance that they received from Musriyadi Nabiu of the Faculty of Agriculture, University of Bengkulu, throughout the course of the fieldwork in Bengkulu, and from their colleague at the SMERU Research Institute, Sri Rahayu Kusumastuti, during several visits to Karawang.

¹⁸ Drawing on data obtained from the 2000 National Socio-Economic Survey (SUSENAS), SMERU researchers have calculated poverty rates at the provincial level for the year 2000: the considerably larger province of Lampung has a poverty rate of 26.6%, while Bengkulu's poverty rate is 15.54%. See Asep Suryahadi, Wenefrida Widyanti and Sudarno Sumarto (2002).

the sale of rubber or coffee from modest holdings have found that the market for these commodities is currently quite sluggish (see Fig.1).



Figure 1: Struggling families of marginal smallholders, Bengkulu:
they own land but are still poor

Since Bengkulu has only three *kabupaten* and one municipality (*kota*), during the limited time available it was possible to cover a reasonable area within the province. During late July and early August 2002, we were able to visit eight villages from several *kecamatan* chosen from two of the three *kabupaten* within the province (see Table 2). The villages selected represent different types of communities and settlements within the province, taking into consideration size, accessibility and other demographic factors. They include small and medium size communities of traditional Bengkulu smallholders, as well as two large former Javanese transmigration settlements. Some villages were selected because of their relatively isolated or inaccessible location while others were chosen because of their proximity to the *kecamatan* headquarters or the main roads linking them to urban and peri-urban areas within the province.

Interviews were conducted in every village with the local officials who have had primary responsibility for the implementation of the Raskin program (invariably the *kepala desa* and his staff). However, we also took every opportunity to conduct informal and confidential interviews with as many members of the local community as possible, in particular with those who had been purchasing an allocation of rice and with others who for various reasons had been unable or unwilling to do so. We also spoke to the operators of small village stalls or *warung* as well as to local volunteer family-planning cadre, and other individuals knowledgeable about subsidized rice issues.

Although these village surveys were the central focus of our study, this fieldwork was complemented by interviews with a range of officials at provincial, *kabupaten* and *kecamatan* levels, in particular, those Dolog and local government personnel directly involved with the implementation of the Raskin program.

To provide a comparison with the eight villages studied in Bengkulu, we subsequently visited an additional two villages in Kabupaten Karawang, the part of the province of West Java that lies in the hinterlands immediately to the west of Jakarta. Both these villages were much larger communities in comparison with those we had surveyed in Bengkulu, one dependent upon fishing and rice farming, the other exclusively on agriculture (see Fig.2). Interviews were also conducted with local Subdolog and *kecamatan* officials involved with the Raskin program.



Figure 2: Families of local fishermen, Karawang: who should be eligible for Raskin?

RASKIN: WHAT HAS REALLY BEEN HAPPENING ON THE GROUND?

Publicity and Community Information

In theory, publicity and information activities are clearly set out in the Raskin operational guidelines. This was intended to be a matter of priority for recipients at the distribution points, while for government agencies, it was to be conducted both at the national level and at every regional and administrative level.¹⁹ In practice, however, there is a strong impression that a Raskin publicity and information program was not regarded as a particularly important matter as Raskin was generally considered to be simply a continuation of the OPK program. Consequently, a publicity program was not arranged specifically for each location but was based on need. In Bengkulu, a *kabupaten*-level publicity and information program for all *kecamatan* was only conducted following a request from the respective local governments. As a result, these activities between *kabupaten* were carried out at different points in time and only after the Raskin program had begun.²⁰ In fact, a publicity and information program should ideally have been carried out well before the program began. The information about the program delivered by Dolog on these occasions did not focus on the principles of the program but had particular purposes in mind. These purposes included the announcement of a reduction in the size of the allocation under the Raskin program compared with OPK, and notification of Dolog's request for the collation of a list of the actual recipients of the program.

There were usually no special publicity and information programs at the *kecamatan* level for all *kepala desa*. These were instead incorporated into the agenda of the routine weekly meetings of *kepala desa* at the *kecamatan* office. In contrast to the *kabupaten* level, material about Raskin was delivered at the *kecamatan* level by the *camat* or his staff. As there was no guidance about what needed to be explained, the information at these weekly meetings tended to consist of announcements of the Raskin implementation procedures. In addition, this forum was also used to monitor the progress of the implementation of the program in each village or *kelurahan* and any associated problems.

At the *kecamatan* level in Karawang, apart from the general information delivered during routine weekly meetings, Subdolog officials also conducted a special program of activities in five of the 23 *kecamatan* within the *kabupaten*. These five *kecamatan* received special attention as they were assessed as places where implementation of Raskin could be problematic, based on experiences during the OPK program.²¹

¹⁹ Badan Urusan Logistik (2001c:12-13).

²⁰ In Kabupaten Bengkulu Utara, a publicity and information program at the *kabupaten* level was conducted in February 2002, but in Kabupaten Bengkulu Selatan this did not occur until July 2002.

²¹ Interview with a staff member of Subdolog Karawang.

At the village level, it was the general pattern for the *kepala desa* or *lurah* not to inform the local community directly, but rather to pass on information to *kepala dusun*, neighborhood heads or prominent community figures. This information was limited to the logistics of the Raskin operation, such as household quotas, the price of rice per unit, how to claim one's allocation and the methods of payment.

Nearly all of Raskin's publicity and information programs at the various levels of government administration gave insufficient emphasis to the aims of the program and its intention to target those families that were poor or vulnerable to food shortages. This shortcoming was largely a result of the widespread perception that since this program had been running for a long time, the community already knew that the rice was intended for poor people. Yet such a misunderstanding ultimately resulted in inaccurate targeting of the program's recipients. It is apparent that communities did not completely understand the basic concepts of Raskin, believing the program to be simply government assistance for "needy" people, a term often misinterpreted to mean those people who need to buy rice. As a result, in many areas relatively affluent families or families not within the intended target group still expected to receive Raskin rice.

As a consequence of the inadequate provision of accurate information, the change of name from OPK to Raskin, which was hoped would improve the targeting process, became meaningless. Raskin or "rice for poor families" continues to be known by communities simply as "*sembako*", literally "nine basic necessities" distributed by the government. Local government officials, in this case the *kepala desa* or *lurah*, did not emphasize the name Raskin because the important issue for them was that the community already knew of the existence of the program and the way it was to be implemented.

One method of distributing information that has proved relatively effective in reaching communities is through the screening of community service advertisements about Raskin on television. Yet it needs to be understood that this method of disseminating information cannot reach all members of the community. Within poor communities, the very target of the Raskin program, many families cannot afford televisions, while television coverage is still limited in remote regions, particularly those areas outside Java. Nevertheless, it must be acknowledged that a community information campaign using television has proved to be a relatively successful form of communication compared with other methods.

Information was disseminated through the use of posters in 2000 and 2001 but this has since been discontinued. It was considered an ineffective way of informing local communities as the posters were usually only displayed in a limited number of places, for example in village or *kelurahan* offices, that were only visited by individuals for particular purposes.

As outlined in the official guidelines, local communities were also to be informed about the implementation of the program by posting the names of those families who were to receive the Raskin rice in strategic locations. Several of the villages visited had posted the names of recipients in the *kepala desa*'s office, but this had also been discontinued when the lists were torn down by those members of the community

demanding also to be included as recipients. Meanwhile, other villages chose not to post the list of names at all, as there were concerns that demands would be made as a result of discrepancies between the number of recipients initially targeted by the BKKBN data and the actual number of recipients that had finally been determined. The resulting increase in the size of the target group meant that there was often a sharp reduction in the quota of rice received by each recipient family.

Delivery Procedures

The implementation of the Raskin distribution process begins with a request from the *kepala desa*, sent through the *kecamatan* and *kabupaten*, to the head of Dolog or Subdolog to obtain a delivery order. On the basis of this delivery order, the Raskin taskforce²² distributes rice from the Bulog warehouses to the distribution points.²³ At each distribution point there are local officials in charge, usually *kecamatan*-level or village-level officials, who supervise the distribution of the rice to the recipients.

There are 44,680 separate Raskin distribution points spread throughout Indonesia. In the province of Bengkulu, there are 1,192 distribution points, with 421 in Kabupaten Bengkulu Utara and 404 in Kabupaten Bengkulu Selatan. In West Java there are 6,253 distribution points, of which 307 are in Kabupaten Karawang.

The Raskin rice is only distributed by Dolog after a village or *kecamatan* has paid for the previous month's delivery. In general, deliveries occur once a month, unless there are special circumstances such as unpaid accounts or as a result of a specific request from the local government (usually from the *kecamatan* level). In Bengkulu, for example, one *kecamatan* requested distributions every second month because of a 45% reduction in the area's allocation in comparison with the amount that had been received under the OPK program in 2001. With a bimonthly distribution, the amount of rice received was more or less the same as in 2001, allowing all those who were receiving rice under the OPK program to continue to qualify as recipients of Raskin.

When comparing the two programs, almost all recipients in both Bengkulu and Karawang reported that the frequency of deliveries were more regular under Raskin. Several village officials also acknowledged this point. Under the OPK program, deliveries were quite irregular, particularly in Bengkulu, where many villages did not receive OPK rice for several months and some for more than a year.²⁴

²² The Raskin taskforce is a working unit under Dolog or Subdolog whose task is to transport and deliver rice from the Bulog warehouse to the distribution points or other areas agreed upon by Dolog or Subdolog officials and the local government.

²³ Distribution points are where the Raskin taskforce delivers the rice to the local officials in charge, who in turn distribute the rice to the recipients, either directly at those locations or through the participation of lower-level officials (such as the heads of neighborhoods or *kepala dusun*).

²⁴ Although the projected allocation for the province of Bengkulu under the 2001 OPK program was slightly exceeded and a total of 17,411 tonnes of rice were distributed during the year (see Table 1), a careful examination of the disbursement records at both the national and provincial level reveals that the actual program coverage was poor. Total monthly disbursements fluctuated wildly over the course of the year. Deliveries were irregular and uneven with many villages and even entire *kecamatan* failing to participate in the program for lengthy periods.

A number of villages associated this irregular pattern of distribution with overdue payments, while other villages were unsure of the reasons, as there was no explanation from the previous village head.²⁵ According to Dolog, Subdolog and *kabupaten*-level officials, the irregular pattern of the OPK distribution had often been caused by outstanding payments or cases of financial irregularities and malfeasance, but also in some cases because of requests from certain *camat* who refused to accept the OPK program in their area. These *camat* had forwarded such requests as they felt that OPK would cause many administrative problems, that would outweigh the benefits of receiving the rice. Furthermore, there were associated risks for which they would possibly have to accept responsibility, such as the likelihood of financial irregularities during the program's implementation and the problem of dealing with overdue payments at the village level.

As far as the Raskin program is concerned, the delivery to the distribution points by the Raskin taskforce is not according to a fixed monthly timetable. Essentially, Dolog and Subdolog officials largely determine the precise date of the distribution. However, the *kecamatan*-level also plays a significant role in influencing the delivery's approximate timing. Usually around a week after a request from a *kecamatan*, rice has been delivered to all the distribution points, but only on the condition that the *kecamatan* has completed the payments for the previous month's distribution.

The precise location of the distribution points is largely dependent on a request from the relevant *kecamatan*. The key considerations in choosing the locations are accessibility for the Dolog trucks transporting the rice and the proximity of the location to the recipients. In general, the distribution points are located at the relevant village or *kelurahan* office. However, in villages that are difficult to access, the distribution points are situated at the nearest village or even at the *kecamatan* offices (see Fig.3).

All village heads and their staff elect to have the distribution point at the village office as this reduces the transport costs incurred before the rice is distributed to recipients. According to the Raskin guidelines, the government is only responsible for those operational costs incurred up to the distribution points. Any additional costs are the responsibility of the local government or community. As a result, if the distribution point is located in another village or at the *kecamatan* office, the local government or the community are responsible for covering the cost of transporting the rice from that distribution point to the particular village concerned.

Desa B in North Bengkulu has been forced to collect their Raskin rice from the nearest village, around three kilometers away, as the road to the village is badly damaged and impassable by truck. At every delivery, rice is carried in by a number of local residents for a payment of Rp150 per kilogram. In addition, as the road is in such poor condition and the rice has to be brought in using a

²⁵ A complete explanation at the village level was sometimes hard to obtain during a short visit, as a relatively long time had elapsed since the relevant events, sometimes more than a year, and the village head may have already been replaced. In fact, at the village level in Bengkulu, the OPK program was usually headed only by the *kepala desa*. In addition, during the brief visit it was difficult for the team to obtain direct confirmation from the previous village head.

wooden cart, the amount of rice lost in transit is quite high. So to cover the transport costs, the lost volume of rice, labor costs and interest from the money borrowed to cover the pre-payments, the village head, with the approval of the community, increased the selling price to Rp2,500 per cupak²⁶ or Rp1,563 per kilogram. Any surplus funds at the end of this process are paid into the community-owned village savings and loans scheme.²⁷



Figure 3: A road too far: the Bulog trucks cannot reach the distant village

In one location in Bengkulu Selatan, a single distribution point for the entire *kecamatan* has been situated at the *kecamatan* office, even though most of the villages are easily accessible by truck. This is a result of a request from the *kecamatan* both on grounds of security and to expedite the payment process. According to the explanation offered, rice often arrives at the distribution points at night because the transport vehicles are supplied from Bengkulu City, the rice must first be collected from the Dolog warehouse in South Bengkulu, while the distribution points are located between these two points.²⁸ When the rice arrives, usually to no fixed schedule, the *kepala desa* are often not present to accept the delivery and assume responsibility for the security of the rice. In addition, if the distribution points are located in the villages, the *camat*, who according to the program guidelines is

²⁶ *Cupak* is a measure of volume widely used for rice in many parts of Indonesia. It is the approximate equivalent of 1.6kg.

