



QUALITATIVE ASSESSMENT

THE SOCIAL IMPACTS OF CASH TRANSFER PROGRAMMES IN INDONESIA

**QUALITATIVE ASSESSMENT:
THE SOCIAL IMPACTS OF CASH
TRANSFER PROGRAMMES IN INDONESIA**

Naomi Hossain, Simon Brook, Sabine Garbarino
Smita Notosusanto, Ida Ruwaida Noor, Fransisia Seda

7 November 2012

foto cover: PNPM Support Facility (PSF)

Acknowledgement

The research study was commissioned by The National Team for Accelerating Poverty Reduction (TNP2K), The National Planning and Development Agency (BAPPENAS), and AusAID, through the Poverty Reduction Support Facility (PRSF) managed by GRM International on behalf of AusAID. The study was conducted by Oxford Policy Management Asia, led by Naomi Hossain with inputs from Simon Brook, Sabine Garbarino, Smita Notosusanto, Ida Ruwaida Noor, and Fransisia Seda.

The authors who like to thank the valuable guidance and feedback that was received over the duration of the study from Vivi Yulaswati, Pungky Sumadi, Rudy S. Prawiradinata, Dharendra Wardhana, Elan Satriawan, Fiona Howell, Ari Perdana, Patrick Sweeting, Abdurrahman Syebubakar, Surya Aslim, Peter Riddell-Carre, Jurist Tan, and Patricia Bachtiar. Any opinions or conclusions made in this report are those of the research team and do not necessarily reflect those of the Government of Indonesia, AusAID or GRM International.

EXECUTIVE SUMMARY

The BLT cash transfer scheme aimed to reach one-third of Indonesian households to provide some compensation for the reduction in the fuel subsidy at a time of rapid fuel and food – particularly rice – price inflation. Cash was disbursed in several rounds in 2005-2006 and again in 2008-2009. BLT attracted considerable negative public attention due to widespread protests, chiefly as a result of perceived inaccuracies in relation to beneficiary selection; some protests were violent, and the programme as a whole suffered from adverse public attention.

Against this background, this study aimed to explore the longer term consequences of BLT, and specifically to assess whether and how social relations and institutions have been permanently marked by the experience. The study aimed to complement existing evaluations using nationally representative samples by delving deeper into social relations through the treatment of communities as 'whole systems'. The study design involved qualitative research to build 33 community cases, the impacts of BLT on which were analysed within cases and through some comparative analysis across the sample. The results are broadly illustrative, but by no means strictly representative, of the BLT experience nationally.

The results of the study echo and complement the findings of other studies, including a previous 'real-time' qualitative study in 2005 and two major evaluations subsequently. In particular, the study finds that cash transfers were particularly useful for consumption smoothing among poor and vulnerable people at a time of sharp price rises. A contribution of the present study is that it situates the experience of receiving BLT against the backdrop of the wide range of seasonal and episodic risks and vulnerabilities that poor people face in Indonesia. This highlights the value of fungible and timely cash-based interventions that are not necessarily geared towards investment in development, but merely aim to

tide vulnerable people over tough times. Despite all the criticisms of BLT (which include disagreement with the aim of consumption smoothing in favour of purely developmental interventions), this study's close look at risks and coping strategies, and at how BLT featured within these, supports the other evidence that BLT was largely successful in this goal. This was found to be the case despite the relatively small amounts transferred; however, the contribution of BLT was in addition to the coping strategies already in use by poor people, and in most cases provided a marginal rather than significant difference to how well they coped.

The study also found that most people were able to draw on a wide range of sources of support in times of crisis. Informal systems of support – particularly credit, lending of food and providing jobs by relatives, neighbours and local community institutions – were by far the most immediate and important sources of assistance, partly because they were more timely than other sources, but also because they were more accessible and responsive. Official sources of support through government development and social protection programmes were rarely among the most valued sources that people mentioned, for a range of reasons. The characteristics of sources of support that people prefer offer insights into the kinds of social protection interventions people are most likely to value and benefit from.

The study approached the question of gender as a core, rather than a residual concern. The study avoided assuming that women are 'naturally' better at household management than men, who may use cash transfers for 'unproductive' purposes such as smoking, drinking or other masculine status maintaining activities. The approach taken here instead explored gender differences in the experience of risk and in the adoption of coping strategies, drawing on an understanding of the significance within most socioeconomic and cultural systems of women's responsibilities for unpaid care work within homes and communities. These responsibilities are not identical everywhere, but women played a preeminent role in the

management of household resources, particularly in relation to food and cooking, even when they also earned incomes. Women tended to have somewhat different views to men on the priorities for household spending. For these reasons, it was important to understand how women viewed the impacts of BLT on their capacities to cope with shocks. The research found no particularly strong constituency against a policy of transferring cash to women, and conversely a reasonably consistent view that there were potential advantages in doing so, because of the widespread popular perception that BLT enabled some men to maintain unproductive expenditures on tobacco (in particular). However, both men and women recognised and value the primary contributions of men to household income generation as well as of women to household resource management. A strategic gender-sensitive approach to cash transfers would therefore recognise and seek to support the role of household resource managers regardless of gender, rather than naturalising and reinforcing such roles by targeting either men or women specifically.

As noted above, and consistent with other recent literature on complex co-variate shocks such as price spikes, collective or community-based risk management institutions are key sources of timely and accessible assistance during shocks. However, as the research found, poor people find some of these institutions to be of mixed value, as they often represent a disproportionate burden on their own human and material resources. This finding is an important and timely reminder not to romanticise customary systems of risk pooling and community work, as these may unduly burden poorer households. Under such conditions, and given that community-based coping mechanisms often fail during large scale co-variate shocks, sources of assistance such as cash injections from outside the community can be welcome.

The evidence generated through this research indicates that BLT undeniably had adverse impacts on social relations through jealousy on the part of non-recipients, decline

in trust for local authorities, and a withdrawal of support for collective public and civic work (e.g. *gotong royong* activities). Whereas one hypothesis had been that BLT recipients would become disinclined to participate in collective activities, it turned out in all cases where any such impacts were detected that the opposite was true: BLT non-recipients demonstrated their displeasure and sense of exclusion from the community by withdrawing their labour. However, in all cases, this was noted to have been temporary. No evidence was found that non-beneficiaries were continuing to withhold their contributions to collective voluntary work or risk management into the present day (2012). Accounts by local leaders, beneficiaries and non-beneficiaries indicate that such social 'strikes' were intended as symbolic, to send a message about the implications for social cohesion of excluding needy people from assistance. In several instances, the 'strikes' were said to have stopped when BLT non-beneficiaries were purposively selected to receive Raskin or other support.

In most cases in which BLT was found to have created social discontent, the effects were memorable but in fact relatively small and short-lived; the resilience of social organisation meant that good relations were rapidly restored in most locations. In a small number of cases there were more enduring adverse impacts, but these were generally linked to pre-existing suspicion of local authorities by sections of the community and/or ongoing social divisions, and highlights the importance of social cohesion and accountability in local governance. These study findings do not support those of another recent study which suggest that a decline in social cohesion caused by the BLT led to increased crime. It does, however, provide some basis for reinterpreting these findings, as most likely to refer to the social unrest (verbal abuse, protests, vandalism) and (perceived) corruption associated with BLT, than to more conventional understandings of 'crime'.

This suggests it may be worth considering carefully whether and how divisive targeting mechanisms may exacerbate pre-existing or re-ignite latent social divisions within communities. So while BLT is widely remembered as a disturbance in the community history, it is unusual to find it associated with any lasting negative impacts, largely because it was itself a temporary intervention. However, BLT may well contribute cumulatively to changes in social relations at the community level, in conjunction with other programmes that similarly target and divide communities. That is, the social impacts of BLT should not necessarily be judged in isolation, but in line with the full set of social interventions currently in place. This is somewhat beyond the scope of the present study.

While the impacts of BLT on poor and vulnerable people's capacities to cope with hard times were modestly positive, the experience of the programme – beneficiary selection, list preparation, the performance of the local administration featured and exacerbated a sense of a lack of transparency and information, suspicion, anger and mistrust with respect to both central and in particular local public authorities. Both the lack of knowledge about the eligibility criteria and the lack of credibility of the survey that verified the beneficiary list indicate a clear failure of the socialisation strategy, about which much has already been written. BLT beneficiaries, non-beneficiaries and community leaders and authorities all agreed that community-level verification or at least participation in beneficiary selection processes was necessary to overcome such failures. The research supports findings of other studies that show that the targeting process was flawed, generating high exclusion and inclusion errors, and creating distrust and bad faith as a result of lack of clarity about eligibility criteria and proxy indicators, and problems and inaccuracies with the data collection process itself.

Despite these problems with targeting, BLT was better targeted than either of the other large national programmes (Raskin and Jamkesmas), which gives rise to the question

of why BLT provoked such significant protests when other programmes do not do so on such a scale. The analysis here suggests three linked possibilities. First, that the cash nature of BLT is likely to have been part of the reason it attracted so much adverse attention when the targeting went awry: this is because compared to Raskin, Jamkesmas or indeed other interventions, BLT was attractive because it involved cash without conditions, and without stigma. BLT may also have been particularly attractive because it came at a time of rapid rises in the cost of living affecting the very poorest, the near-poor and the urban poor in different ways through the impacts on food and fuel prices. It is likely that popular discontent associated with price spikes may have laid the foundations, so that protests were easily triggered by anger over unfair 'lottery' targeting. And finally, the multiple stages of the beneficiary selection process appear to have raised expectations and then fuelled belief in corruption and bias, when people who felt they were clearly eligible were left off the list. It is not clear that other programmes suffered from similar processes in which people's expectations were so disappointingly not met.

Looked at closely, local authorities developed a number of effective responses to manage the discontent surrounding BLT; these spread the benefits more widely, to a considerably wider pool than was originally intended, through what has been described as an 'informal tax' system. This did not occur everywhere, but mainly in places where there were either highly effective protests by disgruntled non-beneficiaries, or where highly responsive and effective local administrators or politicians took the initiative to diffuse the social tensions caused by targeting errors by distributing BLT cash to non-recipients seen as particularly deserving. Local officials had official permission or authority to respond in these ways. Their actions have been classified as 'leakage', and exposes some to criminal charges. At the least, the widely practised adaptation of the BLT targeting process by local authorities means that a considerable amount remains unknown about

how BLT was in fact implemented, in particular in 2008.

A simple local political economy analysis was undertaken to identify 'winners and losers' from the BLT programme. From this it emerged that local authorities in general felt aggrieved by the programme, largely because it imposed upon them considerable responsibilities for managing social discontent aroused by it, without the authority or resources to manage it. Nevertheless, some local authorities may be said to have benefited either through corruption (most likely in an extremely limited form, particularly compared to other programmes), or through feeding patronage networks and building local political capital. However, local authorities generally benefited to the extent that they succeeded in managing the BLT programme in ways that in effect diverted resources away from their officially designated recipients.

A fairly detailed analysis of the features of BLT in relation to good practice in cash transfer programmes was also undertaken. This concluded that:

- Context-sensitivity is necessary to optimise the positive impacts of cash transfer schemes. Amounts transferred may be variable, depending on the local cost of living index and the type and distribution of risks and vulnerabilities
- Sensitivity to gender needs to be mainstreamed throughout design. A specific area of concern is the need to take into account the different responsibilities of men and women for household care work and managing household resources. Gender-sensitive targeting within households is likely to improve the public perception of cash transfers and the human development outcomes.
- Cash transfers cannot protect against all vulnerabilities, but are an effective means of responding to the many natural and environmental disasters that people are vulnerable to in Indonesia. The speed with which they can be issued means

they may also be an effective means of countering sharp rises in the cost of living – fuel or food costs, for instance. Provision of an 'automatic stabiliser' – a cash transfer automatically triggered in response to a price or other shocks – would help households reduce adverse coping strategies such as dangerous migration, asset sales, or school dropout. This is because over time, people come to recognise that they can expect protection against price shocks, and so hold off on negative responses.

- No targeting procedure is perfect, but a popular, sustainable and effective cash transfer scheme requires intuitive, clear and objective external criteria combined with some community involvement in both the development of targeting criteria and in the process of targeting itself. This will reduce negative responses, jealousy, and disruption to social cohesion, although it will never eliminate them. It will ensure local authorities are more supportive, which is critical to its long-term survival. And it will tap local knowledge about vulnerability, so that those who need the support have a better chance of receiving it. Particular attention needs to be paid to removing systematic biases against socially excluded groups, for example by relaxing requirements for official identification; by building in cross-checks and accountability and grievance mechanisms to ensure poor newcomers, migrants and minorities are not being excluded, and by clarifying definitions and criteria of eligibility so that, e.g., independent older members of extended households are not inaccurately presumed to be full household members.
- Social protection design should in general be alert to the potential but unquantifiable costs of targeting on social cohesion and social relations. One-or twice-off targeted cash schemes may not have caused lasting damage to the social fabric. However, over time, the accumulation of targeted schemes may cause or entrench social divisions. This creates the risk of reducing the social capital which this study has found to be generally strong

and the mainstay of coping mechanisms for most poor people (which other Indonesian evidence supports).

- Cash transfers can be helpful sources of consumption smoothing that can complement already existing coping mechanisms, but in small amounts these are unlikely to transform poor people's lives. That the purpose of cash transfers in relation to price shocks are to help avoid adverse human development outcomes instead of contributing to further development could be communicated more effectively. One strategy for doing so may be to clarify that the recipient of the cash transfer should ideally be the person responsible for managing household needs.
- Distribution systems need to be sensitive to the costs of travel and of time, and future schemes could usefully investigate smartcard and mobile phone transfer technology. Alternatively, more localised distribution points can be established, alongside a strengthened accountability system and functioning grievance mechanism.
- Transparency is vital for accountability. Better, more accessible information and far more effective communications, both to local officials and to the wider public, are essential for the smooth and efficient operation of a cash transfer scheme.

Socialisation programmes need to take multiple formats and be presented accessibly, in multiple languages, and disseminated through (e.g.) television, print, public offices and health centres, and through opinion formers such as religious leaders. Accountability mechanisms need to be built-into cash transfer programmes, and should not be an afterthought. A more accountable system is likely to avoid many of the problems experienced by BLT in the past, in particular the decline in trust of public authorities that resulted from the lack of transparency about the programme objectives, and from suspected corruption in its targeting and implementation. In addition, a more accountable system is likely to actively prevent nepotism and corruption in beneficiary selection and thereby improve targeting outcomes. .

- Feedback and grievance mechanisms are also central to accountability. There is ample recent evidence of how and why grievance mechanisms are likely to operate in the Indonesian context, including the need to build them in as part of wider programme design rather than stand-alone elements, ensure they are adequately financed and resourced, equipped with appropriate standards and targets, subject to monitoring and evaluation, accessible through multiple channels, and independent.

TABLE OF CONTENTS

Executive summary	i
Table of content	vi
List of tables and figures	vii
Abbreviations	viii
1 Introduction	1
1.1 Background and policy context	1
1.2 Study objectives	2
2 Methodology and approach	3
2.1 Key research areas, questions and assumptions	3
2.2 Key themes arising from the literature review	3
2.3 Field research design	6
2.4 Field research process	12
2.5 Data management	12
2.6 Analysis process	12
2.7 Advantages and limitations of the approach	15
3 Coping with shocks and vulnerabilities	16
3.1 Crises, shocks and vulnerabilities	16
3.2 Coping strategies	24
3.3 Sources of support	27
3.4 Gender and the use of BLT	30
4 Community risk management, trust and social cohesion	33
4.1 Collective risk management systems	33
4.2 Impacts of BLT on social relations	35
5 Perceptions and experiences of BLT	41
5.1 Popular perceptions of targeting	41
5.2 Beneficiary selection processes	44
5.3 Local administrative performance	48
5.4 Winners and losers from BLT: local political economy analysis	49
6 The relationship between BLT and other programmes	53
6.1 Impacts of BLT on other programmes	53
6.2 Comparative analysis of BLT	54
7 Conclusions	59
7.1 The social impacts of BLT in summary	59
7.2 Implications for policy and practice	62
Annex A Key research questions	64
Annex B International experience in delivering emergency cash transfers	66
Annex C References	71

LIST OF TABLES AND FIGURES

Table 2.1	Site selection criteria	9
Table 2.2	Fieldwork phases	12
Table 3.1	Shocks, vulnerabilities and crises	17
Table 3.2	Longer term impacts of coping strategies on wellbeing, livelihoods and resilience	27
Table A.1	Matrix of key research areas and key research questions	64
Figure 2.1	Site Selection	8
Figure 2.2	Coding frame for SICT study	13
Figure 2.3	Data management and processing using NVivo 10	15
Figure 3.1	High frequency terms in discussion of coping mechanisms	26
Figure 4.1	Social cohesion and the impact of BLT	34
Figure 6.1	The impact of BLT on other programmes	54

ABBREVIATIONS

BLT	<i>Bantuan Langsung Tunai</i> (Cash Transfers)
BPS	<i>Badan Pusat Statistik</i> (National Statistics Office)
BOS	<i>Bantuan Operasional Sekolah</i> (School Operational Assistance)
CBT	Community-based targeting
CCT	Conditional Cash Transfer
CT	Cash Transfer
NTT	<i>Nusa Tenggara Timur</i> (East Nusa Tenggara)
PEVR	Post-Election Violence Recovery
PKH	<i>Program Keluarga Harapan</i>
PNPM	<i>Program Nasional Pemberdayaan Masyarakat</i>
POSYANDU	<i>Pos Pelayanan Terpadu</i> (Integrated health post)
RASKIN	<i>Beras Miskin</i>
ULSPP	Urban Livelihoods and Social Protection Programme

1 Introduction

1.1 Background and policy context

A number of cash transfer schemes have featured in the Government of Indonesia's social assistance strategy over the past decade. Amongst others these include:

- Program Keluarga Harapan (PKH): A conditional cash transfer scheme targeting the poorest households to receive cash transfers of between IDR 600,000 and IDR 2.2 million per year on condition of children's school attendance and accessing basic health services. Piloted in 482,000 households in 7 provinces in 2007, it has since expanded to 700,000 in 10 provinces, and is projected to reach about 3 million poor households by 2014; and,
- Bantuan Langsung Tunai (BLT): An unconditional cash transfer intervention in 2005 and 2008 designed to protect poor people against the effects of a fuel subsidy withdrawal. BLT was targeted to over 19 million beneficiaries through monthly IDR100,000 cash payments disbursed quarterly between October 2005 and September 2006, at an estimated cost of US\$2.4 billion. BLT was re-launched to protect the same beneficiaries against the 2008 fuel price hike.

The BLT programme was associated with a significant degree of social discontent, protest, and conflict, particularly in 2005. Although by 2008 there were fewer associated protests, public perceptions of cash transfer schemes (particularly BLT) are generally believed to be negative. There are concerns that cash transfers, and perhaps particularly unconditional transfers such as the BLT, may have negative impacts on participation in other components of the Government's antipoverty programme, specifically by crowding out participation in collective activities in the flagship community empowerment programme, PNPM, or by

encouraging indolence or "negative" forms of consumption (e.g. spending on tobacco or alcohol).

1.1.1 Policy context

Evidence prior to this study suggests perceptions of mis-targeting and/or unfairness in beneficiary selection and other aspects of local implementation processes have been causes of discontent at the community level and among other potential beneficiaries. Institutional issues and problems with coordinating program delivery between different levels and agencies of government (particularly for BLT) appear to have been important sources of negative perceptions of cash transfer programs among local officials, community leaders, village heads, and other local elites. Other negative perceptions that have featured among local officials, political leaders and in the media include concerns that cash transfers may lead to indolence and/or unwillingness among beneficiaries to exert themselves in collective or community-based activities. The evaluation reports and other studies indicate that failures to adequately 'socialise' the objectives and process of the BLT (and PKH) contributed to these perceptions, and that negative perceptions have substantially subsided as more evidence and clarity about the programmes have emerged. A recent review by the World Bank concluded that BLT had been reasonably effective and well-targeted, but that cash transfers, particularly unconditional ones of this kind, remain susceptible to political manipulation.¹

To help avoid the previous problems associated with BLT in potential future similar programmes, or at least reduce and mitigate their impacts if they do occur, it is necessary to better understand how and why they occurred as a result of BLT and people perceptions of them.

¹World Bank (2012).

1.2 Study objectives

In light of social conflict around BLT and concerns about negative perceptions of cash transfers, stronger evidence is needed about how cash transfer schemes actually impact on poor people and their communities. There are particularly significant gaps in knowledge of how cash transfer programs have impacted on Indonesian society in terms of social relations, trust, participation in community activities, and mutual support mechanisms. These gaps in knowledge are not easily filled through existing data sources such as media reviews or surveys, and require purposively gathered qualitative evidence to support interpretation of the available data.

The research was designed to generate evidence about the social impacts of cash transfers, with the objective of assessing the longer-term (historical) impact of BLT in 2005 and 2008 on social capital and social cohesion, including levels of trust within the community, participation in voluntary activities and mutual support strategies.

The study aimed to explore whether and how unconditional cash transfer schemes interact with other programmes and, in particular whether any longer-term effects of the BLT interact with and shape the short-term effects of the other. For instance, if there are lasting effects from the BLT on community relations and trust, do these shape perceptions of other programme, or mechanisms for articulating grievances about its implementation (etc).

1.2.1 Scope of the study

The study provides a qualitative assessment of the impacts of unconditional cash transfers through the BLT. It was designed to explore whether / how the BLT has in the past (or its impacts continue to) interact with uptake of and participation in the PKH, PNPM and Raskin programmes. The scope of the study includes a temporal aspect, as it aimed to generate evidence both about the longer-term impacts of past interventions as well as the immediate effects of contemporary

programs. The scope of the study was national, in that it aimed for an assessment of these impacts that was broadly illustrative of differences across the diverse geographical, economic and sociocultural provinces of the country.

The study did not aim for a definitive assessment of the accuracy or otherwise of the targeting or implementation of the BLT programme. The scope of the work limited its focus to the perceptions and experiences of the selected respondents, and did not enable it to provide a means of quantitatively assessing the past accuracy of targeting or implementation of the BLT. The available evidence indicates that perceptions of mis-targeting are likely to feature prominently among respondents' perceptions of the programmes (Hastuti, Toyamah et al. 2005; World Bank 2012c), and so care was taken to clarify whether findings relate to targeting or other aspects of implementation, or to other features of cash transfer programs. Attention was also paid to any evidence of systemic gender dimensions to targeting errors, for example whether there were systemic biases towards inclusion or exclusion of female-headed households.²

²The study design and sampling method will distinguish between 'female-headed' and 'female-maintained' households. Female-maintained (also known as de facto women-headed) households are those where a woman is the primary bread-winner due to incapacity or absence of adult males. Female-maintained households may not be officially registered as female-headed households, and so particularly vulnerable to exclusion from social assistance.

2 Methodology and approach

2.1 Key research areas, questions and assumptions

The research questions are based on assumptions that:

- Collective risk management, including informal systems of mutual support and assistance, is an important element of how poor people cope with income shocks;³
- Perceptions of cash transfer schemes have an important independent effect on their legitimacy in the eyes of non-beneficiary community members, local officials and national policymakers; this can affect how well they work and their sustainability;⁴
- Targeted cash transfer schemes have the potential to:
 - a. shift incentives for participation in community and collective activities, as cash transfer schemes have the potential to 'crowd out' customary or collective social protection or public goods provision;⁵
 - b. create resentment of beneficiaries and/or reducing their net wellbeing (material, relational and subjective) as a result of jealousy;⁶
 - c. reinforce or challenge social norms, for example around gendered roles to do with childcare, household consumption or financial management⁷.

³Norton et al (2001); on Indonesia, see Sumarto and Suryahadi (2010).

⁴See Lindert and Vincensini (2010).

⁵Albarran and Attasio (2002).

⁶MacAuslan and Riemenschneider (2011).

⁷E.g. Molyneux (2006).

In order to test these assumptions, the research addresses four broad research areas related to the social impacts of unconditional cash transfers:

- Coping with shocks;
- Community empowerment, trust, social cohesion;
- Impacts on other programmes; and,
- Sources of social conflict.

