

The Impact of Direct Cash Assistance (BLT) and Non Cash Assistance (BNT) on Poor Households in Rokan Hulu District

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Abstract: *This study aims to determine how the impact and differences of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) on Poor Households in Rokan Hulu Regency. The method used in this study was non-probability sampling with a sample size of 80 poor household respondents who received Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT). The data used in this study are primary data and secondary data. The data analysis method used was descriptive quantitative analysis and Independent Sample T-test. The results of this study indicate that Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) have an impact on Poor Households in the Ujung Batu sub-district of Rokan Hulu district and there are differences between Poor Households that receive Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT).*

Keywords: Poor Households, Direct Cash Assistance (BLT), Non-Cash Assistance (BNT)

JEL: 021, E21, 023

1. INTRODUCTION

Indonesia continues to experience one of the most serious problems, namely poverty. From time to time, the government always makes policies and programs aimed at alleviating poverty, which is one of the focuses of the government today. Poverty is increasing and the burden on the people is getting heavier. It is time for all elements of this nation to proactively participate in thinking about solutions to the problem of poverty, not just blaspheming and looking for who is wrong. The Indonesian government's efforts in the 2000-2019 era to reduce poverty were driven by several factors, one of which was the poverty reduction program (Badan Perencanaan Pembangunan Nasional, 2018). Efforts made by the government during the pandemic have actually been carried out continuously, but consumption indicators show that although the poverty rate has decreased, the consumption ability of the poor has not increased. Development in Indonesia must continue in order to create a prosperous and prosperous society. In general, the poor are characterized by helplessness or inability to meet basic needs such as food nutrition, clothing, shelter, education, and health. In addition, the poor are also characterized by the inability to carry out productive business activities and the inability to reach or access social and economic resources. Poverty can hinder the achievement of democracy, unity, and justice, so poverty reduction is one of the main policies needed to strengthen the foundation of sustainable economic development. The most important goal of development is to reduce the poverty rate in every region in Indonesia. In Riau Province, in September 2021, there was a decrease in the poverty rate in Riau Province from 7.04% to 7.00%. The number of poor people in Riau increased from 483,390 in 2020 to 500,810. The largest number of poor people is in Rokan Hulu Regency, reaching 74,730 people or around 14.92% of all poor people in Riau. The number of poor people in Rokan Hulu has continued to increase over the past two years, in 2019 amounting to 72,210 people, increasing by around 1.58% to 73,350 people in 2020. Then it increased again in 2021 by 1.88% or to 74,730 people. According to Suparmoko, (2017) Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) are forms of government

spending that can be in the form of transfers or subsidies which are often also interpreted as negative taxes, so that this will increase the income of the poor who receive the assistance or experience an increase in real income if the community consumes goods subsidized by the government so that the selling price is low. Therefore, subsidies can be divided into two forms, namely subsidies in the form of money (cash transfers) and subsidies in the form of goods or in kind subsidies. The government of Kabupaten Rokan Hulu has conducted poverty reduction policies or programs in various forms that can be grouped into two types: (1) Direct Cash Assistance (BLT) and (2) Non-Cash Assistance (BNT). Direct Cash Assistance (BLT) is proxied into the Beneficiary Family (KPM) and Non-Cash Assistance (BNT) is proxied into the Family Hope Program (PKH). The problem formulations in this study include: (1) How is the impact of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) on Poor Households in Rokan Hulu Regency. (2) How is the difference in the impact of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) on Poor Households in Rokan Hulu Regency.

2. LITERATURE REVIEW

2.1. Poverty Theory

According to Julianto, (2020) poverty is a problem that is still faced by several countries in the world, especially in Indonesia. Poverty is a condition or condition of the inability of individuals or community groups to meet the needs of life, both physical and economic conditions.

Poverty is a low standard of living, namely the existence of a level of material deficiency in a number or group of people compared to the general standard of living in the community concerned. Poverty alleviation carried out by the government is a policy, program and activity carried out for people, families, community groups who have or who do not have a source of livelihood and cannot meet the needs of their families (Hasimi, 2020).

