Implementing Star Model for Overcoming Extreme Poverty in Central Java

by Indra Kertati

Submission date: 21-Mar-2024 05:36PM (UTC+0530)

Submission ID: 2356489110 **File name:** PB_1397.pdf (413.5K)

Word count: 6003 Character count: 34424



CIRR

8 XXIX (93) 2023, 392-406

DOI 10.2478/ CIRR-2023-0066

UDC 327 (4-6 EU:73:55)

Implementing Star Model for Overcoming Extreme Poverty in Central Java

Indra Kertati*

Universitas 17 Agustus 1945 Semarang, Semarang, Central Java 50133 Indonesia

Email: indra-kertati@untagsmg.ac.id

Setyohadi Pratomo

Universitas 17 Agustus 1945 Semarang, Semarang, Central Java 50133 Indonesia

Email: setyohadi1505@untagsmg.ac.id

Karningsih Karningsih

Universitas 17 Agustus 1945 Semarang, Semarang, Central Java 50133 Indonesia

Email: karningsih@untagsmg.ac.id

^{*}Corresponding author Email: indra-kertati@untagsmg.ac.id

Abstract

Key words:

Extreme Poverty, Star Model, Stakeholders, Policy. This research aims to analyze the star model as a preliminary step toward reducing extreme poverty. Until its eradication is complete, extreme poverty is the objective of the Indonesian government. As of March 2023, the extreme poverty rate stands at 1,12 %, representing a reduction of 0,92 percentage points compared to the corresponding period in March 2022. This represents the most substantial decline in poverty rates over the past five years. The anticipated date of attainment for the eradication of extreme poverty is 2024. According to the National Socio-Economic Survey, the national poverty rate has been only reached at 9.36 % as of March 2023. This figure remains below the 2020-2024 National Medium - Term Development Plan (RPJMN) target of 6.5-7.5 %. As of March 2023, 25.90 million individuals have lived in poverty. It reflects a decline of 0,46 million individuals since September 2022 and 0,26 million individuals since March 2022. Approximately 290.080 individuals are considered to be in deplorable poverty if the objective is to eradicate it by 2024 as circumstances of poverty. The government has exerted considerable effort through a variety of initiatives, including a three-month acceleration in the provision of social assistance and others. One of the challenges is that the state of the extremely impoverished differs significantly across regions. In regions characterized by significant pockets of poverty, the attainment of zero percent poverty by 2024 presents a formidable implementation challenge. As one of the pockets of poverty, Central Java Province has made numerous efforts to eradicate extreme poverty; however, it has been unable to mobilize stakeholder participation; therefore, achieving zero percent is a challenge in and of itself. Utilizing the Star Model to address the issue of extreme poverty. As a consequence, the elements of people, reward, and process exhibit weaknesses; specifically, the capacity to innovate and coordinate among programs has failed to demonstrate outcomes commensurate with those of the elements of strategy, structure, and people. This research approach combines qualitative and secondary data analysis techniques. The data pertaining to extreme poverty underwent analysis and qualitative augmentation via in-depth interviews with pivotal individuals involved in the fight against extreme poverty.

1. Introduction

Poverty is not exclusive to Indonesia, a nation characterized by a rich tapestry of cultures and traditions; rather, it is a prevalent issue in a number of developing and even developed countries. Between 2011 and 2022, half of the population of Zimbawe, southern Africa, or 7,9 million individuals, were destitute. Climate change and escalating inflation are two factors that contribute to the severity of poverty (Azzarri & Signorelli, 2020). A history of unresolved poverty exists in Uganda. Three years after its inception in 2003, the proportion of individuals classified as extremely poor rose from 38% to 45%. Among the factors contributing to the persistent rise in poverty are the food crisis, natural disasters, and the COVID-19 pandemic (Mahmud & Riley, 2021). Per capita, Burundi's gross domestic product will be a mere 856 US dollars in 2022. 90 % of the region's close to twelve million inhabitants are

CIRR

XXIX (93) 2023, 392-406 subsistence farmers, with the majority residing in abject poverty (World Bank, 2022).

Several developed countries, including the United States (Derose et al., 2018), Canada (Smith-Carrier, 2017), and France (Frader, 2018), exhibit poverty despite their unique circumstances and conditions. Indonesia's situation is similarly comparable; in March 2023, 9,36 % of the population lived in poverty, a decrease of 0,21 percentage points from September 2022 and 0,18 percentage points from March 2022. As compared to September 2022 and March 2022, the number of individuals living in poverty experienced a decline of 0,46 million and 0,26 million, respectively, before reaching 25,90 million in March 2023. The proportion of individuals residing in urban poverty experienced a decline from 7,53 % in September 2022 to 7,29 % in March 2023. Conversely, from September 2022 to March 2023, the proportion of impoverished rural inhabitants declined from 12,36 % to 12,22 %. In March 2023, the population of impoverished urban dwellers experienced a decline of 0,24 million individuals, from 11,98 million in September 2022 to 11,74 million as of March 2023. Meanwhile, the population of impoverished rural inhabitants experienced a decline of 0,22 million individuals during the aforementioned time frame, falling from 14.38 million in September 2022 to 14,16 million in March 2023. The poverty line stood at IDR 550.458 per capita per month as of March 2023. The poverty line consisted of two components: the food poverty line, which was IDR 408.522 (74,21 %), and the non-food poverty line, which was IDR 141.936 (25,79 %). As of March 2023, the mean number of members in an impoverished household in Indonesia will amount to 4,71. Therefore, the mean monthly poverty line for impoverished households is 2.592.657 IDR (BPS-Statistics Indonesia, 2023).

As one of the impoverished regions, the province of Central Java is subject to varying degrees of poverty. COVID-19 has resulted in a rise in the poverty rate, which has impeded the decline thus far. The proportion of impoverished individuals in Central Java experienced a decline from 11,79 % in 2021 to 10,93 % in 2022 and 10,77 % in 2023. The poverty rate has decreased by 39,94 thousand, from 83 million to 39 thousand individuals. Aside from this, by 2023, 1,11 % of the population in Central Java will be living in extreme poverty or a decline of 0,86 % compared to 2022, when it peaked at 1,7 % (BPS-Statistics Indonesia, 2022).

Poverty has consistently posed a significant challenge for nations, be they developing, developed, or impoverished. The obligation of the state to enhance the general welfare of the populace is an unavoidable duty. A society that ensures a minimum income for its citizens and families by reducing social insecurity and permitting family and individual interaction while bolstering social contingency guarantees that all citizens, irrespective of social standing or socioeconomic standing, have access to high-quality services (Jørgen Goul Andersen, 2012). Addressing poverty requires effective governance (Asadullah & Savoia, 2018). China has demonstrated that its progressively improved governance and policies can eradicate the poverty of nearly 800 million Chinese citizens (Wan et al., 2021).

CIRR

XXIX (93) 2023, 392-406 The quantification of poverty can be accomplished by employing indicators of malnutrition or literacy, which are direct dimensions of poverty (Haughton & Khandker, 2009). Additionally, poverty can contribute to a gender bias that develops as a result of social conventions or relationships. This results in disparities in life opportunities leading to variations in values. Gender bias contributes to social distortions that result in the exclusion and differentiation of individuals from opportunities (Kabeer, 2003). Family economic inequality demonstrates the existence of gender bias in poverty. The poverty rate is reduced, presuming that a greater proportion of women are employed (Derose et al., 2018). Inadequate access to infrastructure for women is associated with both the technical and gender dimensions of poverty (Derose et al., 2018). Poverty measurement serves four purposes: (1) to determine the number of individuals living in poverty; (2) to assess the efficacy of policies and projects; and (3) to monitor and evaluate policy interventions and projects; and (4) to determine the worth of institutions (Haughton & Khandker, 2009).

The most severe type of poverty, extreme poverty, is characterized by the inability of households to consistently fulfill their fundamental needs, including those required for survival (Azzarri & Signorelli, 2020; Mahmud & Riley, 2021; Smith-Carrier, 2017). Chronic malnutrition, a lack of access to health care, and inadequate sanitation and potable water facilities are characteristics of households residing in extreme poverty (Frader, 2018). They lack even the most basic shelter and are unable to provide an education for some or all of the children (Sachs, 2005). Due to the government's failure to enhance the welfare of the populace, extreme poverty ensues (Sachs & McCord, 2018). With the exception of Indonesia, a number of nations endure protracted extreme poverty, including Ghana (Agyeman et al., 2019), Uganda (Mahmud & Riley, 2021), and China (Liao & Fei, 2019).