Specific, nuanced and in-depth information was collected to address a range of key research questions related to each area (see Annex A).

2.2 Key themes arising from the literature review

In order to frame the research questions and design, and to help inform the development of research instruments, a review of relevant literature was undertaken. There is a small literature on the wider social effects of social protection interventions, including of conditional cash transfers. In order to inform the research design and analysis, the literature review was composed of a series of mini-reviews of relevant thematic areas. Because the specific and diverse social structures, cultural forms, economic and political institutions and ecological conditions of the Indonesian archipelago are highly likely to influence the nature of the social effects of a programme, the literature review focused, wherever possible, on evidence from Indonesia. Topic areas included:

- Coping strategies, particularly in relation to price shocks;
- The contribution of cash transfers to coping with economic shocks;
- The impacts of cash transfers on social relations;
- The interaction between cash transfer programmes and other interventions; and,
- Experiences with good practice in relation to delivery of cash transfer schemes.

Because of the necessity to cover several large bodies of literature, the review was selective rather than exhaustive, and focused as far as possible on high quality recent material, and in particular on evidence of responses to the kinds of complex shocks to which Indonesia is exposed, particularly price shocks (as distinct from climate-related, natural disasters and/or conflict). In addition, a review of findings about good practice in cash transfer programmes, tailored to the Indonesian context and experience, was also undertaken. The synthesis literature review and good practice note are available in Annex B to this report. Key findings from the literature review are summarised below.

Price shocks and coping strategies

A relatively recent body of literature focused on the poverty and social impacts of financial and commodity **price shocks** such as the peso and East Asian crises of the 1990s and early 2000s, and the food, fuel and financial crises from 2007. This literature focused on large-scale or covariate shocks transmitting to national, regional or global levels and attempts to trace the effects of complex events such as banking and currency crises, their political aftershocks and fiscal adjustments, and commodity, food and production input price spikes. Combinations of shocks such as these have been described as ‘a perfect storm’ or a ‘hydra-headed crisis’ and are predicted to be on the rise.

There are no universal sequences according to which people adopt **coping strategies**. Calculations differ depending on what matters most to people in particular situations: in some contexts people prioritise preserving assets over nutrition or investments in human capital; in others, protecting social status means people avoid diversifying into demeaning types of work. Broadly, the continuum of ‘coping’ strategies follows a sequence from the most resilient and least harmful (e.g. diversifying livelihood activities incl. migration) to permanent damage to people and family units (e.g. permanent withdrawal of children from education or risky livelihood activities), or

‘failing to cope’. Recent accounts from **Indonesia** show that these strategies mostly fall along the resilient end of the coping continuum including curbing or cutting consumption, particularly on non-essential items, migration, informal rather than formal employment or more women entering paid work (with implications for their unpaid care responsibilities). Because of their responsiveness and immediacy, informal and/or customary risk-pooling and support mechanisms continue to play a – and very likely the most – significant role in protecting people against the worst effects of crises, both idiosyncratic and co-variate. This appears to be particularly true for Indonesia, but it may in part be an artefact of the rich anthropological and sociological literature on coping from the late 1990s crisis; however, protracted or severe collective crises are perceived to weaken the effectiveness of informal social protection arrangements.

Effect of cash transfers on intra-household relations, communities and society

Cash transfers have a number of advantages over other interventions in addressing shocks, including portability, fungibility, and relatively low administrative costs of distribution; these characteristics help cash-based deliver timely, popular responses at relatively low administrative cost. Technological innovations such as mobile phone-cash transfer systems are rapidly improving the prospects for delivery.

In addition to being protective (providing relief), preventive (averting deprivation) and/or promotive (enhancing incomes and capabilities), social protection interventions can be “**transformative**”. Transformative objectives aim to address concerns of social equity and exclusion which often underpin people’s experiences of chronic poverty and vulnerability. However, recent research points out that cash transfer interventions are evaluated against their first order effects on poverty or human capital, with their impact on social relations within and between households typically more limited. Feeling shame of being poor and receiving social support, such as cash transfers, is a common

theme. There is little known of whether **stigma** results from cash transfers in Africa or Asia, but evidence from female recipients of cash transfers in South Africa, indicate that these can help to alleviate the stigma associated with poverty rather than create it due to perceptions of creating dependency etc.

Cash transfers can have positive as well as negative impacts on **social capital**. Evidence from Asia, Africa and South America shows that cash transfers can result in increased collaboration and trust at community level (e.g. through greater participation in community meetings, visits to health clinics—as part of conditions to receive benefits—or increased involvement in community saving initiatives) or more positive relationships due to a reduction in hunger, stress, begging or even reduced crime. However, this does not necessarily translate into an articulation of voice in local politics. Cash transfers can have negative repercussions if the targeting is perceived to be unfair, as was seen with Indonesia's BLT.

Much of the literature concerning **gender** and cash transfers/ social protection interventions is about targeting women as recipients on the assumption that they will spend the additional income for the good of the household (children's health and education, food), and will experience empowerment. Some research questions these assumptions, arguing that empowerment is multi-faceted and long term goal, and beyond the scope of a single policy intervention; more significantly, CCTs in South America show that imposing conditionalities on women can reinforce traditional distributions of domestic labour and/or increase intra-household tensions (by excluding men). Gender analysis needs to go beyond stereotypes about gendered behaviour if social protection interventions are to succeed.

Effect of unconditional cash transfers on other programmes

No direct evidence of the impacts of unconditional cash transfers on incentives to participate in other types of programmes (e.g. in which benefits are conditional or collective)

could be identified. However, a growing body of evidence on CCTs (chiefly) has implications for other aspects of social and institutional life. These may help in the development of hypotheses about the impacts of cash transfer schemes on participation in other programmes. Available research is concerned with impact on labour market participation, crowding out informal transfers, civic participation and social capital. The evidence is mixed and highly contextual.

Emergence of social conflict in response to the BLT

When the BLT was first introduced in 2005/2006 conflict occurred in a large minority of communities, including complaints, protests, injuries, threats to village officials, and vandalism. While the incidence of conflict declined in 2008, leakage - whether corruption or community sharing of the benefits - increased. Weaknesses in communications about and socialisation of the BLT programme were identified as the source of the lack of popular understanding of the eligibility criteria and implementation process. Targeting errors of both exclusion and inclusion were high: while BLT recipients were on average poorer than non-recipients before the transfer, some 37% of recipients were in the top three quintiles, and half of all poor households were excluded. Despite this, BLT was the national scheme with the most accurate targeting to date, with the poorest 40% receiving nearly two-thirds of all BLT benefits. However, mistargeting was understood to have had a strong negative impact on local communities and in the overall reception of BLT. One study found women's participation in group activity – treated as a proxy for social capital decreased and that self-reported experiences of 'crime' (of unknown forms) rose in areas where BLT targeting had been less accurate, concluding that the adverse impacts on social cohesion of high inclusion errors was the cause of the rise in crime.

These lessons from the literature review were kept in mind during the research design and analysis processes.

2.3 Field research design

The research design process was a multi-stage process involving feedback from funders and other experts and qualified commentators, in discussion with the core research team at OPML (responsible for overall design and delivery) and the University of Indonesia LabSosio team (responsible for field research implementation).

2.3.1 Rationale for a qualitative case study approach with comparative elements

In light of a) the qualitative, longitudinal and process-oriented problem the study was attempting to understand, and b) the availability of several high quality evaluations of the impacts of BLT which account for how the programme worked and why, a qualitative case study approach with comparative elements was adopted. This was judged to be necessary to make it possible to dig deeper into the social relational impacts that the more conventional large 'n' evaluation techniques do not or cannot tackle. As the robustness of policy research is typically judged in terms of sample size, technical sophistication in the analysis process (usually econometric methods) and the use of quasi-experimental techniques, it is necessary to explain and justify the use of the qualitative comparative case approach, so that its claims to rigour and value-addition to the policy evidence base are clear (George and Bennett 2004; Gerring 2004; Booth 2008; Flyvbjerg 2011).

Through the design process, the research team and funder agreed on a relatively small 'n' study, generating qualitative data from 33 community 'cases' to enable comparative analysis where relevant, as well as the drawing of inferences from a sufficiently diverse range of geographical, ecological, socio-political, and economic contexts to be illustrative (not representative) of the Indonesia-wide context.

There were two motivations for selecting a relatively small 'n' sampling strategy. The first was that existing research made it possible to anticipate that the effects on social relations of the BLT would be highly heterogeneous, as a result of how the existing diversities of social, political and economic setting interacted with the local variations in how BLT was rolled out and managed (Hastuti, Toyamah et al. 2005). As it was precisely an understanding of the interaction of social and economic context with the social relational outcomes of BLT which the study aimed to assess, a large 'n' sample size was unlikely to be of value, as no meaningfully robust statistical analysis could be achieved from the analysis of numerous highly diverse outcomes (see (White and Phillips 2012).

A second reason for the small 'n' sample was that the issues the study aimed to understand were not amenable to the tools used for data collection for large 'n' studies, in particular survey questionnaires. The central aim of the study was to understand and assess any possible long-term unintended adverse impacts on social relations arising from the BLT programme. This meant that in order to fully understand how the BLT impacted on social relations, it was necessary to understand key aspects of the social systems in which people live, in particular the kinds of risks they face, and the resources, material, institutional and relational, on which they can draw to protect themselves against shocks, as well as how BLT interacted within these settings. One way of putting this is that the study required analysis of communities as 'whole systems', rather than conducting household or key informant interviews taken out of the context of their system or 'case' (community) of which they are a part. To understand how social relations were impacted required analysis within as well as across cases, or as has been recently described, of 'studies of "the case"' (Stern 2012). Treating the community as a whole system required collecting more, more intensive or concentrated, and different types of data than is customary with large 'n' approaches. This included data relating to the objective material conditions of life as well as the more subjective, experiential and

relational dimensions of social and household interaction, community and cultural institutions, and public authority-community relations. To illustrate the intensity of the field research activities, each 'case' required a working month of data collection activities (24 researcher days), in addition to site selection work and on the basis of prior knowledge and/or key informant information gathered from provincial and district levels.

The comparative elements of the analysis focused strategically on gaining a policy relevant understanding of the determinants of the variations in levels and forms of social discontent relating to the BLT. The cases were also designed to explore, in a relatively open-ended manner, any potential longer-term effects this may have had on other programmes and social relations and institutions.

2.3.2 Site selection

To enable a meaningfully illustrative spread of cases that would also enable comparative analysis were relevant, communities or research sites were selected on the basis of a selection process at the province level. Each provincial 'sample' of three cases aimed to achieve a spread across key variables of:

- Poverty levels;
- Rural or urban/peri-urban location;
- Extent / severity of BLT-related discontent;
- Presence/absence of other programmes;
- Presence/absence of other sources of pre-existing tension or conflict; and

The site selection process involved discussions with district and sub district authorities and drew on existing knowledge of the provincial university researchers who participated in the study. The University of Indonesia field research team leaders finalised the site selection, in discussion with the study coordination team. In several instances, the qualitative research process uncovered evidence that rendered distinctions between the cases less clear-cut than was originally assumed: for instance, an

area known to be extremely poor may have been found to be relatively stable, in contrast to the nearly poor area, in which people lived with extremely vulnerability. Alternatively, social relations in areas in which violent outbursts erupted over BLT were not necessarily more affected than social relations in areas in which discontent seethed quietly. In some instances, it became clear that selected sites were not appropriate, and some were replaced.

Table 2.1 Site selection criteria

Province	District	Sub District	Selection Criteria														
			Nearly poor	Poor	Very poor	More explicit BLT related discontent / conflict	Little or no explicit BLT related discontent / conflict	Rural	Peri-urban	Urban	PNPM in 2008	PKH in 2008 and now	Cash for work programmes	Highly vulnerable to natural disaster	Less vulnerable to natural disaster	High ethnic / religious diversity	Low ethnic / religious diversity
Aceh	West Aceh	Meurebo	√			√			√		√		√	√			√
	Aceh Pidie	Bandar Baru			√	√		√			√		√		√		√
	Aceh Besar	Darul Imarah	√			√				√	√		√	√			√
South Sumatera	Musi Bayuasin	Sekayu	√				√			√	√				√		√
	Bayuasin	Muara Padang		√		√		√			√				√		√
	Lahat	Jarai			√	√		√			√				√		√
Banten	Serang	Padarincang		√			√	√			√	√			√		√
	Cilegon	Cibeber	√				√			√	√		√		√		√
	Pandeglang	Pagelaran			√		√	√			√	√			√		√
Central Java	Kebumen	Puring		√			√	√			√	√	√		√		√
	Surakarta	Pasar Kliwon			√	√				√	√	√			√	√	
	Purbalingga	Karangreja			√	√		√			√	√	√	√			√
East Java	Sampang	Robatal			√	√		√			√				√		√
	Bendungan	Trenggalek		√			√	√			√		√				√
	Tuban	Semanding	√			√					√			√	√		
East Kalimantan	North Penajam Paser	Penajam			√		√	√			√				√		√
	Bulungan	Tanjung Palas		√			√	√			√				√	√	
	Malinau	North Malinau	√				√			√	√				√	√	

Province	District	Sub District	Selection Criteria														
			Nearly poor	Poor	Very poor	More explicit BLT related discontent / conflict	Little or no explicit BLT related discontent / conflict	Rural	Peri-urban	Urban	PNPM in 2008	PKH in 2008 and now	Cash for work programmes	Highly vulnerable to natural disaster	Less vulnerable to natural disaster	High ethnic / religious diversity	Low ethnic / religious diversity
South Sulawesi	Pangkajene Island	Pangkep		√		√		√			√				√		√
	Bone	Barebbo	√				√		√		√				√		√
	Sinjai	East Sinjai			√		√		√		√		√				√
East Nusa Tenggara	Kupang	Alak			√		√		√		√	√	√		√	√	
	Sumba	North Kodi			√	√		√			√	√	√		√		√
	Ende	Wolowaru			√		√		√		√		√				√
Papua	Jaya Pura	Abepura		√			√	√			√				√		√
	Merauke	Kurik			√		√	√			√				√		√
	Biak	Samofa	√			√				√	√				√	√	
West Papua	Manokwari	South Manokwari			√	√		√			√		√		√		√
	Sorong	Aimas	√			√					√		√		√	√	
	Fakfak	West Fakfak	√			√		√			√		√		√		√
North Maluku	North Halmahera	North Galela			√	√		√			√			√		√	
	Tidore	North Tidore		√			√		√		√			√			√
	Ternate	North Ternate	√				√			√	√			√		√	

2.3.3 Tools and triangulation

A number of different qualitative and participatory data collection tools were developed and/or adapted to meet the research design requirements. Most of these had been tried and tested in Indonesia, but some were new. The Research Guide (English version) is provided in in Anex D.

Key features of these tools were that they:

- Aimed to generate insights into system-wide features: the social mapping tools enabled an overall perspective on the 'community', including its geographical and ecological features, its social divisions and distinctions, and its economic resources and pressures; similarly, the institutional Venn diagrams

and 'sources of support' tool made it possible to gain insights into the universe of institutional forms and sources of support as these affect people's lives; while this generated a great deal of data that was not always directly relevant to the study purposes, it ensured a rounded perspective on how different programmes and interventions were situated within the full set of institutions and forms of assistance available at the community level;

- Were designed to maximise the potential for people's own experiences of problems and programmes without being overly driven by the research agenda. For example, people were asked to sort and

rank basic food basket and household consumption items to show how they conserve spending as a coping strategy – an exercise which enabled women to focus on an activity with which they were familiar and comfortable. Similarly, men and women were asked to describe the nature of the risks, crises or vulnerabilities they experienced; this made it possible to see that price shocks were only one of many types of shock to which many poor people are exposed;

- c. Were sensitive to gender: efforts were made to ensure the views of men and women were given equal space, although key informant interviews with village authorities and local community leaders were overwhelmingly with men, reflecting the real situation. The research tools were sensitive to gender by taking into account differences in the domestic and public responsibilities of men and women (which also differ across Indonesia), including whether and how women's responsibilities for care work affected their responses to the programme in ways that differed from men; gender sensitivity also mattered with respect to how research activities were timed, and community members were given space to set the timetable;
- d. Were sensitive to class, socioeconomic and educational difference: focus group discussions (FGDs) were organised to include people from similar backgrounds, and facilitators tried to ensure that all participants were enabled to participate as fully as possible, partly through the use of participatory and visual techniques and tools; and,
- e. Aimed to hear the interpretations and voices of those affected by BLT as directly as possible: significant efforts were made to ensure both that all participants were given the space to articulate their perspectives on the issues but also that data storage and management systems were designed to enable as rich and full direct quotation of these voices within their contexts as possible.

Not all of the field researchers were successful at all times at achieving all of the above outcomes. The risks associated with qualitative and participatory data collection techniques are reasonably well known and familiar to the OPM coordination and University of Indonesia field research teams. To safeguard the quality of the case study evidence base, the data collection process was designed to generate the same or very similar data from multiple sources: as the Research Guide clearly shows, shocks, coping mechanisms, sources of support, and experiences with BLT were discussed with local community leaders and village authorities in groups and separately, and with BLT beneficiaries, again in groups and separately. This ensured triangulation or verification of reported events or outcomes; the generation of more refined or nuanced details of these accounts; and very often, insights into the multiple perspectives, differences, and conflicts surrounding these events.

2.3.4 Respondent selection and data collection within cases

The first stage involved interviews with the heads of the village and/or neighbourhood. From these initial entry activities, permission and information were sought about how to identify BLT recipients and non-recipients. Field research teams attempted to conduct interviews with matched pairs of households in each village, to ensure that BLT non-recipients who may have been or have been perceived to be eligible were included in the research process. While accurately matching pairs of households were rarely available, it did prove possible in most Provinces to identify BLT non-recipients whom village people assumed were or should have been eligible to receive it by virtue of their poverty status. In each site the following data collection activities were undertaken as a minimum:

- A social mapping activity with a group of community leaders/village authorities;
- Three to four focus group discussions with BLT recipients (men and women separately; in some contexts, different ethnic groups had separate FGDs);
- Three to four focus group discussions with BLT non-recipients (men and women separately);
- Eight oral household history interviews, four each of recipients and non-recipients;
- At least five key informant interviews with other authoritative or well-informed community leaders or members, including women wherever possible; and,
- Secondary data collection from village authorities, to establish basic poverty,

social and demographic conditions, as well as public service provision.

2.4 Field research process

A two day research training workshop was conducted for all field researchers from the provincial universities and the University of Indonesia LabSosio team. The workshop focused on the research objectives and overall approach to the research, as well as on familiarising the teams with the tools and giving them the opportunity to try them out. Role playing and feedback sessions were also conducted. Two days of pre-testing was also conducted with the LabSosio team.

Fieldwork was conducted in three phases (see Table 2.2)

Table 2.2 Fieldwork phases

Phase 1 12-24 June 2012	Phase 2 29 June – 13 July 2012	Phase 3 22 July – 12 August 2012
Aceh, South Sumatra, Banten, Central Java	East Java, East Kalimantan, South Sulawesi, East Nusa Tenggara	North Maluku, Papua, West Papua

After each of the three phases, a feedback and reflection session was held to discuss issues and findings, review how the methodology was working, and agree any refinements to the approach or the logistics of the field research.

2.5 Data management

Quality control of the data collection and management process involved several levels of supervision and feedback. Field research was conducted under the overall supervision of the OPML coordination team, including quality control field visits to six of the 11 Provinces. Feedback about the data collection processes was provided in situ and by email on receipt of preliminary reports. The UI LabSosio team provided field research team leadership, and managed entry into communities, monitored completion of data collection activities, the quality of facilitation and transcription, and the overall progress of the research. Interviews and

FGDs typically involved both recording and a designated note-taker, and transcripts were written up as soon as feasible after the activity.

A second stage of data quality control involved review of transcripts by the UI team leaders, of the English translations by the OPML team, and of triangulating cross-checks as a result of the data processing and the analysis workshop held in August 2012.

2.6 Analysis process

Unstructured and overly open-ended analysis of qualitative data can leave room for bias, including over-statement of interesting or striking results and neglect of unsurprising or counter-intuitive results. Significant aspects of community case studies generated through almost a month's worth of researcher time spent within a community can also be lost if non-verbal and data generated through more ethnographic-types of researchers'

observations are not recorded systematically, immediately and accurately. To minimise the possibilities of bias and loss of important, non-interview data, a two stage analysis process was undertaken.

First, an analysis workshop was held, in which field researchers were facilitated to reflect on and analyse their own field experiences in relation to the core research objectives. The analysis workshop was conceived to:

- ensure valuable unrecorded insights from the field were recorded and incorporated within the analysis
- create a sense of ownership of the research among the field researchers, essential for ensuring quality of field activities that could not be directly monitored
- make it possible to conduct an iterative process of cross-checking researchers'

impressions against the data generated, to ensure further triangulation.

Second, the transcribed and translated interview and focus group discussions, including pictures and visual tools, were coded and processed in the qualitative data analysis software NVivo 10. 569 transcripts from interviews and focus group discussions from around 1500 respondents in 33 research sites in 11 provinces were coded through a mixture of a pre-existing coding frame (see Figure 1.1 below) and a more iterative process of open-ended coding and annotation. The software provided a system for storing and organising the qualitative material gathered, which made it possible to collate large amounts of free text under particular themes of interest; compare and contrast findings across regions, types of community and types of respondent; and undertake full text searches of key topics to generate concept trees from which to identify overall patterns and identify specific interviews and extracts.

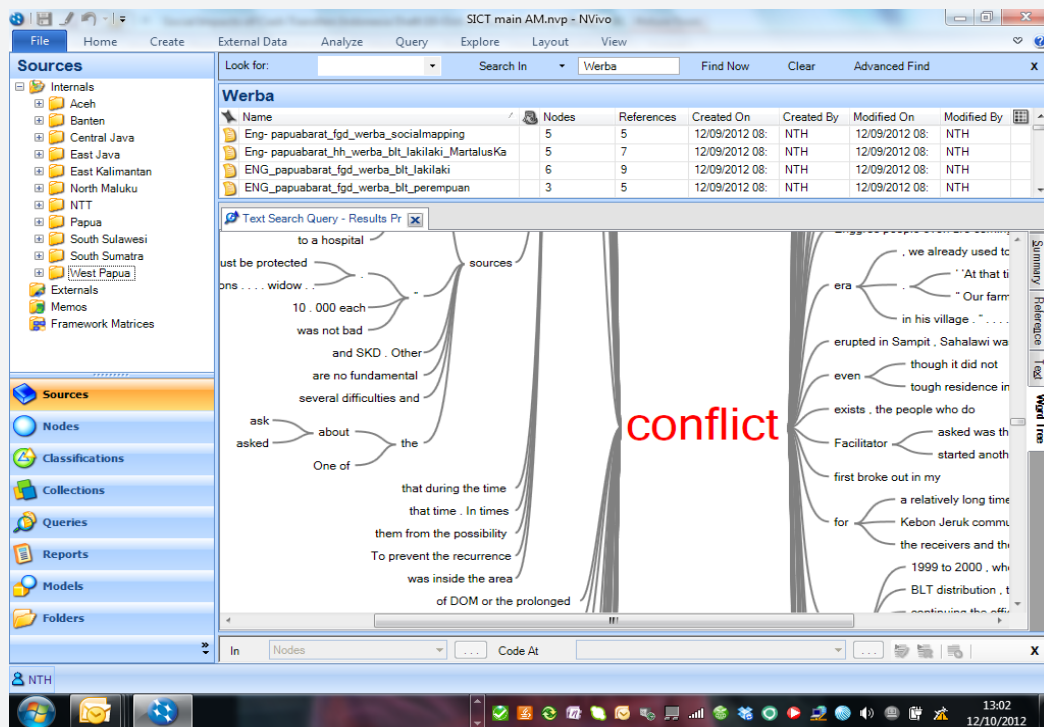
Figure 2.2 Coding frame for SICT study

Hierarchical Name / node	Definition or example
Nodes//BLT impact	What kinds of impacts did BLT have on people in this community?
Nodes//BLT impact\BLT impacts on social relations	Did BLT lead to jealousy or social conflict? Did it lead to people feeling less inclined to participate in community work? Were there whispering campaigns, complaints or outright protest? Did local village elites and officials feel people were unhappy with or critical about them?
Nodes//BLT impact\impact on coping	How did people spend the BLT money? Did it help them cope?
Nodes//BLT impact\impact on other programmes	Were there any effects on other government programmes such as PNPM?
Nodes/BLT targeting	Any discussion about who was eligible for BLT, who received it, who should have done
Nodes//BLT targeting/community targeted BLT	Did officials or communities make their own rules about who should get the BLT or how it should be distributed?
Nodes//conflict	What kinds of conflict are present
Nodes//conflict/conflict management	How conflict and disputes are managed or resolved
Nodes//conflict/conflict over BLT specifically	Any conflict specifically to do with BLT

Hierarchical Name / node	Definition or example
Nodes//coping mechanisms	What people do to cope with crises or shocks. This will include income strategies – different or new crops, new jobs, migration, working longer hours, as well as coping strategies such as selling assets or borrowing, and consumption conservation, ie what people cut down on in terms of what they eat and buy and spend on.
Nodes//coping mechanisms/gender differences in coping	Whether there are any differences between men and women in how they cope with crises
Nodes//coping mechanisms/sources of support	Where people go for help, including neighbours, community sources of support, customary institutions, religious institutions like zakat, government programmes like Raskin, scholarships, BLT, other schemes
Nodes//customary institutions	What kinds of community-based and/or traditional systems are there for building community infrastructure (like repairing roads), or for helping in crises e.g., with support for funerals or weddings, borrowing rice or providing work during lean seasons
Nodes//shocks and crises	Kinds of shocks and crises experienced here e.g., floods, sudden price rises, crop failures, natural disasters e.g., tsunami, conflict-related shocks, pests, individual shocks
Nodes//shocks and crises/price shocks	Any examples of shocks specifically about price rises

Additional coding was applied to specific topics and issues. Coding and analysis of this large volume of data took three people more than six weeks of work in total. This was considered necessary both to help avoid potential biases in the analysis process, as noted above and also to enable management of this large volume of qualitative data. Figure 1.1 below provides a sense of how the data were stored and of the uses of the software:

in addition to the coding process enabling quotations and transcript sections on relevant topics to be selected and gathered together, the software made it possible to search all 569 data sources for terms and to organise them into word trees, enabling both an analysis of emerging patterns across the entire body of data, and instant retrieval of specific data sources addressing different topics.

