

Alokasi Dana Desa, Special Autonomy & Social Protection Expenditure Management on Poverty in Papua Province

1st Paulus Peka Hayon*
Department of Accounting
Universitas Musamus
 Merauke, Indonesia
 pauluspeka@unmus.ac.id

2st Kristianus Hiktaop
Department of Accounting
Universitas Musamus
 Merauke, Indonesia
 hiktaop_akuntansi@unmus.ac.id

3st Ade Sri Ulita
Department of Accounting
Universitas Musamus
 Merauke, Indonesia
 ulita_akuntansi@unmus.ac.id

Abstract—This research aim to analyse of alokasi dana desa, special autonomy and social protection expenditure management on poverty in Papua Province. Analysis data use multiple regression with WarpPLS Method. The result of this study show that alokasi dana desa is positive impact but it is not significant on poverty alleviation. It is negative impact and but it's not significant to economic growth. Meanwhile, special autonomy has negative impact and significant to economic growth. It is positive influence on poverty. The result of the indirect effect test through intervening variable, show that its is positive impact and significant to poverty. The last result show that, social protection expenditure are negative impact and but statistically not significant to improve of the poverty in Papua province.

Keywords: *alokasi dana desa, special autonomy, social expenditure and pover*

I. INTRODUCTION

Poverty is a factor in the low quality of human resources in the Papua regions. The absolute poverty conditions become dominant in this regions. Poverty is more likely to be caused by not fulfilling the minimum basic needs such as food, clothing, health, education, and housing. Most of the poor population are scattered throughout the inland regions and they are said to be poor not for lack of eating but are more likely to be caused by being isolated from the access of things especially access to education Quality to change the mind-set and civilization they are experiencing. Low quality of human resources in the region is caused not due to cultural factors. But more likely to be due to accessibility to various government services. In general, the people of Papua have received an outside culture and said modern society. Because of the poverty of the socio-anthropological side is no longer found. The community's ability to improve the quality of life has been formed since the Dutch colonial era. And after Papua became part of the country, access opportunities in various aspects were dismissed. Access to quality education, access to health services, access to banking facilities approximately 40 years is limited and or not developed throughout Papua. Since the command has been the process of development as the last two decades.

Many policies have been implemented in Papua province, such as regional autonomy policy, fiscal decentralization

policy, special autonomy policy, Alokasi Dana Desa (ADD), Rencana Strategi Pembangunan Kampung (RESKPEK). All these policies are aimed at realizing the welfare of society and minimizing social problems such as poverty. But the problem of social (poverty) is still high, and the amount of absolute poverty is almost evenly throughout the district. It is still a high degree of poverty that is supposed to be suspected that the various anti-poverty policies of government are not effective. The high issue of absolute poverty numbers became the focus of this research. Thus the study aims to study the impacts of alokasi dana desa management, special autonomy funds, social protection expenditure of regency and municipality governments to economic growth and absolute poverty alleviation Poverty is a factor in the low quality of human resources in the Papua regions. The absolute poverty conditions become dominant in this regions. Poverty is more likely to be caused by not fulfilling the minimum basic needs such as food, clothing, health, education, and housing. Most of the poor population are scattered throughout the inland regions and they are said to be poor not for lack of eating but are more likely to be caused by being isolated from the access of things especially access to education Quality to change the mind-set and civilization they are experiencing. Low quality of human resources in the region is caused not due to cultural factors. But more likely to be due to accessibility to various government services. In general, the people of Papua have received an outside culture and said modern society. Because of the poverty of the socio-anthropological side is no longer found. The community's ability to improve the quality of life has been formed since the Dutch colonial era. And after Papua became part of the country, access opportunities in various aspects were dismissed. Access to quality education, access to health services, access to banking facilities approximately 40 years is limited and or not developed throughout Papua. Since the command has been the process of development as the last two decades.

Many policies have been implemented in Papua province, such as regional autonomy policy, fiscal decentralization policy, special autonomy policy, Alokasi Dana Desa (ADD), Rencana Strategi Pembangunan Kampung (RESKPEK). All these policies are aimed at realizing the welfare of society and minimizing social problems such as poverty. But the problem of social (poverty) is still high, and the amount of

absolute poverty is almost evenly throughout the district. It is still a high degree of poverty that is supposed to be suspected that the various anti-poverty policies of government are not effective. The high issue of absolute poverty numbers became the focus of this research. Thus the study aims to study the impacts of alokasi Dana Desa management, special autonomy funds, social protection expenditure of regency and municipality governments to economic growth and absolute poverty alleviation.