Poverty is the low ability of a person, group of people or region. In general, the factors that cause poverty categorically by emphasizing the study of its source consist of two major parts, namely internal factors, and external factors. Internal factors, which originate from within individuals who experience poverty, are substantially in the form of a lack of ability, which includes physical, intellectual, mental emotional or temperamental, spiritual, social psychological, skills, and assets. External factors, which come from outside the individual or family who experiences and faces poverty, so that at some point in time they become poor, include: limited basic social services, not protected land ownership rights, limited formal employment opportunities, a culture that is less supportive of progress and welfare, difficult, barren, and remote geographical conditions, and public policies that are not in favor of the poor (Nafisha & Fatihah, 2022).

2.2. Poor Households

A poor household is a group of people who inhabit part or all of a physical building and usually live and eat from one kitchen. Eating from one kitchen means financing needs if the management of daily needs is managed together with a low standard of living, namely the existence of a level of material deprivation compared to the standards of ordinary households (Gultom & Kawung, 2020).

Household behavior in terms of consumption is certainly related to the economic activity of a country. Seen in micro terms, consumption carried out at the present time is determined by the income of people ready for consumption that has been taxed. Aggregate expenditure is the main factor that determines a country's economy, which includes public spending on goods and services.

The thing that affects the economy in the long and short term is household consumption decisions (Engla, 2019).

A household consists of one or more people who live together in a dwelling and share food or living accommodation and may consist of a single family or a group of people. A dwelling is said to contain multiple households if the occupants do not share food or space. Households are the basic unit of analysis in many social, microeconomic, and governmental models, and are an important part of economics. In a broad sense, a household is not just limited to a family, it can be a corporate household, a state household, and so on. The term household can also be defined as something that deals with the affairs of life at home.

2.3. Direct Cash Assistance (BLT)

Direct Cash Transfer (BLT) is a government assistance program in the form of cash or various other assistance, both conditional and unconditional cash transfers for the poor. Indonesia itself is one of the countries that organizes the Direct Cash Transfer (BLT) program, which is not only adopted in Asian countries, but also in developed countries such as Europe.

Many European countries provide assistance to their citizens with the Direct Cash Transfer model. The country that first initiated BLT was Brazil, and it was later adopted by other countries. Developed countries, such as Germany, also do the same. Germany is known to provide funds of around 300 euros (around Rp 4.4 million) for workers. For pensioners and students, they will also receive cash transfers of 300 euros and 200 euros respectively (Tutdin & Thahura, 2021).

Direct Cash Transfer (BLT) is assistance provided by the government to the poor in the form of cash to help them face economic difficulties. BLT is one of several models of social protection schemes based on social assistance (Tumbel, *et al*, 2021).

2.4. Non-cash assistance (BNT)

The Non-Cash Assistance Program or abbreviated (BNT) is assistance that is distributed non-cash from the government to the Family Hope Program (PKH) every month, through an electronic account mechanism that is used only to buy food in places that have collaborated with state banks established by the government to reduce the burden on the community in meeting basic needs.

Non-Cash Assistance (BNT) is assistance from a government program provided to poor households in Indonesia who have been registered in the Family Hope Program (PKH) every month through an electronic card or electronic account mechanism that is used only to buy community food needs at E-Warung (electronic warung) or registered food traders who meet the requirements and cooperate with state banks such as Bank BRI, BTN, and so on (Herviyanti, *et al*, 2021)

Non-Cash Assistance (BNT) is assistance that is a development of the previous one, namely Poor Rice (RASKIN) which previously did not use non-cash, with the development of a government policy program, namely Non-Cash Assistance (BNT) now easier by using an electronic mechanism that is distributed through KKS (Family Welfare Card) can facilitate the process of distributing this assistance, by only bringing the card to the owner of the e-warung which is located in each village or sub-district and exchanged for those containing carbohydrate sources such as rice or eggs and those containing five carbohydrates, protein, animal, vegetable, and vitamins.

