

CHAPTER I

INTRODUCTION

The introduction explains about the background in the issue of implementation of MDGs in Indonesia on eradication extreme poverty and hunger under President Susilo Bambang Yudhoyono Administration (2009-2014), research question in which used in this paper, research purpose of this paper, theoretical framework in which used to answer the research question of this paper, hypothesis as the tentative answer of this paper, research methodology, research range, and system of writing.

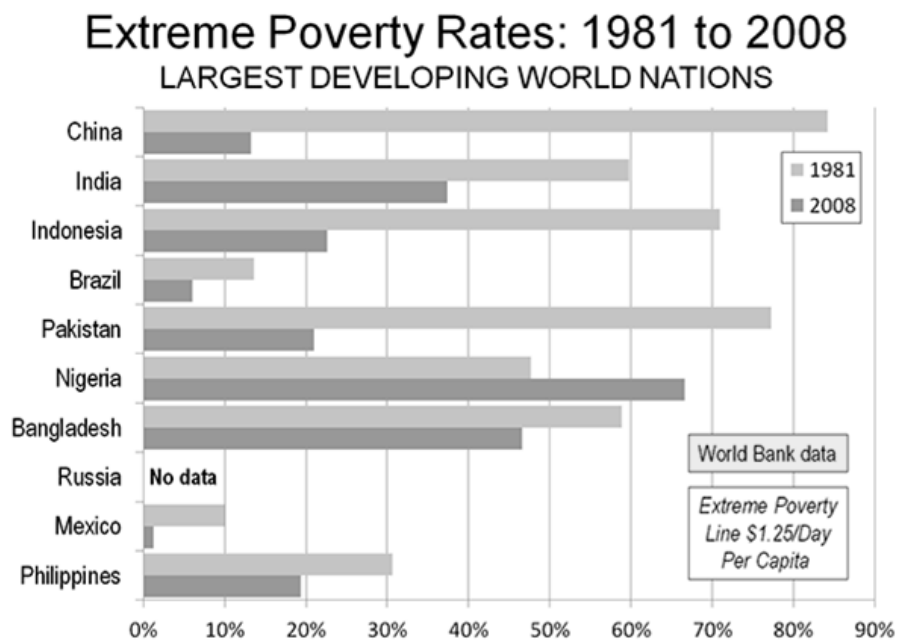
A. Background

Indonesia is a developing country which has large region and one of the most populated countries. Based on this characteristic, Indonesia is susceptible to the phenomenon of extreme poverty and hunger. A condition of extreme poverty and hunger is the economic and social condition of the people who live under the limited access for human needs, especially for food. Based on the United Nations definition, international extreme poverty and hunger is people who has income less of \$1 a day. While in 2008, World Bank gives the definition of extreme poverty and hunger which is those has income less than \$1.25 a day. This change is caused by the fact that the level and standard of needs are increasing¹.

¹*Millenium Development Goals of Eradicate Extreme Poverty and Hunger*. (n.d.). Retrieved April 14, 2015, from UN: www.un.org/millenniumgoals/pdf/Goal_1_fs.pdf

Extreme poverty and hunger occurred when there is a gap between their capability to afford the needs and their number of needs. Extreme poverty and hunger is a serious problem for the existence of human life because for a long period it will bring under-nutrition problem. Developing country is a region which has a major number of people who lived in extreme poverty and hunger².

Figure 1



Source: <http://www.newgeography.com/content/003325-alleviating-world-poverty-a-progress-report> April 28th 2015

The figure above shows the data of Extreme Poverty Rate during the period 1981-2008 in some largest developing countries, which are,

²“Under-nutrition is most widespread in Africa and South Asia. About 70 percent of all hunger is in nine countries (India, Pakistan, Bangladesh, Indonesia, Philippines, Kampuchea, Zaire, Ethiopia, and Brazil).” (Weisband, 1989, p. 39)

China, India, Indonesia, Brazil, Pakistan, Nigeria, Bangladesh, Russia, Mexico, and Philippines. Extreme poverty in some selected countries was decreasing during period of 1981-2008 and this fact was related with the MDGs program which was released in 2000 and had been accomplished in 2015.