²⁷ Interview with a village head and several local people.

²⁸ In Bengkulu, the transportation of the Raskin rice has been contracted out to a company based in Bengkulu City. This is intended to ensure that there is an internal subsidy for the actual transport costs for certain distances, as transport costs are set at Rp75 per kilogram of rice, regardless of distance. In addition, there are insufficient trucks available in each of the *kabupaten*.

ultimately responsible for ensuring that payment is made to Dolog, was not prepared to guarantee prompt payment.

However, there are also indications that delivering the rice to the *kecamatan* level has enabled *kecamatan* officials to introduce local rules that actually benefit their own interests. In one *kecamatan* in Bengkulu Selatan, as the *kecamatan* officials are involved directly in the rice distribution process, they feel they have the right to receive gratuities from the villages, an additional expense that is ultimately borne by the recipients. These gratuities consist of payments of around Rp25,000 per village for supplying storage and security facilities, and an administrative fee of around Rp25 per kilogram to cover the supervision and delivery of the rice to the villages.²⁹ As a result of all the monies collected, all the *kecamatan* staff and a number of other parties who are also involved in the Raskin program at the *kecamatan* level have been able to obtain routine monthly payments.

The *kecamatan* appears to have played quite a dominant role in the implementation of the Raskin program. In Bengkulu, apart from determining the distribution points, the *kecamatan* also determined the original rice quotas for each village. In one *kecamatan* in Bengkulu Selatan, a single distribution point was located at the *kecamatan* office. In addition, this *kecamatan* has also determined different rice quotas for each village for different monthly distributions. The determination of these quotas is supposedly influenced by the prevailing conditions in each village, for example whether or not crops have been harvested recently, and whether or not there have been particular demands from the community. Yet the reasons for these decisions and the methods of determining these quotas have not been openly communicated to the *lurah* or *kepala desa*. Village officials only know that if they are late in collecting the rice from the *kecamatan* center, their allocation will be substantially reduced since they will only be able to obtain what little remains. This situation has created difficulties for the *lurah* and *kepala desa* in determining the quotas for individual recipients in their villages. From the recipients' point of view, there are difficulties in determining how much money they will need to have ready, as the amount of rice they receive changes from one distribution to the next. While a system prevails in which good communication and transparency cannot be guaranteed, *kecamatan* officials will continue to be able to operate outside the rules and regulations.

After arriving in the village, the rice is immediately distributed to the recipients by the local officials in charge (see Fig. 4 & 5). In Bengkulu, rice is generally delivered directly to the recipients at the village level. Only a few villages distribute the rice through the *kepala dusun*, neighbourhood heads or family planning posts. The opposite, however, occurs in Karawang. Rice is generally delivered to the *kepala dusun* or neighbourhood heads first, and is then distributed to the recipients in each location. This difference in the distribution process in Karawang is a result of three factors: the greater availability of personnel below the *desa* level, the dispersed pattern of residence within these villages, and above all the significant difference in the quantity of rice received. In Bengkulu, the Raskin rice allocations in the villages

²⁹ Interviews with several local informants.

visited were only between 0.4 and 4 tonnes per village, while in Karawang one village could receive as much as 42.9 tonnes.

The period of time taken to distribute rice to the recipients at the distributions point is generally limited to between two and seven days. However, in most cases the operation is usually completed more quickly, anything between a few hours and three days. Relatively speedy distributions occur in Karawang and the more urban areas of Bengkulu, influenced it seems by a greater availability of cash and the nature of recipients' employment.³⁰ In rice-growing areas of Bengkulu, the distribution process can take one or two days longer during the harvest season, since the community, both land-owners and farm laborers, are busy gathering the rice crop.



Figure 4: A coupon is checked by a village official and payment received



Figure 5: A villager in Karawang receives his monthly Raskin allocation

³⁰ The common sources of employment within the rural community of Bengkulu are in rice farming or as smallholders (rubber and coffee). The income of rice and coffee farmers is seasonal, while rubber farmers usually obtain a weekly income that follows the processing and marketing pattern of their crop. In comparison, in Karawang and the more urban areas of Bengkulu, individual's sources of income are more variable, including trade or services that generate daily income.

The entire distribution process involves a number of parties, in addition to Dolog and Subdolog staff. The role of the *kecamatan* is supposed to be focused more on monitoring the distribution process, although the majority of *kecamatan* conduct their monitoring at a distance – based merely on reports submitted by *kepala desa* or Dolog and Subdolog officials. However, there are also some *kecamatan* that actively monitor the operation at the distribution points when Dolog is delivering the rice. In general, the *kecamatan* assign only one staff member to the Raskin program, although in a small number of cases, a special *kecamatan*-level Raskin team has been formed, composed of members from various local institutions.

At the village delivery points, the village head and his staff play the most important role, particularly in those villages that also function as the direct collection point for the recipients. This is not the case in villages where the rice is first delivered to the house of the village heads or the village office and then moved to the various *dusun* or neighbourhood associations for the actual distribution to the recipients. In this case, the village head and his staff function more as supervisors. The involvement of these local village-based institutions below the *desa* or *kelurahan* level, apart from reducing the workload, also reduces the burden of responsibility on the village head and his staff, particularly in answering questions from recipients regarding the operation of the Raskin program.

Payment Procedures

From the beginning of the OPK program, beneficiaries made their payments for the rice using a ‘cash and carry’ system, that is, paying in cash to the village officials and then these local officials delivering the cash payments to the OPK taskforce. But in reality, an arrangement like this was difficult to put into practice, and so program implementers at the village level were allowed a grace period to complete the payments. However, this concession was misused, causing bad debts to mount up and the rice distribution to come to a standstill. As a result of such experiences, and despite the operational guidelines including a clause regarding ease of payment, at the outset of the Raskin program an attempt was made to reapply the “cash and carry” payment method across the board. This means that when the Raskin taskforce delivers the rice to the distribution points, local officials are supposed to have the payment money ready.

Yet this payment arrangement has again proved troublesome, this time for the Raskin taskforce. They have had to take on a considerable risk, as they are required to carry large amounts of cash payments from distribution point to distribution point. As a result, Dolog has requested that the distribution points make the payments before the rice is distributed. Payments may be made through bank transfers or directly to the Dolog or Subdolog cashier. The “cash and carry” process, which is also known as advance payments, can be outlined as follows: the *kepala desa* or *lurah* pays the Raskin officials from the *kecamatan* as soon as the rice is delivered, and then the *kecamatan* officials deliver the money to Dolog or Subdolog the following day.

This method of payment forces the village officials in charge to set aside enough money to pay for the village’s Raskin allocation before the rice is delivered. The

village officials (*kepala desa* or *lurah*) draw on various sources for the money they require and each has its own set of constraints:

- Advance payments by beneficiaries

Collecting payments from beneficiaries before they receive their rice allocations is not easy, particularly in semi-urban and urban areas. Local officials have usually found it difficult to gain the trust of beneficiaries and ensure that they have an awareness of the program and are prepared to cooperate. Even if beneficiaries are willing to make advance payments, the local officials and the beneficiaries have to work especially hard to raise sufficient funds, which is particularly time-consuming. In addition, those recipients who are extremely poor and operate on a day-to-day pattern of income and expenditure always find it difficult to set aside money in advance when they are not immediately receiving something in return. Local officials in charge of implementing the program remain apprehensive about whether the rice will be delivered on time and whether the allocation they receive will be in accordance with the request that was submitted. Such fears are understandable since, as explained above, the monthly delivery schedules are not always according to a precise timetable and, as in the case of one *kecamatan* in Bengkulu Selatan, the rice allocations for each village can fluctuate with each distribution. The following incident is an interesting example of the problems posed by advance payments:

At the outset of the Raskin program, the beneficiaries in one village in Kabupaten Bengkulu Selatan made their advance payments for the Raskin rice based upon the village's 2001 OPK allocation. After a week had passed and the rice had still not arrived, the community suspected that the kepala desa had stolen the money and accused him of corruption. The kepala desa and his assistants were forced to flee to the kabupaten. The case was finally settled only after the kabupaten and Dolog agreed to intervene. Although the actual Raskin allocation for this village was much smaller than it had been under the OPK program, for the month in question the only solution was to deliver the amount requested, even though this resulted in reduced allocations for other areas.³¹

- Third-party Loans

This is a popular alternative source of funds, particularly in Karawang. The wealthiest individuals within a local community are usually the source of such loans. At the beginning of the Raskin program, many villages were able to obtain such funds from third parties, although local officials had to cope with several problems to secure the money. An interest rate of approximately 3% per delivery is usually imposed upon these third-party loans, calculated to cover the period from when the funds are transferred to the Dolog or Subdolog offices until the rice is distributed and payments collected from the beneficiaries (usually around one week). Sometimes lenders will even impose a 5% interest rate. In addition, because the same people are not always willing to lend money on every occasion, local officials are forced to find alternative sources of funding and to be constantly negotiating new loans, a task that consumes a substantial amount of

³¹ This incident was reported in an interview with the Regional Secretary and the head of the Dolog warehouse in Bengkulu Selatan.

time and energy for local distribution officials. The frequent delays in the delivery schedule cause additional concern and create further difficulties for local officials in determining the precise time limits for the moneylenders.

In Bengkulu, third-party loans are seldom used, as it is rare for village communities to possess relatively large reserves of cash. This type of funding was only found in one of the villages visited, Desa B in Kabupaten Bengkulu Utara. The money was borrowed from a village-level institution known as UED-SP (Usaha Ekonomi Desa Simpan Pinjam, The Village Savings and Loans Scheme).³² There is a high interest rate of 10% per distribution, but as the village community controls the scheme, nobody has objected.

- Private funding by local officials (*kepala desa* or *lurah*)
Although few in number, there are some local officials who use their own funds to pay for either all or part of the Raskin rice allocation for their village. However, in order to do so these village officials must be fairly wealthy. They are usually willing to draw on their own funds for particular reasons: for example, if some of the rice allocation has not been purchased by the beneficiaries and the time for making advance payments has elapsed. In such cases, the local officials act as beneficiaries and are able to obtain the remaining allocation.

Despite the constraints, a number of village officials in charge of the Raskin program acknowledge that the advance payment system has certain advantages, in particular the avoidance of bad debts, thus enabling the rice distribution to proceed smoothly. Several *kecamatan* in Bengkulu Utara chose the advance payment system after experiencing difficulties in collecting debts incurred by some villages. A consignment payment system,³³ applied in this region at the beginning of the Raskin program, resulted in overdue payments in several villages. Every month the *kecamatan* officials had to send out reminder notices, but the results were unsatisfactory.³⁴ Advance payments will always provide distribution points with the incentive to pay because the villages will only receive the rice after payments have been completed. In some cases, advance payment can also assist in preventing incidents of local corruption.³⁵ The difficulty of collecting outstanding debts was admitted by several informants in Bengkulu Selatan, a problem captured by a local proverb: “*lambek bayar utang habis*,

³² UED-SP is a government initiative to develop rural areas through savings and loans activities. It is formed after consultations among village-level institutions and is controlled by villagers themselves. The capital for UED-SP is obtained from the government through the Presidential Instruction Village Development Assistance Scheme and from community savings and interest on loans.

³³ The consignment payment system is when payments are made by the beneficiaries after the rice has been delivered.

³⁴ The SMERU research team was fortunate to be shown the Raskin correspondence file in one *kecamatan* in Bengkulu Utara, containing some rather blunt letters from the *camat* to those *kepala desa* who had not yet settled their outstanding debts.

³⁵ Interviews with several *kabupaten* officials, *camat* and the head of the Dolog warehouse revealed several interesting cases. In one village in Bengkulu Selatan, the *kepala desa* used Raskin funds collected from the local community in the form of advance payments for his own benefit. Several days later this became apparent when the rice did not arrive. The *kepala desa* eventually returned the money after receiving threats from the community.

siapa nagih indak selamat”, suggesting that long overdue debts can be considered settled and anyone trying to collect them will find themselves in a dangerous situation.