3. METHOD

Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) can affect the lives of poor households to continue to fulfill their daily needs. The impact of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) on poor households can be seen from the lives of the households themselves. Do these households feel the benefits of the Direct Cash Transfer (BLT) and Non-Cash Transfer (BNT) programs that are used to meet their daily needs or other needs. Poor households really need assistance from the government, therefore the government plays an important role in the welfare of the community. And see how the different impacts felt by each Poor Household who received Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT).

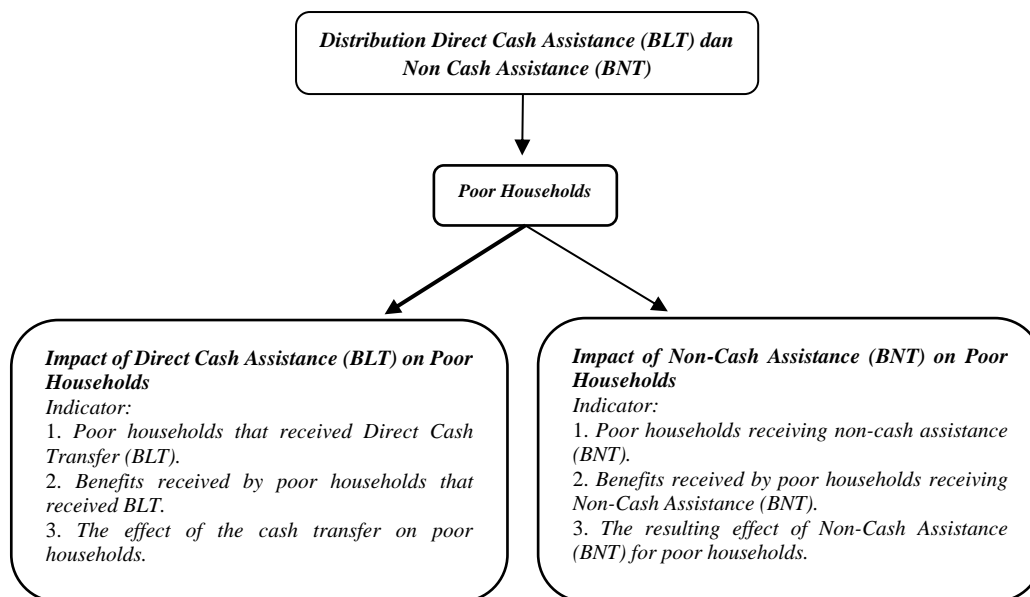


Figure. 1 Research Model

The population of this study was 433 households that were included in the criteria of poor households and recorded as recipients of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) in Ujung Batu Subdistrict, Ujung Batu Village, Rokan Hulu Regency.

The sampling technique used by researchers is non-probability sampling. This is because researchers specifically select people who meet the objectives or criteria. Based on the researcher's consideration due to limited time and costs as well as distance, the number of samples in this study was 80 respondents. The amount of data taken was 80 respondents in one sub-district and one village consisting of 40 poor household respondents who received Direct Cash Assistance (BLT) and 40 poor household respondents who received Non-Cash Assistance (BNT) in Ujung Batu Village, Ujung Batu District, Rokan Hulu Regency.

Rokan Hulu Regency has the highest poverty rate in Riau Province, which is the basis for this research. The government of Rokan Hulu Regency has made various policies to reduce poverty, one of these policies is Direct Cash Transfer (BLT) and Non-Cash Transfer (BNT). This study will look at the impact of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) and compare the impact of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) on Poor Households in Ujung Batu District, Rokan Hulu Regency. This research is based on poor households by paying attention to indicators in the form of households that are recorded as recipients of Direct Cash Assistance (BLT) and recipients of Non-Cash Assistance (BNT).

This research will use primary data and secondary data obtained through data collection techniques with interviews and questionnaires which will then be described in a descriptive analysis with an analysis tool using an independent sample t-test.

In this study, data collection techniques were carried out by means of:

3.1. Interview

In this research, interviews will be addressed to poor households who are registered as recipients of Direct Cash Assistance (BLT) and recipients of Non-Cash Assistance (BNT) in Ujung Batu Sub-district, Rokan Hulu Regency to obtain data and information to support this research.