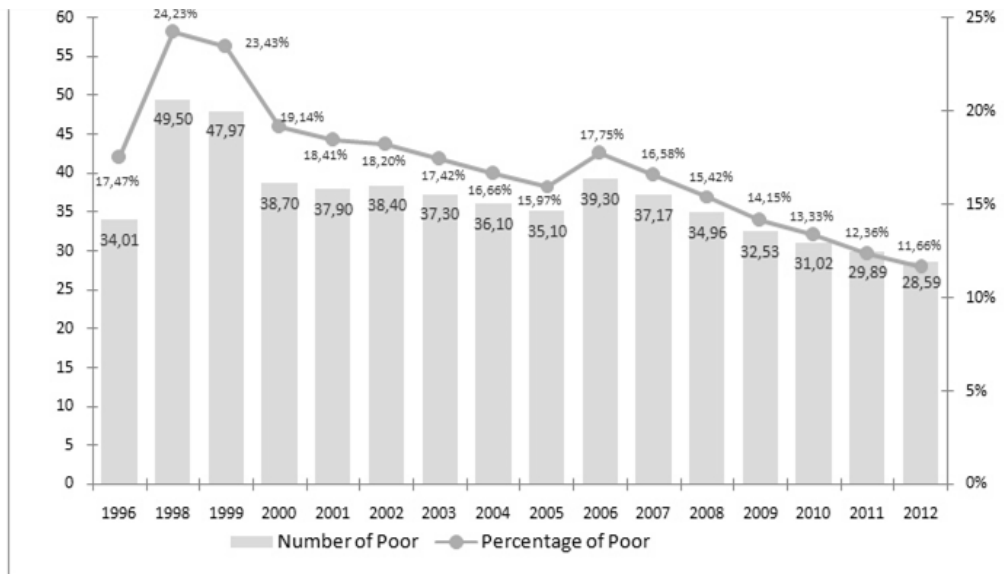
Eradicating extreme poverty and hunger becomes the first point of MDGs program because that discussion is related with the primary needs of human life and the main theme of MDGs is ending the poverty. It means the eight programs are developed in order to achieve the poverty reduction in some aspects not only economy however also education, health, women rights and environment.

This research discusses about the poverty and hunger phenomenon in Indonesia. More specifically it focuses on the eradication of extreme poverty and hunger under President Susilo Bambang Yudhoyono Administration (2009-2014). As mentioned before, Indonesia is one of developing and populated countries which is susceptible with the issue of poverty and hunger.

This following graphic describes the number and percentage of Indonesian people who lived under the poor condition. The number of Indonesian people which is attached on the graphic written is in million digit. The data which is provided on this graphic was gathered from 1996 until the latest is September 2012.

Figure 2

The rate of extreme poverty and hunger in Indonesia 1996-2012



Source: http://www.setneg.go.id/index.php?option=com_content&task=view&id=6804
April 14th 2015

Based on the graphic, we can see the poverty and hunger number in Indonesia during period of 1996-2012. The graphic has dynamic movement year by year, but since 2007-2012 the poverty and hunger in Indonesia was decreasing consistently. The decreasing of extreme poverty and hunger number in Indonesia was caused by the eradication program of extreme poverty and hunger as the implementation of MDGs.

This following table describes about the spread of Indonesian people who lived under poor condition and the change of poverty number in Indonesia from 1996 until September 2012 (the latest data).

Figure 3

The spread of poverty in Indonesia 1996-2012

Year	The Number of Poor People (on million digit)				Percentage of Poor People (% of total population)			
	Urban	Rural	Total	Difference	Urban	Rural	Total	Difference
1996	9,42	24,59	34,01	-	13,39 %	19,78 %	17,47 %	-
1998	17,60	31,90	49,50	15,49	21,92 %	25,72 %	24,23 %	6,76%
1999	15,64	32,33	47,97	-1,53	19,41 %	26,03 %	23,43 %	-0,80%
2000	12,30	26,40	38,70	-9,27	14,60 %	22,38 %	19,14 %	-4,29%
2001	8,60	29,30	37,90	-0,80	9,76%	24,84 %	18,41 %	-0,73%
2002	13,30	25,10	38,40	0,50	14,46 %	21,10 %	18,20 %	-0,21%
2003	12,20	25,10	37,30	-1,10	13,57 %	20,23 %	17,42 %	-0,78%
2004	11,40	24,70	36,10	-1,20	12,52 %	20,11 %	16,66 %	-0,76%
2005	12,40	22,70	35,10	-1,00	11,68 %	19,98 %	15,97 %	-0,69%
2006	14,49	24,81	39,30	4,20	13,47 %	21,81 %	17,75 %	1,78%
2007	13,56	23,61	37,17	-2,13	12,52 %	20,37 %	16,58 %	-1,17%
2008	12,77	22,19	34,96	-2,21	11,65 %	18,93 %	15,42 %	-1,16%
2009	11,91	20,62	32,53	-2,43	10,72 %	17,35 %	14,15 %	-1,27%
2010	11,10	19,92	31,02	-1,51	9,87%	16,56 %	13,33 %	-0,82%
2011	10,95	18,94	29,89	-1,13	9,09%	15,59 %	12,36 %	-0,97%
2012*	10,51	18,08	28,59	-1,30	8,60%	14,70 %	11,66 %	-0,70%