Figure 2.3 Data management and processing using NVivo 10

2.7 Advantages and limitations of the approach

The key advantages of the approach are the insights it offers into how communities responded as 'whole systems' to the BLT intervention. The choice of 33 sites across 11 provinces also makes it possible to gain an illustrative sense of the differences between and similarities across Indonesia with respect to how BLT was received and the impacts it engendered. The findings of the study are sufficiently robust to be consulted in the design of the planned large 'n' survey on similar issues relating to BLT, and future evaluations or studies.

The key limitation of the approach is that it is not possible to claim national or regional representativeness for these results. However, it should be noted that there are equally no strong reasons to believe that the findings, particularly those broad lesson about which it has been possible to generalise across most of the 33 sites, should not apply to comparable locations in Indonesia.

As the analytical sections of the report demonstrate, overall, the study findings are consistent with those of other studies on the subject. The findings are complementary to and supportive of the relevant findings in earlier 'real-time' qualitative work (Hastuti, Toyamah et al. 2005), as well as of recent evaluations of BLT (Bazzi, Sumarto et al. 2012a; World Bank 2012c), although there are some differences in the interpretation of these results.

3 Coping with shocks and vulnerabilities

3.1 Crises, shocks and vulnerabilities

What are the risks and vulnerabilities faced by people living in or in near poverty conditions in Indonesia? How are these distributed across geographical regions, social groups and time periods? Answering these questions is important in order to assess the nature, timing and distribution of need for support, whether cash-based interventions or other types of social protection, and to understand the patterns of coping strategies adopted by different groups under different conditions (see next section).

A participatory approach was taken to identifying the nature and distribution of risk and vulnerability across communities in the 11 provinces sampled in the study. The instruments were designed to enable people to analyse their own conditions and stressors, and so offer insights into how people themselves prioritise and rank the risks they face, and into the patterns of vulnerability over time. Respondents were asked to describe the sources of and times during which they experience what they would consider to be crises or shocks. The responses included covariate, community-level and idiosyncratic shocks, and seasonal as well as one-off events; many responses described sources of vulnerability rather than crises or shocks which had actually occurred, reflecting people's awareness of their own risk environment, and of their capacities for resilience when shocks do in fact strike. Responses from case study households and focus group discussions were triangulated through interviews and group discussions involving a social mapping exercise with the local leadership. These multiple sources permit insights into the nature of risk and vulnerability from diverse perspectives – women and men, younger and older, majority and minority groups, poorer and wealthier – and therefore offer a rounded and relatively robust picture of conditions and contexts.

Table 3.1 summarises the responses by province, grouped into i) shocks and vulnerabilities related to the environment; ii) social relational vulnerabilities, including inter-group or horizontal conflict; iii) vulnerabilities relating to economic structure, including price shocks; and iv) community- and household-level vulnerabilities, particularly in relation to education and health. The categories were derived from the coding of the transcripts. Vulnerabilities related to employment were excluded from this analysis because the risks of unemployment, under-employment, and low pay in low skilled jobs were considered too generic to offer useful insights into the questions being addressed. In each category, there are instances of group or co-variate impacts, as well as more localised and/or individual effects. No clear pattern emerged to distinguish between more and less poor communities, which is likely to reflect the fact that poverty and vulnerability do not overlap perfectly, and the poorest are not necessarily the most vulnerable (and vice versa). Clearer patterns did emerge in relation to social-ecological context: communities with large trans-migrant populations and relatively new rice-growing agricultural systems were more prone to crop failures, and environmental degradation was more evidently a concern in coastal, forest and hilly communities.

Table 3.1 Shocks, vulnerabilities and crises

Shocks & vulnerabilities related to the natural environment		Natural disasters and seasonal / weather related shocks									
Aceh	Banten	Central Java	East Java	East Kalimantan	North Maluku	NTT	Papua	South Sulawesi	South Sumatra	West Papua	
Tsunami Earthquake Strong winds / tornado affect housing, businesses Drought Flood	Drought Floods	Houses collapsed (landslide) Grubukan (tornado) strong wind Tornado & lightning led to land being electrified Hurricane Strong winds Long dry season	strong wind affect housing landslide in wet seasons	Floods Huge waves due to south wind damages their 'belat', means less fish 'konda season', when high tide comes every 1-2 weeks	Fishing has its season, also monthly cycles for fishing Mountain eruption (Mt Gamalama)	Drought Too much rain ruins crops Difficult to plant cocoa and cashew during rainy season Too much rain affects paddy Full moon and strong wind affects fishing	Japanese tsunami washed houses away Badai Topan / circle storm damaged buildings Drought Earthquake High wave season – Aug – Feb – fishing is difficult Babfronggo – west wind season in Dec-Jan	Flood Tornado Drought Flash floods Poor harvest in dry season Long dry or wet season affect paddy Windy season tough for fishermen	Mt Dempo erupted leaving ash and lava – crops failed Drought Flood Masa buntu is the coffee 'famine' season when no harvest Floods, that bring salt water	Earthquake Tsunami	

	Aceh	Banten	Central Java	East Java	East Kalimantan	North Maluku	NTT	Papua	South Sulawesi	South Sumatra	West Papua
	<p>Poultry died</p> <p>Pests</p> <p>Cocoa fruit diseased – seeds hard</p> <p>Rats attacked</p> <p>crop</p> <p>Monkey pestilence</p> <p>Locusts</p> <p>Antraknos</p> <p>'Hollow grains' harvested</p> <p>Weather affects rubber output</p> <p>Paddy is black, bad</p>	<p>'Famine' caused by plant - hopper pests</p> <p>Rats</p> <p>Crop failure</p> <p>Paddy pests</p>	<p>Nuts and vegetable crops failed</p>	<p>Crop failures</p> <p>Pine resin quality depends on weather</p> <p>Bird and rat pests affect rice crop</p> <p>Goats got disease</p> <p>Depend on rainfed irrigation</p> <p>Rice crop failure</p> <p>Tobacco crop does not do well in rain</p>	<p>rice pest, orong-orong, and snails attack rice crop</p> <p>rainfed farming</p> <p>crop failures due to <i>kiang</i> / golden snail, ground dog, sparrow, grasshopper, worm, grass, ground dog pest if lack of water, flood</p> <p>rats, squirrels, moles</p> <p>chickens diseased.</p> <p><i>Walang sangit</i> (pest) and rice straw flyer.</p> <p>Coconut tree pests are squirrels and monkeys</p> <p>Shrimp diseases</p>	<p>Veg crop failed, pesticide doesn't work</p> <p>Pests attack veg crops</p> <p>Pests</p>	<p>Livestock and other animal diseases</p> <p>Yields are low on corn and yams</p> <p>Apes and boar eat sweet potatoes and corn</p> <p>Wind damaged banana crop</p> <p>Avian flu killed chickens</p> <p>Hedgehogs (porcupines?) and apes affect yields</p> <p>Monkeys and porcupine attack crops</p> <p>Paddy has diseases</p> <p>Cocoa plagued with pests</p>	<p>Crop failure (paddy is new, planted on former swampland) affected by pests – <i>turgro</i></p> <p>Plant hopper pest after prolonged drought led to crop failure</p> <p>Wereng pest attacked paddy</p> <p>Chickens got 'snoring disease'</p>	<p>Rice fields infested with rats and other pests</p> <p>Plant hopper pests made the rice go black</p> <p>Low yield rice</p> <p>Rats affected harvest</p> <p>Leaf worm, and 'kepik hitam' destroyed rice early in the planting cycle.</p> <p>Hama wereng, wereng coklat</p>	<p>Coffee plants failed to flower for 3 years because of continuous rain</p> <p>Puso or crop failure when crops attached by rats, pigs, and elephants</p> <p>Every 5 year rats attack paddy</p>	<p>Pests attack banana plants</p>
Crop / livestock failures											

	Aceh	Banten	Central Java	East Java	East Kalimantan	North Maluku	NTT	Papua	South Sulawesi	South Sumatra	West Papua
Natural resource degradation and related conflict	<p>Paddy fields converted to housing land</p> <p>Conflict over trench water use</p>	<p>Available land unsuited to paddy cultivation</p> <p>Farming land used for housing & other buildings</p> <p>Floods caused by construction of terminal</p>		<p>Seasons are more irregular so harvests are less predictable</p>	<p>Prohibition on cutting forest or farming jakaw</p> <p>Palm oil plantations degraded soil, driving rats out and into their area where they attacked their paddy</p> <p>waste from Chevron / Unocal contaminating beach area</p> <p>companies contaminated drinking water</p>			<p>Pollution in the water from trash means declining fish stock</p> <p>Govt made a new waterway and waste flows direct to the sea</p> <p>Lots of dead fish in the sea</p> <p>Dead fish believed to be due to new ring road being constructed</p> <p>Hunting is difficult because animals have gone, growing land and forest areas declined</p>		<p>Water is contaminate (swamp water) so cannot plant rice</p>	<p>Water spinach ponds declining because of land filling for construction</p>

	Aceh	Banten	Central Java	East Java	East Kalimantan	North Maluku	NTT	Papua	South Sulawesi	South Sumatra	West Papua
Social relational vulnerabilities & crises	Water	Paddy cultivation depends on rain Long dry season Reservoir dried up		Water in dry season No water supply Land is dry	Inadequate irrigation	Clean water is difficult Water in dry season Veg die in the dry season without water	Lack of water, drinking water River ran dry Artesian well dried up	Trash polluting water Clean water pipelines cut off by strong waves Natural wells no longer useable because migrants used pesticides which entered water	Two crops a year due to lack of water		Lack of water in dry season
	Early marriage, substance abuse	House burned down during GAM conflict Refugees during conflict Difficult to plant crops during conflict Migrants after tsunami Competing with lower wages	Riots in 1998	Wedding season is costly Conflict in Central Kalimantan caused migrants to return	Alcohol abuse Chickens stolen	Christian-Muslim conflict – houses burned, refugees	Mourning is costly Wedding season is costly – required to contribute cattle	Husband abandoned pregnant wife Alcohol abuse, related to violence and traffic accidents Young people having unsafe sex			Suanggi or black magic

	Aceh	Banten	Central Java	East Java	East Kalimantan	North Maluku	NTT	Papua	South Sulawesi	South Sumatra	West Papua
Structural vulnerabilities	Corporations, private sector, brokers		CSR in Purbalingga, not supporting social life just lending money		Coconut company can mean more vulnerability also jobs Chevron gas leak Water and sea pollution from gas leak and companies	Banana company withdrew after conflict	Companies closed and workers did not get rights Strong winds – no work at the port				Nutmeg brokers are exploitative
	Land rights	Share cropping – fixed payment to landlord		Problems getting land ownership certified		Land owned by sultan, no legal title		Conflict between indigenous and transmigrants over customary vs certified land rights			
	Infrastructure	Lack of road access Flood affected bridge		Road conditions poor No sanitation No water supply				2011 tsunami flood damaged the bridge No electricity or clean water			
Price shocks (also seasonal)	High consumer prices – food &/or fuel Areca nut price down Rubber prices volatile	Rising fuel price Rising consumer prices Rising fertilizer price	Rising prices Higher fuel prices raise other prices Agricultural product prices drop High agri input prices	Fuel prices rise, and other prices follow Rising price of water	Coconut price declined Food prices up	Prices usually increase around Ramadhan Riot led to price rises Fuel price rises impact on fisherfolk	Fertilizer price increases Prices for cashew and cocoa affected by rainy season Consumer prices high	Fuel price rises affect fishermen Consumer prices rising	Food and fuel prices rising	Consumer prices going up Rubber price down Fuel price rising	Fuel prices impact Food price rises esp rice

	Aceh	Banten	Central Java	East Java	East Kalimantan	North Maluku	NTT	Papua	South Sulawesi	South Sumatra	West Papua
Community and HH level vulnerabilities	Health	<p>Lost construction job due to asthma</p> <p>Lost husband in accident</p> <p>Conflict-related trauma</p> <p>Abusive husband</p> <p>Problems giving birth</p>	<p>Appendectomy</p>	<p>Unaffordable medical treatment after accidents or acute disease</p> <p>Harvest failures lead to diseases</p>	<p>Mainnutrition</p> <p>Respiratory diseases</p> <p>No sanitation</p> <p>Loss of eyesight</p> <p>making work difficult</p> <p>Mental health problems</p> <p>Sawmill accident</p> <p>Pregnant women die before reaching health centre because of bad roads</p>	<p>Poisoning, dizzy, and breathlessness from chevron gas leak</p> <p>lung sickness</p>	<p>Husband died in riot violence</p> <p>Malaria</p> <p>Caused accident</p> <p>Child has mental health problems</p>	<p>Malaria</p> <p>other illnesses</p> <p>TB</p>	<p>Medical costs can be prohibitive</p> <p>Malaria, wet lung</p>		
	Education	<p>Burden of education costs</p> <p>Schools v far</p>			<p>Education costs are high</p>		<p>School costs and pocket money are difficult</p>	<p>School fees suddenly increased</p> <p>Books & uniform costs are onerous</p>	<p>Schools are on the mainland – transport is very costly</p> <p>Expensive school fees</p>		<p>Children's school costs</p>

Key findings include the following:

- Poor and vulnerable people across these communities experience a wide range of shocks and risks, but natural disasters, environmental vulnerabilities and risks to natural resources are particularly prominent co-variate crises. A policy implication may be that effective social protection approaches can usefully incorporate disaster risk reduction (DRR) within their design, to enable better prevention, coping and crisis management;
- Environmental and natural resource degradation were major sources of vulnerability, particularly in locations where water sources were polluted or declining. Lack of water for agriculture, drinking and washing was a particularly common concern; this did not only reflect that the fieldwork took place during the dry season, but also appeared to illustrate more sustained declines in water resources, pollution from agricultural, industrial or infrastructural development;
- Seasonal stressors remain common in rural areas, where people are dependent on rainfed crops and products or on predictable weather patterns;
- Crop failures due to weather and pestilences are the single most commonly cited type of risk, highlighting the need to connect rural social protection systems with agricultural extension services that support sustainable practices and environmental protection;
- At the local level, price movements interact closely with seasonal and one-off shocks (e.g., riots in North Maluku, rubber price volatility relating to quality);
- Food, fuel and agricultural input price rises are widely noted as a concern, but not usually the most important shock or crisis experienced⁸;
- Horizontal conflict was a latent source of tension, creating vulnerabilities in relation to land tenure in particular; violent conflict in Aceh and North Maluku and in Central Kalimantan (affecting East Java) had direct and enduring effects on livelihoods and perceptions of risk; in Papua and West Papua, relations between indigenous people and trans-migrants were tense; in almost all communities, inter-group differences shaped the nature of risk but also the coping responses to it;
- The private sector featured as a source of vulnerability when companies withdrew from the area, but also in terms of unregulated environmental damage and buying local agricultural land for non-farm uses; brokers (of fish or other agricultural commodities) were often cited as helping to spread and therefore risk, as were employers in a small number of cases; and,
- Idiosyncratic and community-level vulnerabilities included communicable diseases, and access to affordable education and health services.

⁸It should be noted that this may partly reflect the nature of the research: respondents were reminded of fuel price rises during the discussions of BLT, and were therefore prompted to discuss fuel prices. Other consumer and commodity price shocks were not, however, singled out in this way, and these were also raised as concerns in all provinces (for food)

and in sites where commodity production (rubber, cashew, nutmeg) was important.

3.2 Coping strategies

Respondents were also asked to describe their methods and strategies for managing the risks and vulnerabilities they face. The responses were again triangulated across multiple sources. Unlike shocks and vulnerabilities, which were more likely to be co-variate than idiosyncratic, coping mechanisms tend to centre around the household. However, an important finding, which affirms much of the literature on coping mechanisms in Indonesia⁹ is that the success of household coping mechanisms depends substantially on the nature and quality of the social networks and relationships within which they are embedded. This is particularly true of the customary institutions and local community arrangements for managing risk, but also to some extent of whether and how people benefit from cash transfers and other official social protection and community development schemes.

Analysis of the findings about how people cope with shocks and vulnerabilities show that these are of four broad types:

- Diversifying livelihoods, including short-term activities to increase or protect incomes such as taking on additional jobs or new working or production practices; women are particularly likely to involve themselves in petty trading and service sectors in times of crisis. Diversification also includes more enduring adaptation strategies to respond to perceived structural shocks or economic change (e.g., migration, entering new sectors, dropping out of education, cultivating rice as opposed to hunting)
- Consumption conservation, in particular cutting down on quality or quantity of food and/or everyday consumption goods such as cigarettes or children's pocket money
- Borrowing, most usually soft loans from relatives and kiosks, but also under duress, from other sources such as moneylenders and cooperatives, or from

brokers (of fish or commodities) or employers

- Sales of assets (land, but also tools) and consumer goods such as electronics or jewellery which have resale value.

People took on a range of different short-term occupations to cope with shocks, including selling food items, working as wage labourers, and providing domestic and related services. Agricultural diversification involved moving from crops experiencing frequent failure to different products, including cash crops, poultry or other livestock.

The research involved an exercise to enable people to analyse their own consumption conservation behaviour. This showed that to cut on the costs of consumption, people commonly stated that they would cut down on non-essentials first, such as condiments, cigarettes and other luxuries. Men reported that they were likely to cut down on quality and quantity, and in some (relatively rare) cases to cut out smoking altogether. Few poor people ate meat on a regular basis, but that would also be an item to cut in hard times. Rice consumption tended to be protected first and foremost, although there were very poor people who had undergone severe distress who had had to replace rice with cassava. In Papua, people complained that whereas in the past they routinely ate sago, which was freely available, their children were accustomed to rice, which was more costly. Many women reported growing or picking their own vegetables, particularly when times were hard. Fruit, milk and eggs could be costly and were often among the first items to be cut during crises. In coastal communities, fish was available, even when other food items were prohibitively costly. Children's pocket money for snacks at school time was also often cut, but never eliminated altogether. Processed foods such as instant noodles, chillies, salt and items like detergents and soaps remained important for most people.

⁹See accompanying literature review.

The costs of education are concerns that are concentrated at the beginning of the school year, and for poorer people tend to mean that their children do not transition into secondary or higher levels of education. Asset sales and borrowing for school costs are common:

We used to have rice fields but we had to sell them for our children's education – woman BLT recipient in her 50s, from a farming household in Aceh.

Usually here, when people have problems, they ask for help from competent people ... to the head of neighbourhood, the well-off neighbours ... they can borrow (money), ask for work, sometimes for their children's education, that's a classic problem ... during the new academic year, the reason was for children's education ... sometimes we couldn't bear it ... they didn't ask (money) for food, it was rare, they usually borrow (money) for children's tuition or if there were sick family members that need medication – civil servant and local community leader in his 50s, in peri-urban East Javan community.

Cooperatives were highly visible, usually as sources of credit that people found accessible, but poorer and more vulnerable people felt excluded from the cooperative:

I have never borrowed from the cooperative. If I borrow from the cooperative, they will come every day to collect repayment, while my income is not sufficient to pay my debt. Where will I get the money to repay? – 29 year old labourer/fisherman in West Papua (non-beneficiary)

I also help my wife sell vegetables at home. To buy the vegetables we also use the money from cooperative. She sells vegetables to cover the debt. If we [make a profit] we use the money to eat. We don't open our own kiosk to sell vegetable, because we need a lot of capital. But this we borrow from cooperative to buy vegetables – 41 year old dockworker, BLT recipient, in NTT.

The long-term costs of short-term credit needs can be high for people who lack alternative sources, as the case of Mrs S, a 32 year old non-recipient from a farming household in East Java:

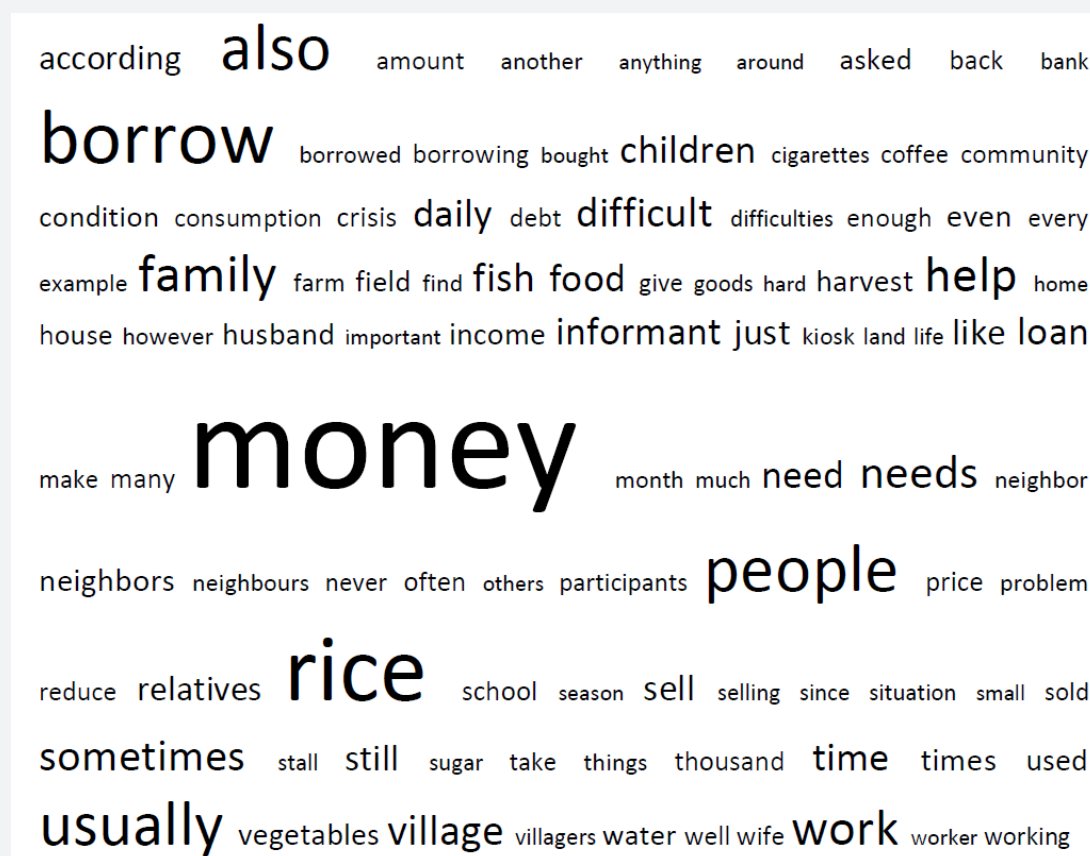
The last strategy is to borrow gold to her family and then mortgage it at the mortgage office; usually she did it to support her son's education fee. The redemption period usually 4 months, if not redeem within 4 months then Mrs. S will get penalty as much as Rp24.000,-, and deadline for arrears until 8 months, after that her gold cannot be redeem back. "...I borrow gold from my family...yes...then go to the mortgage office...within 4 months cannot redeem I got interest...24...24 thousand...if I cannot pay the interest until 8 months ... if the gold not redeemed I will lose it..."