A. Alokasi Dana Desa

Alokasi Dana Desa management is all rights and obligations of the village that can be assessed with money both in the form of money and goods relating to the implementation of the rights and obligations of the village. These rights and obligations lead to income, expenditure, financing that needs to be organized into good village financial management. Financial management is passed through a stage that includes planning, implementation, administration, reporting and responsibility [1]. The purpose of the use of village funds is to finance government administration, implementation of development, community development and empowerment of society[2]. The greater allocation of dana desa is expected to minimize the poverty rate so that the poverty rate will decline. Alokasi Dana Desa is sourced from the state budget for the village transferred through the regional budget were funded to fund governance, implementation of construction and empowerment of community development[3]. Financial management of funds must prioritize the principle as set out in[4]says that the village finances are managed based on good governance practices. First, transparent principles of openness that allows people to know and access widest information about the finances of the village and obtain correct, honest, fair and not discriminatory knowledge about Village government. Secondly, the Accountable means the realization of the obligation to respond to the management and control of resources and implementation of policies entrusted to the achievement of the objectives that have been established to the community. Thirdly, the participation is the implementation of village governance that involves village institutional and village community elements. Fourth, the orderly and the budget discipline of the village's financial management should refer to the underlying regulations.

B. Special Autonomy

The implementation of special autonomy policy is based on asymmetrical concepts. According to [5]special autonomy in the framework of Asymmetric Decentralization is one of the attributes of regional autonomy and decentralization policies that are treated specifically for certain areas, as a solutive response to conduct distribution and acceleration of development. The main difference lies in the special authority given to the local government in order to organize its territory in accordance with the potential and aspirations of local communities. The basis of special autonomy in the Papua province refers to [6]about the special autonomy of the Papua province. The meaning of special autonomy is coupled with the policy of granting regional autonomy that Indonesia adopted today has the same meaning. The Law [7] about local government in article 5 explains that regional autonomy is the right, authority and obligation of the autonomous region to govern and manage its own government affairs and the interests of

local communities in accordance with Legislation. The meaning contained in special autonomy legislation is also the same that special autonomy is a policy that provides special authority that is recognized and given to the Papua province to organize and manage the interests of the local people According to its own initiative based on the aspirations and fundamental rights of Papuan society.

According to [8]granting special autonomy for the Papua province is intended to realize justice, enforcement of legal supremacy, respect for human rights, accelerating economy development, improvement of welfare Community and the advancement of the people of Papua in the framework of military and balance with the advancement of other provinces.

C. Economy Growth

It is conceptually believed that economic variables can reduce poverty. Economic variables in this case are measured by monetary units or value for money. The more money a person has is able to allocate to a variety of needs, so it can be able to meet the needs of the minimum standards specified. Conversely, the fewer amount of money a person has will not be able to meet the minimum requirements specified. With these causality relationships, more economic development is geared towards increasing economic growth to a certain extent. But in reality, not all high economic growth can contribute positively to community welfare or reduce poverty. Quality economic growth is an inclusive economic growth that is not an exclusive economic growth. Inclusive economic growth is an economic growth representing the interests of large capital owners and the interests of the poor or grassroots community. Economic growth can reduce poverty based on the theory of Trickle down effect which mentions the existence of the drip down from the rich group into the poor group. High Economy growth will increase economic capacity, create new jobs, increase per capita income, (reduce poverty), raise demand and supply, and keep spinning following the mechanisms of economy[9]

D. Social Expenditure protection

Indonesia's current fiscal decentralization strategy is decentralized from the expense side. The establishment of the financial management rights of local governments aims to allow the local government to allocate such costs in accordance with the development needs of its territory. The increase of transfer to the area is encouraged to minimize the various inequality of physical development as well as various social problems such as poverty, unemployment, eradicating illiteracy, and the assurance of Improve Community productivity. The role of the Government in the provision of public services is based on the assumption that the demand for public service differs from one area to the region but the local government has the closest position With the community to understand and overcome the differences in the demands and needs of those services[10].The social protection policy is part of a broader macroeconomic development, employment program, and education and health policy, developed to minimize the worst possibilities and to promote ad-exclusive and sustainable growth. The main principle of social protection aims is to create a development process that enables economic and social efforts to prevent, mitigate, and overcome the negative impacts of development it self[11].