On March 4, 2020, the President of the Republic of Indonesia issued directives to expedite the eradication of extreme poverty (US\$1.9 PPP) until it is completely eradicated by 2024. This timeframe is six years ahead of the target set by the Sustainable Development Goals (SDGs). In order to execute phase I of the program by the program's conclusion in 2021, the government has identified seven provinces as priority areas, Papua New Guinea being among them. Coverage of the extreme poor population in priority areas, which account for approximately 75% of the extreme poor population on a national scale, will be the focus of the second phase in 2022. The convergence model will be nationally and comprehensively implemented in 514 regencies and cities in Indonesia during Phase III (2023–2024) (BPS-Statistics Indonesia, 2022). The Acceleration of the Elimination of Extreme Poverty Presidential Instruction No. 4 of 2022 requires regional governments, ministries, and institutions to expedite the eradication of extreme poverty (API No. 4 of 2022 concerning Acceleration of The Elimination of Extreme Poverty, 2022).

The program expedites the reduction of the extremely impoverished population by supplementing direct cash assistance (BLT-DD) and Basic Food Card top-ups for a period of three months. Despite three months of

CIRR

XXIX (93) 2023, 392-406 assistance, the primary issues persist, rendering this condition incapable of ameliorating the dire situation for the populace. Due to the vulnerability of the poor to gaining access, the process is time-consuming. The resolution of the issue has failed to motivate the regional government to proactively solicit the participation of stakeholders and philanthropists in the problem-solving process. As the framework to address extreme poverty continues to be government-centric and excludes local knowledge and stakeholder participation, it is challenging to realize the president's goal of reducing poverty to zero percent. Regarding the eradication of extreme poverty, the government, community members, and stakeholders have not implemented any novel approaches (Verdeyen et al., 2004). Stakeholder participation in efforts to assist local governments in reducing extreme poverty remains minimal. The objective of this study is to verify the implementation of the star model, which was employed to address the issue of extreme poverty in Central Java.

2. METHOD

To achieve the aim of this research, this study utilizes secondary data pertaining to individuals living in extreme poverty, specifically sourced from the Integrated Database (BDT) data for the year 2022. The Ministry of Social Affairs annually updates and publishes the Integrated Database (BDT) data. Regrettably, the dissemination of the most recent data occurs frequently and belatedly, resulting in delayed benchmarks that influence poverty reduction policies at the regional level. The Integrated Database (BDT) data from 2022 remains applicable through 2023. Secondary data refers to any compilation or analysis of information that was not originally collected by the researchers. This includes data that has been gathered in the past and is currently under consideration for a new application.

The secondary data holds significance due to the following reasons: (1) It is predicated on research theory, which utilizes secondary data as a data collection shortcut. The act of sharing databases online significantly simplifies the process of matching research needs with databases; (2) the database analysis holds promise for the development of phenomenon-based research; (3) data can serve as documentation to guarantee reproducibility, transparency, and a theoretical foundation; it is possible to discover latently lost behaviors or novel concepts for the development of theories within the data; and (4) by utilizing specific data analysis tools and skills, one can reduce and combine variables in order to generate new ones (Martins et al., 2018). While secondary data has demonstrated its utility in research for locating pertinent information, it is crucial to exercise caution when choosing such data, validating its appropriateness, documenting any modifications or manipulations, and ensuring its safety for testing specific hypotheses prior to employing it.

The secondary data may also take the form of regulatory documents that pertain to the secondary data in question, in addition to databases. One of the qualitative components utilized to bolster secondary data analysis is indepth interviews. A number of communities afflicted by extreme poverty in

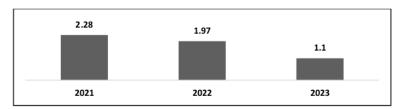
CIRR

XXIX (93) 2023, 392-406 Central Java and their respective managers participated in in-depth interviews. Triangulating the results of data collection is a method for integrating data into a unified entity that can serve as a blueprint when assembling research reports (Chitate, 2020). We achieve triangulation by using a triangulation model that incorporates methods, data sources, and theory. To determine the extent to which the star model contributes to poverty alleviation, data analysis includes qualitative analysis in addition to trend analysis.

3. RESULTS AND DISCUSSION

Extreme poverty has become a trend in discussions almost all over the world. The World Bank defines the extreme poor population as people who have the ability to meet daily living needs of no more than USD 1,9 PPP (Purchasing Power Parity), or the equivalent of IDR 10.739/person/day or IDR 322.170/person/month. The Decree of the Coordinating Minister for Human Development and Culture of the Republic of Indonesia Number 32 of 2022 concerning General Guidelines for the Implementation of the Program for the Acceleration of Elimination of Extreme Poverty defines extreme poverty as a condition of inability to fulfill basic needs, namely the need for food, clean drinking water, proper sanitation, health, shelter, education, and access to information that is not only limited to income but also access to social services. In other words, extreme poor people have lower expenditures than general poor people. The general poor population has an average per capita expenditure per month in Central Java of no more than IDR 477.580, while the extreme poverty has expenditures per person per month of no more than IDR 322.170.

According to the results of searching for secondary data, the number of poor people in Central Java has decreased. In 2021, there were 4.109.750 poor people; in 2022, this decreased to 3.831.440 people and decreased again in 2023, amounting to 3.791.500 (BPS Central Java, 2023). Among the number of poor people, in 2023 there will be 1,1 % of the extreme poverty. The percentage of Central Java's extremely poor population in 2021–2023 can be seen in the Figure 1.



Source: the Social Welfare Integrated Data (DTKS) of Central Java 2022 and BPS-Statistics Indonesia 2023

Figure 1: Extreme Poor Population Percentage in 2021-2023

Nonetheless, the proportion of individuals living in extreme poverty has declined. Nevertheless, the number of individuals living in extreme poverty

CIRR

XXIX (93) 2023, 392-406 remains significantly elevated at 41,707 (Central Java Social Service, 2022). The distribution of this staggering figure spans 35 city regencies in Central Java. The Social Service attributes several factors to the high prevalence of extreme poverty, including unproductive agricultural land, high unemployment rates, hereditary poverty, natural disasters, limited access to infrastructure, and deteriorating health conditions.

Sachs & McCord (2018) observed that individuals living in extreme poverty lack the bare minimum of social capital assistance required to ascend the initial rung of the economic development ladder. Very poor people tend to lack six main types of capital, namely: (1) human capital in the form of health, nutrition, and skills - education - what everyone needs to be economically productive; (2) business capital in the form of machines, facilities, motorized vehicles used, agriculture, industry and services; (3) infrastructure in the form of roads, electricity, water and sanitation, airports and ports, and telecommunications systems, which are important inputs in business and productivity; (4) natural capital in the form of fertile land, fertile soil, biodiversity, which functions well and ecosystems that provide environmental services needed by extreme poor people; (5) public institutional capital such as commercial law, the judicial system, government services that support the peaceful and prosperous division of labor; and (5) knowledge capital such as scientific and technological knowledge which is the productivity of business results and is the main capital (Sachs & McCord, 2018).

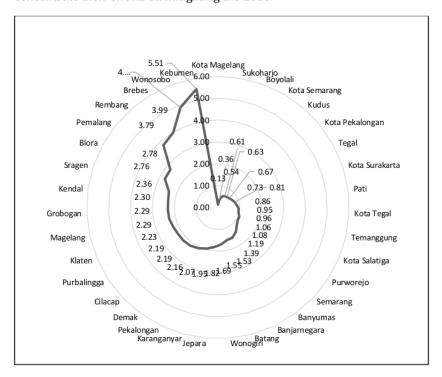
Similar to what occurred in Central Java, Sachs discovered a number of regencies and cities with negligible capital ownership. Additionally, the data search shows that a lot of regencies and cities, like Kebumen, Wonosobo, Brebes, Rembang, Pemalang, Blora, Sragen, Kendal, Grobogan, Magelang, Klaten, Purbalingga, Cilacap, Demak, and Pekalongan, have a very high percentage of people living in extreme poverty. These figures surpass those of Central Java Province. The subsequent graph provides additional information (Figure 2).

Upon examination of Figure 2, it becomes evident that sixteen regencies and cities exhibit a higher percentage of extreme poverty than Central Java Province, should the province hold the 1,9 % position in 2022. 22 regencies have figures that surpass the province of Central Java's position with regard to the percentage of its extremely impoverished population, which was 1,1% in 2023. This is assuming that the percentage of the extremely impoverished population remains unchanged. The matter at hand requires significant deliberation and research on the part of the Provincial Government of Central Java. Budgetary concerns impede efforts to eradicate extreme poverty.

The Central Java Provincial Government allocates a higher priority in the Central Java Regional Budget for the resolution of extreme poverty in 2023. 25.73 trillion IDR is the value of the regional government budgets for the fiscal year of 2023. The primary allocation is towards poverty alleviation initiatives, which include the repair of uninhabitable houses, support for

CIRR

XXIX (93) 2023, 392-406 children with disabilities and stunted growth, provision of latrines, electricity, and clean water, and assistance for unemployed household members. Preparing an electronic verification and validation program, or everval, is one of the measures taken. The issue of poverty frequently conflicts with data due to the irregular rhythm of poverty. Circumstantial food shortages, layoffs, natural disasters, or increases in food prices during special occasions like holidays can cause a population that is just below the poverty line to fall backwards. The governor will establish a special team in 2023 with the responsibility of quantifying and verifying the population classified as poor. This will enable the extreme poverty in deciles 1 and 2 to concentrate their efforts on mitigating the issue.