Other people who lack family or other more affordable credit rely on expensive money lender loans.

The wordcloud in Figure 1.1 depicts the 100 terms most commonly used in discussions of coping strategies among BLT recipients, non-recipients and local elite key informants in the 33 community case studies; larger fonts indicate more frequent mentions. Within the 560 transcripts, borrowing

cash featured most prominently within how people's default crisis management strategies. Family, neighbours and local kiosks were particularly important within these discussions, as were the need to manage rice and other food security and the needs of children.

Figure 3.1 High frequency terms in discussion of coping mechanisms



Not all strategies for coping are equally effective, and an important consideration for policy purposes is how what people do to cope with short term crises affect their longer term wellbeing and human development, assets and livelihoods, and capacities and resources for future coping. **Table 1.1** analyses the medium to longer-term effects that can be reasonably anticipated from the most common coping strategies described by respondents in the study.

Table 3.2 Longer term impacts of coping strategies on wellbeing, livelihoods and resilience

Category of coping strategy	Wellbeing & human development	Livelihoods & assets	Future risk management / resilience
Soft loans in cash / kind from family, neighbours, kiosks	None, other than slight social embarrassment; as this is a reciprocal arrangement shame is not common	None likely	None, unless debts are not repaid, or reciprocal arrangements become onerous
Reducing spending on daily consumption	Negative if nutritional diversity & quality are adversely affected; cuts in nutritionally empty spending should be beneficial for health & nutrition (although unpopular)	None likely	None, unless adverse nutritional outcomes
Borrowing from cooperatives or moneylenders	Debt is a source of stress; high interest rates can crowd out HH spending	Enterprise profits may be absorbed in repayments	Indebtedness can erode resilience to future shocks
Entering new occupations	Women often take on new low-skilled low-paid occupations which can impact adversely on care of children & older people	People can become de-skilled e.g., when hunters, fisherfolk or farmers shift into wage labour for cash incomes	Some diversification strategies result in environmental damage e.g. cutting trees, over-fishing
Selling or mortgaging assets or possessions	Selling rice fields may reduce HH food security; pawning possessions can be costly	Agricultural land sales leads to share-cropping or agricultural wage labour instead of own-account farming	Unless asset base is replenished or replaced, future coping is jeopardised
Interrupting education	Low education and skills attainment	Low education/skills level cited as reason for no/poorly paid jobs	More educated people tend to be more resilient

3.3 Sources of support

The research documented and facilitated analysis of the sources of support on which people were able to call in times of need. In line with the core research assumptions, the approach was to identify all types of support, whether informal or formal, and all forms these took. The two-step approach involved enabling a listing and analysis of all of the important institutions that provided support, and then a matrix ranking to analyse which types of support were most valued, and why. The matrix ranking exercise asked people to score the different sources of support they had already identified along pre-set categories, including timeliness, fairness, the value of the support, availability of information

about the support, fit with needs, and capacity to participate or influence the type or form of the support. As the matrix ranking exercise was not used in the same way in all sites, the results from the exercise are indicative, and are interpreted together with interview and focus group discussion findings.

From the discussions around the matrix ranking exercises, several issues emerged around the kinds of support people prefer during periods of crisis:

- Whether cash, food, equipment or infrastructure (including water, sanitation and housing) were preferred as sources of support depended on the most serious vulnerabilities people were facing: there were no distinct patterns across the provinces or communities, nor between the genders
- Cash was valued for its fungibility, but this also meant that it was easy to spend; many people noted that relatively small cash amounts like Rp 300,000 were easy to fritter away. Rice subsidies and investments in public infrastructure, housing or support for livelihoods were preferable as longer-term and providing more predictable sources of support. Several people felt that if BLT amounts were increased the effects would be developmental rather than merely supporting welfare
- Raskin and BLT were frequently compared, with Raskin on the whole more popular both because it usually reached a larger group of people than BLT (and avoided some problems of jealousy) and because it was more enduring. However, while some people felt Raskin was better because it assured food security, was predictable and could not be spent 'badly', the quality of Raskin rice registered many complaints, and the poorest families reported being unable to gather enough cash to buy Raskin at the time it was on offer, and so missing their chance. In addition, in several locations, the point was made that coverage of Raskin had declined in the past year
- Being able to access the source of support as and when it is needed – or timeliness - is critical to how it is perceived. Accessibility, lack of (or little) shame, and the lack of lasting negative impacts explain why borrowing from family or neighbours was widely cited as the most important source of support
- Other informal and/or customary sources of support at the community or group level were also important. Arisans offered a valued form of savings and social inclusion, although some of the very poorest were excluded or self-excluded because of the need to make regular payments. Community rice storage systems helped secure rice supplies in rice growing areas. Collective work arrangements helped people invest in their land or repair or build homes. And expensive times such as weddings or funerals (although not educational costs) are often supported by more or less compulsory universal contributions. This tended to be more true in rural than urban communities, which lacked some institutionalised forms of social cohesion. But both socially diverse and more homogenous communities, and original inhabitants and settler groups, generally featured some collective forms of social support.

3.3.1 The impact of BLT on coping

Those who received BLT as well as those who felt eligible but did not receive it all generally agreed that BLT was a welcome additional source of support. The extent to which it was valued varied. For instance, in the Papuan communities, where almost all residents received BLT, the amounts compared to the cost of living were said to be too small, and some people said it barely justified the cost and effort of collecting the payment. For most Papuan recipients, the cash was spent within a matter of days. However, even then there were examples of people investing the cash in their livelihoods or in useful goods for the household, including in one instance, a bicycle. One 26 year old Papuan business owner, not herself a beneficiary, said she knew of instances in which the cash was used to build a small business:

I see that the Cash Transfer money that been given is only IDR 300,000 but there are people who are lucky to manage money from the Cash Transfer for small businesses. The result is very successful. Why do I say so because I heard from elsewhere the

story of a person who received Cash Transfer then he use it to open a stall but now he can open a store. From thousands of people who receive the Cash Transfer there is successful story and made a good life for his family economy life.

In places where the cost of living is lower than in Papua, the amounts were more significant. A group of men who combined work as construction workers with secondary or sideline livelihoods as fishmongers or farmers explained why they valued the BLT:

They all agreed that the Cash Transfer was quite a significant amount. Mr I said that, "it was better than nothing; in fact it was quite a large amount of money for us, sir." Mr K said "it was not bad," while Mr H said that it was "very helpful." According to Mr I and Mr H, they let their wives manage the Cash Transfer fund. To their knowledge, the money was used by their family to buy their household needs and for their children's pocket money. Mr I confirmed that "the women here are not the same as they used to be. In the old times, they waited for their husbands to come home, bringing the food and ingredients they were supposed to cook. Nowadays, we the husbands just give our wives the money, and it is up to them what to buy with the money." Nevertheless, Mr K admitted that he knows what his wife usually buys every day. "We actually know what our wives buy every day sir, we just pretend that we do not know ... We cannot comment on that, because the money that we bring home is indeed inadequate, so we keep quiet" (A group of middle aged construction worker and fishmonger men BLT recipients in Aceh).

Although consumer price shocks were not generally the most calamitous of the crises people reported experiencing, there was widespread awareness of rising consumer prices in the present, and a recollection that BLT accompanied and was intended to compensate for the increase in the price of BBM; in many places, people referred to BLT as 'BBM' money. By far the most common response to how BLT was used was that it supported everyday basic needs expenditure, in particular on food. Most recipients reported having stocked up on basics such as rice, sugar, salt, and oil. It was widely agreed that it was a welcome and valuable support to people at a time when everyday life had become difficult, particularly among people who are in any case vulnerable to a range of shocks. In many, but not all instances, it was too little to achieve more than supporting food spending for a few days, but at most, people said it covered or contributed substantially to household food costs for several weeks.

Other uses included paying lumpy school costs such as fees and uniforms, house repairs, repaying loans, and in some cases investing in livelihood activities as noted above. In a few cases, people invested in small electronic items. Respondents were in general able to recall how they spent the money with ease, apparently because receiving cash is unusual, and who received it was often controversial; collecting the payment in most cases also involved some travel. A 30 year old woman rubber tapper from Aceh whose family income ranged from as low as Rp70,000 in tough times to a more typical level of around Rp400,000 per month described how she used the money:

When asked about the benefit of BLT fund, Ibu J said that according to her, it is beneficial. "Of course it has benefits during a difficult time for me. When I received it, I bought Sanyo ... that's water pump Bu ... at Rp250,000, so out of Rp800,000 there was Rp500,000 remaining. From it I bought kitchen necessities such as oil, sugar, coffee ... From the money I also fixed the cart. I spent Rp100,000 for

repairs ... Usually I eat whatever available, rice with dishes as available. But when I received BLT, I eat tasty food a little, fish, chicken... because during difficult times, those kinds of food are often reduced ... I even don't eat fruit for one whole week.

The extent to which BLT was valued varied across provinces, communities and households according to a) the cost of living – in Papua, as noted above, Rp 300,000 was considered too small to have much impact; b) the extent to which the fuel price rise had impacted on people's lives; c) on the availability of cash: in some rural communities with subsistence-oriented livelihoods, cash was valued precisely because it could be used for household spending, school costs or debt repayment; and d) poverty and income levels and volatilities. Where the cost of food was not extremely high but the fuel price had impacted on livelihoods, BLT tended to be valued more as a means of helping people cope with difficult times. In other contexts, BLT was felt to have smoothed consumption, but not to have had a lasting effect. In the poorest and more vulnerable households, BLT was highly valued.

There were some reports that the BLT cash was used to support less positive types of spending. Across the locations there were discussions about whether the BLT money was used to buy cigarettes. For many men, cigarettes were a personal priority, but one which they were able to cut down, substitute for cheaper brands, roll their own or cut out altogether in order to prioritise food and other family spending. A labourer and RT head from East Java said:

For me cigarettes is a must ... but I only consume 1 package of cigarettes in 2 days ... if I have no money to buy cigarettes, then drinking coffee is good too ... coffee is a must...otherwise everything will taste different...

Nevertheless, when Mr M's family was in crisis, they usually bought things based on priority like rice, cooking oil, tofu, tempe, firewood:

When we run out of money, other than buying cigarettes, I would prefer use the money to buy rice ... but cigarettes is my personal necessity, if I have money, then would buy some...

The idea that cigarettes were a personal necessity which could be at least partly sacrificed for food was echoed among many men. An important point to note is that in most instances where men collected the money, the cash was reported to have been handed to the women in the household, who made the key decisions about how it was spent. Many women also reported having to allow their husbands some latitude to buy cigarettes, or 'they couldn't work' or would be unhappy.

Other reports were that BLT was used to buy alcohol or to gamble with. Spending on drink was mentioned in Central Java, NTT, South Sulawesi, Papua and West Papua, but none of these reports were confirmed. However, in two of the Papuan communities, reports of BLT being spent by men on alcohol, which then led to violence and trouble in families, were frequent and detailed enough to indicate that there had been specific adverse incidents related to BLT in those locations.

3.4 Gender and the use of BLT

Most men who collected the BLT cash said they handed it over to their wives, who generally managed household spending. Some women also collected the cash themselves. Overall, most people felt that women were probably better positioned to manage the cash to benefit the household, although a parallel view was that men should receive the cash because of their

authority as household heads, but then should probably hand it over to their wives. There were risks with this, as one village head from East Java explained:

This aid should be given to the women, because if it is given to the men, they usually keep it to themselves. For example, if you give a man one hundred thousand rupiah, he will finish it in three days, to buy cigarettes and such; but if you give the same amount to a woman, that money can last for one week, because she will use it to buy household needs ... when a man receives this Direct Cash Aid, he gives some of it to his wife, but not all of it. He usually keeps some of it to himself. Maybe he will keep half for himself. Although he gives a part of it to his wife, but it is not a lot ...

There were no clear gender patterns on this matter, as some men thought women were more capable of managing the cash to benefit the household, while some women felt that men had the proper authority and remained ultimately responsible for ensuring household income. These different views from one community in Central Java highlight some diversity on this matter:

I think it'd better the husband. In my case, I don't have husband... when a husband is available, he should be the one ... a husband is the head of a family, so the one who is responsible is the husband. When it is less than required, he has to seek and fill the gap... – a middle-aged widow, BLT recipient, in Central Java

KH: It'd better remain the head of the family, if the father gets it, it will be handed in directly to the mother – Religious leader in Central Java.

A: in this village, it is the husband who leads so that he is the first who face any problem – Community leader in Central Java

It would be better distributing it to the housewives, as housewives know better how to manage the money. True, that it's the men who work to earn money, but housewives know what to pay, electricity bill, children's school fee, etc. only housewives know this. The men only know how to make money ... – 42 year old woman farmer, non-recipient in Central Java.

A protest about the BLT scheme in another Central Java community included many mothers, because, as the RT Head noted: 'the impact of the unfairness of BLT was on the mothers, so a lot of mothers participated in the demonstration'. In both Papua and South Sumatra, respondents commented that men or women could receive the cash, but that it was probably safer for it to go to the women, in case husbands spent the money unproductively, for instance on drink. In a view echoed by several others, a 36 year old farmer in South Sumatra said:

My father used the BLT for daily needs because he could not work anymore. The recipient should have been my mom, or if I was selected as the beneficiary, I would prefer my wife to receive the money otherwise I could spend it to buy cigarettes.

While men are deemed ultimately responsible for ensuring household income, there were no strong objections to the idea that women could receive the BLT cash directly. There were some stronger views in support of it going directly to women from practical perspectives of how the

money is used. The wide variety of patterns of gender roles across these 33 communities should also be noted: in relatively few locations were women solely involved in household management and unpaid care work, and in most cases women contributed directly to household incomes. In NTT and North Maluku, many households depended substantially on women's incomes for their survival, and men were frequently working away from home for long periods. These variations are relevant in thinking about how BLT should be disbursed, to whom, and how: in many instances men are not available and the logistical and practical considerations of household management suggest that a cash transfer designed to compensate for sharp rises in the cost of living may reasonably be distributed to whichever household member manages the day-to-day spending.

4 Community risk management, trust and social cohesion

4.1 Collective risk management systems

As noted above, informal, customary or collective risk management systems are the mainstay of crisis coping strategies, and remain very important sources of assistance for people experiencing trouble. In this respect, the findings of this study are closely in line with the literature available on the role of customary and community risk management systems in Indonesia (see literature review), which also highlights the resilience and flexibility of such arrangements in response to the changing risk environment.

Some key findings about social institutions of relevance to collective risk management arrangements include that:

- Community institutions range from informal reciprocal systems for assisting people in distress, typically underpinned by kinship, to more formalised *gotong royong* institutions with set times, activities and assigned responsibilities. A

large range and number of local institutions, informal civil society groups and collective customs are of relevance to community social life and risk management

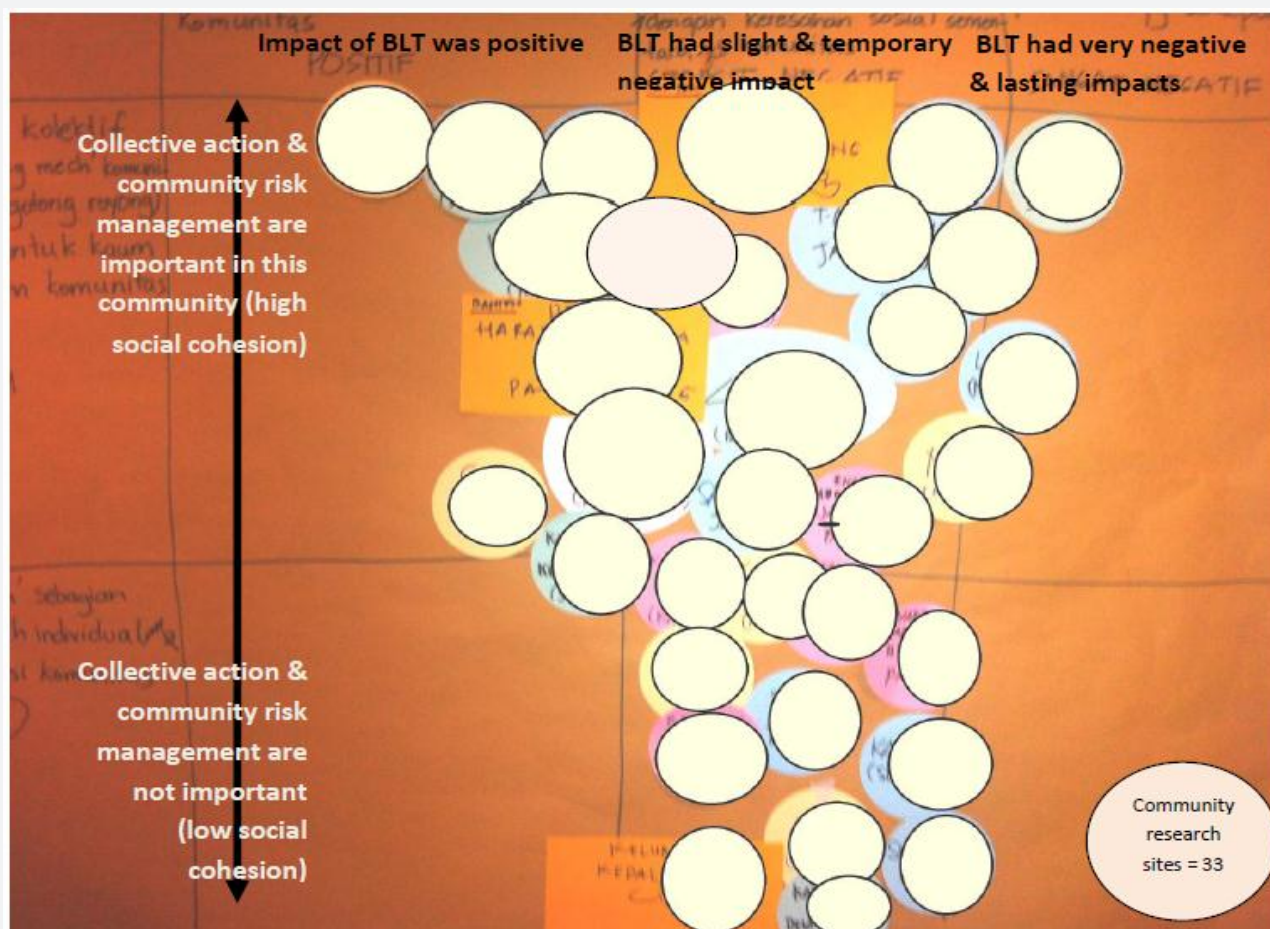
- In most rural communities, residents noted that collective social life was 'still' strong. Many people offered several examples of activities that were conducted collectively or in the wider community interest, of which several were relevant to crisis coping. Unsurprisingly, urban and peri-urban communities were more fragmented and in general had fewer functioning institutions. This was also generally true of more socially diverse and divided communities, although there were notable exceptions in which people from different religious backgrounds described collaborative working and mutual aid systems across faiths (see quotations below):

According to Mr. A, there was no such helping habit between people in his community. He said this happened because the place he lived in was already like in the city. Many people prefer to live individually. However, he still felt the spirit of helping each other with some of the other residents who he already knew for such a long time. Until now, his family had never been received any donation or funding, only received zakat (a charity for the poor people according to Islamic rule) during Eid ul-Fitr. "People who live here are not generous in giving. How it can be? Well, they always think what they will get when they give away something to others." – from an interview with a 36 year old non-recipient carpenter a peri urban community in East Java

The merging of the 10 villages has greatly affected village X. According to the village head, the impact is "there used to be 10 villages with 10 village leaders. Now the groups are protesting, because there is a dominant group. Consequently, the gotong-royong culture (joint bearing of burdens) which used to be good now does not exist anymore. Everyone wants to be the leader. People won't listen anymore." Moreover, the provocateur is the village apparatus themselves. "the local government staff can be the provocateur, causing conflict in community", said the village head – From a social mapping exercise in East Kalimantan.

- Within more diverse communities, clan, kin, ethnic or faith identities were likely to draw people together, so that there were pockets of strong social cohesion within larger and more diverse and fragmented village territories. Figure 1.1 shows the results of an analytical exercise designed to locate the 33 research sites along a continuum of high-to-low levels of social cohesion. This activity involved the analytical judgements of the field researchers themselves, and the results were triangulated against the data collected in the field. As the figure demonstrates, most of the sites – 20 – were clearly located at the high social cohesion end of the continuum. The 13 sites with medium-to-low levels of social cohesion are mainly the more urban, peri-urban or most diverse communities in the sample.
- Customary and collective risk management institutions were by no means always positive: in a significant number of communities, poorer people noted that the costs of compulsory participation in or contribution to marriage or mourning events were often so onerous as to exclude or burden them excessively. This was sufficiently widespread to constitute a non-trivial finding. This finding is also a reminder that it is important to avoid romanticising customary institutions which may in the context of a modern market economy, may have outgrown their purpose. In such settings, formal social protection schemes may be welcome relief from unmanageable expectations to contribute and participate.

Figure 4.1 Social cohesion and the impact of BLT



Source: Social Impacts of Cash Transfers study analysis workshop, August 2012

4.2 Impacts of BLT on social relations

The overall pattern of findings regarding the impact of BLT on social relations is summarised in Figure 1.1 above. As the analysis exercise found, in the overwhelming majority of locations, there was some social disruption and negative effects from the introduction of BLT, but these were neither very serious, nor did they endure. In a small number of cases, BLT was received generally positively, or at least encountered no more negative response than other programmes. And in a very small number of cases, the research teams identified lasting negative impacts. As will be discussed below, the lasting negative impacts related mainly to

officials and local leaders rather than to relations between ordinary members of the community. Table 4.1 provides summaries of responses to questions about the impacts of BLT on social relations in sites varying from very to nearly poor; rural to urban; diverse to less so; and by the perceived extent of reported or recalled conflict or trouble caused by BLT in either 2005 or 2008. Across these different categories, the finding was that social disruption, jealousy and verbal protests were commonplace, but that the effects were short-lived, and mostly directed to village officials.