E. Poverty

Poverty is a very broad concept and different meaning between one region and another. Poverty is a multidimensional social phenomenon. Poverty is a multidimensional phenomenon because it is defined and measured in many ways. Poverty is measured in terms of economic welfare, such as income, and consumption. The public is said to be poor when under a predefined minimum welfare level[12]. Definition of poverty in addition to judging from the economic aspect, poverty can be interpreted from the socio-anthropological aspects. According to [9] theory based on economic aspects sees poverty as a result of an imbalance of ownership of production factors, biased policies, differences in human resources quality, and low community capital formation or low stimulation for capital investment. On the other hand, the approach of socio-anthropologist accentuates the influence of customs that the likelihood perpetuate poverty such as the culture that accepts what it is.

By type, poverty can be classified into relative poverty and absolute poverty. The first (relative) poverty is the status of a person or a group of poor people caused by development policies that have not been able to keep you all groups of people causing revenue distribution gaps. On the other, absolute poverty is a condition of poverty judged on the inability to meet basic needs, such as food, clothing, health, housing, and education that is necessary to live and work. This minimum staple requirement is translated as financial size in the form of money. The minimum needs of these basic needs are known as poverty lines. The population whose revenues are below the poverty line are classified as poor people[13]. The increasing proportion of social protection funds accompanied by effective management can improve the quality of life of the community. The quality of society can realize the quality of health, increasing the level of community knowledge, so as to impact the increase in the income level. The increasing level of opinion can encourage a person to allocate the income to fulfil the various needs, consumption, education costs, allocation for health, invest in capital as a form of investment or financial planning. Long-term. Based on theoretical studies and the relevant empirical study of hypotheses tested in this study include:

- H1: Village funds allocation negatively affects poverty
- H2: Significant allocation of rural funds to economic growth
- H3: Special autonomy negatively affects poverty
- H4: Special autonomy has a positive effect on economic growth
- H5: Spending on social protection negatively affects poverty.

II. RESEARCH METHODS

The research Model is structural equation modelling analysis, namely WarpPLS 7.0. Evaluation of the model WarpPLS in can be done with one Step approach. Namely to evaluate the structural model (Inner model). The data processing process, among others, designs models, examines line charts, performs estimates, evaluates inner models, and tests hypotheses.

III. RESULT AND DISCUSSION

The study used a pathway analysis approach. Each line represents the influence of the exfoliates on the endogenous variable. The result of the regression (analysis) path looks like the following table 1. Based on table 1 shows that each arrow has as many as six paths indicating the influence between the variables tested. Meanwhile, any value that is mined by beta (β) is the value of the by while the value of P is the level of probability or significance. The estimated beta value and the significant level looked like in the following table 1 and table 2.

TABLE I. PATH COEFFICIENT AND P-VALUE

Path coefficients				
Intervening and dependent variable	Independents and dependent Variables			
	ADD	SA	EG	SEP
EG	-0.069	-0.278		
Poverty	0.012	0.527	0.237	-0.036

TABLE II. PATH COEFFICIENT AND P-VALUE

P values				
Intervening and dependent variable	Independents and dependent Variables			
	ADD	SA	EG	SEP
EG	0.281	<0.001		
Poverty	0.45	<0.001	<0.001	0.364

Whereas Latent variable coefficient in table 3. This Output shows R-squared and Q-squared.

The R-Squared value is generated from the output of the explanatory variable to each small predictor variable. Village funding budget and special autonomy are able to explain 9.3 percent of economic growth and are very weak. On the other hand an exogenous variable and one variable intervening against poverty are only able to explain 26.2%. 73.8 percent are described by other variable. The Q-squared value generated model consecutively, 0.097, and 0.265 > 0 which means this model has a predictor validity. The results of this research are free from the problem of multicollinearity due to the Full Collinearity VIF value generated all the variables < 3.3. Table 3 shows the default error and effect size values for each path.

TABLE III. PATH COEFFICIENT AND P-VALUE

Latent Variable Coefficient					
	Variables				
	ADD	SA	EG	SEP	Poverty
R-squared	0.093				0.262
Adjusted-squared	0.071				0.226
Full Collin. VIF	1.091	1.155	1.179	1.08	1.355
Q-square			0.097		0.265

A. Allocation of village funds and Poverty

The first path analysis in this study examined the impact of alokasi dana Desa on poverty in the Papua province over

the past three years. The poverty is being proxy with absolute poverty figures. The expected outcome is that the alokasi dana desa negatively impacts. The result of alokasi dana desa on poverty, it has positive influence and is not support to poverty alleviation. Its means that the first hypothesis is rejected, which means that village funds allocation has no effect on the decline in poverty. The results are contrary to research[3]. Their research results show that the alokasi dana desa has a negative and significant impact on poverty in East Java province. This means that any increase in the alokasi dana desa can reduce poverty. The results of this study are contrary to the expectation of this research and previous research. The greater the amount of allocated dana desa are absorbed over the last three years is less effective at reducing the number of absolute poor population. In other words that the greater the dana desa are contested but the poor population still remain high although the poverty trend is slightly decreased.