Source: The Social Welfare Integrated Data (DTKS) of Central Java 2022

Figure 2: Extreme Poor Population Percentage in City Regencies in Central Iava

In its endeavors, Central Java Province has applied Jay R. Galbraith's Star Model concept, which entails analyzing organizers and programs with regard to five critical factors (Galbraith, 2014; Kates & Galbraith, 2010; Eirich et al., 2022). The rationale behind selecting this framework was to investigate five primary aspects: human resources, structure, reward systems, and strategy. The determination of structure, which oversees the allocation of decision-making authority, the impact of rewards on motivation, the influence of human resources on thought patterns and skills, and the establishment of processes that govern the flow of information are all

CIRR

XXIX (93) 2023, 392-406 components of strategy (Feng. 2021). This study will employ the star model to assess the following: (1) the formulation and implementation of strategies to reduce extreme poverty; (2) the involvement of local governments in program selection decision-making; (3) the execution of such programs; (4) the motivation level of individuals living in extreme poverty to escape poverty; and (5) the collaborative capabilities of program managers and target groups in addressing extreme poverty. The description of the Star Model is shown in Figure 3.

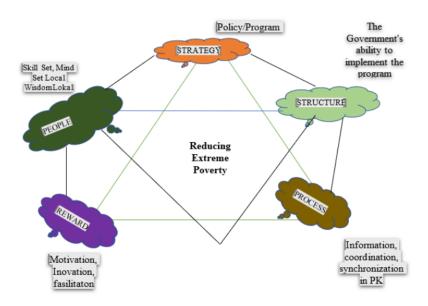


Figure 3: Description of the Star Model

The research results show that overcoming extreme poverty still uses a general national strategy, namely reducing the burden on poor people. The Provincial Government outlined a poverty alleviation strategy by issuing Central Java Governor Regulation Number 60 of 2019 concerning the Regional Poverty Alleviation Strategy for 2019–2023. There are five dimensions of poverty that will be resolved, namely education, health, employment, basic infrastructure, and food security (Regional Poverty Overcoming Strategy (SPKD) of Central Java Province year 2019-2023, 2019).

By applying the aforementioned star model, one can analyze the structure and strategic position that are intricately linked to the poverty dimensions that have been operationalized in Central Java. Considerations of these dimensions are crucial for endeavors aimed at mitigating both extreme and general poverty. The correlation between poverty and the caliber of human resources is significant with regard to education. Insufficiently qualified human resources give rise to poverty. Addressing the primary issue of poverty in Central Java with regard to education entails enhancing the

CIRR

XXIX (93) 2023, 392-406 availability of Senior High School, Islamic Senior High School, or equivalent education. The Central Java Province Education and Culture Office, in this instance, places a high priority on government intervention in the form of programs and activities that can enhance the primary indicators of secondary education access.

Low socioeconomic status is associated with unfavorable living conditions, insufficient knowledge and practice of healthy lifestyle choices, and restricted availability of compassionate healthcare services, according to the health dimension. The health aspect of addressing poverty pertains to the significant prevalence of tuberculosis and HIV among the population, the elevated rate of stunting among children aged 0–59 months, and the inadequate attainment of health minimum service standards (SPM) in regencies and cities. Regional health service providers, in this instance, the Central Java Provincial Health Service, are responsible for implementing this intervention.

The employment dimension views poverty and unemployment as two related problems. Unemployment can cause poverty and other social welfare problems. Handling the main problem in the field is focused on reducing unemployment. Government intervention in the form of programs and activities is carried out by the Department of Manpower and Transmigration, the Department of Youth, Sports, and Tourism, the Department of Cooperatives and SMEs, the Department of Investment and One Stop Integrated Services, and the Department of Agriculture and Plantations. Reducing unemployment is supported by: 1) increasing new job opportunities in the formal sector; and 2) reducing the risk of job loss for vulnerable groups.

The basic infrastructure dimension sees increasing access to basic infrastructure services (proper drinking water, proper sanitation, and electrification) as the government's concern in line with efforts to fulfill access for all levels of society. Addressing the main problems of the basic infrastructure dimension in Central Java is focused on improving access to drinking water and proper sanitation. Government intervention in the form of programs and activities is implemented by the Public Works Department of Highways and Human Settlements of Central Java Province, the Energy and Mineral Resources Service, and the Central Java Provincial Health Service. To increase access to drinking water and proper sanitation, it is supported by: 1) improving drinking water services; 2) developing drinking water sources; and 3) increasing latrine ownership for poor households.

Poverty restricts food consumption, which has a close relationship between food security and poverty, according to the Food Security Dimension. The primary food commodity in Central Java that exerts an influence on poverty is rice, owing to its substantial contribution to the calculation of the poverty line. In Central Java, food security initiatives target the primary issue of poverty by promoting greater community food consumption, particularly among impoverished households. The implementation of government intervention takes place through the agencies of the Food Security Service,

CIRR

XXIX (93) 2023, 392-406 Agriculture and Plantation Service, Industry and Trade Service, and Industry and Trade Service. This approach illustrates how two factors affect the rise in food consumption: 1) maintaining stable rice prices in regencies and cities in Central Java by monitoring the coefficient of variation (CV) of medium rice prices annually; and 2) increasing rice production by augmenting the annual rice yield.

Initial obstacles in the process, specifically with regard to the degree of execution of the extreme poverty reduction program, consist of incomplete synchronization and coordination among regional apparatus. In accordance with the scope of its responsibility, each regional apparatus executes programs. The parties must view poverty as mainstreaming (Haughton & Khandker, 2009) that they themselves implement. Due to the close relationship between the employment dimension and education, infrastructure, and food security, all program coordinators must collaborate in order to ensure program synchronization. One primary challenge lies in the fact that the Poverty Reduction Strategy appears to impose obligations solely on specific regional institutions, neglecting to incorporate other regional institutions within the framework of poverty management. Poverty alleviation, according to members of the Central Java Regional House of Representatives, requires regional officials to coordinate and synchronize their programs in addition to the Social Service.

At Star Reward, the level of motivation among extremely poor people to get out of poverty is still low. Poor people are not yet strong enough to get up and work. The Social Welfare Integrated Data, which fluctuates due to impoverished individuals' continued need for assistance, demonstrates this. The program is still the same, with direct rice assistance, cash assistance, and several subsidies. The government's innovation has not been able to encourage the parties to work together with the government to develop programs that are not creative but sustainable and that enable poor people to improve their status from poor to not poor.

Some lessons from China can be used to encourage the elimination of extreme poverty. The Chinese government is building collaboration between the government, the private sector, philanthropy, and the poor themselves. In eight years, more than 1.800 people became volunteers for poverty alleviation programs. Funds were disbursed for the provision of drinking water, irrigation, revitalization of village environments and residents' homes, building roads between villages, subsidies, and investment in transportation projects in underdeveloped areas. The government relocates residents (a kind of transmigration program) to places that are more accessible. Residents were happy to leave the mountains and move to better places. They discovered new ways of living and ways of producing. Tens of thousands of women were encouraged to work in government jobs, improving pre-school education (Wan et al., 2021).

Star People emphasizes the capacity of program managers and target groups to collaborate in ending extreme poverty. This was emphasized by one member of the Central Java Regional House of Representatives, who stated

CIRR

XXIX (93) 2023, 392-406 that poverty alleviation cannot stand alone. The government is obliged to be present, but the business community is also obliged to fulfill this call. This collaboration between stakeholders will accelerate poverty reduction. Collaboration occurs not only during program planning but can extend from implementation to program evaluation. The involvement of stakeholders in this collaboration will strengthen and accelerate the achievement of goals (Savage et al., 2010). Collaboration between local government, the private sector, and philanthropic NGO activists, including the poor themselves, will have an impact on accelerating the achievement of the target of zero percent extreme poverty in Central Java.

The results of the star model analysis carried out in Central Java show that star people, rewards, and processes are still not optimal, as are star strategy and structure. The regional government already has a foundation for implementing poverty and extreme poverty reduction. The bureaucratic structure is organized with assignments to regional officials according to capabilities related to the five dimensions, but support in the process, people, and resources is not yet optimal. The participation of all parties is required. Participation refers to mental and emotional participation in carrying out what must be done to achieve the desired shared goals, negating transparency and accountability (Beisheim; Simon, 2016). Participation manifests the desire to develop democracy through a decentralization process, pursuing the need for planning from the bottom up by involving the community in their own planning and development process (Bleijenbergh & Van Engen, 2015).