Table 4.1 Impacts on social relations in selected sites, by respondent category

Site / characteristics	Beneficiaries	Non-beneficiaries	Local leaders
Aceh: rural site with more explicit BLT related discontent/conflict; very poor; cash for work programmes; low ethnic/religious diversity	No social impacts apart from jealousy because village authorities distributed BLT to all, whether or not they were officially recipients, to keep social peace People here show solidarity by working together to clean their environment; Non-recipients still help others, eg when a recipient was sick, other people took her to the hospital Policy came from government so problem not with village authorities; after protests, decided everyone should share	No serious conflict as a result of BLT. Some non-recipients think it is fate, others hope for it next time. Still active community participation eg in building mosque and langgar for reading Quran; since conflict era, people help each other out of necessity Non-recipients only asked why village leaders they did not receive and decision taken to share	After protests, meeting was held and decision to share taken. No negative impact on relationships because BLT shared BLT recipients still helped by others; good relationships seen in well attended village meetings; all participate e.g. clean village, build canal Social bonds are old and strong, strengthened by external interventions; social support not impact on participation Public trust in gampoeng officials high
NTT rural site, very poor; more explicit discontent/conflict related to BLT; cash for work programmes; low diversity	People still help each other eg for weddings or funerals; good collaboration continues in village work. No fights, no fuss because this is from the government.	In other village some people got angry but nothing like that here. Most was asking why I didn't get it; no protests. BLT and Raskin cause problems because not all get it, but people here mostly related Previous village head did not distribute (assistance of all kinds) properly and he went to prison Non-recipients fight with each other, but after that no more fights; continue to contribute and participate eg in plantation farming as before	'Quite a lot of people protested that we are also Indonesian citizens, we're also local residents, why didn't we get the money, we also need it'

<p>Central Java, rural, very poor, more explicit conflict/discontent over BLT (previous RT head resigned after it), cash for work, high vulnerability to natural disaster</p>	<p>BLT affected social cohesion 'a lot'; after protests, BLT divided into Rp 50.000 in two times; 'fights within the ladies'; 'no fighting here, not like what happened in Jakarta' 'If there is communal work, people are lazy, they say, just ask BLT recipients to work or if a request to contribute, just ask BLT recipients to contribute.'</p>	<p>Joined <i>kerja bakti</i> before and after BLT; lend to/help BLT receiver as before</p>	<p>Nearby town RT heads were asked to resign because of BLT Circumstances change, so survey results not always accurate when cash disbursed; becomes a problem so RT heads want to resign; after a meeting the situation was explained In nearby village, house of RT head was demolished by villagers, not here People said BLT recipients should do communal /voluntary work for village celebrations (sometimes joking) Cash transfers bring chaos and conflict, disturb relations between citizens even within families Verbal abuse; being ostracized /ignored for two months</p>
<p>East Kalimantan rural site; poor, little or no explicit conflict related to BLT; high ethnic and religious diversity</p>	<p>Jealousy regarding who received BLT and raskin, but not protests other than talking. People can cope without assistance and do not depend on it No conflict or disturbed relationships between recipients and non recipients</p>	<p>No conflict or change in behaviour between recipients and non recipients: "it is ok, because previously we got counseling about criteria people who accept BLT from the village committee". Both sides tolerate each other, consider it fate, live as neighbours, so receiving BLT / not is not such a big issue to create a fight</p>	<p>No big conflict or physical dispute, but Head RT felt pressured: "people come to me with anger..."</p>
<p>Papua site, nearly poor, more explicit BLT related conflict; urban; high religious and ethnic diversity</p>	<p>There were problems, and conflict frequently happens because people here easily get angry; but not much problem because most people got it Small number of people did not receive it because they were not resident then. "If we, as the Cash Transfer receivers, met other residents who did not receive Cash Transfer, they would avoid meeting us and greeting us..."</p>	<p>Non-recipients were angry and not satisfied with how village authorities collected data and accuracy of targeting Recipients and non-recipients now live peacefully, no more fighting about who received and who didn't.</p>	<p>Non-recipients usually just complain to their neighbor, get jealous, but no quarrel. Some non-beneficiaries made trouble between villagers and officers, angry and protesting. But did not last long and no physical contact, only verbal assaults BLT caused disharmony; villagers used to help each other, e.g. building houses. But 'lots of support programs also make villagers hate each other ... some get and some do not, this makes the people quarrel with each other'.</p>
<p>South Sulawesi site; peri-urban, nearly poor; low diversity, less explicit BLT related conflict</p>	<p>No effects on recipients participation in social life Plenty of conflicts relating to assistance including BLT, particularly between non-beneficiaries and the registration officer. Conflicts dominated by registration problems. Jealousy and gossip, never physical; rumours that connections determined who got it. People</p>	<p>No conflict; jealousy but not for long. No protests because there was still Raskin and the village chief is kind to people. Non-recipients are patience and accept it as fate. Residents always help each other including recipients. Relations remain the same between beneficiaries and non-beneficiaries, greet each other and help each other even</p>	<p>Beneficiaries and non-beneficiaries do communal work together without complaint; some protest from community members who thought programme was wrongly targeted. No demonstrations, just silent complaints. Some people refused community service saying 'they only gave aid to the community over there.'</p>

	<p>said it should be shared. Communal work still continues; most people still help each other, but some people did not want to help beneficiaries any more. People kept their vexation to themselves. After few days, all went back to normal</p> <p>Good relationship with registration officer</p>	<p>though some people hide their feelings. Also no bad relations with officials</p>	<p>This was sometimes only for a short time, some lasted long.</p>
<p>Banten urban site; nearly poor; little or no explicit BLT related conflict; cash for work programmes; low diversity</p>	<p>Unfairness caused jealousy and protests but no fighting Sometimes reluctant to help each other (not because of BLT), but do because all related. Community relations undisturbed by BLT; collective work, mutual aid still happen e.g. celebration</p> <p>Brought rumour/scandal about Pak RT/neighborhood head; after community meeting, recipients shared Rp 40-50,000 each disbursement with non-recipients; non-recipients get share in next BLT; direct support (BML) in Cilegon to non-beneficiaries</p> <p>People aware that data from Jakarta and cannot be changed, but lack trust in RT head. Non-recipients 'grumble in the back', blame data collection officers, RT head, village office, BPS surveyor</p> <p>BLT did not affect other programmes</p>	<p>BLT did not create ongoing disharmony; non-beneficiaries felt disappointed for a moment and got over it</p> <p>Recipients active in social activity and communal work (gotong royong) as are non-recipients; no conflict between community members; they help out those who need it, regardless of BLT</p> <p>BLT causes discord, contention, envy, anger, slander, gossip. Non-recipients feel unrecognized as citizens</p> <p>Raises conflict between society and local officials</p> <p>Not enduring; reconciled within a week; protests about poor targeting only lasted a week</p> <p>People here quite individualistic, but relations after BLT stayed same</p>	<p>Principle of working together remains; BLT did not affect social relations among community; feeling of neglect by government;</p> <p>Recipients and non-recipients all participate in communal work; people manage personal crises alone, but social cooperation eg Arisan is high</p> <p>No impact on relationships between community members or trust in local leaders, because funds did not last long</p> <p>In response to complaints, recipients were asked to share; fuss for a moment, not prolonged</p> <p>Some teasing of recipients but relationship returned to normal afterwards</p> <p>Community trust seen in village tax collection activity - 60% paid, including non-recipients who were originally on the BLT list</p>

There can be no doubt that the BLT scheme, and in particular disagreements over eligibility, widely caused jealousy, disagreements and some disruption to ordinary social relations. However, this conflict was chiefly 'of the mouth' rather than more confrontational or aggressive responses: most reports of the impacts of BLT on community relations were of complaints, whispering and gossip, and some joking about those who received it by those who did not but felt eligible:

We don't have any conflicts concerning BLT here ... even if there is one, maybe just some rumours about it. Actually protests did happen, but it didn't escalate into making a huge fight, only mouth fighting against each other ... – 33 year old male casual labourer, BLT beneficiary in Central Java.

There were some signs that women were particularly prominent in protests and complaints, possibly because they face the challenge of feeding families most directly. In several sites, community leaders mentioned whispering campaigns and gossip among the women. But women were also at the forefront of some protests, and many appear to have felt their exclusion from the BLT programme keenly. One middle-aged woman in South Sulawesi, wife of a landless labourer and a non-beneficiary, said that:

If I see someone received the BLT money, it hurts my feelings so to see [that] I have the desire to come and get angry at the location where the BLT was distributed. But my husband would not let me do such an action and he said, aren't you be ashamed to fight with those people who received BLT just because of money, maybe it was not your fortune, who knows when God will give us His blessings. Listening to his words made me stay in silence.

There were a small number of more serious incidents, including in a community in Central Java, where a village leader official was openly rebuked and verbally abused by people who had not received the payment, to the point that he offered to resign. In neighbouring areas, it was reported that the RT head's house had been attacked. In a West Papuan community, the Village Chief and Treasurer were jailed for corruption, apparently in connection with the BLT programme.

Reports of the social effects of BLT were consistent within communities across recipients and non-recipients, and no clear pattern of differences could be detected (see table 4.1 for an illustration of this point).

There was limited evidence of sustained negative impacts on the quality of social relations within communities; the ill-feeling between recipients and non-recipients was generally either mitigated by voluntarily sharing the cash, having it shared by the distributing officials, or defused by the passage of time and the perception of the need to live well together. In addition, for most people, the amounts of money were not large enough to merit sustained conflict or ill-feeling with neighbours or fellow community members.

The feeling of envy and jealousy must be there between the recipients and non-recipients, but will not affect the kinship system and the tradition of helping each other between the citizens in this village, I feel it that way. And so I happened to be one of the BLT recipients in 2008, and there was one of my next door neighbour who felt that way ... from what I've seen, I don't see there is a change in our social relationship and also people's participation among the citizens before and after BLT. And maybe because the thing I said earlier, the amount of money BLT give is small and only once a year, so [there was] no influence on the people here. But yes, there was a conflict raised when it was given, yet it was more because of there is no transparency of the data from BPS and there was no clarity about the source of the funds, that raised up a misunderstanding. – 31 year old community leader in West Papua

An important impact on community relations was that in several places, disgruntled non-recipients were said to be unwilling to undertake voluntary work for the community. As one religious leader in South Sumatra explained it, 'people who didn't get the BLT often said that they don't want to be involved in community activities anymore'. It seems that non-recipients felt excluded and showed their displeasure by temporarily withdrawing their support for communal activities. It is not clear how long this situation lasted, but most people who mentioned this issue noted that it did not last long. Nevertheless, this withdrawal from community life was notable enough to have been remembered several years later, and clearly had considerably symbolic significance in relation to perceptions of social cohesion.

These findings about widespread yet mostly verbal and short-lived conflict appear to be at odds with a recent study of the impacts of BLT, which purports to show that the effects of the BLT eroded social cohesion to such an extent that crime levels increased (Cameron and Shah 2011). Based on analysis of Susenas self-reported crime victimisation data, that analysis indicates that crime rates increased after the 2005 disbursement, in villages in which targeting errors of inclusion (i.e. selection of non-poor beneficiaries) were highest. The authors estimate that as many as 70,000 more Indonesians were victims of crime as a result of the decline in social cohesion that resulted from non-eligible people benefiting from the BLT. As such findings appear to be inconsistent with the results presented here, of social relations in BLT-affected communities some years since the last disbursement, some effort must be paid to understanding the apparent differences.

The Cameron and Shah study methodology, time-frame and conceptual framework are too different from the present study to permit meaningful comparison between results. However, while their analysis makes an important contribution to thinking about the social effects of cash transfers, the present study results suggest their findings merit further interpretation. In particular, the meaning of 'crime' needs to be unpacked; unfortunately, as Cameron and Shah note, 'crime' definitions are not specified in the Susenas survey. Evidence from self-reported crime victimisation surveys suggests that people employ a wider range of definitions of 'crime' than official statistics,¹⁰ which may include verbal abuse or threats, vandalism, and perceived injustices or corruption by public authorities.¹¹ If any of these types of

experience were reported as 'crimes' in the Susenas survey, as is possible, the finding of rising crime would be consistent with the accounts of the social responses to BLT uncovered in this present study. That is, it would be the responses to BLT itself rather than some more serious unravelling of the social fabric that the Cameron and Shah findings are detecting.

A further possibility is that the period was also one marked by rises in petty theft as a coping strategy at a time when rice prices rose sharply. The Cameron and Shah study aims to control for the fact that rice prices rose sharply in 2006 by controlling for the share of farm households and farm labourers in each village. However, it is not clear that doing so would also rule out impacts from the knock-on effects of rice prices on other costs of living, or take into account the fact that most rice producers are also net rice consumers in Indonesia (McCulloch 2008). Given that petty theft was reported as an occasional coping strategy in several locations (most likely under-reported by potential thieves), it is more plausible to believe that rapid rises in the basic cost of living contributed to rises in local theft than that poor targeting of a cash transfer programme did so.

Local officials and community leaders appear to have experienced BLT as having had more negative impacts than other communities. This is because they – rather than neighbours or fellow community members – were the object of protests and complaints, and these were widespread. In a significant minority of the communities, BLT is associated with lasting distrust of local officials and community leaders, and even more so of central government practices of targeting. However, it could not be determined whether these negative impacts on trust of local officials were exclusively or mainly the result of BLT; given the frequency of complaints about and allegations of corruption or mismanagement in other central and local government programmes of much greater duration and size, it seems unlikely that this

¹⁰This was the experience of a recent crime victimisation survey in Bangladesh, for instance (Saferworld (2008). Human Security in Bangladesh. London, Saferworld.)..

¹¹For example, 72% of Nigerians surveyed as part of the International Crime Victimisation Survey in 2006 had experienced 'threats' in the past year; 53.5% of respondents across the 13 African countries reported 'assaults without force'. One-third of Ugandans reported experiencing 'corruption' (defined as bribe-taking) in the same survey (Naudé, C. M. B., J. H. Prinsloo, et al. (2006). Experiences

of Crime in Thirteen African Countries: Results From the International Crime Victim Survey. Turin, UNICRI-UNODC...

distrust owes exclusively to BLT. The lack of faith in central government targeting procedures, however, clearly originates with the beneficiary selection process of the BLT programme.

In some – but not all – of the more diverse communities, the distribution of BLT was associated with a differentiation between the majority and the minority groups, usually in favour of those in the numerical majority. Christians in a North Maluku village complained that their Muslim neighbours were more usually selected to benefit from programmes. In the Papuan communities, the original inhabitants felt they had a clear claim on any resources that came to the area, which the transmigrant settlers appeared not to dispute, perhaps partly because of the different levels of vulnerability experienced by the two communities. It was not possible to

establish the extent to which BLT contributed to inter-group suspicions or distrust, because most other programmes and development schemes in the area were also discussed in similar terms; the safest interpretation is that a deepening of social difference seems to be part of an overall pattern in these areas, of which BLT is one contributing factor, and by no means the most significant. It should also be noted that the allocation of BLT benefits was not universally seen as skewed or biased, but more typically seen as the result of inaccurate data collection and selection processes – of incompetence rather than design. Where people believed that a systematic bias was at work in the distribution of BLT, it was more commonly the view that the village or neighbourhood leaders were benefiting their kin, locality or followers, and not that social or ethnic biases were at work.

5 Perceptions and experiences of BLT

As previous research has shown, it was issues of targeting and beneficiary selection that elicited most of the negative responses to the BLT (Hastuti, Toyamah et al. 2005). The qualitative findings of the present research are consistent with and illustrative of both the recent evaluations by the World Bank and Bazzi, Sumarto and Suryahadi,

and, with the benefit of hindsight, of the 'real-time' qualitative study by SMERU in 2005 (Hastuti, Toyamah et al. 2005). Below are some of the main generalisable insights into the perceptions and social impacts of the targeting and beneficiary selection process used in BLT.

5.1 Popular perceptions of targeting

There can be no doubt that BLT targeting was flawed: very many non-poor people benefited – some 37% of recipients in 2006 were in the top three quintiles for consumption – while half of people in the bottom two quintiles were excluded (Bazzi, Sumarto et al. 2012a). However, in terms of poverty incidence, BLT was vastly better targeted to the poor than the fuel subsidy it partly replaced: by official estimates, the wealthiest 40% of Indonesians capture 70% of fuel subsidy benefits (Beaton and Lontoh 2010). In addition, BLT has achieved the best targeting of all national social protection schemes to date, at 24% better than random (compared to only 16% for Jamkesmas and 13% for Raskin (World Bank 2012a)). While this modest pro-poor incidence may not seem an impressive achievement, the speed with which BLT was implemented should be taken into account into assessing the accuracy of targeting, as should comparisons with targeting accuracy elsewhere: in terms of reaching the poorest 40%, Indonesia performs reasonably well, and at least as well as other well-targeted programmes in other countries. Yet the large Indonesian programmes (including BLT) also suffer from higher levels of leakage to the richest 40% compared to comparable programmes in other countries (World Bank 2012a).

The research results presented here offer some insights into why systemic 'leakage' – selection of beneficiaries deemed ineligible by official criteria – is so widely tolerated, despite the plainly strong local pressures that

exist for better performance. A preliminary point is that popular perspectives on targeting, as with other issues, are not always internally consistent. Key concerns among research participants, also identified in previous research, were problems of errors of inclusion of non-poor and exclusion of poor people. As will be discussed in more detail below, most people felt that beneficiary selection processes needed to be improved through better use of local knowledge of the distribution of poverty and vulnerability, and through improved survey techniques, so that genuinely poor people were not excluded in future. Yet at the same time, the idea that cash transfers should be shared equally or nearly equally in the community – of the need for universal benefits – was also common, in particular among village officials and community leaders. The idea that assistance (BLT or other) should benefit all was reasonably commonly held, and the wide accessibility of Raskin was frequently given as one of its plus points.

The strength of feeling in favour of universal programmes can be seen in the extent to which village authorities were willing to put their ideas into practice and their acceptance by community members: in 14 of the 33 sites, people recalled that beneficiaries had been required, or in a smaller number of cases, volunteered to share their BLT payments with other local claimants deemed needy. In other communities where sharing was not enforced or strongly recommended, efforts to equalise involved earmarking future cash transfers

and/or Raskin for needy non-beneficiaries. One estimate is that 6.5% of recipients in the first tranche and 8.5% in the second had 'informal taxes' deducted from their payments, with between 40 and 62% of the cut believed to have gone towards redistribution. (Bazzi, Sumarto et al. 2012a) Some recipients reported refusing to share, while in some communities, officials were in general reluctant to discuss BLT and their practices for managing it.

In general, then, while there were strong feelings against leakage, there was also a preference for programmes which did not target and thereby divide community members. This apparent contradiction was resolved for several respondents by reference to the need for interventions that delivered public goods – bridges or roads, for instance – rather than individualised, rivalrous benefits such as cash transfers. For local authorities in particular, universal benefits are preferable to maintain the social peace so that volunteer labour for communal work is available and to enable cooperation with local and central programmes and policies; universal schemes also avoid tensions, disputes and the possibility of violence and vandalism, and avert the need for officials to redistribute, compensate and in other ways placate disgruntled non-beneficiaries.

Poor people, and particularly people who felt they had been illegitimately excluded from the benefits of BLT, were more inclined to be critical of distribution to non-poor people. Some groups such as civil servants, people with regular employment and high quality housing, and relatives and close associates of village leaders, were singled out as clearly ineligible for BLT. At the same time, from the point of view of poor but also other community members, there are also benefits to avoiding the social divisions associated with targeting. It is true that in general people prefer peace and good relations with their neighbours. And in many places, as the section above on coping showed, people also rely on community institutions for support and risk management. In a substantial minority of the communities in the research, targeting was seen as divided along native/settler or

majority/minority lines, so that the targeting was seen as yet another source of social, cultural and ethnic tension. For all of these reasons, and despite a view that clearly well-off people with good jobs and homes were ineligible, many non-beneficiaries and others felt that universal benefits were appropriate.

Partly this may reflect a real sense of the challenges of understanding and measuring poverty at the local level. Local people were confident about their better knowledge of and sensitivity to the fine gradations of difference between people, and of the variety of vulnerabilities and risks they face. Another way of putting this is that not all the transfers – or 'leakage' – to those classified as non-poor are likely to be viewed as illegitimate at the community level, because some will go to people that are considered poor by local standards but whom for various reasons have not been classified as poor according to the official criteria or survey methodology. One reason may be that vulnerabilities may be more obvious to local people than to Proxy Means Test (PMT) or other targeting survey methods, as was found in a recent experiment with community targeting in Indonesia (Alatas, Banerjee et al. 2010). The present study supports the findings of that experiment by highlighting that the wide range of vulnerabilities to which people may be prone, particularly the seasonal vulnerabilities uncovered in this study, are unlikely to be visible in one-off, annual or less frequent PMT or income and expenditure surveys. And as was frequently pointed out to the research team, circumstances often change rapidly: people migrate, lose jobs and die, so newly vulnerable people can easily be excluded by dated survey data.

All of these factors contribute to a local political economy in favour of tolerating a relatively high level of 'leakage' if that takes the form of relatively universalised benefits rather than elite capture alone. No concern was expressed about the implications for programme cost, perhaps because respondents were not asked about this, and perhaps because the programme was known to be compensation for reductions in the vast fuel subsidy.

These reasons why local community leaders and members are likely to support some leakage to the non-poor also apply to Raskin and other targeted programmes. However, they cannot explain why BLT provoked such strong and more or less universal adverse reactions, when other programmes with worse targeting outcomes by official standards – Jamkesmas and Raskin in particular – tend to elicit less serious and negative responses. From what we know of how the BLT programme was rolled out, the context at the time, and of popular perceptions of other programmes, there are at least three possible interpretations for the peculiarly adverse reaction to the targeting of the BLT programme. It should be noted that these are tentative explanations, but they are presented here because they may provide important insights into understanding why BLT – and not other programmes - had the reception it did:

1. **BLT involved cash benefits.** Apart from PKH (which remains a small and closely targeted scheme for the extreme poor of which few people have heard) cash is rarely distributed in government programmes. Raskin and Jamkesmas involve subsidised or free goods or services, and neither are unmitigated blessings. Some very poor people cannot benefit from Raskin because they lack the lump sums of cash needed to buy Raskin when it arrives; at the same time, using Raskin and Jamkesmas ties recipients into eating Raskin rice and using government health services, both of which are widely said to be of variable quality. By contrast, because cash is perfectly fungible, it is almost always desirable.¹² This means that apart from the time and other costs of collection, and potential stigma associated with being labelled a BLT recipient (none was uncovered by the research), there are no drawbacks associated with receiving BLT.

¹²Some people prefer to be given livelihood or other assets, because small cash amounts are so easily frittered away. But the goods they name tend to be of considerably higher value than the small cash amounts of the BLT, and so the comparison is not appropriate.

This is partly also why beneficiaries valued the BLT and viewed it as a positive complement to their coping strategies.

The fact that cash was being distributed rather than free or subsidised goods or services was a feature of BLT that everyone recalled easily and vividly. It seems likely that it was partly because of the novelty of BLT distributing cash that protests focused around it so coherently. That there were fewer protests in 2008 than 2005 suggests that the novelty of cash may wear off over time.

2. **Cash transfers were particularly popular because BLT was introduced during a period of rapid rises in the cost of living.** One issue which other research on the BLT has not considered to date is that of popular discontent associated with price spikes. Partly as a result of fuel price rises, Indonesians experienced rapid inflation in basic living costs, in both 2005 and 2008. The price of rice – always a sensitive indicator of popular political mood – rose sharply in both years. This means that poor people, who spend a higher proportion of their income on food, experienced sudden increases in hardship; less-poor people and the urban poor similarly experienced sharp declines in disposable income as they tend to spend more on fuel and transport than poorer people (Yusuf and Resosudarmo 2008; World Bank 2012c). This means that rather than having been introduced under ‘normal’ conditions, BLT was introduced at times when the conditions for popular protest were in place, as seen in the wave of food riots around the world, and in the.¹³ Given that BLT was widely known to be designed as compensation for the fuel subsidy cut, it is worth taking into account the distinct possibility that the perceived unfairness of BLT targeting triggered widespread

¹³Brinkman, H.-J. and Hendrix, C. S. (2011) ‘Food Insecurity and Violent Conflict: Causes, Consequences, and Addressing the Challenges’. *World Food Programme Occasional paper* no. 24.

protests, because many people were already discontented because of the sharp rises in the cost of living. Such a link cannot be proved, but it is an important part of the political backdrop against which the BLT protests were staged.