Despite these issues, as the obstacles to raising sufficient funds have increased, several villages and *kecamatan*, which had previously paid for their rice in advance, proposed switching to a consignment payment system. Dolog has been prepared to grant such a request provided there is a guarantee from the *kecamatan* that the rice will be paid for within a specified period and that any debts will remain the responsibility of the *kecamatan*. In an interview, one *camat* explained the method he used to deal with these payment problems:

At the outset of the Raskin program one particular kecamatan in Bengkulu Selatan made its Raskin payments in cash before the distribution. The sources of the funds varied, and included advance payments by beneficiaries or borrowings from wealthy kepala desa. After three months, due to several factors, the villages sent a request through the kecamatan for payments to be made by the consignment system. Dolog agreed to this but also requested an official statutory declaration from the camat declaring that he would be fully responsible for the Raskin payments, and in the case of non-payment the outstanding money would become his personal debt. Despite these stipulations, the camat was clever enough to find a way around the problem by spreading the risk and responsibility to include all kepala desa who were receiving rice from the Raskin program. They were all required to prepare similar statutory declarations and to have them witnessed at the local police station.³⁶

Within the areas surveyed, although Dolog and Subdolog officials have tended to favor a ‘cash and carry’ payment system, in practice Raskin payments have varied across areas and even among distribution points, some adopting advance payments and others using consignment. Generally, the “cash and carry” system is used in Bengkulu Utara, whereas the consignment system is used in Bengkulu Selatan with full payments due approximately 4 – 7 days after delivery. Meanwhile, in Karawang the payment system has varied between the two, depending on the agreements made between the village and *kecamatan* officials with the Subdolog office. Under the consignment system, villages and *kecamatan* are given approximately five days after the distribution has been completed to finalize payments. This means that after receiving the rice villages have two days to deliver payment to the *kecamatan* and then there is a further two days for the *kecamatan* to pass the payments on to Subdolog.

In those villages making advance payments using money collected from the beneficiaries, the local officials in charge have several important tasks to complete before the rice is delivered. As an initial step, the village officials must inform beneficiaries that the Raskin payments must be completed within a specified period of time. In one of the villages visited by the SMERU team, this was fixed at five days. Notice is given by the *kepala desa* or *lurah*, *kepala dusun* or *ketua RT* through both general community announcements and by notifying people individually. Two days before payments are due, there is usually a public announcement known in Bengkulu

³⁶ Interview with the former *camat* who had recently moved to another *kecamatan*.

by the term *canang*.³⁷ This final announcement is quite effective and reaches a wide section of the community, whereas the initial notification may only reach a limited group. Following these announcements, the next task for the *kepala desa* is to receive payments from the beneficiaries during the period of time that has been determined.

Due to the different methods of payment that have been arranged between local officials and Dolog and Subdolog offices, the manner of payment by beneficiaries to local officials in charge of conducting the distribution in the villages also varies. In those villages operating a “cash and carry” system using funds paid directly by the beneficiaries of the program, the beneficiaries themselves actually make their payment before they receive their rice allocation. Meanwhile, in villages applying a consignment system or a ‘cash and carry’ system supported by third-party funds, the beneficiaries pay in cash when they receive the rice. With both advance payments and cash payments at the point of collection, beneficiaries are still affected by a time limit of from 3 to 5 days (sometimes less) in which to find sufficient money to purchase their allocation.

The existence of a time limit and the requirement of paying in advance or immediately upon collection, combined with the uncertainty over the exact date of deliveries, creates certain difficulties for beneficiaries, particularly for the poorest groups within the community. Many extremely poor families are unable to set aside sufficient money for their full allocation within the predetermined time limit. As a result, over the course of a number of distributions a poor family may often miss out on purchasing any rice. (See Fig.6)



Figure 6: Wife of a landless laborer in a transmigration community, Bengkulu: can she find sufficient cash to purchase rice this month?

³⁷ *Canang* is a method of making public announcements to the community by people shouting messages from the village streets while knocking coconut shells together. It is commonly used in rural areas throughout Bengkulu.

This factor of uncertainty over timing is often related to the cycle of local employment, a factor that may also prevent beneficiaries from purchasing their rice allocation. This often occurs in Bengkulu where it is customary for smallholders to remain working on their land for several days at a time. In the case of rubber farmers, for example, they often remain on their small plantations for five days of the week to tap their trees. Only after they have collected sufficient resin do they return home briefly to the village to sell their produce. If the rice distribution takes place while farmers are absent from the village, they automatically lose the opportunity to purchase any Raskin rice.

The determination of the period of time for making payments and collecting allocations can also be used as a tactic by village officials to reduce the number of beneficiaries. This occurs because local officials, particularly in Bengkulu, have been able to determine unilaterally the extent of the payment period. For example, only one or two days may be allowed after the delivery of the rice to the village. Under the advance payment system, a reduction in the period of time allowable for receiving payments can be achieved by only releasing information about payments on a restricted basis or by making a public announcement only one or two days before the period for accepting payments closes. If the time for making payments or collecting allocations has closed, but there is still rice remaining, the village officials in charge are able to buy the rice themselves. Sometimes they may offer to sell it at a profit to other residents from the village, such as the owners of small village shops or food stalls, who are willing to pay a higher price.

After the Raskin funds have been collected in the villages, they are transferred to Dolog or Subdolog, either directly or through the *kecamatan* office. In Bengkulu, payments to Dolog and Subdolog are made through bank transfers, while in Karawang payments are delivered in cash to the Subdolog cashier. Bank transfers can only be made at the *kabupaten* capital as the BRI bank branches at the *kecamatan* level are unable to process transfers.

The delivery of payments to Dolog and Subdolog is quite a dangerous stage, as local officials are required to carry large amounts of cash to the *kecamatan* centers or the *kabupaten* towns. An even greater risk confronts *kecamatan*-level officials in those areas where payments are delivered through the *kecamatan* office, as the amounts of money involved are larger still. As a result, it is common for payments to be made in stages. When a village makes a payment, the *kecamatan* will usually deliver the money immediately without waiting for payments from other villages. Two *kecamatan* were surveyed in Kabupaten Karawang where payments were made either through the *kecamatan* or directly by each village, using a letter of recommendation from the *kecamatan*.

Source and Quality of the Rice

When the subsidized rice program first appeared under the OPK label, questions arose from several quarters about the wisdom of using imported rice for the program. Under the Raskin program, imported rice is still being used, although not in significant quantities. In Bengkulu and Karawang, most of the rice distributed is sourced from the local area. Imported rice is distributed in 50kg bags, whereas local rice already conforms with the Raskin allocations, since it is packed in 20kg bags.

Officials responsible for distributing the rice to communities admit that the 20 kg bags have several advantages over the 50 kg bags:

- (i) Ease of transport and delivery;
- (ii) Reduced shrinkage and losses;
- (iii) Higher quality; and
- (iv) Ease of distribution, particularly for those villages that decide on an allocation of 10 kg per family.

At the commencement of the OPK program, it was decided that the rice to be distributed should be of medium quality. However, in practice beneficiaries often received poor quality rice, a cause of widespread complaints. Although the Raskin guidelines do not stipulate the quality of the rice, in practice, in terms of taste, odor and color, it is considered to be superior to the rice delivered during the OPK program. However, in several locations in Karawang, despite previous satisfactory deliveries, the rice received in May, June and July 2002 was judged to be poor, mainly due to the high percentage of broken rice it contained. As soon as the first evidence of poor quality rice was detected, village officials immediately complained both through the *kecamatan* and directly to Subdolog staff. At the time of the August distribution, there had been no official response and rice quality remained low.

Beneficiaries have been hoping for an increase in the quality of rice, but from time to time, voices have been raised in various quarters advocating a reduction in the quality of the rice distributed under the subsidized rice program. The proponents of such a change have argued that such a policy would largely solve the program's targeting problems that have proved so difficult to overcome. If low quality rice is distributed, so it is argued, only the very poor and the desperate will wish to purchase the rice. Those who are better off will simply not be interested.

In our view, such an "economic rationalist" argument is a misguided and unacceptable solution. Shifting to poor quality rice would be fraught with practical administrative difficulties. It is also a morally questionable measure. For a start, such a public policy would be almost impossible for the government to sell, as it would be quickly and roundly condemned by elements of civil society throughout Indonesia, including NGOs and social welfare support groups, as unjust and unfair. The Raskin program rice is not handed out free of charge: it is sold at a subsidized rate. Distributing low quality rice for sale would reflect badly on Bulog, the national agency charged with implementing the program, which has struggled in the past to counter allegations that it has been responsible for unloading sub-standard rice from its warehouses for the OPK social safety-net program.

The concept of "low quality" needs to be considered very carefully. We must keep in mind that what we are dealing with here is an essential *food staple*, and a *perishable commodity*. The quality of the rice prepared in the family home is something that all Indonesians take very seriously. Rice with an excessive percentage of broken grains (above the 25% level) or rice that is discolored and malodorous (usually an indication of faulty storage conditions or excessive time in storage) is simply not fit for human consumption and will be rightly rejected by village officials responsible for implementing the program. Advocates of such a change are obviously tone-deaf to the basic human rights of the poor and under privileged section of the community

that the program is designed to assist. The solution to the targeting problems of the subsidized rice program, difficult as this may be, lies elsewhere and not in a reduction of the quality of the foodstuff that is being distributed.

Who was Actually Receiving the Rice?

As noted earlier, the actual allocations for each village under the Raskin program have been determined by the *kabupaten* and *kota*-level administrations, drawing on recent BKKBN data, that is the number of families in the lowest two welfare categories (KPS ALEK and KS-1 ALEK). Given the results of the earlier phases of the subsidized rice assistance program, it was crucial to try to discover what actually happens to the rice allocation after Dolog has delivered it to the distribution points. To what extent was the rice being distributed fairly to beneficiaries according to the principles set out in the program guidelines, that is, 20 kg for each poor family identified?

Of the ten villages in our sample, in only one location did the distribution approach this benchmark.³⁸ Of the 164 families in a village in Bengkulu Selatan, all 60 families identified by the BKKBN data were receiving an allocation of 15kg upon presentation of the official Raskin cards that had been distributed by the *kepala desa*. In addition, another ten families had been identified as deserving cases and had also been included on the village's list of beneficiaries, receiving about 10kg, even though they did not have a Raskin card. As a result, 70 families received rice on every occasion that the Raskin rice had been delivered to the village in 2002.

In this village, it seems that the present *kepala desa* has been in a strong position to exert his authority over the decisions that have been taken about the way that the rice is being distributed. He had previously served for many years as a village official and had been called upon on many occasions to stand for election as the leader of his community. It appears that he is widely respected within the village as a man of integrity and finally agreed to be drafted into the position as the sole candidate five years ago. He was occupying the position when OPK first began in mid-1998 and has taken his responsibilities for following the proper procedures very seriously. Consequently, he has succeeded over the years in explaining the fundamental purpose of the subsidized rice program to his community and winning their support for the approach that has been taken in this village. Although he is aware that in other villages nearby, the Raskin rice is being distributed far more widely, even to families who are clearly not poor, he has managed to explain to his community that this is not keeping with the rules of the program.³⁹

³⁸ See Table 2 for a summary of the key features of Raskin distributions in the ten selected villages.

³⁹ Interview with the local *kepala desa*. Ironically, the neighboring village, which was also included in our study, was one of the poorest performing villages in the sample. Interviews with other residents in this village confirmed the account of the *kepala desa*. Several villagers complained that the total allocation received was insufficient and there was simply not enough rice to go around. As a result, a few deserving cases in the village were still missing out. The task of the *kepala desa* was made more difficult by a degree of uncertainty about the actual size of the monthly allocation the village receives. In this *kecamatan*, the local *camat* had insisted, ostensibly on the grounds of security, that Dolog deliver all the Raskin rice to the *kecamatan* offices as the primary distribution point for all villages

As will be evident from an examination of Table 2, in all other villages in our sample the rice has been distributed to a far larger number of families than those identified by the BKKBN data (see Fig.7). Although the precise details of what has actually occurred vary from village to village and are dependent on a range of local factors, two main trends are evident. Firstly, in one group of villages any attempt at targeting particular families had been abandoned and the Raskin rice was being offered to all families within the village more or less equally on a “first come, first served” basis so that any family who wished to do so was able to purchase rice irrespective of any assessment of their real need.⁴⁰ Secondly, in another group of villages, although the rice was being allocated to a significantly larger group than those identified by the BKKBN lists, an attempt had been made to identify all families considered to be the most deserving cases, and once this list had been compiled, to limit the distribution to those beneficiaries.⁴¹

Table 2: Raskin in Selected Villages, Bengkulu & Karawang

Name of Village & Location	Allocation per desa (kg)	Total families	Intended beneficiaries	Actual beneficiaries	Allocation per family (kg)
Kab. Bengkulu Utara:					
Desa A	1400**	132	70	90 *	10-18
Desa B	400	33	20	33	12
Desa C	3100	745	155	310	10
Kab. Bengkulu Selatan:					
Kel. D	750-2000	230	88	160 *	4 *
Desa E	1000-1200	164	60	70	10 or 15
Desa F	4000	1023	205	1000 *	4 *
Desa G	1000	574	50	120	8
Desa H	1000	174	50	125 *	8-15 *
Kabupaten Karawang					
Desa I	15,720	3500	786	≈1800	8
Desa J	42,900	3956	2145	3500 *	8-12 *

Note: (a) The number of intended beneficiaries is based on the number of poor families identified by the BKKBN data in year 2000.
 (b) The numbers of actual beneficiaries and amount of rice allocated was obtained during village interviews.
 (*) These figures require further verification.
 (**) The delivery of Raskin rice to Desa A was being conducted on a bi-monthly basis, thus the monthly allocation is half of the total rice allocation shown above.

under his jurisdiction. He had also taken it upon himself to adjust the actual amount each village receives from month to month according to his own assessment of real need. Unfortunately, a new *camat* had just taken over in the week of our visit who had no knowledge of how the Raskin program had been operating in the area, and no other official was available to explain the rationale behind his predecessor's decision.