Source: http://www.setneg.go.id/index.php?option=com_content&task=view&id=6804 April 14th 2015

The figure above divided the data of poor people in Indonesia during 1996-2012 (September) into two categories, which are, the number of poor people in million digit and the percentage of poor people. Each category consisted of urban and rural data of poor people. Based on the data which is provided on the table, we can see the decreasing of poverty and hunger numbers in Indonesia during the period 2009-September 2012. That data shows that along the period of 2009-2012 or a half time of 2009-2014 program, the eradication of extreme poverty and hunger which was a part of MDGs program was getting closer to the MDGs accomplishment in 2015.

In this paper, the writer uses some particular terms, which are MDGs, Indonesia, Eradication, Extreme Poverty, Hunger, President Susilo Bambang Yudhoyono. MDGs is an acronym from Millennium Development Goals. This program was signed by 189 member country of United Nations in September 2000 and was accomplished in 2015. MDGs has eight programs, which are, Eradicating Extreme Poverty and Hunger, Achieving Universal Primary Education, Promoting Gender Equality and Empower Women, Reducing Child Mortality, Improving Maternal Health, Combat HIV and AIDS, Malaria and other diseases, Ensuring Environmental Sustainability, and Developing Global Partnership for Development. Indonesia is an archipelago country, which consists of thousand islands, and each island is separated by the sea. This condition caused the development gap among islands and gives the impact toward the rate of poverty and hunger. Eradication is the way to solve the problem

through renewing the old system. Extreme Poverty is the condition of poverty which in the dangerous zone and it is caused by the lack of economy. Hunger is the condition of people who can't afford or gain their needs, especially the needs of food as the primary needs. President Susilo Bambang Yudhoyono was the President of Republic of Indonesia, who led for two periods, 2004-2009 and 2009-2014.

Indonesia under President Susilo Bambang Yudhoyono Administration (2009-2014) had released programs toward the eradication extreme poverty and hunger problem. The eradication program of extreme poverty and hunger was divided into three classes or called as cluster³:

The first cluster aims to help and protects the social family guarantee, and to assure the basic needs. The programs which covered in the first cluster were: BerasMiskin or *Raskin*, Jaminan Kesehatan Masyarakat or *Jamkesmas*, Program Keluarga Harapan (PKH), Bantuan Operasional Sekolah (BOS), and Bantuan Siswa Miskin (BSM).

The second cluster is the eradication of poverty and hunger through the social assistance program or called *PNPM Mandiri*. This cluster is the path which assisted the social environment to become independent.

³*Poverty in Indonesia*. (n.d.). Retrieved April 14, 2015, from Setneg: www.setneg.go.id/index.php?option=com_content&task=view&id=6804

The third cluster was focusing on eradication of poverty and hunger in term of economic matter, the programs are, Usaha Ekonomi Mikro and Kecil (UMK), Program Kredit Usaha Rakyat (KUR).

The three clusters which were implemented by President Susilo Bambang Yudhoyono in his second administration period (2009-2014) was the program of extreme poverty and hunger eradication which was implemented in his first period (2004-2009). However, there were some improvements and difference terms in certain programs needed to be done because of the poor people condition in Indonesia in which was also changed. In the previous period, President Susilo Bambang Yudhoyono administration only released some programs of extreme poverty and hunger eradication without any certain arrangement. Meanwhile, in 2009-2014 periods, President Susilo Bambang Yudhoyono administration released the program in certain arrangement based on the evaluation in the previous period. Besides making improvement based on the previous program, in 2009-2014, President Susilo Bambang Yudhoyono also released new program as an addition. Based on the changes, the writer concludes that there are some differences between eradication program of extreme poverty and hunger in 2004-2009 and in 2009-2014. In this paper, the writer focuses on the background and significant of program in term extreme poverty and hunger eradication released by President Susilo Bambang Yudhoyono administration in 2009-2014.