The findings above show that overcoming extreme poverty cannot only rely on the government or regional governments. It is true that the government and regional governments have a responsibility to achieve the zero percent target of eliminating extreme poverty, but the parties cannot just leave the problem of poverty alleviation alone. There are several simple strategies that can be built and developed at the village level, namely: (1) ensuring data on the extreme poor population is in accordance with existing criteria and is always updated every three months at least to monitor developments in extreme poverty; (2) building a movement to eradicate extreme poverty by placing the burden of community responsibility on extreme poor neighbors; (3) establishing a task force at the village level to strengthen and assist those trapped in extreme poverty; (4) village planning can be offered to philanthropists or entrepreneurs in order to help ease the burden on villages and extreme poor communities, especially in providing basic infrastructure and opening up accessibility; (5) synchronization of programs between villages, sub-districts, regencies, cities, and provinces so that programs and activities can be mapped out that can reach all extreme poor people.

4. CONCLUSION

It is possible to conclude, based on the preceding description, that the extremely poor constitute a vulnerable population that requires immediate eradication. The Provincial Government of Central Java has issued Governor Regulation Number 60 of 2019 regarding regional poverty alleviation

CIRR

XXIX (93) 2023, 392-406 strategies. This regulation outlines five dimensions that serve as the foundation for poverty alleviation programs and activities. Addressing extreme poverty necessitates not only adherence to the Governor's Regulation but also effective coordination and synchronization among regional apparatuses, as the Governor's Regulation does not prescribe all regional apparatuses. Confronting extreme poverty collectively is possible; the outcomes of the new star model analysis are implementable structures and strategies; however, processes, rewards, and individuals necessitate additional effort in addition to star structures and strategies. To accomplish the goal of eliminating extreme poverty entirely by 2024, collaboration among stakeholders is critical. It is possible to develop a number of inventive and creative strategies through collaboration with parties, including the extreme poor.s

References

- Agyeman, Y. B., Yeboah, A. O., & Ashie, E. (2019). Protected areas and poverty reduction: The role of ecotourism livelihood in local communities in Ghana. *Community Development*, *50*(1), 73–91. https://doi.org/10.1080/15575330.2019.1572635
- Andersen, J. G. (2012). Welfare states and welfare state theory. Aalborg Universitet.
- Asadullah, M. N., & Savoia, A. (2018). Poverty reduction during 1990–2013: Did millennium development goals adoption and state capacity matter? *World Development*, 105, 70–82. https://doi.org/10.1016/j.worlddev.2017.12.010
- Azzarri, C., & Signorelli, S. (2020). Climate and poverty in Africa South of the Sahara. *World Development*, 125. https://doi.org/10.1016/j.worlddev.2019.104691
- Beisheim, M., & Simon, N. (2016). Multi-stakeholder partnerships for implementing the 2030 agenda: improving accountability and transparency. Analytical paper for the 2016 ECOSOC Partnership Forum. Analytical Paper for the. www.sfb-governance.de/ppp
- Bleijenbergh, I., & Van Engen, M. (2015). Participatory modeling to support gender equality: The importance of including stakeholders. *Equality, Diversity and Inclusion*, *34*(5), 422–438. https://doi.org/10.1108/EDI-06-2013-0045
- BPS-Central Java. (2023). *Data Kemiskinan Jawa Tengah tahun 2021-2023*. BPS.
- BPS-Statistics Indonesia. (2022). *Penentuan Wilayah Prioritas Kemiskinan Ekstrem 2021-2024*. BPS.
- BPS-Statistics Indonesia. (2023). *Perita Resmi Statistis Tahun 2023*. BPS. Chitate, D. (2020). *Introduction Trianggulation*. UNAIDS.
- Derose, K. P., Han, B., Williamson, S., & Cohen, D. A. (2018). Gender Disparities in Park Use and Physical Activity among Residents of High-Poverty Neighborhoods in Los Angeles. *Women's Health Issues*, 28(1), 6–13. https://doi.org/10.1016/j.whi.2017.11.003
- Dinas Sosial Jawa Tengah. (2022). *Data DTKS Jawa Tengah 2022*. Eirich, R., Schäfer, B., & Ringlstetter, M. J. (2022). Organisation design

CIRR

_

XXIX (93) 2023, 392-406

- frameworks and digital innovation-an extension of Galbraith's STAR model. *International Journal of Entrepreneurship and Innovation Management*, 26(5-6), 340-358.
- Feng, X. (2021). A Way Out for School Organization Based on the Star Model. *Modern Management Forum*, 5(1), 18. https://doi.org/10.18686/mmf.v5i1.3167
- Frader, L. L. (2018). Illuminating poverty and social policy: Rachel Fuchs's contribution to the history of the French welfare state. In *Journal of Women's History 30.* (2): 161–166
- Galbraith, J. R. (2014). *Designing organizations: Strategy, structure, and process at the business unit and enterprise levels.* John Wiley & Sons.
- Haughton, J., & Khandker, S. R. (2009). *Handbook on Poverty and Inequality* (1st ed.). Library of Congress Cataloging-in-Publication Data. https://doi.org/10.1596/978-0-8213-7613-3
- Kabeer, N. (2003). Gender Mainstreaming in Poverty Eradication and the Millennium Development Goals A handbook for policy-makers and other stakeholders Naila Kabeer. CIDA.
- Kates, A., & Galbraith, J. R. (2010). *Designing your organization: Using the STAR model to solve 5 critical design challenges*. John Wiley & Sons.
- Liao, C., & Fei, D. (2019). Poverty reduction through photovoltaic-based development intervention in China: Potentials and constraints. *World Development*, 122, 1–10. https://doi.org/10.1016/j.worlddev.2019.04.017
- Mahmud, M., & Riley, E. (2021). Household response to an extreme shock:

 Evidence on the immediate impact of the Covid-19 lockdown on
 economic outcomes and well-being in rural Uganda. *World Development*,

 https://doi.org/10.1016/j.worlddev.2020.105318
- Martins, F. S., Cunha, J. A. C. da, & Serra, F. A. R. (2018). Secondary Data in Research Uses and Opportunities. *Revista Ibero-Americana de Estratégia*, 17(04), 01–04. https://doi.org/10.5585/ijsm.v17i4.2723
- Sachs, J. (2005). *The end of poverty: economic possibilities for our time*. Penguin Press.
- Sachs, J. D., & McCord, G. C. (2018a). Extreme Poverty. In *The New Palgrave Dictionary of Economics* (pp. 4337–4346). Palgrave Macmillan UK. https://doi.org/10.1057/978-1-349-95189-5 2662
- Sachs, J. D., & McCord, G. C. (2018b). Extreme Poverty. In *The New Palgrave Dictionary of Economics* (pp. 4337–4346). Palgrave Macmillan UK. https://doi.org/10.1057/978-1-349-95189-5 2662
- Savage, G. T., Bunn, M. D., Gray, B., Xiao, Q., Wang, S., Wilson, E. J., & Williams, E. S. (2010). Stakeholder collaboration: Implications for stakeholder theory and practice. *Journal of Business Ethics*, 96, 21–26. https://doi.org/10.1007/s10551-011-0939-1
- Smith-Carrier, T. (2017). Reproducing Social Conditions of Poverty: A Critical Feminist Analysis of Social Assistance Participation in Ontario, Canada. *Journal of Women, Politics and Policy, 38*(4), 498–521. https://doi.org/10.1080/1554477X.2016.1268874
- Verdeyen, V., Put, J., & van Buggenhout, B. (2004). A social stakeholder

CIRR

_

XXIX (93) 2023, 392-406 model. International Journal of Social Welfare, 13(4), 325–331. $\underline{\text{https://doi.org/10.1111/j.1468-2397.2004.00328.x}}$

Wan, G., Hu, X., & Liu, W. (2021). China's poverty reduction miracle and relative poverty: Focusing on the roles of growth and inequality. *China Economic Review, 68*. https://doi.org/10.1016/j.chieco.2021.101643

World Bank. (2022). *Poverty and shared prosperity 2022: correcting course.* The World Bank.