⁴⁰ The villages in this group include Desa/Kelurahan A, B, D, F and J (the real names of these *desa/kelurahan* have been changed to protect the identity of those who provided information for this study). See Table 2 for details.

⁴¹ Desa C, G, H, and I. See Table 2 for details.

Villages where targeting has been abandoned:

Among the villages that were no longer making any attempt at a targeted distribution of the Raskin rice, village officials invariably argue that this decision has been taken in response to community pressure. According to officials in one such village, Desa F a large former transmigration settlement close to the administrative center of a *kecamatan* in Bengkulu Selatan, when an attempt was made to distribute the subsidized rice according to the BKKBN data, there was considerable anger within the community. Many residents refused to contribute their time to the village's communal voluntary labor activities (*gotong-royong*) or fulfill their obligations to the village security posts or night-time guard patrols.⁴² As a result of the resentment and friction that had spread throughout the village, and to ensure that there were no further disruptions, the *kepala desa* and his staff of assistants decided to announce that the rice was to be made available to any family who wished to purchase a share. This means that instead of the 205 families listed by the BKKBN data, about 1,000 families receive about 4kg of rice every month. No attempt was being made to prevent relatively well-off families from taking a share if they wished to do so and even the 100 or so salaried government civil servants who live in the village have also been permitted to purchase Raskin rice.⁴³



Figure 7: Returning home with some rice but not with 20kg

⁴² Interview with a local village secretary.

⁴³ Although their complaints could not be corroborated, several local informants claimed that some of the poorest families in the village were actually frequently missing out altogether. By the time they were able to accumulate sufficient cash to attempt to purchase a share, the rice had already been distributed. Informants also alleged that some of the richer families in the village have been permitted to buy rice in large quantities.

A similar picture emerged in Desa A in Bengkulu Utara. The *kepala desa* claimed that as a result of widespread complaints and after community meetings it was decided to make the rice available to any family in the village.⁴⁴ The actual amount each family purchased appeared to vary and was dependent upon the capacity of each family to raise the ready cash, but the *kepala desa* claimed that about 90 families usually purchased somewhere between 10 and 18kg when the Raskin allocation was delivered.⁴⁵ In this village it was claimed that many of the more affluent families, including the small number of civil servants who live in the village, were not attempting to take part in the distribution. Nevertheless, according to other informants some of the poorest families among the smallholders in this village have limited access to ready reserves of cash. This has put them at a disadvantage, unless they have ample warning to register their intention to make a purchase and pay their money.⁴⁶

In the semi-urban village of Kelurahan D in Bengkulu Selatan, pressure from within the community has also contributed to Raskin being distributed to every family within the village.⁴⁷ The *lurah* explained that a meeting of village officials and community leaders had only just concluded, deciding to allocate the rice equally among the 230 families in the village so that every family would receive about 4kg.⁴⁸

In Desa J, Kabupaten Karawang, we were informed that the village head and his staff had decided to distribute 10 litres (equivalent to 8kg) to every family in the village as a means of avoiding complaints from those who were not included on the list of beneficiaries according to the BKKBN data. As a result, the number of families receiving Raskin rice has certainly increased dramatically. According to our calculations, however, this still leaves many questions unanswered. Since the village received 42.9 tonnes of Raskin rice every month in 2002, this would have enabled 5,363 families to receive an 8kg allocation. But this figure appears to be significantly greater than the actual total number of families in the village: the village's own official records reveal that in December 2001 there were only 3,956 families listed as residing in the village.⁴⁹

⁴⁴ Interview with the local *kepala desa*. The position of the *kepala desa* in this village may well have been affected by the fact that his immediate predecessor had been forced to resign when he was found to be selling some of the village's allocation of OPK rice to parties outside the village. The affair had only recently been settled with the payment of a large fine into the village's mosque construction fund. As a result, the present *kepala desa* may not have been in any position to argue for a targeted distribution process.

⁴⁵ In this village, as with other villages in this *kecamatan*, Dolog was delivering the allocation on a bi-monthly basis at the request of the *camat*.

⁴⁶ Based on information from the local community, the *kepala desa* only allows two days to pay before closing the list.

⁴⁷ Interview with the local *lurah*. For a more detailed account of this village see Appendix.

⁴⁸ The remnants of a typed list containing the names of the 88 families eligible to receive the rice according to the BKKBN was still attached to the front door of the *kelurahan* office.

⁴⁹ According to several local informants, even relatively prosperous families have also been accepting rice after receiving coupons from the local neighborhood association officials (RT and RW). One such family interviewed by the SMERU team admitted that they collected the rice but then used it to feed to their chickens.

In only one of the five villages where the rice was being distributed more or less equally did there appear to be a strong justification for doing so on grounds of equity and fairness. Desa B is a tiny settlement of 33 smallholder families located in a relatively inaccessible part of a *kecamatan* in Bengkulu Utara. Over recent years the village population has declined as many residents have moved out to other villages where communications are more effective and where there is better access to a wider range of community services. At present the rough, unsealed road into the village has deteriorated to the point where it has become completely impassable to any vehicles. Consequently, the Raskin rice allocation has had to be collected from a neighboring village several kilometers away. The *kepala desa* explained that almost all the families in the village are struggling smallholders with limited sources of income from the crops that they raise on marginal land.⁵⁰ The decision to divide the allocation of the subsidized rice equally among all the families in the village was a popular one based on community consultation. Given the small number of families involved and the particularly difficult physical conditions in which they are living it seemed like a justifiable decision.

Villages that have arrived at local targeting solutions:

In sharp contrast to the above group of villages, the SMERU team also visited four villages where although the BKKBN list had been abandoned as impractical or unworkable, a serious effort had been made to produce an alternative list of those families within the local community who should receive a share of the subsidized rice. There was widespread agreement among officials in these villages that the BKKBN criteria, although perhaps a useful starting point, did not adequately capture the full dimension or scale of poverty within their communities. Several village officials remarked that the BKKBN data used to determine the most needy families do not include any assessment of a family's level or sources of income, while others pointed out that the number of dependents within a family was a crucial factor that should also be taken into account. Hence, restricting the distribution of rice to those families identified as KPS ALEK or KS-1 ALEK can seem quite unfair to many of their neighbors who see themselves as only marginally better off or may even regard themselves to be equally poor as they struggle to provide for the basic needs of their dependents (see Fig.8).



Figure 8: A targeting dilemma: a fine wooden house but the family has slipped into poverty since the crisis

⁵⁰ Interview with the *kepala desa*. All other informants interviewed confirmed his account of the way the Raskin rice was being distributed.

In village communities where the differences in economic wellbeing between many families are often small, the singling out of one particular group for special treatment using criteria that many regard as incomplete or even flawed, can often lead to trouble.⁵¹ Ultimately, it may be the cause of divisiveness and even violence within communities where social harmony and cohesiveness are highly valued commodities, and in such circumstance it is the elected village officials who are the focus of community protests. In the case of the subsidized rice issue, this has been a problem from the beginning of the OPK program in mid 1998, and stories are commonplace in the regions of attacks on the offices and houses of elected officials by angry demonstrators. In the circumstances of the 2002 program, there was a risk that the same problems would reoccur.

Nevertheless, in this group of villages there seemed to be a clear understanding and acknowledgement on the part of village officials and decision-makers that the central purpose of the Raskin program was to assist in alleviating poverty. Despite this, in at least one case the decision to reassess the strategy that should be adopted about how to allocate the rice had been prompted by widespread protests and the threat of serious conflict after village officials had attempted to use the BKKBN data as the basis for the distribution.⁵² In these villages there also seemed to be an appreciation that to divide the total allocation up equally for all to share - or to allow anyone who wished to purchase a portion - was simply defeatist and certainly not in keeping with the aims of the program. Finding an acceptable alternative solution presented a considerable challenge both to village leaders and to the wider community.

As a result of discussions and a process of effective community consultation within at least three of these villages, a process was established to identify those families within the community who were generally regarded as the most needy. The precise strategy adopted varied from village to village but in general, lists were compiled following a survey of all families or a collection of new data conducted by village officials, including heads of *dusun* and neighborhood units (RT), assisted in at least one case by local family planning cadre.⁵³ As a result of this process, in every case the actual number of recipients at least doubled, meaning that every family received on average about half the full 20kg allocation.⁵⁴

⁵¹ One of the BKKBN criteria used to distinguish families in the KPS ALEK category concerned the floor material of the family home. Yet this was an almost irrelevant factor throughout much of Bengkulu where the traditional *rumah panggung*, a large timber structure erected on sturdy wooden pillars, is all but ubiquitous throughout the rural areas of the province. Many families living in poverty, including some who have slipped into poverty over the last few years, live in such dwellings.

⁵² See the detailed account of Desa C in Appendix.

⁵³ See the detailed account of Desa C and Desa I in Appendix. The fourth village in this group, Desa H, was quite different. The decision about the selection of beneficiaries was entirely in the hands of the *kepala desa* and his immediate staff. It seems that a proper community consultation process did not occur. For more details, see also Appendix.

⁵⁴ See Table 2 for details.

A careful reading of the program guidelines suggests that the strategy these villages have adopted is entirely consistent with the recommended procedures.⁵⁵ Although the guidelines state that the selection of the families to receive the Raskin rice was to be made with reference to the BKKBN official data, as pointed out earlier in this report, this data was to be the subject of further discussion and consultation at the village level involving officials, community leaders, NGOs, family planning cadre and other interested parties. However the guidelines are couched in official language that is frustratingly ambiguous about the final outcome of this process:

“In the consultations covering a process of verification, evaluation and the determination of poor families in accordance with the scale of priorities, a total number of beneficiaries is to be obtained in accordance with the ceiling on the number of families that has already been determined. The results of the selection of target families in accordance with village consultations are to be recorded in a written report.”

As is also noted in the introduction to this report, this suggests that central government planners still intended that villages would eventually decide upon a final number of beneficiaries that did not exceed the platform established in accordance with the central government’s allocations. If this interpretation of the guidelines is accurate, they are manifestly unreasonable and make a mockery of the village-level consultation process.

So, have the poorest sections of these communities been reaping the benefits of the program in the ten villages in our sample? To some extent they have, but it is also apparent from our investigation that many more families have been sharing in the benefits of the Raskin program than was ever intended by the central government planners at Bulog. The general picture that emerges is that the actual number of recipients is about double the number that was decided upon using the BKKBN data when the program was framed in late 2001. It is also apparent that a proportion of these additional recipients are from the non-poor section of the community.

Although ten villages may not be regarded as a statistically significant sample, the trends observed here are supported by evidence obtained in interviews in both Bengkulu and Karawang with government officials at *kecamatan*, *kabupaten* and province level who have been closely involved with the implementation of the Raskin program. In fact, as field reports filtered back to their *kabupaten* and provincial headquarters, Dolog officers have known for some time that the subsidized rice was actually being distributed to a much larger group of beneficiaries than was originally intended.⁵⁶

As a result, Dolog in Bengkulu set about collecting data from throughout the province in an attempt to verify what has actually been occurring. Requests were sent out in May 2002 to all *camat* seeking information from every village under their

⁵⁵ See the program guidelines in Badan Urusan Logistik (2001c:5). See especially section V, B1 -3.

⁵⁶ In addition to routine monitoring visits by the Dolog taskforce, a Dolog official always accompanies the trucks that deliver the rice to each of the distribution points every month and is privy to first-hand information from village officials about the distribution process at the village level.

jurisdiction about the actual number of families receiving Raskin rice. At the time of our visit this data collection process had not been completed, but the preliminary results are still instructive of the general trend. With returns from 43 *kecamatan* in three of the four *kabupaten* in the province, as well as the municipality of Bengkulu, data from a total of 790 villages (or about 70% of the province) had been received. While the number of **intended** beneficiaries in these areas according to the Raskin program's original plans totaled 68,765, the number of **actual** recipients was recorded as 101,484 families, an increase of nearly 50%. Allowances must also be made for a significant degree of under-reporting on the part of local officials since many *kepala desa* and *camat* are almost certainly inclined to downplay the true extent of the actual participation rate out of concern that it might reflect badly on their administration of the program in their area. In all likelihood the real number of recipients of Raskin rice will be even greater than these official reports suggest.

Although a strong case can be mounted in favor of villages making their own decisions about who among their number are considered most in need of this kind of assistance – both from the perspective of fairness and equity as well as the preservation of village harmony – it remains a matter of concern that a large amount of the subsidized rice has been accessed by families for whom it was clearly not intended. This was of course most evident in those villages where the rice has been made available to all families on a “first come, first served” basis. Apparently, this has also been occurring in those villages where the poorest families often have difficulty collecting the required amount of cash in the limited time given by local officials before the rice is delivered and the distribution is completed.