- 3. The multi-stage beneficiary selection process raised expectations:** non-recipients who had been on the initial list from local government were particularly unhappy about their exclusion from the final beneficiary list; this also damaged the authority of local leaders. In addition, as other research also noted, the lack of clarity and information about the purpose

5.2 Beneficiary selection processes

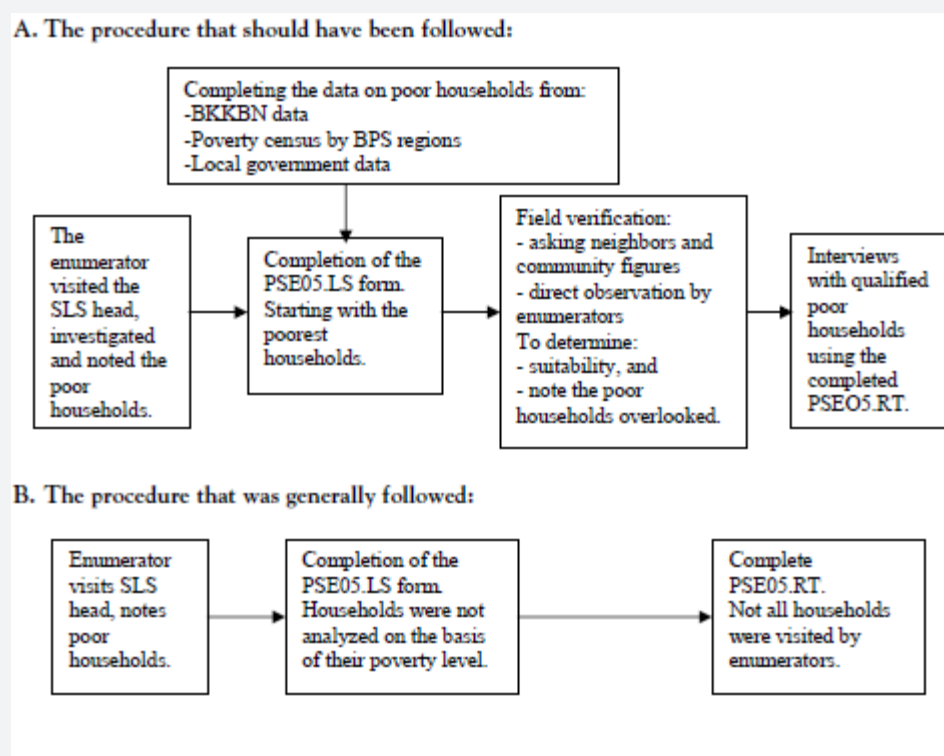
Common issues identified by both recipients and non-recipients about the beneficiary selection process focused on problems with the eligibility criteria, including lack of knowledge of official criteria and differences between the official indicators and local knowledge of poverty and vulnerability (see also (Alatas, Banerjee et al. 2010)). In general, few people knew what the official eligibility criteria were, although many believed they knew. Nor were understandings of the process of identifying beneficiaries close to official practice. In some communities, it was believed that the scheme was intended – or should be intended for – for older people, those unable to work, and widows. In somewhat fewer locations, people spoke of selection being based on disqualifying indicators, such as ownership of a motorcycle or a ceramic-tiled floor. A significant number of respondents had no clear idea about the basis for selection. It is possible that people had forgotten over the years since BLT was introduced, but this seems unlikely: the impression to emerge from these interviews and group discussions was that people were then, and remain now,

of the programme, the eligibility criteria and beneficiary selection process led to confusion and misinformation. Many beneficiaries appeared to believe that mid-course corrections could be made, and that they could be put on the list. Because the BLT was a two-off intervention rather than a more enduring programme, there was no scope or motivation for local officials to establish or institutionalise the informal grievance and feedback systems that keep Raskin, for instance, to a rough accountability.

uncertain about specifically who the BLT was intended for, and the indicators on which this was to be judged.

Knowledge of the data collection process for the beneficiary list was also uneven, and many local officials and community leaders as well as general community members were unclear about how precisely data were officially supposed to be collected and verified. These findings are consistent with recent findings from an evaluation of BLT that only 35% of households reported having been visited by the enumerators, while 8% did not know if their household had been visited or not. Several non-recipients believed that they had been on the initial list developed by local government officials, and were dismayed to discover that they had not made the final beneficiary list, and unclear about why this was the case, sometimes blamed corruption at higher levels of the system (including among BPS officials), or failure among those officials to take into account local knowledge of poverty in the area.

Figure 5.1 The BLT beneficiary identification process in theory and practice



Source: (Hastuti, Toyamah et al. 2006)

Figure 5.1 above illustrates the gap between the official process and what was actually followed in selected sites in which the SMERU real-time study was conducted in 2006. Beneficiary selection was designed to proceed by a) local officials producing a longlist of potential recipients; b) regional statistics bureaus conducting minimalist surveys of those households and some others (only 35% reported having been surveyed); and c) BPS used the data to develop a proxy means test (PMT) to finalise the list of households. The 14 indicators for the PMT drew on the survey and included floor type, wall and roof type, toilet facility, electrical source, cooking fuel, drinking water, frequency of eating meat and meals, of buying new clothes, access to public health facilities, primary income source, educational attainment of household head, amount of savings and type of assets, and floor width.

Respondents reported a number of what they saw as biases and errors relating to the enumerators' lack of knowledge of the local community: for example, some respondents

believed that people they knew had been excluded because a guest's motorcycle parked outside gave it the appearance of affluence. In some sites, people were said to have been penalised for earlier investments in their houses – possession, for instance, of recent repairs or tiled floors – when they in fact had low and uncertain incomes. A large number of suggestions and criticisms revolved around the failure to take into account local knowledge of who was 'really' poor, and included that survey administrators should enter people's houses and actually speak with them; that the RT head should provide a list; that the process should be verified or wholly implemented locally, and other variations on the theme of the need for more community-based targeting. These suggestions and the robust faith they display in local poverty knowledge over more centralised beneficiary identification processes suggest a strong case exists for local participation in the verification of beneficiary lists, whether these emanate from Jakarta or from more decentralised processes.

The time lag between the preparation of the list and the distribution of the benefits (particularly relevant by 2008) also had an effect. In the intervening period, many people's situations had changed, some older people had died, and needy new migrants had arrived or returned. Among other issues, this reflected the high levels of vulnerability among the 'nearly poor'. Lack of transparency with respect to the beneficiary selection process also clouded judgements of the village leadership and higher level public authorities, particularly BPS. Many community members appeared to believe that beneficiary selection was in the hands of village leaders or other local officials, and were unconvinced by explanations that the list came from information gathered by the central authorities. That village authorities had only initial and limited influence over the process was not widely recognised, and may explain why this group appear particularly hostile to the BLT programme.

It appears that older people and women-headed households were sometimes excluded because they lived with their adult children, although in several instances they did not share household resources and could not rely on regular support from them. Yet in other instances, older people who were receiving BLT were believed to be adequately provided for by their children, so that they should not have been eligible. This raises difficult questions about how 'households' are defined, and suggests the need for clearer guidelines on whether older adults should be seen to constitute their own household unit (or not).

Unfairness was perceived in places where better-off people with good stable incomes such as civil servants had received the BLT, while poorer people had not. Other people with steady incomes and assets or consumer goods were also said to have benefited even though far poorer and more vulnerable people did not. There were inclusion as well as exclusion errors in the beneficiary selection process, although inclusion errors were less commonly reported than exclusion errors.

These concerns about the eligibility criteria and the data used to assess people's eligibility are found in other instances of the use of PMT around the world. They highlight at firsthand the experience of being on the wrong end of a relatively arbitrary selection process based on ambiguous or fuzzy categories (such as 'household') and typically using partial, biased or inaccurate information (see also findings in (Hastuti, Toyamah et al. 2006). People's experiences of the beneficiary selection process for the BLT as outlined here support the findings of comprehensive recent research into PMT methodologies that shows they can suffer from a large number of in-built flaws (AusAid 2011). A critical finding of the study was that the scale of the inclusion and exclusion errors to which PMT methodologies are prone was found to be similar across four different country and programme contexts (including Indonesia), implying that the methodology itself was inherently faulty, rather than merely its implementation. Exclusion and inclusion errors varied between 44 and 55% when one-fifth of the population was targeted, and between as much as 57-71% when only one-tenth of the population was to be covered, so that in most contexts, eligible households have a more or less even chance of being excluded or included in any programme. (AusAid 2011). It is not only Indonesia that the failings of the PMT methodology have caused social and political discontent, as people may reasonably view access to social protection as a lottery.

Broader concerns about the process of beneficiary selection included that no provision was made for feedback or grievance procedures, so that village and neighbourhood leaders had to field the complaints of non-beneficiaries, and to develop strategies to manage the situation peaceably:

As a village with a large number of non-native residents, the presence of Cash Transfer, with all the problems behind it, did not distract the social relationship in [this village]. It happened because from the beginning, all village authorities had informed the people here that the registration and data collection were conducted by The Bureau of Statistics (BPS) and there was a chance that some people who lived in need would not be chosen because there are some differences in the definition of "poor" between the government (BPS) and village authorities. But still, there was some dissatisfaction among the Cash Transfer non-receivers. However, this is still our homework to keep on [creating understanding]. Thank God, the negative effect did not last longer. In the beginning of the Cash Transfer distribution, there was a conflict between the receivers and the non-receivers. This was caused by the gap and different background between native and non-native residents ... But this friction did not spread because the village leader quickly [appeased] the non-receivers. – Local leaders in Aceh

In NTT, the head of a neighbourhood said:

It's been 24 years I've been a chief of the neighbourhood (RT & RW). I think the BLT Program (cash transfer programme) is good, but the very poor people actually do not receive it, some people with steady jobs actually do, how is this possible? The money is not much, but for very poor people it is enough to buy rice, right? This makes me tense, because trouble has risen because of this, there were fights in front of the District Office. Some people should get the BLT, but their names were not on the list... It would've been better if the data about the poor people was collected by the neighbourhood chiefs which they reports it to the district office, then to the City government office, don't use other institutions to decide who the poor families are. Although the money is not much, it can provide poor people with rice or protein source foods.

The disbursement process appeared to have been less problematic than the beneficiary selection process, and recipients reported being able to collect the cash from the post office without many difficulties.¹⁴ In East Kalimantan, beneficiaries were pleased with the collection process. One elderly rice farmer felt confident that the Post Office Authority had the process well-organised and under control:

Not difficult at all ... I just came to the post office, and stood in line. Not difficult... It seems like the Post Office Authority had already managed the process and they called us one by one.

In the more remote rural communities, however, the costs of travel and time to go and collect the cash were high, and fares or fuel costs could be as much as Rp 50,000. In some instances, women were able to collect the money in their husband's name (including in one case, a woman who was recently divorced) where their husbands were absent or too busy to do so themselves. Elsewhere, the regulations were more strictly observed, and representatives were not permitted.

¹⁴Although some reported negative experiences with the collection, some may have forgotten, and overall the collection process seems to have been less controversial than targeting. The SMERU 2006 study similarly reported a mixed pattern of experiences with how well the Post Office handled the disbursement.

Some non-beneficiaries thought that it was their lack of official identification that prevented them from receiving it, and that in turn was partly due to their poverty:

Are some of the non-receivers due to lack of identity card? We need to show our identity card in the post office when we withdraw the money. But how can they get identity card? To process it requires money, right? Where do they get the money? – 33 year old farm labourer in Banten.

Receiving less than the full Rp300,000 three monthly payment was reasonably commonly reported. In a very small number of instances, it was suggested that this may have been because of corruption. However, it seems more likely that in most cases this resulted from leaders' efforts to defuse tensions around the perceived flaws in the selection process. In most cases, deductions (typically of Rp 50,000) were said to have been made by community leaders to enable the cash to be shared more widely. In some cases, recipients shared the cash with neighbours of their own volition. In still others, village officials took the responsibility provide transport or collect the cash themselves. A group of women beneficiaries in North Maluku described their experience:

Our BLT was cut at the post office, for transport fee Rp30.000. So we received Rp270,000 from the post office. We took the money first and then paid the truck fee (we go by truck). It cost almost Rp.1 million for a year.

In 2005, we took it, in 2008 the head village took it, I know even though I didn't receive it.

In 2008, the head village took the BLT for us, it was cut Rp30.000, for transport fee. The transportation belongs to the village head.

5.3 Local administrative performance

A reasonably common means of defusing tensions around the BLT appears to have been for village leaders to engineer some sharing or redistribution of the cash, or of arranging compensation for those who were considered locally to be eligible but who had benefited. This was usually encouraged but sometimes actually deducted directly from the disbursements. Such practices were reported in communities in Aceh, Banten, Central Java, East Java, South Sulawesi, South Sumatra and West Papua. In many instances, it was clear that people did not fully understand why or how deductions were being made from their payments. One BLT recipient in NTT explained that:

I received BLT of Rp.200,000 at the regency office once, when the fuel price rose in 2008, I don't know exactly what year. Every one received Rp.200,000, no deduction ... Dorang (the regency officer) said, they said, no deduction. The Rp.200,000 was given to us at the regency office from a committee in the regency office who work together with the post office. [The interviewee wondered why the amount of money he had received was different with the amount he had heard he would receive but concluded] If it had been deducted, that's fine, sharing our fortune. We are grateful, for any given amount we get, we didn't pluck the grass, we didn't do any work, suddenly we received money, we should be grateful, right? For anything, it helps.

In North Maluku, officials ensured that those who did not receive BLT got priority for Raskin. And a number of other innovative responses to the issue were developed, some by community members themselves and others with the leadership of heads of the village or neighbourhood, as this example from Banten shows:

The mechanism of Cash Transfer distribution which turned out to be not equal was managed by citizens of [the village] by sharing. Though there were no charges from RT (Neighbourhood Association), the local communities made a donation voluntarily to others who do not get the Cash Transfer fund. The donation ranged from Rp10,000 to 50,000 per person to help the poor and RT. About this donation Mr T said, "This is as a form of cross-subsidies for those who did not get the Cash Transfer".

Popular perceptions of how village and neighbourhood heads handled the situation varied, but in general, the BLT distribution was not felt to reflect well on local officials. Although many of the disgruntled non-beneficiaries understood that the selection process was not ultimately in the control of village leaders, some people felt that they or other officials had influenced it in their own interests. In North Maluku, men in one focus group were suspicious, saying that:

So, the government had a named list of who deserves the fund. When the funds arrived, the local government changed the name of the list into someone else's names.

The BLT was a good support, but the data collection was wrong, because the officer only collects data of the person they related to, and never approached the poor families.

5.4 Winners and losers from BLT: local political economy analysis

The research design did not focus on enabling a political economy analysis of the BLT programme, but the interviews enabled a sufficiently detailed picture of the process of the BLT programme delivery, and the issues faced in each community, to enable analysis of who the primary winners and losers from the BLT programme were among the local power holders (district and below). Participants in the analysis workshop were asked to make their own analysis of the winners and losers, and this has been triangulated, as far as possible, against the case material. It should be stressed that the findings here are findings about perceptions of how different officials and representatives behaved and benefited or otherwise from the programme, and not on any investigation of the facts of the matter. However, the analysis provides some insight into the popularity – or lack thereof – of the BLT programme among sub-national leaders and officials. Four key findings emerge as relevant.

First, with few exceptions, the programme appeared to be generally relatively unpopular with village and sub-village heads, village officials and apparatus. This related in part to the perception that the basic design of the programme – particularly the delivery of cash – was flawed, and likely to lead to dependency and laziness. One local community leader, head of a Farmers' Association in NTT, thought both BLT and Raskin 'made people lazy'; however, in this case, as well as in several other instances, the perception that cash transfers was likely to cause laziness or dependency appeared to be rooted in a wider view of the community as particularly lazy and prone to dependent behaviours. That is, people who are predisposed to believe that poor people are lazy may also be more likely to believe cash transfer create dependency than people who do not believe poverty is primarily the result of lack of effort. Views of this kind were by no means universal or predominant, and many

village and sub-village leaders warmly welcomed the cash payment for their poor residents, and recognised it as a valuable source of support at a time of sharp food and fuel price rises.

Instead, the unpopularity of the programme with local officials, leaders and functionaries related less to its intrinsic value than to what was perceived as its flawed implementation, and in particular to the lack of authority village authorities had over how the programme was implemented in contrast to the responsibilities they had to manage the social discontent it unleashed in most places. That is, it was the gap between the impacts on local officials' public authority and legitimacy and the power they had to act on it which caused the BLT's significant unpopularity with village leaders. In several cases, the research teams were urged not to mention BLT or to stir up trouble again, and key informants typically provided suggestions about how to avoid re-creating the trouble caused in 2005 and 2008, either by providing public goods (as in PNPM), providing universal coverage (as Raskin is in effect, in many places) or improving targeting by involving village authorities in verification and final list selection.

Second, there was no clear and consistent distribution of winners and losers across groups of public authorities. Village heads were only slightly more likely to be seen as winners than as losers, while sub-village heads were only slightly more likely to be seen as losers than as winners across the 33 sites. Similarly, village apparatus and lurah or village civil servants were almost equally likely to be seen to have been the losers as the winners. BPS officials were generally believed to have lost, in reflection of the popular perception of the failure to generate an accurate beneficiary list, although in few cases was BPS actively targeted in the way that village authorities were for demonstrations, complaints and even in a small number of cases, violence and vandalism. At least one village head had been imprisoned as a result of problems with the BLT, and others had faced such serious

threats to their position that they had offered to resign; all were aware of the problems their counterparts had faced around the country.

The idea that some local authorities were 'winners' in a context in which they typically expressed opposition to the programme and how it was implemented, has to do with the possibilities of a) direct corruption, including nepotism and patronage; and b) bolstering political capital through distribution to clients/voters. Perceptions of corruption did not generally include any actual evidence, although as noted above, concerns were sufficiently well-founded to land officials in jail in at least one village. And there were no signs that BLT was believed to be more prone to corruption than other schemes; if anything, there were fewer detailed discussions of corruption in relation to BLT than to some other programmes which were also seen to be non-transparent. And it rarely appeared to be the 'informal taxes' as Bazzi et al (2012) describe the deductions of up to 40% that recipients saw as the source of corruption. Instead, corruption was perceived by some to have taken place within the BPS (particularly where no other explanation for particularly egregious errors of inclusion or exclusion could be found), the village officials such as lurah, and as a result of the need for political capital among village heads. Perhaps as a result of the lack of clarity about how beneficiaries are selected, the popular perception of BLT distribution in many places appears to be that it is part of the patronage system. In several sites, people mentioned that their sub-village or ethnic community or social group felt 'like the stepchildren' by virtue of being regularly excluded from benefits, including BLT.

However, some local authorities managed the problems generated by the BLT implementation more effectively than others. The crucial importance of managing problems of this kind was explained by a village head in South Sumatra:

During the 2008 Cash Transfer, I was the new village head and didn't understand anything. I just started at my position, then the government provided assistance with the Cash Transfer; I know exactly how my village is, what poverty is like; I know that much. But sometimes the Cash Transfer assistance was not on target.

Who came up with the data?

The statistics people did the inventory. They personally went to work; they only went to the government to seek permission, but there was no inventory in my time; it was only in 2011 that another inventory took place. But I don't know whether or not they've included everybody. The data are important to me; I actually asked them to increase the number of poor households back then, because the community really needed the government assistance especially Raskin and Jamkesmas.

What was the process like?

The statistics people gave us the names, then I contacted the people directly and we distributed the assistance to the community. Even then, we had to do it really quietly sometimes, because so many of our people needed the assistance and yet didn't get it. You have to really understand how your community is, or else the community will rally against you. There have been many cases where villagers do a mass protest against their Head. We don't even know who did the inventory, you know.

Did anyone who was disappointed ever come to you?

Yes, about 30-40 people who were disappointed came to me. That's the tricky thing about the village. That's why I always say that if you can't manage them, things will be difficult for you.

Why did they come?

The same issue – they complained because they didn't get the assistance even though they were also poor. If you want to categorize the poverty in my village, almost 60% of the villagers are poor, not extremely poor; extremely poor means you're homeless. The people here do have homes. They just don't have an income; they're hard up.

What did you do?

I could only reply: I was not in office during the inventory. Besides, I would keep trying, even though I was sure to fail. Nevertheless, I had to be able to maintain control over the people. My people must not cause a riot over the issue. I had to deal with it any way I can. Even though I had to lie that I was going to try, despite the fact that the data had become official. So sometimes you have to lie to your community that you were going to try. You had to do that. Otherwise the people would rally against you again.

I was in a difficult position at the time; I was still learning the ropes and people were already protesting against me.

The tentative but most credible conclusion it is possible to draw from this analysis is that while most local officials, from the district downward, had reasons to feel aggrieved about the BLT, some managed it better than others. Few are likely to have successfully built a broad base of political capital as a result of BLT; it seems equally unlikely that any benefits gained by local officials outweighed the trouble the programme caused. However, some clearly emerged from the BLT implementation with their authority and respect relatively intact, and having shared the resources from the BLT reasonably widely and with popular legitimacy.

Future cash transfer schemes will benefit from undertaking local political economy analyses in order not only to minimise the chances of leakage and corruption, but also to assess the likelihood that local authorities will support the programme; this is important for sustainability, effective implementation and popularity.

6 The relationship between BLT and other programmes

6.1 Impacts of BLT on other programmes

Little evidence could be uncovered of any direct impacts of BLT on other programmes, including within the short term, and none that BLT led to reduced willingness to participate in, e.g., PNPM activities.¹⁵ However, there was evidence of some indirect effects on other programmes, or more accurately, on the institutional and relational conditions underpinning the effectiveness or popularity of other programmes.

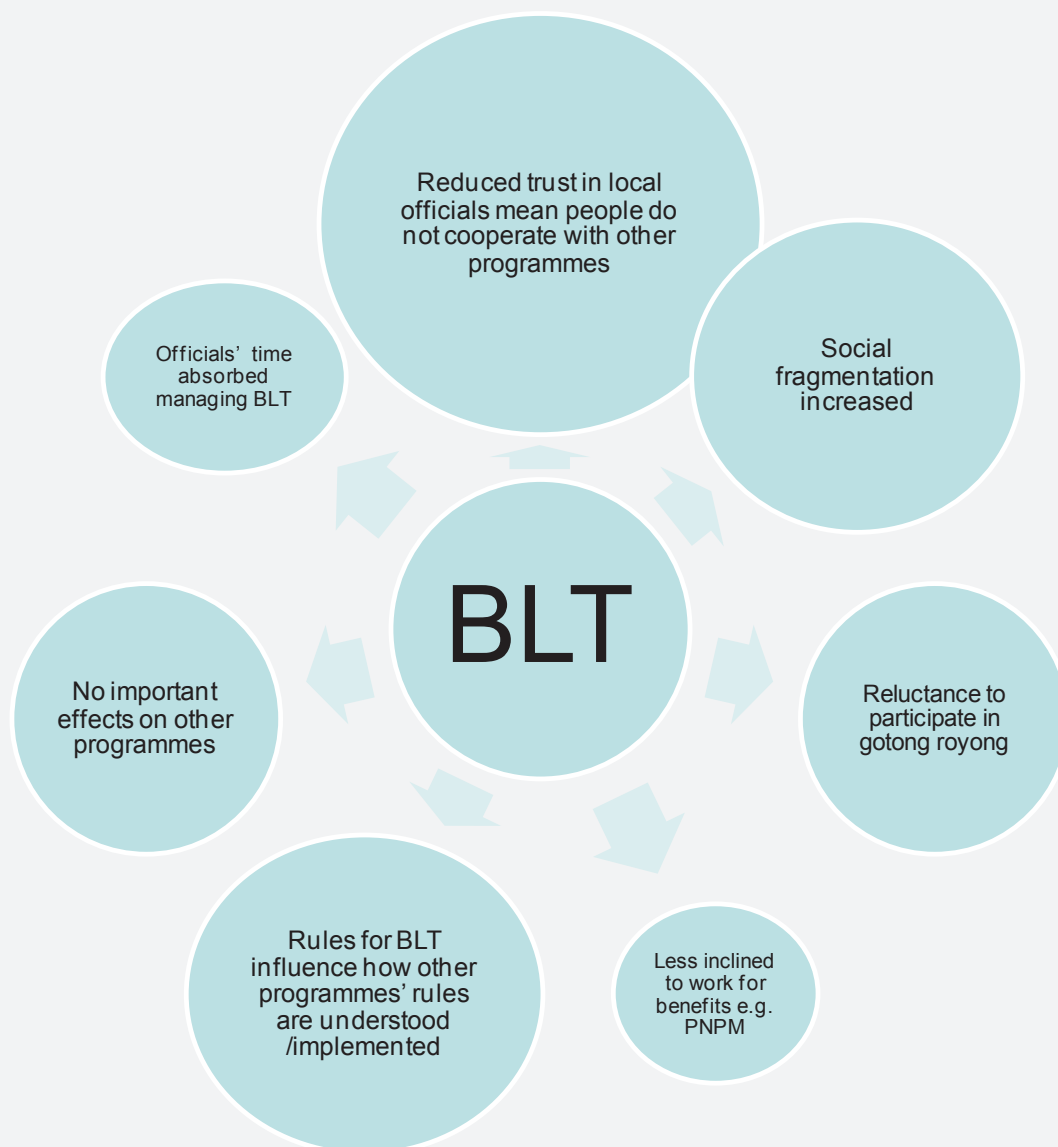
In most cases, no direct link between BLT and how other programmes were performing could be detected. The exception was that lessons from the social disruption resulting from BLT influenced distribution decisions around Raskin in several instances. This occurred in two different ways: the first was that some officials felt they had learned lessons about the process of beneficiary selection from the BLT experience; the second was, as noted above, that in a small number of cases, poor people who had not received the BLT were given priority for Raskin.