3.2. Questionnaire

In this study, questionnaires will be given to recipients of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) in Ujung Batu District, Rokan Hulu Regency. Answers will use a Likert scale and guttman measurement to answer questionnaire questions. The Likert scale is used to measure the attitudes, opinions and perceptions of a person or group about social events or phenomena and the Guittman scale is used to obtain firm answers from respondents to the issues raised in the study.

3.3. Data Analysis

Data analysis in this study is quantitative, which aims to test hypotheses or answer problem formulations using statistical methods that are already available (Sugyono, 2018). The data from the distributed questionnaires will be calculated using descriptive analysis with the aim of determining the descriptive percentage type obtained by each indicator in the variable and then interpreted into sentences.

To prove whether there is a significant difference in government assistance, namely between the impact of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT), it will be compared during the research period using an independent sample t-test with the help of SPSS.

In the SPSS results it can be seen if Sig. 2-tailed < D then there is a significant difference between the impact of Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT), but if Sig. 2-tailed > D then there is no significant difference between the impact of Direct Cash Transfer (BLT) and Non-Cash Transfer (BNT).

4. RESULTS AND DISCUSSION

4.1 Normality Test

According to Ghozali, (2018) the Normality Test aims to test whether in the regression model, the variables in the study have a normal distribution. The data normality test in this study used the Shapiro Wilk test for each variable. Research data is said to spread normally or meet the normality test if the Sig value. the residual variable is above 0.05, otherwise if the Sig value. the residual variable is below 0.05 then the data is not normally distributed or does not meet the normality test.

Table 1: Shapiro Wilk Normality Test Results

Tests of Normality				
	Assistance	Shapiro-Wilk		
		Statistic	df	Sig.
Government Assistance Results	BLT	.970	40	.351
	BNT	.953	40	.095
*. This is a lower bound of the true significance.				
a. Lilliefors Significance Correction				

Source: *Research Results*, 2023

Based on the table. 1 Shapiro Wilk Normality Test above, the significance value of the Direct Cash Transfer (BLT) variable is $0.351 > 0.05$. While the Shapiro Wilk Normality Test on the Non-Cash Assistance (BNT) variable obtained a significance value of $0.095 > 0.05$. This means that if the Sig. value of the residual variable is > 0.05 , then the data in this study is normally distributed.

4.2 Homogeneity Test

The Homogeneity Test is used to test whether the two data are homogeneous, namely by comparing the two variances. This test is carried out as a prerequisite in the independent sample t test analysis.

Table 2: Shapiro Wilk Normality Test Results

Independent Samples Test			
		Levene's Test for Equality of Variances	
		F	Sig.
Hasil Bantuan Pemerintah	Equal variances assumed	1.456	.231
	Equal variances not assumed		

Source: *Research Results*, 2023

Based on table. 2 Homogeneity Test above, obtained a significance value of $0.231 > 0.05$. This means that if the Sig. value is > 0.05 , then the data distribution in this study is homogeneous or the data variance is the same.

4.3 Independent Sample t Test

The independent sample t test is used to determine whether there is a difference in the average of two unpaired samples. The main requirements in the independent sample t test are normally distributed and homogeneous data.

Table 3: Independent Sample t Test Results

Independent Samples Test								
		t-test for Equality of Means						
		t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
							Lower	Upper
Government Assistance Results	Equal variances assumed	-3.154	78	.002	-1.550	.491	-2.528	-.572
	Equal variances not assumed	-3.154	76.401	.002	-1.550	.491	-2.529	-.571

Source: *Research Results*, 2023

Based on Table. 3 Independent Sample t Test above, the Sig value is obtained. (2-tailed) of $0.002 < 0.05$. This means that if the Sig. (2-tailed) is < 0.05 , then there is a significant difference between the impact of Direct Cash Assistance (BLT) recipients and Non-Cash Assistance (BNT) recipients. This is because each poor household feels a different impact on the Direct Cash Transfer (BLT) program with Non-Cash Transfer (BNT) recipients.