We were not able to investigate the accuracy of the various complaints that were reported to us of more serious departures from the spirit of the program, such as the occasional reports of rice being made available to civil servants or being sold off in large quantities to the operators of village shops and stalls. Nevertheless, there are substantial risks for any local officials who are caught flagrantly breaching the program's guidelines. Several instances were related to us of village officials who had been forced to stand down in previous years because of incidents of malfeasance involving OPK rice, while in Bengkulu two *camat* had already been removed from their positions in the early months of 2002 over cases involving either the misappropriation of money or the sale of Raskin rice to outsiders.

The Use of the Official Raskin Card

It is worth noting one other impact of the significant increase in the actual number of beneficiaries: the almost complete abandonment of the Raskin program's official coupon system. According to the program guidelines, Raskin cards were to be given to all designated beneficiaries for use as proof of identity when they were collecting their allocation. The card contains monthly coupons to use when collecting the rice throughout 2002 (see Fig. 9), which were to be torn off and surrendered to an official of the village's Raskin taskforce at each distribution.

In practice, in almost every village and *kecamatan* visited, the Raskin cards were not being used even though supplies had been delivered to every *kecamatan* centre.⁵⁷ There are several reasons for this: firstly, the number of families actually receiving the rice was far greater than the number of cards that had been made available (in keeping with the program ceiling); secondly, village officials were afraid that if the cards had been distributed people would demand an allocation in accordance with the amount printed on the card (20kg); and thirdly, it is most unlikely that the actual beneficiaries would have been willing to sign the cards as required because they were not receiving an amount of rice in accordance with the full allocation that was stipulated.

Figure 9: The official Raskin Card and an example of a simple village version

⁵⁷ The official Raskin card was still being used in Desa A, Bengkulu Selatan.

Most *kepala desa* or *lurah* have created their own set of procedures to organize the distribution of rice to the beneficiaries. Some have not used a card system at all while others have used cards or coupons that they have produced themselves. Villages that were inclined to adopt the “first come, first served” approach have not used coupons at all, while in those villages that have selected a proportion of all families to become beneficiaries even though this was a larger number than the program’s nominated ceiling coupons have generally been used. These locally produced documents usually consisted of a photocopied sheet containing the village stamp (see Fig. 9). Most villages have used the same sheet for repeated distributions, but some villages always changed the coupons at each distribution to prevent cheating (see Desa I in Appendix).

Coupons are given to beneficiaries before each distribution. This is also used as a way to communicate that the rice is to be distributed shortly. When the rice is distributed the beneficiaries surrender their coupon to distribution staff and redeem their rice allocation.



Figure 10: Local transport costs: a *becak* is used to carry rice from the village offices to the collection point at the RT level

How Much are the Recipients Really Paying?

According to the Raskin program guidelines, and as was the case during the OPK program, recipients are to pay Rp1,000/kg.⁵⁸ In practice, in the six *kecamatan* and 10 villages visited, all had established a higher price, between Rp1,100 and Rp1,875 per kilogram (see Table 3). This price increase was the result of several factors, including

⁵⁸ Badan Urusan Logistik (2001c:2).

the need to cover those operational costs incurred from the distribution point to where the rice is actually collected by the beneficiaries.

All village officials interviewed claimed that the price of Raskin rice had been determined through a community consultation process. However, in a number of villages discussions had only taken place between village officials. In several other villages, apart from village officials, several community representatives were also present. Yet it is apparent that the *kepala desa* or *lurah* tends to have the decisive role in determining the price of the rice. Usually, such discussions are simply used as an attempt to show that decisions have been made in accordance with the program guidelines. This was evident from the fact that ordinary members of the community in most of the villages visited were unaware of the reasons for the price increases or the details of the way that the surplus money had been used.

The fact that it has been necessary to cover transport costs from the distribution point to the collection points in some villages has been used as an excuse to set prices that are much higher than the actual transport costs incurred (see Fig.10). In villages that do not need to pay additional transport costs, the price increases are relatively modest, between Rp100 and Rp175 per kilogram. In comparison, price increases in villages that do require additional transport range between Rp150 and Rp875 per kilogram, even though the actual transport costs are only between Rp20 and Rp150 per kilogram. Consequently, in these cases there has been an additional price increase of between Rp130 and Rp 725 per kilogram.



Figure 11: Local expenses sometimes include the cost of security at the village distribution point

Apart from the cost of transport from the distribution point to the collection points, the remainder of the increase is used to pay for night watchmen, the cost of rice lost during transit, and as payments to those who supervise the actual distribution. Night watchmen are only required in villages that receive a large allocation and where the rice is stored in the village hall or office (see Fig. 11). Actual losses due to various

factors are usually relatively small and do not occur every month, especially in those villages that have a single distribution point. Losses are further reduced whenever the rice is delivered in 20 kg bags. So although it is rarely admitted as the real reason for the price increase, it is apparent that payments to those who conduct the distribution absorb much of the operational expenses that are paid for by the beneficiaries.

The number of personnel required to conduct the distribution varies from village to village. Usually it depends on the size of the allocation received. In the majority of villages visited in Bengkulu, the process is handled directly by the *kepala desa* as the Raskin allocations are relatively small. As the house of the village head also functions as the collection point, the village head's family (usually his wife) is also involved. Where Raskin allocations are quite large, as in Karawang, the *kepala dusun*, heads of neighborhood units and family planning workers participate in distributing the rice to the community, often bringing the number of assistants to well over a dozen. In one village in Karawang, 57 neighborhood unit heads were involved in the process.

As is evident in Table 3, of the villages in our sample, total monthly village revenues obtained from the price increase that is paid for by those members of the community who are recipients of the Raskin rice has varied from Rp140,000 to Rp10.7 million. If the transport cost variable is removed, the villages and their officials have received between Rp140,000 and Rp9.9 million in additional monthly revenues. For those villages where the price increases have been modest and where the Raskin rice allocations are small, the amount of additional revenue is also relatively small. In fact, this is sometimes absorbed by the necessity to cover any shortages in the amount of rice received. Yet the opposite is true for villages that obtain a relatively large rice allocation. In these cases, the additional revenue derived from the payments of the Raskin recipients is enough to become a significant source of monthly personal income. Some of this income even trickles out to the *kecamatan* level, and the total amount of additional revenue generated from each distribution is always completely divided up among all the officials involved.

As an example, a *kecamatan* in Bengkulu Selatan decided that all villages must set aside Rp25 per kg for the *kecamatan*-level Raskin team's operational expenses. This decision was made by the *kepala desa* communication forum that meets on a regular basis at the *kecamatan* office. In reality, the village heads do not always pay as agreed and this seems to depend on their own prerogative. Consequently, the actual sum of money paid varies from village to village and each month the *kecamatan* receives a different total amount. From the money collected, the members of the Raskin team, consisting of the *camat*, his staff, and representatives from the local police and NGOs, have each been able to receive between Rp50,000 and Rp150,000 every month.⁵⁹ This is a significant amount of additional income, and it comes from poor families who have to struggle every month to accumulate sufficient cash to purchase their Raskin allocation, and who are sometimes unable to do so.

⁵⁹ Information obtained from interviews with a number of local respondents.

Tabel 3: Estimates of Monthly Village Revenue from Increases in Raskin Rice Prices

Kabupaten	Village/ Kelurahan	Monthly Quota per Village	Price Paid by Recipients *)	Price Increase	Transport Costs per kg **)	Total Monthly Village Revenues	Revenue Less Transport Costs
		(kg)	(Rp)	(Rp)	(Rp)	(Rp)	(Rp)
Bengkulu Utara	Desa A	1.400	1.100	100	0	140.000	140.000
	Desa B	400	1.563	563	150	225.200	165.200
	Desa C	3.100	1.150	150	20	465.000	403.000
Bengkulu Selatan	Kelurahan D	750 – 2.000	1.250	250	20	187.500 – 500.000	172.500 – 460.000
	Desa E	1.000 – 1.200	1.300	300	20*	300.000 – 360.000	280.000 – 336.000
	Desa F	4.000	1.175	175	0	700.000	700.000
	Desa G	1.000	1.800	800	150	800.000	650.000
	Desa H	1.000	1.875	875	150	875.000	725.000
Karawang	Desa I	15.720	1.250	250	20*	3.930.000	3.615.600
	Desa J	42.900	1.250	250	20	10.725.000	9.867.000

Note: - *) Data on actual prices paid by recipients and transport costs were obtained from interviews with village officials and Raskin program beneficiaries
 - **) Estimates of transport costs are based on the distance between the distribution point and the collection points.

A different picture emerged in Desa J in Karawang. By changing the allocation from 20 kg to 10 liters per household (equal to about 8kg), the Raskin program has been able to provide 20 kg of free rice to each of the 10 village officials, 10 liters to each of the 10 members of the local Badan Perwakilan Desa - Community Service Council (BPD) or village security team, and 10 liters to each of the 15 members of the Village Representative Council members. In addition, every village official receives a cash payment of Rp50,000 per distribution.

Many within the community know about the official Raskin price, both from watching television and from conversations with others. However, the community in general has not objected to these price increases, or has at least been indifferent to them, since they are aware that the local organizing committees require funds to cover transport costs and to pay those who supervise the distribution of the rice. Yet if we look more closely, it seems the main reason the community has not questioned the increases in the price of the Raskin price is that it is still much lower than the current market price, by around Rp1,000 per kg.

As a general rule, there has been no transparency regarding the additional revenue generated as a result of these price increases. In nearly all the villages visited, only the *kepala desa* and those of his staff who were involved in the distribution process knew about the extent of the additional revenue and the details of the way it has been used. The wider community, however, remained ignorant of these matters.

The government, through Dolog and Subdolog, has made available funds to cover the operational costs of the Raskin program as far as the distribution points. According to the guidelines, "Raskin operational expenses are made available to cover the costs arising from the implementation of Raskin up to and at the distribution points, including any taxes that must be paid". Operational expenses consist of both supporting costs (administration, publicity, monitoring and evaluation, preparation of reports, payments and incentives for officials, expenses for visitors, and operational costs at the distribution points) and distribution costs (transport, packing, shortages and emergency reserve funds).⁶⁰

Based on this regulation, each distribution point should receive some operational funds to carry out Raskin activities at the respective locations. In practice, each Dolog or Subdolog office seems to have its own policy on this matter. For example, in Bengkulu, Dolog only provides for operational costs up to the distribution points, and neither the *kecamatan* nor the villages are supplied with funds at all. In comparison, the Subdolog office in Karawang provides funding of Rp5 per kg of Raskin rice at the *kecamatan* level and Rp15 per kg at the village level.⁶¹ This difference in policies regarding the provision of operational costs illustrates that Bulog and its offices in the regions lack cohesion and transparency. As a national program, it would be preferable for Bulog to establish standard regulations that apply in all areas, except in special circumstances.

⁶⁰ Badan Urusan Logistik (2001c:7-8)

⁶¹ Information obtained from Subdolog in Karawang, *kecamatan* staff and sample villages.

In Karawang, although operational funds have been made available by Subdolog at the *kecamatan* and village levels, there is evidence of a further lack of transparency surrounding both the availability and the application of these funds. The funds are received and managed directly by the *camat* and the *kepala desa* or *lurah*. The Raskin teams at the *kecamatan* level are aware of the amount of funding received by the *camat* but do not know the precise details of how these funds have been used. Meanwhile, at the village level, apart from the *kepala desa* or the *lurah*, the rest of the Raskin team are unaware of either the total amount or how the funds have been used.

Apart from the lack of transparency, the use of these funds is neither effective or efficient. At the *kecamatan* level, the use of the funds that can be monitored include the transport costs of members of the *kecamatan* Raskin team when depositing or transferring money to Dolog or Subdolog and when visiting villages during the distribution process. However, when the team members carry out these tasks, they sometimes receive additional unsolicited payments from villages of around Rp10,000-Rp20,000.⁶²

The use of these funds at the village level is even less transparent. The villages receiving a reasonably large amount of funding are precisely those villages that also extract significant funds from recipients, as explained above. All the expenses from transport, handling, shortages and administration can be covered by the increased price paid by the recipients, in fact these are more than covered. As a result, the funds for operational costs supplied by Subdolog remain untouched. Consequently village officials have been profiting from two sources under the Raskin program - from the price increase and through these operational funds.

In relation to the funding issue, the Subdolog office in Karawang has provided more funding for the implementation of the Raskin program than Dolog in Bengkulu. In Karawang, apart from providing the *kecamatan* and the villages with operational funds, Subdolog has also supported local monitoring activities (see the Monitoring and Evaluation section below). This has not occurred in Bengkulu. Yet both these offices have obtained funds for operational costs. Furthermore, Bengkulu received a larger amount per unit of rice, possibly because it was considered that the area posed particular difficulties for the distribution process. In addition, Bengkulu was fortunate that a number of areas requested that the distribution points be located in the *kecamatan* center, or at least not in every village.