B. Research Question

The discussion of this research which is about the implementation of MDGs program in Indonesia focuses eradication extreme poverty and hunger under President Susilo Bambang Yudhoyono Administration (2009-2014). In order to give the relevant explanation related with the topic, the research question is:

“Why did Susilo Bambang Yudhoyono Administration in 2009-2014 revise the programs of eradication extreme poverty and hunger became three clusters as the implementation of MDGs in Indonesia?”

C. Research Purpose

The writer assumes the topic of eradication extreme poverty and hunger is important in term of implementation MDGs program in Indonesia. Regarding that reason, the purpose of this research is to help the readers in order to find out the implementation of MDGs in Indonesia, especially in the issue of eradicate extreme poverty and hunger.

D. Theoretical Framework

In order to explain the implementation of MDGs program in Indonesia on eradication of extreme poverty and hunger under President Susilo Bambang Yudhoyono Administration (2009-2014), there are two concept are used. First, the public policy concept and second the rational choice model.

1. Concept of Public Policy

Public policy is a concept of the decision making process which is considerate by public needs and made in order to solve the problem or it can be an answer of the international order. In the decision making process of public policy, it is needed the role of some actors, which are, the government as the decision maker, the society as the object of the policy and third party such as international organization.⁴

According to Peter John in his book *Analyzing Public Policy 2nd Edition*, the concept of public policy is describe in the relation among the decision maker, people, and organization in which has focus on the same interest.

In the discussion of the implementation MDGs in Indonesia, the public policy concept is used in order to connect the role among the government of Indonesia as the decision maker, the society who lived under extreme poverty and hunger as the object of public policy, and United Nation as the organizer of MDGs which determines the target of extreme poverty and hunger eradication.

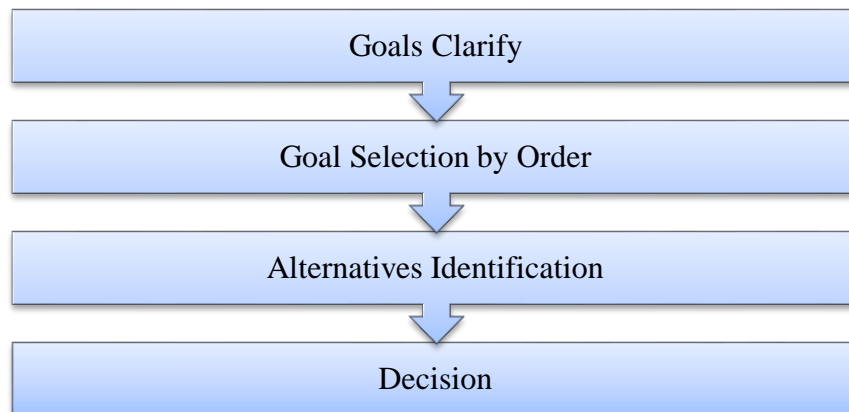
In order to decide the program of eradication extreme poverty and hunger, the government of Republic of Indonesia determines the needs of poor people as the main consideration and use the target of MDGs in which has been declared by UNDP as the base consideration. In this

⁴"Public policy scholars pay particular attention to the links between different decision makers, the many people and organizations concerned with public policy, whether in public or private bodies." (John, 2012, p.2)

case, UNDP is the representative of UN in term of stake-holder of MDGs program.

2. Rational Choice Model

Rational choice model is a model which provides the sequence processes of decision making. Generally the process is divided becomes the goals clarify, the alternatives selection and the decision⁵, however in terms of decision determination there are specific steps needed in order to give detail information that might be a consideration. Commonly, the steps of rational choice model are divided into;



Goals clarify is the first step of decision making process in rational choice model which explains the goals or targets of an action. The goals could be as the target of problem resolution of a conflict or the fulfillment of international order based on the domestic level. It might be a number of goals structured in a random position. In this paper the

⁵ "Rational choice is a decision-making procedures guided by careful definition of situation, weighing of goals, consideration of all alternatives, and selection of the options most likely to achieve the highest goals." (Charles W. Kegley, Eugene R. Wittkopf, 2001, p.66)

goals clarify of eradicating extreme poverty and hunger eradication in Indonesia is considered by the condition of poor people in Indonesia as the fulfillment of international order based on the domestic level needs, which are; reducing the number of people who lived in the poverty condition, increasing the number of prosperity and facilitating the participation in the economic matter especially for women and young people.

