

THE EFFECTIVENESS OF SOCIAL WELFARE PROGRAMMES IN GOVERNMENT DURING THE ECONOMIC CRISIS

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Abstract

The effectiveness of social welfare programmes in a time of economic crisis refers to the ability and success of government policies and initiatives in providing assistance, support and protection to people, especially vulnerable groups, to mitigate the negative impacts of economic instability. This includes the extent to which programmes can meet their objectives of maintaining living standards, reducing poverty, and sustaining people's social welfare amid significant economic challenges. The research method used in this study is literature review. The results show that social welfare programmes have a significant role in protecting people from the worst impacts of the economic crisis. Programmes such as cash transfers, food subsidies, and health insurance have proven effective in maintaining basic consumption levels and preventing an increase in poverty. However, research also identified several challenges in implementation, including budget constraints, difficulties in targeting beneficiaries, and distribution problems in remote areas. Therefore, despite these challenges, social welfare programmes remain a crucial policy instrument in dealing with the economic crisis.

Keywords: Social Welfare Programme, Government, Economic Crisis.

Introduction

Economic crisis is a phenomenon that can occur in various countries, significantly impacting various aspects of people's lives, especially vulnerable groups. An economic crisis is a condition where the economy of a country or region experiences a significant and sudden decline, characterised by various negative indicators such as a decrease in gross domestic product (GDP), an increase in unemployment, high inflation, instability in currency exchange rates, decreased investment, and decreased consumer and investor confidence (Bessant & Watts, 2024). These situations are often triggered by various factors, both internal and external, such as inappropriate economic policies, global financial market turmoil, natural disasters, or significant geopolitical events. Economic crises can have far-reaching impacts on various aspects of people's lives, including declining living standards, increasing poverty, and social instability, and

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require the intervention of governments and international financial institutions for recovery (Hwang, 2023).

In a crisis situation, the role of the government becomes even more crucial in maintaining the social and economic stability of the community through social welfare programmes. Social welfare programmes have a very important role in modern society. First, these programmes serve as a safety net for individuals and families facing economic or social hardship. They help reduce poverty, provide access to health and education services, and support vulnerable groups such as children, the elderly, and people with disabilities (Liao, 2023). With these programmes in place, people can have a better standard of living and more equal opportunities to develop, ultimately contributing to overall social and economic stability.

Secondly, social welfare programmes also play an important role in promoting social justice and reducing inequality in society. Through the redistribution of resources and the provision of public services, these programmes help to create a more inclusive and equitable society (Ng, 2023). In addition, social welfare programmes can promote human capital development by improving the health, education, and skills of the population, which in turn can increase economic productivity and long-term growth. Thus, investments in social welfare programmes not only benefit the direct beneficiaries, but also have a broader positive impact on society as a whole (Lee, 2022).

However, the effectiveness of such programmes is often questioned, especially when state resources are limited due to the crisis.

Indonesia, as a developing country, has experienced several economic crises, with the biggest one occurring in 1997-1998. More recently, the COVID-19 pandemic has triggered a global economic crisis that has also significantly impacted the Indonesian economy. In the face of these situations, the Indonesian government has implemented various social welfare programmes, such as Direct Cash Assistance (BLT), the Family Hope Programme (PKH), and the Basic Food Card (Um et al., 2022).

While these programmes aim to help people affected by the crisis, their implementation often faces challenges. Problems such as mistargeting, delays in aid distribution, and inadequate amounts of aid often arise. In addition, the limited state budget during the economic crisis can also affect the scale and reach of these programmes (Silalahi & Walsh, 2023).

On the other hand, comprehensive evaluations of the effectiveness of social welfare programmes during the economic crisis are limited. Many existing studies tend to focus on particular aspects or specific programmes, without providing a comprehensive picture of how these programmes function as a whole in the context of the economic crisis (Rafi'i & Zaid, 2021).

Therefore, this study examines the effectiveness of government social welfare programmes during the economic crisis. The research will evaluate various aspects of

the programmes, including targeting accuracy, adequacy of assistance, timeliness, and impact on beneficiaries.