Analysis of the findings about the various direct and indirect influences of BLT on other programmes is summarised in Figure 6.1 below. Seven types of impact were identified. Although the research design does not permit an understanding of how representative any particular finding might be, the numbers of cases in which the impact was identified is provided below, to provide at least a sense of how common types of impacts appeared to be.

- An increase in social divisions, in 16 of the sites (note that this was not necessarily permanent)
 - In 14 communities, the rules for BLT were felt to have influenced how other programmes were implemented or understood
 - In 12 of the communities, discontented non-beneficiaries were said to be reluctant to involve themselves in gotong royong (again, this was not necessarily a lasting impact)
 - In 5 sites, people were said to have become more dependent on handouts, and less inclined to work for benefits (e.g., PNPM)
 - Officials were said to have spent a lot of time on managing the BLT conflict in 5 communities
 - And in 11 communities, BLT was said to have had no discernible or important impact on other programmes.
- Reduced trust in local officials resulting in less cooperation: in 20 of the 33 communities, this impact was reported

¹⁵This is partly because participation in PNPM activities was not found to be widespread or particularly deep in these 33 communities.

Figure 6.1 The impact of BLT on other programmes



Source: analysis workshop in August 2012

6.2 Comparative analysis of BLT

Through the extensive discussions in the nearly 200 focus group discussions, some generic lessons were derived as to how the costs and benefits or advantages and disadvantages of some of the main programmes commonly available were perceived in these communities. It should be noted that not all the main programmes are strictly comparable, as the community development activities of PNPM are distinctly

different from the individual or household social assistance or social protection schemes such as PKH, Raskin and BLT, and both differ considerably from cooperatives, farmers' groups, and credit schemes, whether informal or formal. Yet enabling people to compare and analyse different government programmes offers some insights into what they are likely to value and benefit from in terms of social protection interventions.

This section analyses BLT in comparative perspective in relation to five principles derived from the review of best practice in cash transfer interventions conducted as part of this study (see Annex): timeliness, targeting, impact, distribution and accountability. It should be noted that a prior principle consideration in good practice around cash transfer – and other social protection – schemes is the need for context-sensitivity. This may be particularly important in Indonesia, with its high degree of ecological, social and economic diversity. An example of how context influences the benefits of different programmes can be found in the contrast between views on BLT in two communities in this study. In one Papuan community, basic living costs are high, and the greatest sources of vulnerability relates to degradation of natural resources and lack of basic infrastructure – the bridge connecting the community was destroyed

during the Japanese tsunami last year. There, BLT was comparatively less relevant to the needs of the people than many other programmes, although rising prices meant it was still seen as useful. By contrast, in one of the North Maluku communities, people were more involved in subsistence activities and found it difficult to access cash for school, everyday living costs and to purchase materials for house repairs. In that community, BLT was greatly valued, and people recounted in detail how they had spent the money, some on repairing houses that had been damaged as far back as the 1999 riots, others on food and schooling expenses. This latter group found BLT and the community investment and SPP or women's savings and credit scheme of PNPM particularly beneficial, as these fit their needs. Even Raskin was beyond the means of this group:

We didn't have money to buy the rice even though it's very cheap. Let's say this village get 3 tons of Raskin. When it arrives we should take our ration within a week. And if we don't have money, the local government will sell the rest of non-taken rice to local businessmen. So if after a week the rice was not bought by the person who was supposed to buy it, the rice is sold to businessmen.

A second important general principle is the need for gender-sensitivity across these criteria for evaluating programmes.

6.2.1 Timeliness

Timeliness refers to both the predictability of the intervention, and its fit with seasonal and time-bound vulnerabilities. Compared to PNPM's community development activities, which usually generate infrastructure of public and enduring benefit, and to Raskin which comes on a regular schedule, there was little or no predictability about BLT. This meant that people could not plan on how to use the money, and build it into their expectations of support. Several people felt it could have been timed to arrive in the lean season, when their harvests failed, or at the start of the new school year, when poor households have large outgoings. Most people seemed to be aware that BLT was linked to the BBM or fuel

subsidy and therefore to fuel price rises. However, other costs of living had also risen sharply, without triggering BLT. But while BLT failed the predictability test and was not well-timed for seasonal vulnerabilities, it was welcome support at a time of high fuel prices, and so met the timeliness criteria on that score. Because women tend to be primarily responsible for ensuring families are fed and children are schooled, when the intervention was received was particularly important for supporting women in their care or domestic responsibilities.

6.2.2 Targeting

No targeting procedure is perfect, and targeting is typically the most difficult aspect of an intervention to get right. The purpose of targeting is to make sure the people who need help get it, while avoiding creating dependency, or wasting public resources on

people who do not need support. Existing studies and evaluations of BLT indicate that it actually suffered from relatively few inclusion errors; however, there were more reasons to be concerned about those who were excluded. These included people who had dropped below the poverty line since the list was prepared, newcomers and migrants, functionally independent members of extended households (often extremely poor older women), and people without official identification or fixed residence. There are arguments both against more community participation in beneficiary selection processes, in particular a) that they can be exploited for local political capital and b) socially excluded, minority and marginalised groups are unlikely to benefit. However, there are also clear benefits to the accuracy of beneficiary selection processes from local knowledge and sensitivity to local context, as many of the respondents in this study argued. Views on the problems with proxy indicators such as motorcycle ownership (there may be a guest, or the owner may be in deep debt but need affordable transport) clarified this point. That community based targeting may have considerable benefits in the Indonesian context has been affirmed by a recent study by the World Bank, which found that community targeting had many strengths compared to centrally-determined indicator based systems.

With respect to BLT specifically, it seems clear that a mixture of centrally constructed criteria or list preparation, but with some room for local contributions to beneficiary selection would improve the targeting process, as well as helping to create a stronger sense of local ownership, thereby improving its popularity and local acceptability. At the same time, feedback or grievance mechanisms which trigger a rapid response to investigate and re-select beneficiaries in situations of perceived significant targeting errors are likely to improve the perception of fairness and clarity in targeting. In addition, far more and more effective efforts to communicate information about who is eligible, why, and how the selection procedures and feedback mechanisms will operate are also important aspects of the targeting process. An

exclusive focus on the technical dimensions of targeting, and in particular on objective criteria of poverty that may not closely reflect local vulnerabilities, is unlikely to succeed.

The unpopularity of the (perceived to be) poorly targeted BLT programme helps to explain why many local officials aim for a universalist rather than a targeted approach to Raskin distribution. Yet some findings from this study suggest that a certain amount of self-targeting and effective rationing occurs with Raskin. This is because some of the very poorest people are not always able to organise the cash needed to buy Raskin in bulk at the time it becomes available (as seen above). Others who are moderately poor, or rice producers in their own right may be less likely to purchase Raskin or otherwise mix it with other rice, as it is not always of satisfactory quality.

An additional consideration with respect to targeting is the challenge of assessing the cost to social cohesion and social relations of jealousy caused by (perceived) targeting errors. This present study has aimed to contribute to that assessment, and it appears that the damage was typically temporary between community members. But the possible cumulative effects of multiple schemes that divide people against each other within communities may also need to be taken into account.

Finally, whether household heads (generally interpreted as men, where they are present) should be targeted for programmes such as BLT may also need reconsidering. Some of the perceived flaws in the programme relate to the possibility that the money may be spent unproductively, for instance, on cigarettes or alcohol. Yet in practice, it seems clear that while many people, both men and women, think it is important to protect male authority for ensuring adequate resources for the household, many people, also both men and women, and including many local authorities, also recognise that women usually manage household resources and spending. There may therefore be a case for reconsidering how targeting takes place within households. This need not be contentious or directly

challenging to gender norms if it is framed as support to household spending on basic needs, and therefore targeted to the person who manages household resources and spending. In most communities, that may prove to be women. Targeting the problem to the person who manages household spending may also help to direct attention to the primary purpose of BLT, which is to smooth household spending in times of price shocks in order to avoid adverse human development impacts. This would also help to engineer a closer with the MDG human development priorities.

6.2.3 Impact

Much of the literature on good practice in cash schemes indicates the need for transfers of sufficient to make an enduring impact on households. This view on the desirable characteristics of assistance schemes was echoed by a number of respondents, who argued that small cash amounts such as provided by the BLT could be easily frittered away, or spent on unproductive or even unhealthy items, whereas larger one-off payments could be invested or used to support enterprises. However, the BLT was intended to smooth consumption at a time of a price spike, and so in many respects, and for most recipients, the amounts were not intended to be life-changing, but to maintain basic standards of living, and in particular to ensure a minimal degree of food security. Although it is impossible to assess the nutritional impacts of BLT, it seems clear that it was likely to have contributed to household food security and to consumption smoothing, particularly among very vulnerable poor people. Better off people or those who generally found it difficult to access cash were able to use the money to pay off debt, repair homes and even to invest in small businesses.

That most people recalled prioritising spending on basic household needs, and valued the cash basis of the intervention because it enabled them to fit their own priorities, indicates that BLT had positive impacts in this respect. In addition, the significant numbers of reports that BLT cash

was being used directly to support education costs suggests that this is an area that, despite BOS, PKH and other education support programmes, many poor people continue to find it difficult to finance. Specifically, lumpy costs towards the beginning of the school year are clearly an area of concern, as this often means failure to transition across the education system.

It should be noted that the findings from this qualitative study, although based on recall, are generally consistent with those in the Bazzi *et al* 2012 evaluation based on *Susenas* data from 2005-07. These include that the BLT arrived at a time when rice (more than fuel) prices had been rising fast, and people were concerned about maintaining basic expenditure, and appear to have been finding means of conserving expenditure wherever possible, in light of inflation (which varied across the archipelago). The finding of Bazzi *et al* of a very clear or strong difference in expenditure growth between recipients and non-recipients may reflect the fact that sharing of the benefits was extremely common, both through deductions at source, and through voluntary sharing by recipients. And the findings of generally high levels of poverty churning among both BLT recipients and 'matching' non-recipients fits the accounts given of the period of BLT's introduction as a volatile and difficult time, in which many poor people were helped a great deal to keep their households running by the cash provided under the BLT.

6.2.4 Distribution

Compared to Raskin, which comes at some cost and is often of variable quality, the BLT had several advantages, by virtue of being cash. However, accessing the benefit does cost recipients, and more localised distribution systems would clearly benefit people in remote regions or where infrastructure and the costs of travel make reaching the post office difficult, and reduce the benefits of the transfer unnecessarily. The need for official identification is likely to exclude some of the more marginalised groups who may be in greatest need of

support, and this issue merits further attention. Lessons may also be learned from MPESA in Kenya, and experiments with mobile phone cash transfers and smartcards are also showing some successes in several other countries.

There were also several reports of good practice regarding BLT distribution, in terms of Post Offices having developed good systems to ensure people received their payments quickly and fairly, and without scope for deductions. These good practices in the distribution of BLT merit further investigation.

6.2.5 Accountability

An effective and popular cash transfer scheme is likely to feature functioning accountability mechanisms. Functioning accountability mechanisms are important for ensuring smooth running of the programme, reducing leakages and corruption, instilling a sense of fairness and trust, in correcting problems and failures, and in the overall effectiveness and efficiency of the programme. A clear disadvantage of the BLT programme, particularly in comparison to the community-driven processes through which many aspects of PNPM programmes are developed, is that it lacked working systems for ensuring downward accountability. This gap existed both between local authorities and the BPS and central government, and between community members and local authorities. The eligibility criteria and process through which beneficiaries are selected was insufficiently transparent, with both local authorities and community members unclear about who was eligible, and how their eligibility was to be determined. Transparency through more effective communications could make it possible for community members to provide feedback on potential biases or errors in targeting to local authorities, and for local authorities to feed these back up to the centre in order to amend procedures as appropriate

and practical. If BLT had established feedback systems and grievance mechanisms, it is likely that many of the unruly protests and complaints that local authorities had to field in the previous two rounds of BLT could have been avoided. Concerns about corruption and inefficiency could also potentially be tackled through a formal but accessible system for feedback.

From recent research in Indonesia, several key lessons about grievance mechanisms include that

- Grievance mechanisms will not compensate for poorly designed or implemented programmes: accountability mechanisms need to be part of wider programme design considerations, not stand-alone elements
- Information campaigns that ensure the public understands programme objectives, selection criteria, how to register for the programme and who/ how to access redress if there are problems (including special measures to reach most vulnerable) are vital
- It is important to create multiple channels for receiving complaints, and to keep in mind that women and men may not be able to use the same sorts of channels equally effectively
- Grievance mechanisms need proper staff and resources if they are to perform adequately. Standards and targets are critical for ensuring grievances are handled appropriately, and these need to be built into the programme performance monitoring system and staff performance. Decentralised implementing bodies may also need financial rewards for strong performance on redress
- Access to independent channels for redress is important – e.g. links to ombudsmen, contracting out facilitation or collection of complaints to third parties such as NGOs.

7 Conclusions

7.1 The social impacts of BLT in summary

The BLT cash transfer scheme aimed to reach around one-third of all Indonesian households in compensation for the reduction in the fuel subsidy, and at a time of rapid food – particularly rice price – inflation. Cash was disbursed in several rounds in 2005-06 and then again in 2008-09. BLT attracted considerable public attention due to widespread protests, chiefly as a result of perceived inaccuracies in relation to beneficiary selection; some protests were violent, and the programme as a whole has generally suffered from adverse public attention.

Against this background, the present study aimed to explore the longer term consequences of BLT, and in particular to assess whether and how social relations and institutions have been permanently marked by the experience. The study aimed to complement existing evaluations using nationally representative samples by delving deeper into social relations through the treatment of communities as ‘whole systems’. The study design involved qualitative research to build 33 community cases, the impacts of BLT on which were within cases and through some comparative analysis across the sample. The results are broadly illustrative, but by no means representative, of the BLT experience nationally.

The results of the study broadly echo and complement the findings of other studies, including a previous ‘real-time’ qualitative study in 2005, and two major evaluations subsequently (Hastuti, Toyamah et al. 2005; Bazzi, Sumarto et al. 2012a; World Bank 2012c). In particular, the study finds that cash transfers were a useful complement to poor and vulnerable people at a time of sharp price rises. A contribution of the present study is that it situates the experience of receiving BLT against the backdrop of seasonal and episodic risks and vulnerabilities that poor people face in Indonesia, including relation to

agriculture and crop failure, environmental degradation, insecure and unsustainable livelihoods, conflict, assets and access to finance, health and education, and social support. This highlights the value of fungible and timely cash-based interventions that are not necessarily geared towards investment in development, but merely aim to tide vulnerable people over tough times. Despite the criticisms of BLT (which include disagreement with the aim of consumption smoothing in favour of purely developmental interventions), the close look at risks and coping strategies involved in this study indicates that BLT was largely successful in this goal.

The study found that most people were able to draw on a wide range of sources of support in times of crisis. Informal systems of support – particularly credit, lending of food and providing jobs by relatives, neighbours and local community institutions, were by far the most immediate and important sources of assistance, partly because they were more timely than other sources, but also because they were more accessible and responsive. Official sources of support through government development and social protection programmes were rarely among the most useful sources that people mentioned. The characteristics of sources of support that people prefer offer insights into the kinds of social protection interventions people are most likely to value and benefit from.

The study approached the question of gender as a core, rather than a residual concern. From the literature review conducted prior to the field research, it was important to avoid assumptions that women are ‘naturally’ better at household management and therefore better candidates for receiving cash transfers than men, about whom assumptions frequently are that they may use cash transfers for ‘unproductive’ purposes such as

smoking, drinking or other masculine status maintaining activities. The approach taken here instead explored gender differences in the experience of risk and in the adoption of coping strategies, but drew on an understanding of the significance within most socioeconomic and cultural systems of women's responsibilities for unpaid care work (domestic or social reproductive responsibilities) within the home and the local community. These are not identical everywhere, as the wide gender differentials in income earning and care work across the 33 community case studies showed. Yet women played a preeminent role in the management of household resources, particularly in relation to food and cooking, and tended to have somewhat different views to men on the priorities for household spending. For these reasons, it was important to understand how women viewed the impacts of BLT on their capacities to cope with shocks.

A key finding here was that there is no particularly strong constituency against a policy of targeting women for cash transfers, and that there may be advantages in doing so, partly because of the widespread popular perception – undoubtedly true in places, because cash is fungible – that BLT enabled some men to maintain unproductive and unhealthy expenditures on tobacco (in particular). However, both men and women also appeared to recognise and value the primary contributions of men to household income generation while also acknowledging and valuing the primary contributions of women to household resource management. A strategic gender-sensitive approach to cash transfers would recognise and seek to support the role of household resource managers, rather than naturalising and reinforcing such roles by targeting men or women.

As noted above, and consistent with other recent literature on complex co-variate shocks such as price spikes, collective or community-based risk management institutions are key sources of timely and accessible assistance during shocks. However, as the research also found, poor

people find some of these institutions to be of mixed value, as they often represent a disproportionate burden on their own human and material resources. This finding is an important and timely reminder not to romanticise customary systems of risk pooling and community work, as these may unduly burden poorer households. Under such conditions, and given that community-based coping mechanisms often fail during large scale co-variate shocks, sources of assistance such as cash injections from outside the community are extremely welcome.

The evidence generated through this research indicates that BLT undeniably had some adverse impacts on social relations through jealousy on the part of non-recipients, decline in trust for local authorities, and a withdrawal of support for collective public and civic work (e.g., *gotong royong* activities). Whereas one hypothesis had been that BLT recipients would become disinclined to participate in collective activities, it turned out in all cases where any such impacts were detected, that the opposite was true: BLT non-recipients demonstrated their displeasure and sense of exclusion from the community by withdrawing their labour. In all cases, this was noted to have been temporary.

In most cases in the study in which BLT created social discontent, the effects were relatively small and temporary. In a small number of cases there were more enduring adverse impacts, but these were generally linked to pre-existing suspicions of local authorities by the community and/or ongoing problems in relation to social divisions. While BLT is widely remembered as a disturbance in the community history, it is not associated with any lasting negative impacts, largely because it was a temporary occurrence. However, BLT may well contribute cumulatively to changes in social relations at the community level, in conjunction with other programmes that similarly target and divide communities. That is, the social impacts of BLT should not necessarily be judged in isolation, but in line with the full set of social interventions currently in place. This is somewhat beyond the scope of the present

study. The study findings do not support the idea that BLT led to a clear increase in crime as a result of declining social cohesion, as one recent study found; however, it does support the idea that there was a (temporary) increase in 'mouth-fighting' or verbal assaults, protests, some vandalism, and (perceived) corruption, all of which may well register as 'crime' in the popular perception.

While the impacts of BLT on poor and vulnerable people's capacities to cope with hard times were generally positive, the experience of the programme – beneficiary selection, list preparation, the local administration's performance – featured and exacerbated a sense of a lack of transparency and information, suspicion, anger and mistrust. The results of the research support the findings of other studies that show that the targeting process was flawed, both in terms of high exclusion and inclusion errors, but also in terms of the distrust and bad faith it generated as a result of the lack of clarity about the eligibility criteria and proxy indicators, and the problems and inaccuracies with the data collection process itself.

Despite the problems with the BLT targeting, it was in fact somewhat better targeted than either of the other large national programmes (Raskin and Jamkesmas). This gives rise to the question of why BLT provoked such significant protests when other programmes do not do so, or not on such a scale or concentration. The tentative answer provided here is based on a reading of the context into which the programme intervened, in light of the narratives of the protests provided by research participants. The cash nature of BLT is likely to have been part of the reason why it attracted so much adverse attention when the targeting went awry: this is because compared to Raskin, Jamkesmas or indeed other interventions, BLT was memorably attractive to people on low incomes because it involved cash without conditions, and did not, in addition, attract any stigma. BLT may also have been particularly attractive because it came at a time of rapid rises in the cost of living; the associated popular discontent may have laid the foundations for anger over

unfair 'lottery' targeting to trigger protests. The World Bank estimated it would have added around 15% to regular household consumption spending in 2005. BLT would have been very welcome not only to very poor people facing steep rice price rises that would absorb large proportions of their budgets, but also to the moderate or near-poor and the urban poor, who were also facing sharp rises in fuel costs (on which they spend more than the extreme and rural poor). And finally, the multiple stages of the beneficiary selection process appear to have raised expectations and then fuelled belief in corruption and bias, when people who felt they were clearly eligible were left off the list.

Both the lack of knowledge about the eligibility criteria and the lack of credibility of the survey that verified the beneficiary list indicated a clear failure of the socialisation strategy, about which much has already been written. BLT beneficiaries, non-beneficiaries and community leaders and authorities all agreed that community-level verification or at least participation in beneficiary selection processes was necessary to overcome such failures.

Looked at closely, local authorities developed a number of effective responses to manage the discontent surrounding BLT; these spread the benefits more widely, to a considerably wider pool than was originally intended. This did not occur everywhere, but mainly in places featuring either highly effective protests or highly responsive and effective local administrators or politicians. However, local authorities were not officially permitted to respond in the ways that they did, and their actions have been classified as 'leakage', and at the least amounts to a lack of transparency.

A simple local political economy analysis was undertaken to identify 'winners and losers' from the BLT programme. From this it emerged that local authorities in general felt aggrieved by the programme, largely because it imposed upon them considerable responsibilities for managing social discontent aroused by it, without the authority or resources to manage it. Nevertheless,

some local authorities may be said to have benefited either through corruption (most likely in an extremely limited form, particularly compared to other programmes), or through feeding patronage networks and building local political capital. However, the overall

7.2 Implications for policy and practice

One output of the study is a mapping of risks and vulnerabilities, which highlights the need for greater contextualised understanding of the effects of price shocks on poor and vulnerable people in Indonesia, particularly in a context of continuing commodity and food price volatility.

The implications for policy and practice set out here draw on the comparative analysis of BLT in light of recent learning about good practice in cash transfer programmes:

- Context-sensitivity is necessary to optimise the positive impacts of cash transfer schemes. Amounts transferred may be variable, depending on the local cost of living index and the type and distribution of risks and vulnerabilities.
- Sensitivity to gender needs to be mainstreamed throughout design of cash transfer programmes. A specific area of concern is the need to take into account the generally different responsibilities of men and women for household care work and therefore for managing household resources. Gender-sensitive targeting within households is likely to improve both the public perception of cash transfers, but also to improve the human development outcomes in terms of how BLT is spent.
- Cash transfers cannot protect against all forms of vulnerability, but they can be effectively designed to be automatically triggered by sharp rises in the cost of living – fuel or food costs, for instance. Cash transfers are also an effective means of responding to the many natural and environmental disasters that people are vulnerable to in Indonesia. Provision of an ‘automatic stabiliser’ – a cash transfer that is automatically triggered in

picture is one of local authorities benefiting mainly to the extent that they succeeded in managing the BLT programme in ways that in effect diverted resources away from their officially designated recipients.

response to a price or other shocks – will help households reduce adverse coping strategies such as dangerous migration, asset sales, or school dropout. This is because over time, people come to recognise that they can expect protection against price shocks, and so hold off on negative responses.