Implementing Star Model for Overcoming Extreme Poverty in Central Java

ORIGINALITY REPORT						
SIMILA	0% ARITY INDEX	8% INTERNET SOURCES	3% PUBLICATIONS	6% STUDENT PAPERS		
PRIMAR	RY SOURCES					
1	Submitte Maranat Student Paper		Jniversity of	2%		
2	Submitte Student Paper	ed to University	of Glasgow	1 %		
3	Submitte Student Paper	ed to Australian	National Univ	versity 1 %		
4	proceed Internet Source	ings.stis.ac.id		1%		
5	www.ejc	ournal.up45.ac.i	d	1%		
6	bajangjo Internet Source	ournal.com		<1%		
7	ejournal Internet Source	.iainmadura.ac.	id	<1%		
8	cirrj.org Internet Source	ce		<1%		

	Internet Source	_
9		<1%
10	Submitted to Sekolah Global Jaya Student Paper	<1%
11	file-thesis.pide.org.pk Internet Source	<1%
12	worldwaterforum.org Internet Source	<1%
13	www.tburg.k12.ny.us Internet Source	<1%
14	Submitted to Queen Margaret University College, Edinburgh Student Paper	<1%
15	catalogue.unccd.int Internet Source	<1%
16	ilomata.org Internet Source	<1%
17	p3tb.pu.go.id Internet Source	<1%
18	pure.tue.nl Internet Source	<1%
19	eurchembull.com Internet Source	<1%



		<1%
21	journals.mindamas.com Internet Source	<1%
22	www.zenithbank.com Internet Source	<1%
23	"The New Palgrave Dictionary of Economics", Springer Science and Business Media LLC, 2018 Publication	<1%
24	Lusia Advenia Dwi Rahayu, Suryanto. "Analysis of economic and social vulnerability to disaster risk in Tawangmangu and Kejajar Districts", E3S Web of Conferences, 2023 Publication	<1%

Exclude quotes On Exclude bibliography On

Exclude matches

Off



CIRR

XXIX (93) 2023, 392-406

DOI 10.2478/ CIRR-2023-0066

UDC 327 (4-6 EU:73:55)

Implementing Star Model for Overcoming Extreme Poverty in Central Java

Indra Kertati*

Universitas 17 Agustus 1945 Semarang, Semarang, Central Java 50133

Email: indra-kertati@untagsmg.ac.id

Setyohadi Pratomo

Universitas 17 Agustus 1945 Semarang, Semarang, Central Java 50133 Indonesia

Email: setyohadi1505@untagsmg.ac.id

Karningsih Karningsih

Universitas 17 Agustus 1945 Semarang, Semarang, Central Java 50133 Indonesia

Email: karningsih@untagsmg.ac.id

^{*}Corresponding author Email: indra-kertati@untagsmg.ac.id

Abstract

Key words:

Extreme Poverty, Star Model, Stakeholders, Policy.

This research aims to analyze the star model as a preliminary step toward reducing extreme poverty. Until its eradication is complete, extreme poverty is the objective of the Indonesian government. As of March 2023, the extreme poverty rate stands at 1,12 %, representing a reduction of 0,92 percentage points compared to the corresponding period in March 2022. This represents the most substantial decline in poverty rates over the past five years. The anticipated date of attainment for the eradication of extreme poverty is 2024. According to the National Socio-Economic Survey, the national poverty rate has been only reached at 9.36 % as of March 2023. This figure remains below the 2020-2024 National Medium-Term Development Plan (RPJMN) target of 6,5-7,5 %. As of March 2023, 25,90 million individuals have lived in poverty. It reflects a decline of 0,46 million individuals since September 2022 and 0,26 million individuals since March 2022. Approximately 290.080 individuals are considered to be in deplorable poverty if the objective is to eradicate it by 2024 as circumstances of poverty. The government has exerted considerable effort through a variety of initiatives, including a three-month acceleration in the provision of social assistance and others. One of the challenges is that the state of the extremely impoverished differs significantly across regions. In regions characterized by significant pockets of poverty, the attainment of zero percent poverty by 2024 presents a formidable implementation challenge. As one of the pockets of poverty, Central Java Province has made numerous efforts to eradicate extreme poverty; however, it has been unable to mobilize stakeholder participation; therefore, achieving zero percent is a challenge in and of itself. Utilizing the Star Model to address the issue of extreme poverty. As a consequence, the elements of people, reward, and process exhibit weaknesses; specifically, the capacity to innovate and coordinate among programs has failed to demonstrate outcomes commensurate with those of the elements of strategy, structure, and people. This research approach combines qualitative and secondary data analysis techniques. The data pertaining to extreme poverty underwent analysis and qualitative augmentation via in-depth interviews with pivotal individuals involved in the fight against extreme poverty.

1. Introduction

Poverty is not exclusive to Indonesia, a nation characterized by a rich tapestry of cultures and traditions; rather, it is a prevalent issue in a number of developing and even developed countries. Between 2011 and 2022, half of the population of Zimbawe, southern Africa, or 7,9 million individuals, were destitute. Climate change and escalating inflation are two factors that contribute to the severity of poverty (Azzarri & Signorelli, 2020). A history of unresolved poverty exists in Uganda. Three years after its inception in 2003, the proportion of individuals classified as extremely poor rose from 38% to 45%. Among the factors contributing to the persistent rise in poverty are the food crisis, natural disasters, and the COVID-19 pandemic (Mahmud & Riley, 2021). Per capita, Burundi's gross domestic product will be a mere 856 US dollars in 2022. 90 % of the region's close to twelve million inhabitants are

CIRR

XXIX (93) 2023,

392-406

subsistence farmers, with the majority residing in abject poverty (World Bank, 2022).

Several developed countries, including the United States (Derose et al., 2018), Canada (Smith-Carrier, 2017), and France (Frader, 2018), exhibit poverty despite their unique circumstances and conditions. Indonesia's situation is similarly comparable; in March 2023, 9,36 % of the population lived in poverty, a decrease of 0,21 percentage points from September 2022 and 0,18 percentage points from March 2022. As compared to September 2022 and March 2022, the number of individuals living in poverty experienced a decline of 0,46 million and 0,26 million, respectively, before reaching 25,90 million in March 2023. The proportion of individuals residing in urban poverty experienced a decline from 7,53 % in September 2022 to 7,29 % in March 2023. Conversely, from September 2022 to March 2023, the proportion of impoverished rural inhabitants declined from 12,36 % to 12,22 %. In March 2023, the population of impoverished urban dwellers experienced a decline of 0,24 million individuals, from 11,98 million in September 2022 to 11,74 million as of March 2023. Meanwhile, the population of impoverished rural inhabitants experienced a decline of 0,22 million individuals during the aforementioned time frame, falling from 14,38 million in September 2022 to 14,16 million in March 2023. The poverty line stood at IDR 550.458 per capita per month as of March 2023. The poverty line consisted of two components: the food poverty line, which was IDR 408.522 (74,21 %), and the non-food poverty line, which was IDR 141.936 (25,79 %). As of March 2023, the mean number of members in an impoverished household in Indonesia will amount to 4,71. Therefore, the mean monthly poverty line for impoverished households is 2.592.657 IDR (BPS-Statistics Indonesia, 2023).

As one of the impoverished regions, the province of Central Java is subject to varying degrees of poverty. COVID-19 has resulted in a rise in the poverty rate, which has impeded the decline thus far. The proportion of impoverished individuals in Central Java experienced a decline from 11,79 % in 2021 to 10,93 % in 2022 and 10,77 % in 2023. The poverty rate has decreased by 39,94 thousand, from 83 million to 39 thousand individuals. Aside from this, by 2023, 1,11 % of the population in Central Java will be living in extreme poverty or a decline of 0,86 % compared to 2022, when it peaked at 1,7 % (BPS-Statistics Indonesia, 2022).

Poverty has consistently posed a significant challenge for nations, be they developing, developed, or impoverished. The obligation of the state to enhance the general welfare of the populace is an unavoidable duty. A society that ensures a minimum income for its citizens and families by reducing social insecurity and permitting family and individual interaction while bolstering social contingency guarantees that all citizens, irrespective of social standing or socioeconomic standing, have access to high-quality services (Jørgen Goul Andersen, 2012). Addressing poverty requires effective governance (Asadullah & Savoia, 2018). China has demonstrated that its progressively improved governance and policies can eradicate the poverty of nearly 800 million Chinese citizens (Wan et al., 2021).

CIRR

XXIX (93) 2023, 392-406

The quantification of poverty can be accomplished by employing indicators of malnutrition or literacy, which are direct dimensions of poverty (Haughton & Khandker, 2009). Additionally, poverty can contribute to a gender bias that develops as a result of social conventions or relationships. This results in disparities in life opportunities leading to variations in values. Gender bias contributes to social distortions that result in the exclusion and differentiation of individuals from opportunities (Kabeer, 2003). Family economic inequality demonstrates the existence of gender bias in poverty. The poverty rate is reduced, presuming that a greater proportion of women are employed (Derose et al., 2018). Inadequate access to infrastructure for women is associated with both the technical and gender dimensions of poverty (Derose et al., 2018). Poverty measurement serves four purposes: (1) to determine the number of individuals living in poverty; (2) to assess the efficacy of policies and projects; and (3) to monitor and evaluate policy interventions and projects; and (4) to determine the worth of institutions (Haughton & Khandker, 2009).

The most severe type of poverty, extreme poverty, is characterized by the inability of households to consistently fulfill their fundamental needs, including those required for survival (Azzarri & Signorelli, 2020; Mahmud & Riley, 2021; Smith-Carrier, 2017). Chronic malnutrition, a lack of access to health care, and inadequate sanitation and potable water facilities are characteristics of households residing in extreme poverty (Frader, 2018). They lack even the most basic shelter and are unable to provide an education for some or all of the children (Sachs, 2005). Due to the government's failure to enhance the welfare of the populace, extreme poverty ensues (Sachs & McCord, 2018). With the exception of Indonesia, a number of nations endure protracted extreme poverty, including Ghana (Agyeman et al., 2019), Uganda (Mahmud & Riley, 2021), and China (Liao & Fei, 2019).