Monitoring and Evaluation

Effective monitoring and evaluation procedures are widely accepted as an important check on the performance and probity of those public officials at all levels who are charged with the responsibility for the implementation of social welfare and poverty alleviation programs such as the subsidized rice programs. This is tacitly acknowledged by the prominent place given to monitoring and evaluation in the Raskin program guidelines.⁶³

⁶² Information obtained from local *kecamatan* staff responsible for Raskin.

⁶³ Badan Urusan Logistik (2001c:8-12).

In fact, Bulog, Dolog and Subdolog officials have been conducting regular monitoring and evaluation procedures for their own internal purposes. These activities have been mainly directed at the financial and administrative dimensions of the Raskin operation, and the particular steps involved are set out in some detail in the guidelines.⁶⁴ However, the guidelines also stipulate that Dolog or Subdolog supervisors who are not a part of the Raskin Taskforce, should also monitor and evaluate the following dimensions to the program's performance:⁶⁵

- The exact amount of rice received by recipients;
- The selection of beneficiaries;
- The price paid by beneficiaries at the point of distribution;
- The procedures and processes associated with the distribution of the rice;
- The application and use of operating expenses; and
- The administration of the funds and the settlement of any outstanding payments arising from the sale of the rice.

Yet with the exception of Dolog's efforts in Bengkulu to enquire into the actual number of recipients referred to earlier (which has been conducted by sending a circular form to all *kecamatan* officials), there is no evidence that Dolog officials have been conducting serious field monitoring on such a scale. If any such monitoring has been conducted the results have certainly not been released to the community or even to other officials outside the agency.

Apart from monitoring or evaluation by Dolog officials, the guidelines also recommend that independent parties should also be involved in this process:

*“Evaluation of the Raskin program by external parties (institutions not directly involved in the program) may be conducted at particular periods (at least once every six months) through the active role of bodies such as institutes of higher education, NGOs and other community organizations in the local area. The results of this evaluation should be released through an open public forum and may be delivered to the relevant Raskin managers at the appropriate level.”*⁶⁶

Although there is no evidence that this has actually occurred on a systematic basis throughout the area that was surveyed, in certain locations local officials have indeed attempted to include independent observers in the delivery phase of the Raskin rice program.

In a limited number of locations, special Raskin teams have been formed to operate throughout an entire *kecamatan*. For example, in one *kecamatan* in Bengkulu Selatan, the Raskin Team was composed of representatives drawn from several institutions:

⁶⁴ Badan Urusan Logistik (2001c:8-10).

⁶⁵ Badan Urusan Logistik (2001c:11-12).

⁶⁶ Badan Urusan Logistik (2001c:12).

four *kecamatan* staff, two representatives from a local NGO, and one member each from the local police and military commands. On every occasion rice was being delivered to the various distribution points throughout this *kecamatan*, the team accompanied the Dolog trucks to ensure that the correct amount of rice was received at every location and to guarantee the security of the monies collected en route.

Meanwhile in Karawang, West Java, in addition to *kecamatan* and local village officials conducting the monitoring function when the rice is dropped off at the various distribution points, a group of students from a local university also take part in this process (see Fig.12). Their involvement has been arranged through a formal agreement between the Karawang Subdolog office and the university. This written agreement has been in operation since 2001. As a result, a total of 23 students have been monitoring the delivery of the rice to each of the 544 distribution points throughout Kabupaten Karawang, the municipality of Karawang and also in neighboring Kabupaten Bekasi. Every month, the students accompany the trucks, ensuring that each distribution point receives its proper allocation. Although they are only involved in counting the number of sacks delivered (and not checking the actual weight), their presence has been a means of reducing instances of shortages as a result of sacks of rice being stolen during transit. For carrying out this role, the students receive a monthly honorarium as well as a modest food and accommodation allowance.



Figure 12: A Bulog truck delivering the monthly Raskin allocation at a distribution point in Karawang under the watchful eye of a student recruited to monitor the process

However, the single essential weakness of any of the independent monitoring activities that we have observed is that such activities effectively end at the point when the rice is delivered to the distribution points in the villages. As far as we are aware, there has been no effective monitoring of what actually happens after that point in the program, that is, once the rice comes under the control of the village-level officials who effectively decide who will receive the rice, in what quantities and how much the recipients will pay. These vital issues are the ultimate determinants of the effectiveness of the program as a poverty alleviation measure, but have not been assessed or monitored by any independent observers in the area of our survey.

CONCLUSIONS

Although the final results of Raskin in 2002 remain to be thoroughly analyzed, the account of the way the program has been operating in the selected areas described in this present, limited appraisal has allowed us to draw the following tentative conclusions about the relative effectiveness of the program and some of the key issues arising from its implementation.

- In contrast to the uneven and irregular pattern of distribution that frequently occurred in many regions during earlier phases of the subsidized rice program, it is apparent that throughout 2002, Bulog and its Dolog and Subdolog branches in the regions **have succeeded** in delivering a large tonnage of cheap rice to tens of thousands of distribution points all over Indonesia on a monthly basis and in a timely and reliable manner. In a country as geographically diverse as Indonesia, the successful conduct of such a complex and difficult logistical operation is a considerable achievement.
- Most of the problems with the acceptable **quality of the cheap rice** that were the subject of criticism from time to time during the earlier phases of the OPK program now seem to have been largely overcome. Certainly, in the areas we surveyed there was broad agreement by both beneficiaries and program implementers that the quality of the Raskin rice was of an acceptable standard.
- Delivering the rice to the distribution points according to a regular schedule and in the required quantities is one matter. Ensuring that the rice really reaches the poorest and most needy sections of the community, however, is a far more intractable problem to which there appears to be no easy solution. From the limited evidence available to us, there has once more been a considerable amount of **program “leakage”**. It seems that although many poor families have been able to secure some of the benefits of the program, far too many of the non-poor members of village communities have also managed to avail themselves of the subsidized rice on offer.
- Effective and accurate **public information** about the real purposes of the Raskin program that reaches beyond the circle of government officials and administrators down to the local level has not been readily or widely available, despite the intentions of central government planners. While considerable and understandable efforts have been made to inform local officials about the administrative procedures for Raskin rice delivery and money collection, this should not be regarded as a substitute for a process of effective publicity and community education at the village level about the central purpose of the program. Such activities are essential if local communities are to be adequately prepared, ensuring a high degree of understanding and local consensus about what the program is really intended to achieve. Responsibility for carrying out such measures lies at all levels and includes, above all, those government officials at the provincial, *kabupaten*

and *kecamatan* level who are involved in the program's implementation, as these are the individuals who must be held responsible for the manner in which the program operates in their area.

- The **change of name** of the subsidized rice program in 2002 to Raskin and the accompanying publicity that was directed to this through a limited national TV advertising campaign does not appear to have had much effect in altering the general public's perception of the subsidized rice program. Not only society at large but also many local officials seem to have regarded the Raskin program simply as an extension of what has occurred in earlier years under the OPK label.
- In addition to Bulog's own internal monitoring processes, there is some evidence of useful and valuable **independent monitoring** of the delivery process, although this has been patchy even in the areas we have observed. However, we have not been made aware of any effective independent monitoring of what happens to the Raskin rice after it reaches the village distribution points. Admittedly, such difficult work would be expensive and time-consuming if it is to be really effective. It is also not easy to find the organizations or institutions that are capable and equipped to conduct such work. Above all, it would require a high degree of tact and goodwill, as well as a considerable understanding of the local scene, especially if the monitoring process itself is to avoid creating additional conflict and social friction in what are often difficult circumstances. Nevertheless, both an effective community information program and more thorough monitoring and evaluation are required if some of the central shortcomings and weaknesses evident in the implementation of Raskin are to be rectified. This is especially relevant if the program is to be extended in the future.
- Of the various issues that arise from the actual delivery mechanisms and payment procedures that have been put in place, one matter that requires further consideration is the application of Bulog's so-called **operational funds** (*biaya operasional*). There seems to be a certain lack of consistency and accountability about the use of these funds, especially concerning the extent to which Dolog officials have been using them to offset some of the local expenses and outlays that are incurred after the rice has been delivered to the distribution points in the villages. This is an especially important matter since these local expenses always affect the actual price that beneficiaries have to pay. We have noted that in some locations Dolog officers accompanying the delivery vehicles make small disbursements to village officials, while elsewhere this is not the case. Even though these are relatively small sums of money there needs to be a greater level of accountability and transparency about the use of such operational funds so that "the rules of the game" are made more explicit to everyone.
- Although logistical obstacles sometimes prevent Bulog from delivering rice directly to the villages, we believe that a greater effort should be made to ensure that this occurs wherever possible. Where all the Raskin rice for one area is delivered to the *kecamatan* center, the additional local transport costs

will be passed on to the program beneficiaries in the form of higher prices, while there is also an increased risk of *kecamatan* officials interfering with the delivery process in ways that are inconsistent with the principles of the program.

- We also noted that **the official Raskin Card** and coupon system has been a complete failure. This is directly related to the actual price paid by beneficiaries and the amount of rice that is made available to them being different to the amount stipulated on the cards.
- On the issue of **price paid by beneficiaries** for the Raskin rice, it is apparent that those families who wish to secure their share have always had to pay a higher sum than the Rp1,000 per kg figure highlighted in the program guidelines. In some cases, the actual amount paid has been a significant increase. This additional sum is a direct result of the various expenses incurred at the point of distribution, including the cost of local transport, and the local labor required for storage, security and the actual distribution of the rice to the beneficiaries. Although such expenses are in most cases unavoidable, a full and transparent accounting of the additional sum that beneficiaries have to pay over and above the Rp1,000 per kg price is rarely available. Frequently, precise information about this matter is only known by the *kepala desa* himself, and in some villages, there is at least a prima facie case that village officials have taken the opportunity to inflate the additional payment for their own financial gain. Where large tonnages of rice are delivered to a village, this can amount to a significant sum of money.
- The Raskin program has once more brought the vexed issue of the **targeting** of such social welfare initiatives into sharp focus. The fundamental problem facing central government planners has always been to find ways to design such programs that will ensure that the benefits are really being delivered to those who are the most deserving of assistance. In this instance, responsibility for the final decision about who will be eligible to purchase the rice has been pushed back onto the local community. This approach has been justified on the grounds that village officials, working in consultation with prominent local community leaders, are best placed to decide such matters. Nevertheless, the central government and then the provincial and *kabupaten* and *kota*-level administrations have determined the actual quotas, and village decision-makers have had to work within the constraints imposed by these allocations.
- Although our limited sample is not conclusive, **certain trends** are evident. In some cases, villages have simply abandoned any attempt to determine a list of eligible beneficiaries. In other cases, village officials and those who have taken part in the consultation process have tried to produce their own local solutions to this difficult problem. In such cases, there has been **widespread opposition to the strict application of BKKBN data** on poor families and we have noted some of the objections raised at the local level. Much of this appears to be justifiable criticism. In any case, the size of the village allocations – which were a direct result of the quota decided upon by the government – were insufficient to include all those families in the KPS ALEK and KS-1 ALEK categories that

are mentioned in the program guidelines, even if this procedure had been acceptable to village communities. Frequently, villages have decided upon a final number of beneficiaries that is much greater than the target number set by the government so that each recipient family could receive 20kg each month. This means that the actual number of participants in the Raskin program is far in excess of – perhaps even double – the target number of families quoted in the program guidelines and the official lists of allocations for each distribution point. As a result, **beneficiaries have been usually receiving considerably less than 20kg** (see Fig. 7).

- In those cases where the subsidized rice has been distributed to such large numbers that the recipients have been receiving very small monthly allocations, the essential purpose of providing a measure of food security and a useful indirect income transfer to the poorest sections of the community is clearly a lost cause.
- During 2002, the operation and implementation of the Raskin program at the village level has still been largely under the direct jurisdiction of the *kepala desa* or *lurah* and their staff. Although the reform of village-level political institutions throughout the country is now underway, the new institutions have not yet had any experience with the implementation of social welfare programs. Nor are these yet able to provide a check on the power and authority of program implementers at the village level, although this may happen in the future. At present, the direction of a program such as Raskin is still largely in the hands of the village heads and their staff. The personal qualities and capacities of these village officials seem to have a direct bearing on whether local communities are successful at solving the targeting issue and arriving at an acceptable solution that ensures that the benefits of the program are really directed at the poorest sections of the community. In villages where local officials are people of integrity and honesty, where they have a solid grasp of the central purpose of the program, and where their own reputation and standing within their community is secure, the chances of successful targeting occurring followed by effective implementation seem to be immeasurably strengthened.
- The targeting issue is fundamental to the success of a program such as Raskin. Yet, it seems that there are no simple solutions. To some extent, the other issues mentioned above, especially the effectiveness of publicity campaigns and monitoring, may also have some impact on how village-based decisions about the targeting of such a program are made. These are all problems that require further discussion and analysis inside and outside government when future social welfare programs are being considered.