Goal selection by order is an arrangement step of the goal clarification. If in the previous step it is provided some goals in random position, then in this step those goals are structured by the priority. In the case of implementing the MDGs program in Indonesia, UNDP as the organizer of MDGs program has been determined the goal in the first point of eradicate extreme poverty and hunger. There are three goals, which are, halving, between 1990 and 2015, the proportion of people whose income is less than \$1 a day; achieving full and productive employment and decent work for all, including women and young people; and halving, between 1990-2015, the proportion who suffer from hunger.⁶

Alternative identification is known as the solution choice step, means after the goals are structured by the priority then the decision maker should make a list of possible solution which might be chosen.

⁶*Millenium Development Goals of Eradicate Extreme Poverty and Hunger*. (n.d.). Retrieved April 14, 2015, from UN: www.un.org/millenniumgoals/pdf/Goal_1_fs.pdf

The alternative identification is made by the observation toward the goals which want to be reached. They are halving the proportion of people who have income less than \$1 a day, achieving productive employment, and halving the proportion of people who suffer of hunger. Then the government of Indonesia as the implementer of MDGs program in Indonesia provides some alternatives in order to reach the goals, for instance, the school insurance, the health insurance, social assistance, and economic assistance.

The decision is the final step of rational choice model which means that the decision making process has been achieved the final alternatives. As mentioned before that the government of Indonesia has some alternatives in order to implementing the MDGs program and in this step those alternatives are defined in some programs of extreme poverty and hunger eradication in Indonesia.

In this part, the government is only chose the alternative in which high needed by the poor people in Indonesia. In order to give structured arrangement, the government determines the program of eradication extreme poverty and hunger in some clusters.

E. Hypothesis

President Susilo Bambang Yudhoyono administration in 2009-2014 revise the programs of eradication extreme poverty and hunger became three clusters because they are fitted with the needs of poor people

in Indonesia and fulfilled each target of MDGs in point of extreme poverty and hunger eradication.

F. Research Methodology

This paper used qualitative approach in order to collect and complete the data. The data is secondary sources, which are, library research, book and internet study which is related toward the issue of implementation of MDGs in Indonesia, focusing on the eradication of extreme poverty and hunger under the President Susilo Bambang Yudhoyono Administration in 2009-2014.

G. Research Range

The study of extreme poverty and hunger eradication in Indonesia is focused on the period of President Susilo Bambang Yudhoyono Administration (2009-2014). The period of 2009-2014 is chosen as the study case in this paper because that period is the important path for the final achievement of MDGs program in Indonesia based on the consideration that the target of global implementation of MDGs program was in 2015. This fact caused the government of Indonesia under President Susilo Bambang Yudhoyono Administration as the organizer of the state has to provide the program related with the issue of extreme poverty and hunger eradication in order to implement the MDGs program in Indonesia.

H. System of Writing

Chapter 1 explains about introduction which consists of some points. Those are background, research question, research purpose, theoretical framework, hypothesis, research methodology, research range, and system of writing.

Chapter 2 explains about the MDGs Program which is divided into two parts, the history of MDGs and the indicators of MDGs. This chapter gives a comprehensive explanation of MDGs as the global development program which was declared by UN represented by UNDP.

Chapter 3 explains about the phenomenon of extreme poverty and hunger in Indonesia in 2000-2008 and the history of eradication program of extreme poverty and hunger in Indonesia in 2000-2014. Each part has sub-explanation, first part consist of the explanation about phenomenon of extreme poverty and hunger in 2000-2004 or known as the pre-President Susilo Bambang Yudhoyono administration, the phenomenon of extreme poverty and hunger in Indonesia in 2005-2008 or known as the President Susilo Bambang Yudhoyono first administration, and the factor of extreme poverty and hunger in Indonesia along 2000-2008. Meanwhile, the second part consist of eradication program of extreme poverty and hunger pre-Susilo Bambang Yudhoyono Administration and eradication of extreme poverty and hunger under Susilo Bambang Yudhoyono Administration.

Chapter 4 explains about the analysis of implementation of MDGs program in Indonesia on eradication of extreme poverty and hunger under President Susilo Bambang Yudhoyono Administration on 2009-2014. In order to explain in a comprehensive way about the eradication program of extreme poverty and hunger in Indonesia as the implementation of MDGs, the writer focus on the background and significant of program eradication in the issue of extreme poverty and hunger along 2009-2014 in Indonesia.

Chapter 5 explains about conclusion of the implementation of MDGs program in Indonesia on eradication of extreme poverty and hunger under President Susilo Bambang Yudhoyono Administration on 2009-2014.