On March 4, 2020, the President of the Republic of Indonesia issued directives to expedite the eradication of extreme poverty (US\$1.9 PPP) until it is completely eradicated by 2024. This timeframe is six years ahead of the target set by the Sustainable Development Goals (SDGs). In order to execute phase I of the program by the program's conclusion in 2021, the government has identified seven provinces as priority areas, Papua New Guinea being among them. Coverage of the extreme poor population in priority areas, which account for approximately 75% of the extreme poor population on a national scale, will be the focus of the second phase in 2022. The convergence model will be nationally and comprehensively implemented in 514 regencies and cities in Indonesia during Phase III (2023-2024) (BPS-Statistics Indonesia, 2022). The Acceleration of the Elimination of Extreme Poverty Presidential Instruction No. 4 of 2022 requires regional governments, ministries, and institutions to expedite the eradication of extreme poverty (API No. 4 of 2022 concerning Acceleration of The Elimination of Extreme Poverty, 2022).

The program expedites the reduction of the extremely impoverished population by supplementing direct cash assistance (BLT-DD) and Basic Food Card top-ups for a period of three months. Despite three months of

CIRR

XXIX (93) 2023,

392-406

assistance, the primary issues persist, rendering this condition incapable of ameliorating the dire situation for the populace. Due to the vulnerability of the poor to gaining access, the process is time-consuming. The resolution of the issue has failed to motivate the regional government to proactively solicit the participation of stakeholders and philanthropists in the problem-solving process. As the framework to address extreme poverty continues to be government-centric and excludes local knowledge and stakeholder participation, it is challenging to realize the president's goal of reducing poverty to zero percent. Regarding the eradication of extreme poverty, the government, community members, and stakeholders have not implemented any novel approaches (Verdeyen et al., 2004). Stakeholder participation in efforts to assist local governments in reducing extreme poverty remains minimal. The objective of this study is to verify the implementation of the star model, which was employed to address the issue of extreme poverty in Central Java.

2. METHOD

To achieve the aim of this research, this study utilizes secondary data pertaining to individuals living in extreme poverty, specifically sourced from the Integrated Database (BDT) data for the year 2022. The Ministry of Social Affairs annually updates and publishes the Integrated Database (BDT) data. Regrettably, the dissemination of the most recent data occurs frequently and belatedly, resulting in delayed benchmarks that influence poverty reduction policies at the regional level. The Integrated Database (BDT) data from 2022 remains applicable through 2023. Secondary data refers to any compilation or analysis of information that was not originally collected by the researchers. This includes data that has been gathered in the past and is currently under consideration for a new application.

The secondary data holds significance due to the following reasons: (1) It is predicated on research theory, which utilizes secondary data as a data collection shortcut. The act of sharing databases online significantly simplifies the process of matching research needs with databases; (2) the database analysis holds promise for the development of phenomenon-based research; (3) data can serve as documentation to guarantee reproducibility, transparency, and a theoretical foundation; it is possible to discover latently lost behaviors or novel concepts for the development of theories within the data; and (4) by utilizing specific data analysis tools and skills, one can reduce and combine variables in order to generate new ones (Martins et al., 2018). While secondary data has demonstrated its utility in research for locating pertinent information, it is crucial to exercise caution when choosing such data, validating its appropriateness, documenting any modifications or manipulations, and ensuring its safety for testing specific hypotheses prior to employing it.

The secondary data may also take the form of regulatory documents that pertain to the secondary data in question, in addition to databases. One of the qualitative components utilized to bolster secondary data analysis is indepth interviews. A number of communities afflicted by extreme poverty in

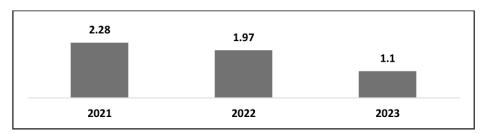
CIRR

XXIX (93) 2023, 392-406 Central Java and their respective managers participated in in-depth interviews. Triangulating the results of data collection is a method for integrating data into a unified entity that can serve as a blueprint when assembling research reports (Chitate, 2020). We achieve triangulation by using a triangulation model that incorporates methods, data sources, and theory. To determine the extent to which the star model contributes to poverty alleviation, data analysis includes qualitative analysis in addition to trend analysis.

3. RESULTS AND DISCUSSION

Extreme poverty has become a trend in discussions almost all over the world. The World Bank defines the extreme poor population as people who have the ability to meet daily living needs of no more than USD 1,9 PPP (Purchasing Power Parity), or the equivalent of IDR 10.739/person/day or IDR 322.170/person/month. The Decree of the Coordinating Minister for Human Development and Culture of the Republic of Indonesia Number 32 of 2022 concerning General Guidelines for the Implementation of the Program for the Acceleration of Elimination of Extreme Poverty defines extreme poverty as a condition of inability to fulfill basic needs, namely the need for food, clean drinking water, proper sanitation, health, shelter, education, and access to information that is not only limited to income but also access to social services. In other words, extreme poor people have lower expenditures than general poor people. The general poor population has an average per capita expenditure per month in Central Java of no more than IDR 477.580, while the extreme poverty has expenditures per person per month of no more than IDR 322.170.

According to the results of searching for secondary data, the number of poor people in Central Java has decreased. In 2021, there were 4.109.750 poor people; in 2022, this decreased to 3.831.440 people and decreased again in 2023, amounting to 3.791.500 (BPS Central Java, 2023). Among the number of poor people, in 2023 there will be 1,1 % of the extreme poverty. The percentage of Central Java's extremely poor population in 2021–2023 can be seen in the Figure 1.



Source: the Social Welfare Integrated Data (DTKS) of Central Java 2022 and BPS-Statistics Indonesia 2023

Figure 1: Extreme Poor Population Percentage in 2021-2023

Nonetheless, the proportion of individuals living in extreme poverty has declined. Nevertheless, the number of individuals living in extreme poverty

CIRR

XXIX (93) 2023, 392-406 remains significantly elevated at 41,707 (Central Java Social Service, 2022). The distribution of this staggering figure spans 35 city regencies in Central Java. The Social Service attributes several factors to the high prevalence of extreme poverty, including unproductive agricultural land, high unemployment rates, hereditary poverty, natural disasters, limited access to infrastructure, and deteriorating health conditions.

Sachs & McCord (2018) observed that individuals living in extreme poverty lack the bare minimum of social capital assistance required to ascend the initial rung of the economic development ladder. Very poor people tend to lack six main types of capital, namely: (1) human capital in the form of health, nutrition, and skills - education - what everyone needs to be economically productive; (2) business capital in the form of machines, facilities, motorized vehicles used, agriculture, industry and services; (3) infrastructure in the form of roads, electricity, water and sanitation, airports and ports, and telecommunications systems, which are important inputs in business and productivity; (4) natural capital in the form of fertile land, fertile soil, biodiversity, which functions well and ecosystems that provide environmental services needed by extreme poor people; (5) public institutional capital such as commercial law, the judicial system, government services that support the peaceful and prosperous division of labor; and (5) knowledge capital such as scientific and technological knowledge which is the productivity of business results and is the main capital (Sachs & McCord, 2018).

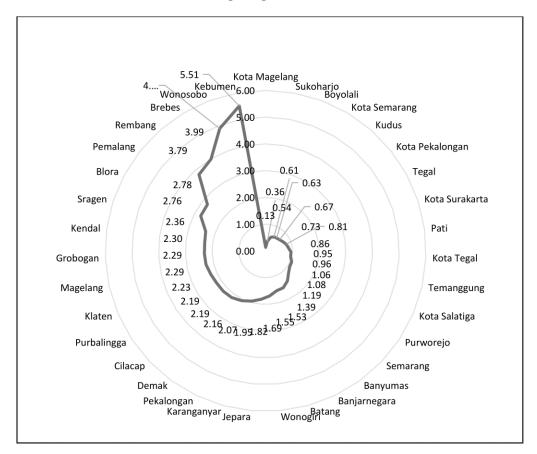
Similar to what occurred in Central Java, Sachs discovered a number of regencies and cities with negligible capital ownership. Additionally, the data search shows that a lot of regencies and cities, like Kebumen, Wonosobo, Brebes, Rembang, Pemalang, Blora, Sragen, Kendal, Grobogan, Magelang, Klaten, Purbalingga, Cilacap, Demak, and Pekalongan, have a very high percentage of people living in extreme poverty. These figures surpass those of Central Java Province. The subsequent graph provides additional information (Figure 2).

Upon examination of Figure 2, it becomes evident that sixteen regencies and cities exhibit a higher percentage of extreme poverty than Central Java Province, should the province hold the 1,9 % position in 2022. 22 regencies have figures that surpass the province of Central Java's position with regard to the percentage of its extremely impoverished population, which was 1,1% in 2023. This is assuming that the percentage of the extremely impoverished population remains unchanged. The matter at hand requires significant deliberation and research on the part of the Provincial Government of Central Java. Budgetary concerns impede efforts to eradicate extreme poverty.