- While no targeting procedure is perfect, a popular and therefore sustainable and effective cash transfer scheme is likely to be one in which objective external criteria which are intuitive and clear. This does not exclude the possibility of the use of proxy indicators, but it does entail that without being ‘localised’, ie being tested for resonance and relevance in the local area – they will not avoid raising suspicions and will not reflect the local distribution or experience of poverty. Ensuring the eligibility criteria capture local experiences of poverty, are clear, broadly agreed, and appropriately applied should help to reduce negative responses, jealousy, and disruption to social cohesion and social relations, although no targeting methodology will eliminate such responses altogether.
- It will help ensure that local authorities are more supportive of the programme, which is critical to its long-term survival. And it will help to ensure that local knowledge about vulnerability is tapped into, so that those who need the support have a better chance of receiving it. Particular attention needs to be paid to ensuring that there are no systematic biases against socially excluded groups who may lack official identification, newcomers and migrants, and independent members of extended households, in particular older people.

- Social protection design should in general be alert to the potential but unquantifiable costs of targeting on social cohesion and social relations. One-or twice-off targeted cash schemes may not have caused any lasting damage to the social fabric in the communities researched here. However, over time, the accumulation of targeted schemes may well cause or entrench social divisions. If this occurs, there is the risk of reducing the social capital which this study has found to be generally strong, and to be the mainstay of coping mechanisms for most poor people (a finding which other literature on Indonesia supports).
- Cash transfers can be particularly valuable sources of consumption smoothing, but in small amounts are unlikely to transform poor people's lives. That the purpose of cash transfers in relation to price shocks are to help avoid adverse human development outcomes instead of contributing to further development could be communicated more effectively. One strategy for doing so may be to clarify that the recipient of the cash transfer should ideally be the person responsible for managing household needs.
- Distribution systems need to be sensitive to the costs of travel and of time, and future schemes could usefully investigate smartcard and mobile phone transfer technology. Alternatively, more localised distribution points can be established, alongside a strengthened accountability system and functioning grievance mechanism.
- Transparency is vital for accountability. Better, more accessible information and far more effective communications, both to local officials and to the wider public are essential for the smooth and efficient operation of a cash transfer scheme. Socialisation programmes need to take multiple formats, and to be presented accessibly, in multiple languages, and disseminated through (e.g.) television, print, public offices and health centres, and through opinion formers such as religious leaders. Accountability mechanisms need to be built-into cash transfer programmes, and should not be an afterthought. A more accountable system is likely to avoid many of the problems experienced by BLT in the past.
- Feedback and grievance mechanisms are also central to accountability. There is ample recent evidence of how and why grievance mechanisms are likely to operate in the Indonesian context, including the need to build them in as part of wider programme design rather than stand-alone elements, ensure they are adequately financed and resourced, equipped with appropriate standards and targets, subject to monitoring and evaluation, accessible through multiple channels, and independent.

Annex A Key research questions

Table A.1 Matrix of key research areas and key research questions

Key research areas	Key research questions
Coping with shocks	<ul style="list-style-type: none"> • What are the main types of risks and shocks faced and/or experienced by different groups within the community? • What kinds of coping mechanisms (collective, individualised, support in cash or kind etc) do people perceive as most effective for different kinds of shocks (co-variate, idiosyncratic, income or consumption)? • How and to what extent did BLT influence the types of coping strategies adopted (e.g. do beneficiaries keep children in school or avoid asset sales more than non-beneficiaries)? • How and to what extent did BLT influence participation in collective mutual support mechanisms (e.g. through PNPM) that enable coping with co-variate or idiosyncratic shocks? Does gender shape impacts on participation? • How and to what extent was BLT used to smooth household consumption (as opposed to being diverted to 'bad' or unproductive spending e.g. on alcohol or tobacco)? Does whether men or women control the cash impact on how the money is spent?
Community empowerment, trust, social cohesion	<ul style="list-style-type: none"> • How and to what extent did BLT 'crowd out' participation in local collective risk management and processes of community empowerment (e.g. participatory planning, <i>gotong royong</i>)? • How and to what extent does anticipation of HH cash transfers create disincentives among community members to exert themselves in activities in the local public interest (e.g., local planning processes, volunteer schemes)? • How and to what extent does the anticipation of HH cash transfers impact on the coverage or effectiveness of informal social protection or mutual assistance within communities over time? • How and to what extent do cash transfers affect relations of trust between community members and between community members and local officials? • How and to what extent does the pre-existing strength and form of social capital (e.g., strength of kin ties, diversity of ethnic origin) influence the impacts of BLT on community relations and processes?
Impacts on other programmes	<p>How did BLT affect the implementation of other programs, including on:</p> <ul style="list-style-type: none"> • the ability to implement PNPM activities and reach program goals? • compliance with conditions for the PKH (for households that receive both)? • implementation of other unconditional transfers e.g. Raskin? • implementation of other social protection programmes provided by local governments?

Key research areas	Key research questions
Sources of social conflict	<p>How and to what extent did social conflict in relation to cash transfers (BLT):</p> <ul style="list-style-type: none"> • reflect popular disagreement with or misunderstanding about the program’s goals or process? • reflect problems with targeting (exclusion or inclusion errors) or other implementation failures (e.g., failure to ‘socialise’ the program objectives or clarify eligibility criteria)? • reduce the net well-being impacts of the cash incomes transferred (i.e. so that beneficiaries were not better off because of conflict, jealousy etc)?

Annex B International experience in delivering emergency cash transfers

International agencies and governments are increasingly using cash as a way to provide humanitarian relief in response to emergencies. Once almost exclusively reserved for in-kind assistance, cash is now increasingly used in emergency situations as complement or alternative to in-kind assistance.

An ongoing debate on the choice of cash versus in kind stresses the importance of understanding the context of each intervention over the commonly used and rather theoretical arguments for and against cash: E.g. while cash provides recipients with choice and dignity and injects cash in the local economy arguments against cash include concerns about anti-social use, disempowerment of women (it is argued that women in many contexts have more control over food resources than cash within the household) or inflation. Many (see e.g. Harvey and Bailey, 2011, Oxfam GB, 2006) want to move away from these theoretical arguments and demand an analysis of “appropriateness, security, market impacts, gender issues, cost-effectiveness, potential corruption or diversion, complementarily with other activities, exit strategies and organisational capacity” (Bailey et al, 2008: 6-7).

Similarly, we would like to be careful with the use of the term “best practice”. Increasingly criticised for its mistaken assumptions (e.g. “one size fits all”) Grindle (2011) argues that “best practice cannot be far away from the conceptual dustbin” and asks for “contextually sensitive analytics”. We would like to reiterate this sentiment by referring to international experience and lessons learnt as well as guiding principles and less to best practice.

Moreover, the following is not intended as a guidance note on how to design cash transfers. This is done in great detail elsewhere. Much of this work has been coordinated and published by the Cash

Learning Programme (CaLP) who aims to improve the quality of emergency cash transfer and voucher programming across the humanitarian sector.¹⁶ This includes specific advice on delivering cash through cards (CaLP, NY), in urban emergencies (Cross and Johnston, 2012), child safeguarding or e-payments. The comprehensive “Good Practice Review” by CaLP and ODI (Harvey and Bailey, 2011) include detailed information, case studies as well as practical guidance on types of cash and voucher approaches, design, implementation, M&E, accountability etc.

Five themes emerge from the cash transfers in emergency literature: timeliness, targeting, impact, distribution and accountability. In the following we want to provide evidence against each of those principles.

B.1.1 Timeliness

Hanlon, Barrientos and Hulme (2010) in their book “Just give money to the poor”—while not specifically focusing on emergency cash transfers—argue that cash transfers work when they are “fair, assured, practical, large enough to affect households income, and popular” (p.177). ‘Assured’ is the principle that is relevant when thinking about the timeliness of transfers: Recipients must be convinced that the money will really arrive every month and that families can depend on it. This allows families to make long-term plans and invest in schooling and income generation. There is no reason to believe that this would be different for emergency-situations (despite its more temporary nature)

¹⁶Originating from the will to gather the lessons learnt from the Tsunami emergency response in 2005, the CaLP is today composed by Oxfam GB, the British Red Cross, Save the Children, the Norwegian Refugee Council and Action Against Hunger / ACF International. The 5 steering committee organisations have come together to support capacity building, research and information-sharing on cash transfer programming as an effective tool to help deliver aid in times of crisis.

and experience from Zambia showed that recipients valued the cash grant precisely because it gave them the chance to budget a particular amount, rather than having to rely on unpredictable and irregular flows of cash from casual labour (Harvey and Bailey, 2011).

In theory, cash programmes are implemented quicker than in-kind assistance as there is no need to purchase and transport food. However, experience has shown that cash transfers have often taken longer to establish than in kind programmes, in part at least because cash transfers are still a relatively new modality for many agencies; systems have not been established and cash transfers have not been integrated into preparedness and contingency planning processes (Harvey and Bailey, 2011).

Timing of the transfer matters: When in the year cash is delivered will influence how it is spent and hence whether it is an appropriate response given the project's objectives. Harvey and Bailey (2011) recommend considering developing a seasonal calendar to map expenditure patterns, as part of the assessment process. In Ethiopia, an evaluation by Save the Children UK (Adams and Kebete, 2005) found that when cash payments exceeded minimum needs, and timing coincided with critical times in the seasonal calendar, then households could make strategic investments, for example by re-negotiating contractual agreements for sharecropping, and purchasing small stock or plough oxen. Similar experience was reported from Southern Somalia (Mattinen and Ogden, 2006, quoted in Harvey and Bailey, 2011).

B.1.2 Targeting

Targeting is one of the most difficult tasks in any humanitarian project. The purpose of targeting is to make sure that those most in need of assistance receive it. All targeting methods are imperfect and result in people receiving the benefit who should not (error of inclusion) and people who should but do not receive the benefit (error of exclusion). The targeting process should be determined by the objectives of the programme, not the

means through which the programme is implemented (e.g. cash transfers). It should also take into account availability of data, resources and capacity, within the agency and its partners. See Harvey and Bailey (2011: 67-68) for a summary of issues to consider for good targeting ranging from targeting individuals versus households, criteria, community involvement, gender to transparency.

In addition to the technical aspects to take into account to get the targeting right, it is increasingly recognised that political acceptability is an important consideration when designing (emergency) cash transfer programmes (see e.g. Hickey 2007, Hurrell and MacAuslan 2012).

A DFID review of evidence on cash transfers (DFID 2011) similarly dismisses a “one-size-fits-all” approach and argues that context matters when weighing pros and cons of different forms of targeting. “All forms of targeting (e.g. categorical grants, community selection, geographical targeting, self-selection or proxy-means test) involves trade-offs.” While this review does not specifically focus on emergency CTs there is no reason to believe that context matters less in designing short-term or emergency interventions—although the need to react quickly may put constraints on the thorough analysis of design choices.

One of the five principles for successful cash transfers outlined by Hanlon, Barrientos and Hulme (2010) is fairness. They argue that grants must be seen fair in the sense that most citizens agree on the choice of who receives money and who does not. Categorical grants (those that give out money to all or nearly all children or elderly) are usually seen as fair—but they may not always target those most in need. While relatively accurate, proxy means tests may be relatively accurate but they are not easily understood by beneficiaries. Moreover, targeting the poorest requires much more care, because it can be divisive and can create conflict between neighbours when some receive a grant and others don't.

This is not the space to detail pros and cons of all targeting approaches. However, two lessons from two recent evaluations in urban Kenya are worth noting: Community based targeting (CBT) in urban areas is rarely applied in the same way as in rural areas, because in general urban communities are less cohesive and clear cut. In practice, CBT mechanisms in urban areas normally mean targeting conducted by key community members such as health workers, rather than through the inclusive community meetings used in rural areas. MacAuslan with Phelps (2012) find that urban 'CBT' has resulted in a fairly high degree of exclusion. Moreover, careful targeting processes that rely on community members require time. An evaluation of Concern's Post Election Violence Recovery (PEVR) Programme (MacAuslan, 2010) found that, because the targeting process was largely outsourced to community members and partner staff with limited time, often those selected were not the most vulnerable and were in many cases known personally to those doing the targeting.

B.1.3 Impact

A range of positive impacts have been found to date on cash transfers in emergency contexts. For example, in Somalia, small cash transfers to drought-affected pastoralists allowed families to buy food, water, spend money on health care and pay off debts (DFID, 2011). Devereux and Jere (2008) compared the outcomes of a combination of food and cash with those only receiving food aid. They found that households receiving the combination (through a Save the Children programme) consistently had higher dietary scores among children than households receiving food aid only.

"Not just pennies" say Hanlon, Barrientos and Hulme (2010) and argue that grants must be large enough to cause a real change in behaviour, such as growing a new crop or sending children to school. What defines large enough is very much context-specific: in communities in rural Africa where cash incomes are very low and people produce a significant amount of their own food, a few

dollars a months can make a big difference. In contrast, in countries where the cash poverty line is higher, it requires more money to make a meaningful difference. According to the authors, indications are that the grant must be not less than 20% of poor households' consumption.

In urban emergencies setting a voucher value or cash transfer value will depend on three key factors argue Cross and Johnston (2011): the level of vulnerability, the objective of the transfer (i.e., what costs are you trying to cover?), and family size. One level of vulnerability can be measured by looking at household income versus expenses in comparison to an average cost of basic goods, using market prices. In urban settings, it is crucial to factor in household expenses to understand vulnerability. "Relying on income data only skews vulnerability for urban populations that have higher expenses than rural counterparts."

Experience from urban Kenya (MacAuslan 2010) showed that indexing the transfer to household size and market prices, while effective, sometimes confused recipients due to the variation in the amount they received. Moreover, this made them on some occasions less confident to challenge programme staff when they thought they had received insufficient amounts.

While not specifically referring to emergency CTs, a summary of evidence on cash transfers (DFID 2011) finds very little evidence that cash transfers in developing countries have negative effects on labour market participation. Moreover, where effects have been found, they have been small. The review goes on saying that an equal number of studies (e.g. from Brazil and South Africa) find positive effects on labour market participation, as transfers were used to cover costs associated with hob seeking.

B.1.4 Distribution

Distribution and administering the benefit matters greatly. In order to ensure that people receive a benefit correctly and regularly, there must be enough civil servants to administer

the system, and there must be reliable and secure banking or cash distribution system to hand out the payments (Hanlon, Barrientos and Hulme (2010) call this principle practical).

Comparing the program costs of cash transfers to other types of food aid emergency programs Magen et al (2009) argue that the empirical evidence suggests variable outcomes. A literature review on costs and cost effectiveness of cash transfer programs compared to in-kind food distribution programs demonstrated the relative lack of empirical studies, and weaknesses in the empirical methods (Gentilini, 2007, quoted in Magen et al, 2009). Brewin (2008) found that Concern Worldwide's Kenya pilot program, cash transfers delivered fewer calories per dollar than food aid, but that this was largely attributed to the costs of mobile phones that were given to beneficiaries for distribution. Cash transfers were found to be more efficient once these costs were removed. Had the program term been analysed beyond the pilot stage, the reduced impact of this investment may have led to a far more efficient outcome (quoted in Magen et al, 2009).

Taking advantage of technological progress, some NGOs have started using e-vouchers or smart cards to deliver money or enable people to purchase goods¹⁷. A "Quick Delivery Guide" by CaLP (nd) outlines the advantages and disadvantages and the contextual factors to take into account when considering cards. While more suitable for urban areas with better connectivity, it protects recipients better against the loss of money, allows them to withdraw gradually, possibly save but also may exclude some vulnerable groups, such as child-headed households. DFID (2011) is less reluctant in promoting the successes electronic payment systems. Evidence from non-emergency contexts (e.g. South Africa, India, Kenya and Liberia has shown that smart-cards of mobile

phones can reduce costs and leakage while at the same time promoting financial inclusion of the poor.

Moreover, experience with the MPESA delivery system in Kenya (with Concern's Post Election Violence Recovery Programme, PEVR and its Urban Livelihoods and Social Protection Programme, ULSP) showed that it is highly valued by recipients themselves. It was universally considered to be the best method of distribution, delivering direct to recipients and allowing them to keep their transfers secret. However, careful thought needs to be given to the most appropriate programme for those unable to use mobile phones or collect the transfer themselves or those without national ID cards. (MacAuslan, 2010 and MacAuslan and Crawford, 2012)

B.1.5 Accountability

Experience confirms intuition and shows that there is a certain trade-off between a fair targeting of the cash transfer and easily understood system (see e.g. principle fairness in Hanlon et al, 2010). For examples while categorical benefits are easily understood, they present challenges in terms of fairness (and financial sustainability) as it is common for relatively well-off households to receive benefits. Having said that a strong communication and community sensitisation strategy from the outset of the programme can go a long way in informing the local population about the programme, its purpose, process, timing, targeting criteria and any modifications (Harvery and Bailey, 2011). Designing a communication strategy will need to take into account different audiences, information needs and channels (for an example, see Harvery and Bailey, 2011: 62).

Experience has shown that grievance mechanisms and complaints mechanisms can be an important ingredient not only for increased accountability but to inform the programme (re)design as shown by the following example from Concern Worldwide's Urban Livelihoods and Social Protection Programme (ULSP) in Kenya: Targeting was initially implemented through community health workers, social workers and elders

¹⁷E.g. Action Against Hunger/ACE International in the Philippines after floods in Cotobato City on the island of Mindanao in June 2011 or Save the Children in Karoi, Zimbabwe, as part of their humanitarian response.

who formed teams to select households that met criteria that were developed and agreed by local stakeholders. In Korogocho, complaints with this process that came through a well-implemented grievance mechanism led Concern to redo the targeting using a census approach where targeting teams were required to visit each house and collect data (rather than select households). (MacAuslan and Crawford 2012)

A desk review of experience on grievance mechanisms as part of recent research in Indonesia (Oxford Policy Management, 2012) brought the following lessons:

- Grievance mechanisms can't compensate for poorly designed or implemented programmes;
- A widespread information campaign is crucial for ensuring the public understands programme objectives, selection criteria, how to register for the programme and who/ how to access redress if there are problems (including special measures to reach most vulnerable);
- Setting up multiple channels for receiving complaints is the best way to ensure access;
- Grievance mechanisms will need dedicated staffing/unit in order to perform adequately. Important to set performance standards and targets for grievance handling in advance and make these central to the programme performance monitoring system and staff performance. Decentralised implementing bodies may also need financial rewards for strong performance on redress;
- Access to independent channels for redress is important - e.g. links to ombudsmen, contracting out facilitation or collection of complaints to third parties such as NGOs.

Annex C References

Best practice note

- Adams L. and E. Kebete (2005) Breaking the Poverty Cycle: a Case Study of Cash Interventions in Ethiopia, Background Paper, Humanitarian Policy Group, London: Overseas Development Institute.
- Bailey, S., Savage, K. and S. O'Callaghan (2008) Cash transfers in emergencies. A synthesis of World Vision's experience and learning. World Vision International.
- CaLP (nd) Delivering cash through cards. A quick delivery guide for cash transfer programming in emergencies.
- Cross, T. and A. Johnston (2011) Cash transfer programming in urban emergencies. A toolkit for practitioners. CaLP.
- Devereux, S. and Jere, P. (2008) Choice, Dignity and Empowerment. Cash and Food Transfers in Swaziland. An evaluation of Save the Children's Emergency Drought Response, 2007/08. Save the Children.
http://www.savethechildren.org.uk/sites/default/files/docs/SavetheChildren_Emergency_Drought_Response_Evaluation_08_1.pdf [accessed 14 Sep 2012].
- Gentilini, U (2007) Cash and Food Transfers: A Primer. Rome: World Food Programme.
- Grindle, Merilee S. (2011) 'Governance Reform: The New Analytics of Next Steps', Governance 24(3): 415-418.
- Hanlon, J., Barrientos, A. and D. Hulme (2010) Just give money to the poor. The Development Revolution from the Global South. Kumarian Press.
- Harvey and Bailey, 2011
- Hickey, S. (2007) Conceptualising the Politics of Social Protection in Africa. BWPI Working Paper 4. Brooks World Poverty Institute. University of Manchester.
- Hurrell, A. and I. MacAuslan (2012) The political implications of cash transfers in sub-Saharan Africa: shaking up the social system. Public Management Review 14 (2) Special Issue: The Politics and Governance of Public Services in Developing Countries: 255-272.
- Mac Auslan, I. with L. Phelps (2012) Oxfam GB Emergency Food Security and Livelihoods Urban Programme Evaluation. Final Report.
<http://reliefweb.int/sites/reliefweb.int/files/resources/OGB%20EFSL%20Urban%20Evaluation.pdf> [accessed 12 Sep 2012].
- MacAuslan, I. & L. Crawford (2012) Mid-Term Review Of The Urban Livelihoods And Social Protection Programme In Kenya. Oxford Policy Management.
- MacAuslan, I. (2010) Evaluation of Concern's Post Election Violence Recovery (PEVR) Programme. Oxford Policy Management.

- Magen, B., Donovan, C. and V. Kelly (2009) Can cash transfers promote food security in the context of volatile commodity prices. A review of empirical evidence. International Development Working Paper 96. Michigan State University.
- Mattinen and K. Ogden (2006) Cash-Based Interventions: Lessons from Southern Somalia. In: *Disasters* 30(3).
- Oxfam GB (2006) Cash-Transfer Programming in Emergencies. Edited by Pantaleo Creti and Susanne Jaspars.
- Oxford Policy Management (2012), Review of, and Recommendations for, Grievance Mechanisms for Social Protection Programmes. Final Report.

Main text

- Alatas, V., A. Banerjee, et al. (2010). "Targeting the Poor: Evidence from a Field Experiment in Indonesia".
- AusAid (2011). Targeting the Poorest: An assessment of the proxy means test methodology.
- Bazzi, S., S. Sumarto, et al. (2012a). Evaluating Indonesia's Unconditional Cash Transfer Program, 2005-6, 3ie.
- Beaton, C. and L. Lontoh (2010). Lessons Learned from Indonesia's Attempts to Reform Fossil-Fuel Subsidies, IISD.
- Booth, D. (2008). A research design fit for purpose. Power and Politics in Africa Discussion paper. 3.
- Cameron, L. and M. Shah (2011). "Mistargeting of Cash Transfers, Social Capital Destruction, and Crime in Indonesia."
- Flyvbjerg, B. (2011). Case Study. The Sage Handbook of Qualitative Research, 4th Edition N. K. Denzin and Y. S. Lincoln. Thousand Oaks, CA, Sage: 301-316.
- George, A. L. and A. Bennett (2004). Case Studies and Theory Development. Cambridge, MA, MIT Press.
- Gerring, J. (2004). "What is a case study and what is it good for? ." The American Political Science Review 98(2): 341–354.
- Hastuti, N. Toyamah, et al. (2005). A Rapid Appraisal of The Implementation of the 2005 Direct Cash Transfer Program in Indonesia: A Case Study in Five Kabupaten/Kota. Jakarta, SMERU.
- Hastuti, N. Toyamah, et al. (2006). A Rapid Appraisal of The Implementation of the 2005 Direct Cash Transfer Program in Indonesia: A Case Study in Five Kabupaten/Kota. Jakarta, SMERU.
- McCulloch, N. (2008). "Rice prices and poverty in Indonesia." Bulletin of Indonesian Economic Studies 44(1).
- Naudé, C. M. B., J. H. Prinsloo, et al. (2006). Experiences of Crime in Thirteen African Countries: Results From the International Crime Victim Survey. Turin, UNICRI-UNODC.
- Saferworld (2008). Human Security in Bangladesh. London, Saferworld.
- Stern, E. e. a. (2012). Broadening the range of designs and methods for impact evaluation. DFID Working Paper. London, DFID.
- White, H. and D. Phillips (2012). Addressing attribution of cause and effect in small n impact evaluations: towards an integrated framework. International Initiative for Impact Evaluation/3ie working paper. New Delhi, International Initiative for Impact Evaluation/3ie.
- World Bank (2012a). TARGETING POOR AND VULNERABLE HOUSEHOLDS IN INDONESIA. Jakarta/Washington DC, World Bank.
- World Bank (2012c). BLT TEMPORARY UNCONDITIONAL CASH TRANSFER SOCIAL ASSISTANCE PROGRAM AND PUBLIC EXPENDITURE REVIEW 2. Jakarta/Washington DC, World Bank.
- Yusuf, A. A. and B. Resosudarmo (2008). "Mitigating Distributional Impact of Fuel Pricing Reform: The Indonesian Experience." ASEAN Bulletin 25 (1): 32-47.