This objective condition is supported by the results of this research. The positive and insignificant impact indicates that the village's government-run allocation of funds is approximately three years of not effective. Less effective is due to the implementation process is less precise. The Model of such a program has caused the work ethic to fade and just waiting for it to receive government grants. The social protection Program must change its implementation pattern through three stages. Firstly, the government does not give funds directly to the poor, but the amount of funds is prepared first by building and buying skills, skill, the ability to live gradually. Secondly, the government is working with other institutions to create programs that encourage people who have developed creative efforts by utilizing the knowledge/scoring life skills they have gained during the education stage in the first phase. In other words, the government is able to encourage the creation of production factors that can increase productivity for the poor. Thirdly, the government is doing evaluation continuously, until it stops when the target group is declared fully independent. These three stages are done in hopes that the poor population can improve their quality of life by utilizing their creative ideas, power of creation, and utilizing local resources (products based on local excellence) independently. With a pattern of fund management such as this Government has a double benefit, for example, help improve the welfare of the community and the government can find the first SDGs goal of eliminating poverty. Empowerment of poor people with the approach of life skills and creativity in the right method is expected to change the severity of poverty in the districts and municipalities of Papua. The state of poverty in the region is very different from other regions in Indonesia. One of the main factors caused the high number of poverty in Papua is lack of skill and life skills. To reduce the poor population in Papua, the local government and the central government should create a program with the consideration of causality between the conditions of poverty and the program created.

B. Allocation of village funds and Economy Growth

The second path tested was the impact of alokasi dana desa on economic growth. The result of a pathway analysis shows the budget of rural funds with negative and insignificant implications for gross regional domestic product as a proxy for economic growth. Thus the second hypothesis is not supported the results of this research are

contrary to the concept or theory of fiscal decentralization and economic growth. These two variables should choose positive implications. Its essence, that in addition to reducing poverty, the financial management rights of the higher government is high-level to the government below is also encouraged to improve the quality of economic society. The higher the economic growth represents the progress of community welfare, vice versa. Research Path analysis Results, contrary to the causality of the relationship. This is natural because, the initial periods of implementation of alokasi dana desa are geared towards establishing village infrastructures and increasing additional income through solid works in small Scale.

C. Special Autonomy and Poverty

Papua's special Autonomy Fund is brought down to minimize the inequality of development, especially social inequality between one district and other districts. The special autonomy fund is a allocation of public funds allocated to solve these social issues. However, the implementation of the Special Autonomy Fund has not contributed significantly to the social problems above. The results of the research hypothesis testing showed a positive and significant impact, meaning that the implementation or management of special autonomy funds over the last 18 years was unable to improve poverty in the districts and provincial cities of Papua. This positive impact represents that any allocation of special autonomy funds can precisely increase the number of poor occupation instead of lowering the absolute poor population. Thus, it is assumed that the management of special autonomy funds is less maximal and less likely to target.

The results of this research supported the research[5]which test the impact of special autonomy on the efficiency of public services in the Kanto of Papua province. The results of the study showed that special autonomy funds have a negative impact with the limited influence of public service and public service in all three regions that received specific autonomy funds (Aceh, Papua and Papua Barat) The results of the study gave the implication that The increased acceptance of special autonomy in statistics does not significantly improve the efficiency of education spending and health expenditures, as well as decrease in public infrastructure expenditure of districts and third-city special autonomy areas. The same is also found by [14]in the era of special autonomy in the management and utilization of natural resources in the Papua province is not used optimally to improve the living standards of indigenous Papuans. Therefore, it is necessary to use and protect the forest based on local wisdom that can ultimately improve the welfare of Papuan indigenous people. The results of existing empirical studies, supporting the reality conditions of special autonomy implementation in districts and cities in Papua province.

D. Special Protection Expenditure and Povert

The results of the research related to local government spending in developing countries reduce poverty, resulting in similar results. For example research[15] in Nigeria shows government financing through the economic sector implicates the decline of poverty. However, government spending in social areas such as education and health sector does not have implications for poverty. While the corruption index has a positive influence on poverty. His poverty remained high. This means that the social protection sector

spending is ineffective and some of the funds are compromised so that the allocation portion to the social protection expenditure decreases. As a consequence, poverty conditions remain high.