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- Data on disbursements of rice under the OPK Program, 1998-1999, 1999-2000, 2000, and 2001
- Data on disbursements of rice under the PPD-PSE Program, 2001
- Data on quotas, allocations and final disbursements of rice under the Raskin Program, 2002
- Data on quotas, allocations and final disbursements of rice under the PKSD-BBM Program, 2002

BKKBN,

- Data on family welfare for year 2000, by province and disaggregated according to levels

APPENDIX

The following detailed accounts of the way the Raskin program has operated at the village level were selected from the ten villages visited during fieldwork:

1. Desa C, Kabupaten Bengkulu Utara

Desa C, one of nineteen villages in this *kecamatan*, is situated close to the *kecamatan* center with part of the village dissected by Bengkulu's main north-south highway. The layout of criss-crossing roads within the village and the style of the very basic original housing structures, many now considerably modified, bears witness to the village's origins as a transmigration settlement. The first group of Javanese settlers arrived in 1956 and 80% of the village's present day inhabitants trace their roots back to Java. The early years were very tough for the hopeful new arrivals, half the original contingent fled after the onset of the regional rebellion in 1958. Later groups of partially assisted transmigrants who arrived throughout the following 15 years still found the physical conditions very difficult with many formidable obstacles to overcome before they could be sure of their survival. The housing provided was woefully deficient, while the promised plots of arable land turned out to be either swamp or forest interspersed with useless *alang-alang* grass.

Eventually the swamps were drained and the forests cleared and converted into serviceable farming land. Within the village boundaries there are now 250 hectares of paddy fields producing two crops a year if the seasons are kind. However, the village's present day population of 3,076 (745 families) has expanded to the point where only a small percentage of residents own sufficient land to provide adequately for themselves and their dependants. Hence, although 75% of the workforce is involved in agriculture, the majority depends on providing their labor to others. Many of the women in the village are also involved in petty trade, selling vegetables or operating small stalls and *warung* scattered throughout the village. The ready access by road from Desa C to the urban fringes of Bengkulu has encouraged many men to seek work outside the village as day-hire laborers on building and construction sites, traveling each day by truck. Within one *dusun* on the western perimeter of the village, there is also a small group of fisherman eking out a precarious existence, dependent on the vagaries of the seasons to provide for their families.

The present *kepala desa* has held the position for the past two years. He had previously served as the village secretary for 18 years and is widely regarded both inside and outside the village as a competent local official.⁶⁷ He is supported by a staff of six assistants, including a village secretary. Administratively, the village is divided into four *dusun* and eleven neighborhood associations (*Rukun Tetangga*, RT). The village has already elected a new Village Representative Council (*Badan Perwakilan Desa*, BPD) as its governing body, but this has yet to become fully effective.

⁶⁷ The local *camat* regards him as one of the most competent and reliable village heads in his sub-district.

The *kepala desa* clearly understands that these subsidized rice programs are aimed at helping the poorest sections of the community. He regards it as his moral responsibility to ensure that assistance continues to be delivered to those families within the village who are the most deserving cases. He is also aware that in other villages elsewhere within the *kecamatan* the rice is being divided up more or less equally so that anyone, rich or poor, is able to purchase at least a small portion. This created problems for him in Desa C but he is determined not to give in to pressure. As soon as he took over as *kepala desa* he adopted the strategy of involving other key elements from within the village in the organization and operation of such activities. Consequently, there is now a shared responsibility among a larger group of community leaders for informing the villagers about the nature and purpose of the subsidized rice program and for the delivery of the rice to those families who have been identified as beneficiaries.

Initially, he wanted to make each RT head responsible for distributing the rice inside their particular area. When he was unable to win sufficient agreement for this proposal, it was finally decided to place this task into the hands of the women volunteers who operate the ten family planning posts (*pos KB*) located strategically throughout the village. This has two advantages. The village is spread out over a very wide area, and so it is much easier for families to collect the rice from the nearest post, which in most cases is much closer to their homes than a single collection point within the village. Previously, every family had to collect their allocation from the village meeting hall (*balai desa*) where the truck dropped the rice each month. In addition, the women who are in charge of *pos KB* are especially familiar with the particular circumstances of those families in their own immediate locality who are living in poverty or who are in need of welfare assistance.

So as soon as the Subdolog truck delivers the rice to the village – to the house of the *kepala desa* – it is further divided and the appropriate number of sacks is delivered on to each of the *pos KB*. The women in charge assume responsibility both for collecting payment and distributing the rice to those who are registered with them as beneficiaries according to the ‘cash and carry’ principle. The price to be paid has been set at Rp11,500 per 10kg. Of this amount, the women in charge of the *pos KB* deliver Rp10,500 to the *kepala desa* who uses the extra Rp500 to pay for the labor costs required to prepare the rice for delivery to the *pos KB*, including loading the sacks onto the vehicles. The additional Rp1000 is retained by the women in charge of the *pos KB*, and is used to pay for the vehicles used to bring the rice from the initial delivery point at the house of the *kepala desa* and the labor required to unload the sacks. The remainder is used as small incentive payments to the various assistants who contribute their time at each *pos KB* and to cover any shortages in the weight that may be discovered when the rice is being distributed.⁶⁸

⁶⁸ As in other areas, problems with fluctuations in the weight of the delivered rice are often experienced with 50kg sacks.

In 2001 the village received 4.5 tonnes of rice under the OPK program.⁶⁹ In fact on two occasions during that year, the village received 8 tonnes, presumably because other villages within the *kecamatan* had not taken up their allotment. However during the 2002 Raskin program, Desa C's allocation, and the allocation of many other villages throughout Bengkulu, was reduced, in Desa C's case to 3.1 tonnes. This was intended for the 155 families within the village who were identified by the BKKBN data. Accordingly, when the first delivery of rice arrived in January it was distributed to these 155 families upon the instructions of the *kepala desa*. This resulted in an immediate stream of angry protests throughout the village from all those who felt that they should also have received some of the cheap rice, especially from those families who had received rice under the OPK program in the previous year but who now discovered that they were no longer on the list of recipients.

In response to these protests, and to ensure that this did not lead to conflict within the village, the *kepala desa* called an urgent meeting attended by his own immediate staff, the heads of each *dusun* and every RT, the women in charge of the *pos KB*, and representatives of the wider village community. It was decided that it was too risky to adhere strictly to the official BKKBN list. Furthermore, it was generally agreed that the BKKBN criteria used to identify KPS and KS-1 families did not adequately capture the nature and level of poverty within the village or identify all those families who were really in need of special assistance. Consequently, it was decided to draw up a new list of beneficiaries that would roughly double the total number of recipients.

This was achieved through a two-stage process. Firstly, every RT head was asked to draw up a list of names of all the families in their particular area who they believed to be worthy of receiving assistance. Then the *kepala desa* himself worked with the women in charge of the *pos KB* to make a final selection. They decided to take three additional factors into account that were not part of the BKKBN data: the actual number of dependents in each family, the number (if any) of those who were working and receiving income, and the family's main source of income. The woman in charge of the *pos KB* and their assistants went from house to house checking and reported the results of their survey to the *kepala desa*. As a result of this process a further 155 families were added to the list so that a total of 310 families receive 10kg every month. The *kepala desa* regrets that the total amount that each family receives is not larger but he is confident that in almost all cases those families who now receive Raskin rice in Desa C are those who are worthy beneficiaries and are the most deserving cases.⁷⁰

⁶⁹ According to local *kecamatan* officials, this *kecamatan* received a monthly allocation of 56 tonnes in 2001, but this was reduced to 38.38 tonnes in 2002. Official Bulog and Subdolog data confirm this reduction. The *kepala desa* recalled that during an earlier period of the OPK program, deliveries stopped for a complete year. He claimed not to know the exact reason, since it occurred before he assumed office, but thought it was the result of outstanding payments, since villagers were then allowed to collect the rice and pay later, often leading to trouble. A more rigorous collection and payment process has now overcome this problem.

⁷⁰ When pressed on this point he explained that he has lived in the village since 1972, and has served for the last twenty years as an active village official. As a result, he has an intimate knowledge of the particular circumstances of every family in Desa C – whether they are rich or poor, and from where they are drawing their income. He was prepared to admit that there were a very small number of families receiving rice whose economic circumstances did not justify adding them to the list. But these were potential troublemakers and his decision to include them had been a tactical one. As he put it: "Rather than letting a tiger roam free, far better that we cage him."

Conclusion:

It seems evident that in this village a serious attempt has been made to remain faithful to the fundamental purposes of the Raskin program. Although a drastic cut in the 2002 monthly allocation created serious social and political difficulties for the village leadership, it is clear that they have tried to find their own local solution to this problem, and to inform the entire community of the decisions that have been taken and to explain the reasons behind them. The results may be a compromise but it seems to have been a strategy that makes sense.

2. Kelurahan D, Kabupaten Bengkulu Selatan

Kelurahan D is located in the *kecamatan* center and is the only *kelurahan* in the *kecamatan*. Of the 1,250 people or 230 families residing within its 16-hectares, some work as farm laborers while others work as traders in the *kelurahan* market or as laborers in the informal sector.

Since its establishment as a *kelurahan* in 1997, it is no longer headed by a *kepala desa* elected by the community, but by a *lurah* directly appointed by the local *kabupaten* government. The current *lurah* is a civil servant who has occupied the position since February 2001, and was previously an official at the local *kabupaten* office. In carrying out his duties, the *lurah*, is assisted by four other staff none of whom have civil servant status.

Kelurahan D had received OPK rice since that program began, although deliveries ceased for a period of about eight months before recommencing in 2001. According to the *lurah*, this disruption occurred when the *kecamatan* did not want the trouble of organizing the OPK program because of its irregular pattern of distribution.

According to the BKKBN data, only 88 families qualified as Raskin beneficiaries in this *kelurahan*. However, since community leaders, neighborhood association heads and the LKMD did not accept the BKKBN data, the number of beneficiaries was increased to 160 families. Consequently, family allocations were reduced to well below 20 kg. To achieve an allocation of 20 kg per family in accordance with the regulations, the *kelurahan* would require 1.6 tonnes of rice per month.

A village usually receives the same monthly allocation of rice at every distribution. Yet in Kelurahan D this has not occurred: allocations for this *kelurahan* have fluctuated from distribution to distribution and have not even corresponded to the number of beneficiaries recorded by BKKBN.

According to the *lurah*, this occurred because the *kecamatan* distributed the rice to each village on a "first come, first served" basis, leaving those that were late to miss out altogether. However, the head of the Dolog warehouse in Bengkulu Selatan offered an alternative explanation, suggesting that the *kecamatan* had taken into consideration whether villages were currently harvesting rice or suffering from shortages, and whether or not there had been any additional demands from a community. Those villages that were harvesting rice or those that had made no special requests received smaller allocations, while those villages experiencing a shortage or where the community had made additional demands received larger

allocations. In the case of this *kelurahan*, however, the *lurah* had in fact requested two tonnes of rice for the July 2002 distribution, but the *kecamatan* only agreed to allocate one tonne.⁷¹

Table 4. OPK/Raskin Rice Disbursements in Kelurahan D, August 2001 - July 2002

Month/Year		Rice (kg)	Explanation
2001	August	2,000	
	September	2,000	
	October – November	-	data unavailable
	December	750	
2002	January – March	-	data unavailable
	April	1,000	
	May	1,500	
	June	750	
	July	1,000	

Source: Rice allocation receipts, local *kelurahan*.

Fluctuations in the amount of rice that they have received have created problems for the *kelurahan* and its distribution committee in its efforts to determine and inform beneficiaries of the changes to their rice allocations. The distribution committee does not usually divide the rice evenly amongst beneficiaries, but the amount received was dependent on when the beneficiaries arrived to collect their allocation. For example, at the July 2002 distribution, the first 40 families to arrive received 10 kg, while the 120 families who arrived later only received 5 kg.

When the SMERU team visited Kelurahan D, the *lurah*, *kelurahan* staff, RT heads and community leaders had just concluded a meeting to discuss the demands from those in the community who had been excluded from the list of Raskin beneficiaries but were still requesting a share of the rice. Prior to this, somebody had torn down the list of beneficiaries that had been posted on the front of the *kelurahan* office. Anticipating further disturbances and community complaints, and taking into account the economic condition of the community still recovering from the shock of the economic crisis, the meeting decided that the Raskin rice would in the future be divided up equally amongst all families in the *kelurahan*.

As the number of beneficiaries was increased to 230 families – the total number of families in the *kelurahan* – with an allocation of 1,000 kg, each family would only receive four kg. Although *kelurahan* officials actually tended to favor distributing the Raskin rice only to those families originally listed, it seems that the *lurah* was powerless when confronted by the demands from within the community, and certainly gave the impression during the interview that he was a weak leader. The situation had been exacerbated by the lack of effective publicity about the Raskin program.

⁷¹ The SMERU team sighted the official records.

The Raskin rice was usually distributed to the beneficiaries between 10:00am and 1:00pm. The money collected would be handed over to the *kecamatan* on the same day, except in the case of a public holiday, when it would be delivered on the following day. The rice was distributed without the use of Raskin cards since the amount of rice obtained by recipients was not in accordance with the regulations.

The price of the rice, determined through an agreement between *kelurahan* officials, RT heads and community leaders, was set at Rp2,000 per *cukap*, or Rp1,250 per kg, an increase on the stipulated price of Rp1,000 per kg. This has been accepted by the community as it is still lower than the local market price of rice, which is between Rp1,875 and 2,030 per kg.