The Central Java Provincial Government allocates a higher priority in the Central Java Regional Budget for the resolution of extreme poverty in 2023. 25.73 trillion IDR is the value of the regional government budgets for the fiscal year of 2023. The primary allocation is towards poverty alleviation initiatives, which include the repair of uninhabitable houses, support for

CIRR

XXIX (93) 2023, 392-406 children with disabilities and stunted growth, provision of latrines, electricity, and clean water, and assistance for unemployed household members. Preparing an electronic verification and validation program, or everval, is one of the measures taken. The issue of poverty frequently conflicts with data due to the irregular rhythm of poverty. Circumstantial food shortages, layoffs, natural disasters, or increases in food prices during special occasions like holidays can cause a population that is just below the poverty line to fall backwards. The governor will establish a special team in 2023 with the responsibility of quantifying and verifying the population classified as poor. This will enable the extreme poverty in deciles 1 and 2 to concentrate their efforts on mitigating the issue.



Source: The Social Welfare Integrated Data (DTKS) of Central Java 2022

Figure 2: Extreme Poor Population Percentage in City Regencies in Central Iava

In its endeavors, Central Java Province has applied Jay R. Galbraith's Star Model concept, which entails analyzing organizers and programs with regard to five critical factors (Galbraith, 2014; Kates & Galbraith, 2010; Eirich et al., 2022). The rationale behind selecting this framework was to investigate five primary aspects: human resources, structure, reward systems, and strategy. The determination of structure, which oversees the allocation of decision-making authority, the impact of rewards on motivation, the influence of human resources on thought patterns and skills, and the establishment of processes that govern the flow of information are all

CIRR

XXIX (93) 2023, 392-406

components of strategy (Feng, 2021). This study will employ the star model to assess the following: (1) the formulation and implementation of strategies to reduce extreme poverty; (2) the involvement of local governments in program selection decision-making; (3) the execution of such programs; (4) the motivation level of individuals living in extreme poverty to escape poverty; and (5) the collaborative capabilities of program managers and target groups in addressing extreme poverty. The description of the Star Model is shown in Figure 3.

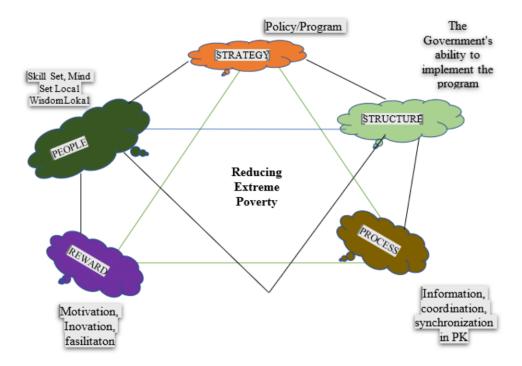


Figure 3: Description of the Star Model

The research results show that overcoming extreme poverty still uses a general national strategy, namely reducing the burden on poor people. The Provincial Government outlined a poverty alleviation strategy by issuing Central Java Governor Regulation Number 60 of 2019 concerning the Regional Poverty Alleviation Strategy for 2019–2023. There are five dimensions of poverty that will be resolved, namely education, health, employment, basic infrastructure, and food security (Regional Poverty Overcoming Strategy (SPKD) of Central Java Province year 2019-2023, 2019).

By applying the aforementioned star model, one can analyze the structure and strategic position that are intricately linked to the poverty dimensions that have been operationalized in Central Java. Considerations of these dimensions are crucial for endeavors aimed at mitigating both extreme and general poverty. The correlation between poverty and the caliber of human resources is significant with regard to education. Insufficiently qualified human resources give rise to poverty. Addressing the primary issue of poverty in Central Java with regard to education entails enhancing the

CIRR

XXIX (93) 2023, 392-406 availability of Senior High School, Islamic Senior High School, or equivalent education. The Central Java Province Education and Culture Office, in this instance, places a high priority on government intervention in the form of programs and activities that can enhance the primary indicators of secondary education access.

Low socioeconomic status is associated with unfavorable living conditions, insufficient knowledge and practice of healthy lifestyle choices, and restricted availability of compassionate healthcare services, according to the health dimension. The health aspect of addressing poverty pertains to the significant prevalence of tuberculosis and HIV among the population, the elevated rate of stunting among children aged 0–59 months, and the inadequate attainment of health minimum service standards (SPM) in regencies and cities. Regional health service providers, in this instance, the Central Java Provincial Health Service, are responsible for implementing this intervention.

The employment dimension views poverty and unemployment as two related problems. Unemployment can cause poverty and other social welfare problems. Handling the main problem in the field is focused on reducing unemployment. Government intervention in the form of programs and activities is carried out by the Department of Manpower and Transmigration, the Department of Youth, Sports, and Tourism, the Department of Cooperatives and SMEs, the Department of Investment and One Stop Integrated Services, and the Department of Agriculture and Plantations. Reducing unemployment is supported by: 1) increasing new job opportunities in the formal sector; and 2) reducing the risk of job loss for vulnerable groups.

The basic infrastructure dimension sees increasing access to basic infrastructure services (proper drinking water, proper sanitation, and electrification) as the government's concern in line with efforts to fulfill access for all levels of society. Addressing the main problems of the basic infrastructure dimension in Central Java is focused on improving access to drinking water and proper sanitation. Government intervention in the form of programs and activities is implemented by the Public Works Department of Highways and Human Settlements of Central Java Province, the Energy and Mineral Resources Service, and the Central Java Provincial Health Service. To increase access to drinking water and proper sanitation, it is supported by: 1) improving drinking water services; 2) developing drinking water sources; and 3) increasing latrine ownership for poor households.

Poverty restricts food consumption, which has a close relationship between food security and poverty, according to the Food Security Dimension. The primary food commodity in Central Java that exerts an influence on poverty is rice, owing to its substantial contribution to the calculation of the poverty line. In Central Java, food security initiatives target the primary issue of poverty by promoting greater community food consumption, particularly among impoverished households. The implementation of government intervention takes place through the agencies of the Food Security Service,

CIRR

XXIX (93) 2023, 392-406 Agriculture and Plantation Service, Industry and Trade Service, and Industry and Trade Service. This approach illustrates how two factors affect the rise in food consumption: 1) maintaining stable rice prices in regencies and cities in Central Java by monitoring the coefficient of variation (CV) of medium rice prices annually; and 2) increasing rice production by augmenting the annual rice yield.

Initial obstacles in the process, specifically with regard to the degree of execution of the extreme poverty reduction program, consist of incomplete synchronization and coordination among regional apparatus. In accordance with the scope of its responsibility, each regional apparatus executes programs. The parties must view poverty as mainstreaming (Haughton & Khandker, 2009) that they themselves implement. Due to the close relationship between the employment dimension and education, infrastructure, and food security, all program coordinators must collaborate in order to ensure program synchronization. One primary challenge lies in the fact that the Poverty Reduction Strategy appears to impose obligations solely on specific regional institutions, neglecting to incorporate other regional institutions within the framework of poverty management. Poverty alleviation, according to members of the Central Java Regional House of Representatives, requires regional officials to coordinate and synchronize their programs in addition to the Social Service.

At Star Reward, the level of motivation among extremely poor people to get out of poverty is still low. Poor people are not yet strong enough to get up and work. The Social Welfare Integrated Data, which fluctuates due to impoverished individuals' continued need for assistance, demonstrates this. The program is still the same, with direct rice assistance, cash assistance, and several subsidies. The government's innovation has not been able to encourage the parties to work together with the government to develop programs that are not creative but sustainable and that enable poor people to improve their status from poor to not poor.

Some lessons from China can be used to encourage the elimination of extreme poverty. The Chinese government is building collaboration between the government, the private sector, philanthropy, and the poor themselves. In eight years, more than 1.800 people became volunteers for poverty alleviation programs. Funds were disbursed for the provision of drinking water, irrigation, revitalization of village environments and residents' homes, building roads between villages, subsidies, and investment in transportation projects in underdeveloped areas. The government relocates residents (a kind of transmigration program) to places that are more accessible. Residents were happy to leave the mountains and move to better places. They discovered new ways of living and ways of producing. Tens of thousands of women were encouraged to work in government jobs, improving pre-school education (Wan et al., 2021).

Star People emphasizes the capacity of program managers and target groups to collaborate in ending extreme poverty. This was emphasized by one member of the Central Java Regional House of Representatives, who stated

CIRR

XXIX (93) 2023,

392-406

that poverty alleviation cannot stand alone. The government is obliged to be present, but the business community is also obliged to fulfill this call. This collaboration between stakeholders will accelerate poverty reduction. Collaboration occurs not only during program planning but can extend from implementation to program evaluation. The involvement of stakeholders in this collaboration will strengthen and accelerate the achievement of goals (Savage et al., 2010). Collaboration between local government, the private sector, and philanthropic NGO activists, including the poor themselves, will have an impact on accelerating the achievement of the target of zero percent extreme poverty in Central Java.