Social protection spending of essence helps people who have difficulties in life to improve their difficulties so that they can live worthily in accordance with the minimum standards set. In the report on the budget and financial statements of the Government, each period presents social protection spending (social assistance), worth hundreds of millions of dollars. The government has carried out its obligations as a public servant by estimate the amount of funds. However, the amount of social protection fund that was voiced, certainly must be on target. On the other hand, empirical studies related to the management of social protection costs in national scale demonstrate that social protection program such as "Program Keluarga Harapan" to give a significant impact on poverty reduction. The results of the research[11]for the cash aid of the community is the family program of hope contributes significantly to poverty alleviation.

The conjugations of the empirical research result in strengthening that every policy is made to minimize social issues, especially the poverty, some well-managed and some are not well-managed in the partial and not intact. it's well-managed but not on target. Therefore, the Government, especially the regional law, must place itself as a professional public servant, create or implement a social protection program in a professional, honest, fair, and prioritize the benefits felt Continuously not orientations on short-term benefits.

IV. CONCLUSION

Based on the explanation of the results of the hypothesis test above can conclude that the alokasi dana desa has no effect on the absolute and economic growth between regions in the Papua province. Secondly, special Autonomy fund has a negative effect on the economic growth between regency and municipality and special autonomy funds do not give effect to absolute poverty. Third, spending on social protection does not play a maximum role in lowering absolute poverty. Spending on social protection or spending on social assistance that is classified by governments is less effective and not disciplined by budget.

ACKNOWLEDGMENT

Thank you, the author said to department of accounting, University of Musamus Merauke, Indonesia for all the supported to be able to publish the result of this research. We expressed gratitude to the Central Statistic agency for providing data online.

REFERENCES

- [1] BPKP, *Petunjuk Pelaksanaan Bimbingan dan Konsultasi Pengelolaan Keuangan Desa*. Jakarta: Deputi Bidang Pengawasan Penyelenggaraan Keuangan Daerah. Jakarta: Deputi Bidang Pengawasan Penyelenggaraan Keuangan Daerah, 2015.
- [2] *Peraturan Pemerintah Rpublik Indonesia nomor 60 tahun 2014 tentang Dana Desa Yang Bersumber Dari APBN*. Jakarta.
- [3] N. I. Susilowati, D. Susilowati, and S. Hadi, "Pengaruh Alokasi Dana Desa, Dana Desa, Belanja Modal, dan Produk Domestik Regional Bruto Terhadap Kemiskinan Kabupaten/Kota di Jawa Timur," *Ilmu Ekon.*, vol. 1, no. 4, pp. 514–526, 2017.
- [4] *Pemerdagri Nomor 113 Tahun 2014 tentang Pengelolaan Keuangan Desa*. .
- [5] B. T. Widodo, "Evaluasi Dinamis Dampak Fiskal Otonomi Khusus terhadap Efisiensi Layanan Publik Dan Pertumbuhan Ekonomi di Provinsi Papua, PapuaBarat dan Aceh Tahun 2011-2017," *Kaji. Ekon. Keuangan*, pp. 32–53, 2019.
- [6] *Undang-Undang Nomor 21 Tahun 2001 tentang Otonomi khusus papua*. .
- [7] *Undang-Undang Nomor 32 Tahun 2004 Tentang Pemerintah Daerah*. .
- [8] Djojosoekarto.Et.al., *Kinerja Otonomi Khusus Papua*. Jakarta: Kemiteraan Patnership, 2008.
- [9] I. Maipita, *Mengukur Kemiskinan dan Distribusi Pendapatan*. Yogyakarta: UPP STIM YKPN, 2014.
- [10] R. Badrudin, *Ekonomika otonomi Daerah*. Yogyakarta: UPP STIM YKPN, 2012.
- [11] E Suharto, "Peran perlindungan Sosial Dalam Mengatasi Kemiskinan di Indonesia (studi kasus Program Keluarga Harapan)," *Sosiohumaniora*.
- [12] W. Marianti, R., Munwar, "Moving out of Poverty: the Case of Desa Branta Pesisir, Kabupaten Pemakasan.," *EMERUS Res. Inst.*, 2006.
- [13] Bappeda, *Kolaborasi Data Kemiskinan Provinsi Papua: Kumpulan Fakta dan Informasi Faktual*. Jayapura: Badan Perencanaan Pembangunan Daerah, 2013.
- [14] Polonto, "indigenous Forest protection and Management by Traditional communities In Papua, Indonesia," . *journa Law policy Glob.*, 2018.
- [15] Dankumo.et.al., "The Relationship between Public Expenditure, Corruption and Poverty in Nigeria," *J. Ekon. dan Stud. Pembang.*, pp. 76 – 89., 2019.