The results of this study indicate that Direct Cash Assistance (BLT) has an impact on Poor Households in Ujung Batu District, Rokan Hulu Regency, this is because there are positive impacts and negative impacts felt by Poor Households who receive Direct Cash Assistance (BLT). Based on the results of the research that has been carried out, the positive impact and negative impact of Direct Cash Assistance (BLT) :

1) Positive Impact

- The community felt helped to fulfill their family's daily needs, as can be seen in the community's priorities where the most important use of the Direct Cash Transfer (BLT) money was for basic necessities.
- People are not afraid of the economic downturn.
- People are less worried about losing their jobs or not being able to work normally.
- The community feels cared for by the local government through the Direct Cash Transfer (BLT) program.
- The realization of a peaceful life in the community's social environment.

2) Negative Impact

- On the behavior and character of society, namely the increasing consumptive culture.
- Causing laziness in the community so that there is no effort in fulfilling the needs of their families, making people spoiled.
- The occurrence of social jealousy among the community, for people who feel more in need, do not receive this assistance.
- Some development has been delayed because of some funds being diverted for assistance. In addition, there is also assistance that is used to pay for the education

of their children, especially for parents whose children are at school, whether at primary, secondary or tertiary level.

- e. The amount of money that the community received each month was too small, and the money from the Direct Cash Transfer (BLT) was only for basic needs.

The results of this study are in line with research from Aulia, (2021), which states that the Village Fund Direct Cash Assistance (BLT), the impact of which can help the community ease the burden experienced, the distribution of Village Fund Direct Cash Assistance (BLT), is given to people who really need it, especially for the poor with a sum of Rp.300,000. per month. However, Direct Cash Assistance (BLT) also has a negative impact on the poor, one of which makes the community spoiled because they feel there is already assistance provided by the local government.

The research results of the impact of Non-Cash Assistance (BNT) distributed to Poor Households in Ujung Batu District, Rokan Hulu Regency have a very large impact on the Covid-19 period for fulfilling the food needs of recipients. This is evident from the respondents' answers that there is an impact of Non-Cash Assistance (BNT) in meeting the household's food needs. The nominal assistance distributed to poor households increased from Rp. 110,000; at the beginning of 2020, then increased to Rp. 150,000; in March 2020 with commodities offered in the form of rice and eggs, and during the Covid-19 period increased to a nominal of Rp. 200,000; with the package offered more complete than before. The Non-Cash Assistance Program (BNT) distributed to poor households has a positive impact on meeting food needs.

The results of this study are in line with (Herviyanti, *et al*, 2021) Poor households feel very grateful to the government because the program has a positive impact on these poor households. Non-cash assistance (BNT) can be taken at the E-warong in the neighbourhood of the Poor Household. The main daily problem that occurs at the E-warong in the Ujung Batu sub-district of Rokan Hulu Regency is that the KKS (Family Welfare Card) has no balance or is empty.

5. CONCLUSION AND SUGGESTION

5.1. Conclusion

Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) have an impact on poor households in Ujung Batu Sub-district, Rokan Hulu Regency. This means that poor households benefit from the policies issued by the local government to reduce poverty. From the Independent Sample T-test between poor households who received Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT), significant results were obtained, which means that there is a difference between poor households who received Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT). This means that there are differences in the benefits felt by each poor household from the government policy.

5.2. Suggestion

Poor households that receive Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) should use the money fairly and in accordance with the objectives of the program. Non-Cash Assistance (BNT) so that they can use the assistance money fairly and in accordance with the purpose of the purpose of this assistance. In addition, it is hoped that there will be an awareness of the poor households not to depend on this assistance, because it will only make them more dependent on it.

Not to depend on this assistance, because it will only lead to new poverty in the Ujung Batu sub-district. Ujung Batu, Rokan Hulu district. And the government is expected to strive for the

distribution of the Direct Cash Assistance (BLT) and Non-Cash Assistance (BNT) programs in the Ujung Batu sub-district, Rokan Hulu district, so that it runs according to existing procedures. And It is hoped that there will be a review of the field from the sub-district head so that the Direct Cash Assistance program Cash Assistance (BLT) and Non-Cash Assistance (BNT) programs so that they are right on target and can run in accordance with the rules set by the central government. rules set by the central government.

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