The results of the star model analysis carried out in Central Java show that star people, rewards, and processes are still not optimal, as are star strategy and structure. The regional government already has a foundation for implementing poverty and extreme poverty reduction. The bureaucratic structure is organized with assignments to regional officials according to capabilities related to the five dimensions, but support in the process, people, and resources is not yet optimal. The participation of all parties is required. Participation refers to mental and emotional participation in carrying out what must be done to achieve the desired shared goals, negating transparency and accountability (Beisheim; Simon, 2016). Participation manifests the desire to develop democracy through a decentralization process, pursuing the need for planning from the bottom up by involving the community in their own planning and development process (Bleijenbergh & Van Engen, 2015).

The findings above show that overcoming extreme poverty cannot only rely on the government or regional governments. It is true that the government and regional governments have a responsibility to achieve the zero percent target of eliminating extreme poverty, but the parties cannot just leave the problem of poverty alleviation alone. There are several simple strategies that can be built and developed at the village level, namely: (1) ensuring data on the extreme poor population is in accordance with existing criteria and is always updated every three months at least to monitor developments in extreme poverty; (2) building a movement to eradicate extreme poverty by placing the burden of community responsibility on extreme poor neighbors; (3) establishing a task force at the village level to strengthen and assist those trapped in extreme poverty; (4) village planning can be offered to philanthropists or entrepreneurs in order to help ease the burden on villages and extreme poor communities, especially in providing basic infrastructure and opening up accessibility; (5) synchronization of programs between villages, sub-districts, regencies, cities, and provinces so that programs and activities can be mapped out that can reach all extreme poor people.

4. CONCLUSION

It is possible to conclude, based on the preceding description, that the extremely poor constitute a vulnerable population that requires immediate eradication. The Provincial Government of Central Java has issued Governor Regulation Number 60 of 2019 regarding regional poverty alleviation

CIRR

XXIX (93) 2023, 392-406 strategies. This regulation outlines five dimensions that serve as the foundation for poverty alleviation programs and activities. Addressing extreme poverty necessitates not only adherence to the Governor's Regulation but also effective coordination and synchronization among regional apparatuses, as the Governor's Regulation does not prescribe all regional apparatuses. Confronting extreme poverty collectively is possible; the outcomes of the new star model analysis are implementable structures and strategies; however, processes, rewards, and individuals necessitate additional effort in addition to star structures and strategies. To accomplish the goal of eliminating extreme poverty entirely by 2024, collaboration among stakeholders is critical. It is possible to develop a number of inventive and creative strategies through collaboration with parties, including the extreme poor.s

References

- Agyeman, Y. B., Yeboah, A. O., & Ashie, E. (2019). Protected areas and poverty reduction: The role of ecotourism livelihood in local communities in Ghana. *Community Development*, *50*(1), 73–91. https://doi.org/10.1080/15575330.2019.1572635
- Andersen, J. G. (2012). *Welfare states and welfare state theory*. Aalborg Universitet.
- Asadullah, M. N., & Savoia, A. (2018). Poverty reduction during 1990–2013: Did millennium development goals adoption and state capacity matter? *World Development*, 105, 70–82. https://doi.org/10.1016/j.worlddev.2017.12.010
- Azzarri, C., & Signorelli, S. (2020). Climate and poverty in Africa South of the Sahara. *World Development*, 125. https://doi.org/10.1016/j.worlddev.2019.104691
- Beisheim, M., & Simon, N. (2016). *Multi-stakeholder partnerships for implementing the 2030 agenda: improving accountability and transparency. Analytical paper for the 2016 ECOSOC Partnership Forum.* Analytical Paper for the. www.sfb-governance.de/ppp
- Bleijenbergh, I., & Van Engen, M. (2015). Participatory modeling to support gender equality: The importance of including stakeholders. *Equality, Diversity and Inclusion, 34*(5), 422–438. https://doi.org/10.1108/EDI-06-2013-0045
- BPS-Central Java. (2023). *Data Kemiskinan Jawa Tengah tahun 2021-2023*. BPS.
- BPS-Statistics Indonesia. (2022). *Penentuan Wilayah Prioritas Kemiskinan Ekstrem 2021-2024*. BPS.
- BPS-Statistics Indonesia. (2023). *Perita Resmi Statistis Tahun 2023*. BPS. Chitate, D. (2020). *Introduction Trianggulation*. UNAIDS.
- Derose, K. P., Han, B., Williamson, S., & Cohen, D. A. (2018). Gender Disparities in Park Use and Physical Activity among Residents of High-Poverty Neighborhoods in Los Angeles. *Women's Health Issues*, 28(1), 6–13. https://doi.org/10.1016/j.whi.2017.11.003
- Dinas Sosial Jawa Tengah. (2022). Data DTKS Jawa Tengah 2022.
- Eirich, R., Schäfer, B., & Ringlstetter, M. J. (2022). Organisation design

CIRR

XXIX (93) 2023, 392-406

- frameworks and digital innovation-an extension of Galbraith's STAR model. *International Journal of Entrepreneurship and Innovation Management*, 26(5-6), 340-358.
- Feng, X. (2021). A Way Out for School Organization Based on the Star Model. *Modern Management Forum*, 5(1), 18. https://doi.org/10.18686/mmf.v5i1.3167
- Frader, L. L. (2018). Illuminating poverty and social policy: Rachel Fuchs's contribution to the history of the French welfare state. In *Journal of Women's History 30.* (2): 161–166
- Galbraith, J. R. (2014). *Designing organizations: Strategy, structure, and process at the business unit and enterprise levels.* John Wiley & Sons.
- Haughton, J., & Khandker, S. R. (2009). *Handbook on Poverty and Inequality* (1st ed.). Library of Congress Cataloging-in-Publication Data. https://doi.org/10.1596/978-0-8213-7613-3
- Kabeer, N. (2003). Gender Mainstreaming in Poverty Eradication and the Millennium Development Goals A handbook for policy-makers and other stakeholders Naila Kabeer. CIDA.
- Kates, A., & Galbraith, J. R. (2010). *Designing your organization: Using the STAR model to solve 5 critical design challenges*. John Wiley & Sons.
- Liao, C., & Fei, D. (2019). Poverty reduction through photovoltaic-based development intervention in China: Potentials and constraints. *World Development*, 122, 1–10. https://doi.org/10.1016/j.worlddev.2019.04.017
- Mahmud, M., & Riley, E. (2021). Household response to an extreme shock:

 Evidence on the immediate impact of the Covid-19 lockdown on economic outcomes and well-being in rural Uganda. *World Development*,

 https://doi.org/10.1016/j.worlddev.2020.105318
- Martins, F. S., Cunha, J. A. C. da, & Serra, F. A. R. (2018). Secondary Data in Research Uses and Opportunities. *Revista Ibero-Americana de Estratégia*, 17(04), 01–04. https://doi.org/10.5585/ijsm.v17i4.2723
- Sachs, J. (2005). *The end of poverty: economic possibilities for our time*. Penguin Press.
- Sachs, J. D., & McCord, G. C. (2018a). Extreme Poverty. In *The New Palgrave Dictionary of Economics* (pp. 4337–4346). Palgrave Macmillan UK. https://doi.org/10.1057/978-1-349-95189-5 2662
- Sachs, J. D., & McCord, G. C. (2018b). Extreme Poverty. In *The New Palgrave Dictionary of Economics* (pp. 4337–4346). Palgrave Macmillan UK. https://doi.org/10.1057/978-1-349-95189-5 2662
- Savage, G. T., Bunn, M. D., Gray, B., Xiao, Q., Wang, S., Wilson, E. J., & Williams, E. S. (2010). Stakeholder collaboration: Implications for stakeholder theory and practice. *Journal of Business Ethics*, *96*, 21–26. https://doi.org/10.1007/s10551-011-0939-1
- Smith-Carrier, T. (2017). Reproducing Social Conditions of Poverty: A Critical Feminist Analysis of Social Assistance Participation in Ontario, Canada. *Journal of Women, Politics and Policy, 38*(4), 498–521. https://doi.org/10.1080/1554477X.2016.1268874
- Verdeyen, V., Put, J., & van Buggenhout, B. (2004). A social stakeholder

CIRR

XXIX (93) 2023, 392-406

- model. *International Journal of Social Welfare*, *13*(4), 325–331. https://doi.org/10.1111/j.1468-2397.2004.00328.x
- Wan, G., Hu, X., & Liu, W. (2021). China's poverty reduction miracle and relative poverty: Focusing on the roles of growth and inequality. *China Economic Review, 68*. https://doi.org/10.1016/j.chieco.2021.101643

World Bank. (2022). *Poverty and shared prosperity 2022: correcting course.* The World Bank.