The price increase was intended to cover additional transport costs of Rp20 per kg, as Dolog does not deliver rice directly to the *kelurahan* in this *kecamatan* but to the *kecamatan* office one km away. After subtracting these delivery charges, a difference of Rp230 per kg still remains. When 1,000 kg are received, the 12-member village distribution committee receives a payment of Rp230,000 for each distribution. According to the *lurah*, however, the committee must use some of this money to cover any shortages in the actual amount of rice delivered to the village.

Conclusions:

Based on the above account of Raskin operations at the village level and additional impressions gathered from several local respondents, it is apparent that the leadership capacity of *kelurahan* officials has strongly influenced how the program has been implemented. Ineffective leadership along with a lack of publicity about the program has caused it to diverge sharply from its original aims. The predicament in Kelurahan D has been aggravated by the fluctuations in the actual monthly allocation of rice received by the village, creating mounting mistrust within the community towards *kelurahan* officials.

3. Desa H, Kabupaten Bengkulu Selatan

Desa H is one of the most isolated of the 32 villages in the *kecamatan*, as it is situated towards the end of a narrow and winding stretch of unsealed road, 7 km from where this branches off from the nearest sealed road. Desa H and the nearby, considerably larger village of Desa G are both typical of many rural communities in this part of the province, as almost all of its 758 inhabitants (174 families) are totally dependent upon smallholder cash-crop agriculture. Many of the houses in the village are traditional raised, wooden structures, typical of those found throughout Bengkulu, with the dwelling built on sturdy timber posts. Apart from farming, a few families operate small shops or stalls and there are a small number of lower level civil servants in the village. There is also a coal mining enterprise on the road just to the south of the village but very few men from this village have managed to find regular work there.

With few exceptions, the land-holdings of most people are of modest size, averaging about one hectare, and are mostly planted with coffee or rubber trees. The quality of much of the small-holder coffee and rubber tends to be towards the lower end of the market and so the prices that farmers are able to command for their yields are generally low, especially since both international coffee and rubber prices are

currently weak. Higher quality rubber and coffee strains and modern cash-crop technical advances have been very slow to penetrate much of the province and many of the small-scale producers in villages like Desa H appear to be living on the edge of poverty.⁷²

The current *kepala desa* has held the position for the past two years. He had previously served as First Chairman of the village's former governing body, the LKMD, and was directly appointed to his present position by the *camat* after the man who had actually been elected as *kepala desa* suddenly resigned after only a year in office.

As far as the issue of subsidized rice is concerned, this *kepala desa* made it clear that he was opposed to such a government initiative, suggesting that it would be far better for all concerned if the current program was terminated. He personally felt it was a thankless task that wasted a lot of his time and energy. As for the local community, he saw few benefits and there was the added risk of division and friction. In fact, he believes that providing cheap rice merely makes people lazy. Rather than wasting time waiting around to collect a few kilograms of cheap rice, the local farmers would be far better off working harder on their own land to produce more food for themselves and their families.

In 2001, the village received 2.5 tonnes of rice under the OPK program. According to the *kepala desa*, this amount was sufficient to allow all those who wished to purchase a full 20kg. However, under the Raskin program in 2002, the monthly allocation for Desa H has been reduced to one tonne. This amount is based on BKKBN data that identify only 50 families within the village.

According to the account of the *kepala desa*, the BKKBN list and any data from the village family planning post (*pos KB*) are not taken into consideration in the local decision-making process about how the rice is actually distributed. He considers such data to be of no significance. Instead, the determination of which families are to be permitted to purchase the subsidized rice is made by the *kepala desa* himself together with his staff of four assistants. He believes that this is a perfectly acceptable procedure since they are in the best position to know which families in the village are really in need of assistance. Although he explained that the exact composition of the list changes with the particular circumstances, he claimed that about 125 families are given the opportunity to purchase between 8 to 15kg every month. When questioned about how this list of beneficiaries is compiled, he mentioned that they took into account the level of each family's income, but was unable or unwilling to provide any convincing evidence of the precise criteria used in reaching these decisions. Nor was

⁷² The high prices that provided farmers with windfall profits for certain cash-crop commodities in some parts of Indonesia immediately after the economic crisis did not prevail for very long. The lower-than-average quality coffee and rubber produced by smallholders in this part of Bengkulu are currently providing only modest returns for the farmers in these villages. Those interviewed report that at present they are receiving around Rp2,500 per kg for their coffee, while rubber is bringing around Rp2,000 per kg. Since production levels fluctuate throughout the year, depending upon the season, farmers and their families do not always have access to ready cash. This often makes it difficult for some families to purchase the cheap rice, even if they wish to do so.

he able or willing to show any documentation or records or to demonstrate that any process of adequate community consultation had taken place.

With two distribution points established in the village and four people appointed to supervise the process, the *kepala desa* explained that the distribution is almost always completed within two days of the sacks of rice arriving in the village. As a result of its isolated location and the condition of the road, especially after heavy rain, Dolog is unable to deliver the Raskin rice directly to the village so drop Desa H's monthly allocation at the village located at the intersection with the sealed road 7 km away. It is the responsibility of the local community to arrange for its collection and to pay for the costs of transporting the rice back to the village.⁷³ Naturally, this means that these costs must be passed on to the beneficiaries, resulting in a higher price per kg. According to the *kepala desa*, the price of the Raskin rice in Desa H is Rp1,250 per kilogram.

However, this statement about the price paid by the recipients, as well as many of the other details of his account of what actually happens in the village with the subsidized rice program, were challenged and contradicted by every member of the community interviewed.⁷⁴ According to most informants, the real price that they must pay for the rice is Rp3,000 per *cupak*, equivalent to Rp1,850 per kilogram, though several claimed to have purchased amounts of the subsidized rice for as much as Rp2,000 per kilogram. Many complained that the price that they were asked to pay was too high, although since it was cheaper than the local market price, about Rp2,250 per kilogram, they were still eager to purchase a share if able to do so. Some of those interviewed reported that they had managed on occasions to purchase some rice in Desa G, a neighboring village for Rp1,800 per kilogram when that village had some of its allocation left over. Some claimed that on occasions they had been able to purchase up to 10 *cupak* (about 16 kg), but this was not always the case. Several complained that there were many poor families in the village who frequently missed out altogether because they were simply not quick enough.

Two men spoke of purchasing rice in large amounts, one or more sacks at a time. Others reported that the *kepala desa* has regularly sold sacks of rice to two of the *warung* within the village. One disturbing feature of these interviews was that several informants were visibly nervous about discussing these matters with outsiders, explaining that they were fearful of reprisal if it became known that they had spoken out.

Conclusion:

In the course of a single visit it was impossible to establish the truth of what was really occurring in this village. Nor was it possible to confirm the many stories and

⁷³ It appears that in addition to the cost of the transport, there is also the additional labor required to load and unload at each end. Also a small payment is made to the village where the rice is dropped for securing the rice until it can be collected.

⁷⁴ During our visit to the village we interviewed several groups of men and women, both in groups and individually. Their account of the way the rice is distributed and the price paid by those fortunate enough to purchase it, were remarkably consistent, and were in sharp contrast to the explanation given by the *kepala desa*.

allegations made by various informants. However, it was our strong suspicion that there are serious question marks about the operation of the Raskin program in this village. At best, the distribution appears to be random and dependent upon the judgment of the *kepala desa* and his associates. At worst, there is a strong possibility that the rice has been sold simply to anyone who was prepared to pay the asking price, and in some cases individuals have been permitted to purchase large amounts of rice in a manner that is quite inconsistent with the aims of the program. Serious questions also remain about whether any proper community consultation has ever occurred, and there are also grave doubts about the financial arrangements and whether the additional amount that the recipients are required to pay can be properly accounted for.

4. Desa I, Kabupaten Karawang

Desa I is one of the villages in Kabupaten Karawang situated along the coast of the Java Sea. Despite its coastal location, wet-rice farming remains the dominant activity within the village, with approximately 486 hectares of rice paddies in a total land area of 628 hectares. The village is located 11.5 km from the *kecamatan* center and 49.5 km from the *kabupaten* capital, although there is easy access to both with a sealed road and good public transport.

This village of around 3,500 families consists of three *dusun* and 21 neighborhood associations. Geographically, the village can be divided into two zones, the coastal area encompassing one *dusun*, and the rice farming area, encompassing the remaining two *dusun*. In the coastal area many people work as fishermen, whereas in the other two *dusun* people generally work as rice farmers on their own land or as agricultural laborers.

In November 2002, the village selected a new *kepala desa*, chosen by the community through a local election. This *kepala desa* is a relatively young man who did not initially intend to nominate for the position, despite being the leader of the Village Representative Council (BPD) at that time. However, after pressure from the local community, he was eventually nominated, despite there being little time to campaign. Nevertheless, at the *election*, the candidate from the coastal *dusun*, defeated the other candidate from one of the rice-farming *dusun* by a comfortable margin, 2,200 votes to 1,500. The election result was not, however, without problems as the other candidate was rumored to have squandered Rp500 million on his unsuccessful campaign. His supporters initially refused to accept the outcome, venting their anger by ransacking the *kepala desa*'s office. The building still appeared unoccupied when the SMERU team visited several months later.

According to the BKKBN data, 786 families in the village qualified as beneficiaries of the 2002 Raskin program, with each theoretically receiving 15.72kg of rice every month. This figure was well below the village's request for 1,950 families to be included in the program. In reality, the village divides the rice between 1,800 families classified as poor, with each receiving 10 liters at Rp1,000 per liter, equal to Rp1,200 per kilogram. According to the *kepala desa*, this formula was determined at a meeting

attended by the *kepala desa*, 13 members from the BPD, 11 members from the Community Empowerment Council (LPM) and 35 villages administrators.⁷⁵

Compared with OPK, Desa I has received a larger allocation of rice and the pattern of delivery has been more consistent under the Raskin program in 2002. According to data from Subdolog in Karawang, during 2001 this village's rice allocations varied from 7,950 kg per month early in the year to 1,650 kg per month in the second half of the year, while in some months there was no delivery at all. Such shortcomings limited the coverage of the program and decreased the amount of rice individual beneficiaries were able to receive. This accords with the explanation of several individuals interviewed who explained that they had only just started to receive rice in 2002.

The quality of Raskin rice was judged to be superior to OPK rice. However, around the middle of the year, the quality deteriorated and some of the rice contained weevils and a high percentage of broken grain. Despite complaints by village officials to both *kecamatan* and Subdolog officials, the following two deliveries saw no change and the general quality of the rice remained unsatisfactory, although still better than the OPK rice.

Unlike other villages, there is no single centrally-located distribution point in Desa I, but there are now four points spread among each of the *dusun* and located on main roads. At the commencement of the Raskin program, there was only one distribution point, but as the total amount of rice received by the village is quite large, village officials decided to divide it among three points. However, even three points were still too few, and resulted in people fighting over the rice and even damaging property. So another distribution point was added, and the distribution process has since proceeded smoothly.

In this village rice is distributed to the beneficiaries using a card system. The cards used, however, are not the official Bulog cards, which remain stored at the *kecamatan* office, but have been especially prepared by the village distribution committee. The cards are photocopied and include the beneficiary's name, age and address along with the village's official stamp. Each month the cards are distributed with a special mark to distinguish them from the previous month's card, such as a change of color or the addition of a colored line. This has been necessary to minimize the likelihood of cards being used more than once, since on several occasions in the past beneficiaries feigned losing their card but still requested an allocation. The "missing" card had actually been saved for the following distribution, allowing the family to obtain a double allocation. There has been considerable community interest in the Raskin program within the village, discernible from the speed with which the rice is collected each month, and influenced it appears by the fact that Raskin rice is Rp500 cheaper per liter than rice purchased on the local market.

⁷⁵ According to *kecamatan* officials, all villages in the *kecamatan* have established the same quantity and price (10 liters at Rp1,000 per liter per family), although such uniformity had not been imposed at the *kecamatan* level. Interestingly, the same situation prevailed in another *kecamatan* in the same *kabupaten*, also visited by the SMERU team.

In remitting the village's payments to Subdolog, Desa I has applied a cash and carry payment system, that is, the entire payment for the village's monthly allocation is deposited before the rice is delivered. As collecting advance payments from beneficiaries proves impossible, the village Raskin committee has had to locate third parties who are willing to lend money. Sufficient funds have been obtained from within the local community, but this has resulted in the *kelurahan* paying interest of up to 40% of the extra payment money collected from beneficiaries after operating costs have been subtracted. Sometimes the village retains revenues of around one million rupiah, so lenders receive Rp400,000 in interest. The remaining revenue is divided amongst the village distribution committee, consisting of approximately six to eight people per distribution point as well as members of the village's communal security organization who assist in safeguarding the rice after it is delivered to the village.

Conclusions:

In implementing the Raskin program, the organizing committee at the village level needs to consider several alternative methods of distributing the Raskin rice to allow for smoother operations and to simplify matters for beneficiaries. In addition, decisions about a number of related matters, such as price, the size of the rice allocation per family, and the use of funds, need to be resolved by a team with as broad a membership as possible. This would ensure that the most appropriate decisions are adopted and that the results of these deliberations are communicated more effectively throughout the community.