Research Methods

In this study, researchers used a literature review. The literature research method, also known as a literature study or literature review, is a research approach that focuses on analysing and synthesising existing information from various written sources. (Jelahut, 2022); (JUNAIDI, 2021).

Results and Discussion

The Government's Social Welfare Programme

The concept of social welfare is an ideal condition that covers all aspects of community life, where each individual can fulfil their basic needs and have the opportunity to develop their potential. It includes various dimensions such as health, education, economy, security, and social participation. Social welfare does not only focus on fulfilling material needs, but also pays attention to non-material aspects such as happiness, life satisfaction, and the balance between personal and social life (Ferdoti, 2020). The ultimate goal is to create a just, prosperous and sustainable society, where every member of society can live with dignity and has equal access to resources and opportunities. This concept provides the foundation for social policies and programmes designed to improve the overall quality of life of people (Heffernan, 2020).

Government social welfare programmes are systematic efforts by the government to improve people's quality of life, especially for vulnerable and disadvantaged groups. These programmes are designed to address various social problems, such as poverty, unemployment, inequality and social exclusion. Through various policies and initiatives, the government seeks to create a comprehensive social safety net to ensure that every citizen has access to basic services and opportunities to thrive (Birk, 2022).

One example of a social welfare programme that is often implemented is direct cash transfers to poor families. Such programmes aim to help ease the economic burden on families and ensure that they can meet basic needs such as food, clothing and shelter. In addition, the government also often organises national health insurance programmes that aim to provide access to affordable health services for the entire community. Free or subsidised education is also an important part of the government's efforts to improve social welfare, with a focus on increasing access to quality education for all (Park, 2021).

The government's social welfare programmes also cover other aspects such as affordable housing, skills training and job creation, and social protection for the elderly and people with disabilities. It is important to note that the effectiveness of these programmes largely depends on proper implementation, adequate resource allocation,

and active participation from various stakeholders, including civil society and the private sector. Continuous evaluation and improvement of these programmes are also necessary to ensure that they remain relevant and effective in the face of changing social challenges (Martens, 2022).

In addition to the aforementioned programmes, governments also often implement community empowerment initiatives. These programmes aim to increase the capacity and self-reliance of communities in addressing their own social problems. Examples include savings and loan cooperative programmes, entrepreneurship training, and micro, small, and medium enterprise (MSME) development. Through these programmes, the government seeks to create an ecosystem that supports local economic growth and increases community resilience to economic shocks (Ho, 2022).

It is also important to note that government social welfare programmes are often cross-cutting and require good coordination between different government agencies. For example, a poverty alleviation programme may involve cooperation between the ministry of social affairs, the ministry of education, the ministry of health, and the ministry of labour. This integrated approach is necessary to address the complex and interrelated root causes of social problems (Shamsuddinova & Nisa, 2023).

Rigorous evaluation and monitoring of social welfare programmes is also crucial. The government needs to regularly assess the effectiveness of these programmes, identify areas for improvement, and make adjustments according to the changing needs of the community. Transparency in programme implementation and accountability in the use of public funds are also important factors to ensure public trust and the sustainability of these programmes (Ward, 2023).

In conclusion, government social welfare programmes are an important instrument in creating a just, prosperous and sustainable society. Through various initiatives covering economic, health, education, and social protection aspects, the government seeks to fulfil the basic needs of citizens and provide opportunities for them to thrive. However, the success of these programmes depends on careful planning, effective implementation, good inter-agency coordination, and active participation from all elements of society. With a holistic and sustainable approach, the government's social welfare programmes can be a major catalyst in improving people's quality of life and realising inclusive national development.

Programme Implementation during the Economic Crisis

The implementation of social welfare programmes during the economic crisis is a challenge for the government. In a crisis situation, people's need for social assistance increases dramatically, while government resources become limited (Simmonds, 2021). Therefore, the government needs to adjust and prioritise existing programmes. The main focus is usually on programmes that are urgent and directly address people's basic needs, such as food aid, direct cash transfers, and energy subsidies.

During economic crises, governments often implement temporary social safety net programmes. These programmes are designed to provide quick relief to those most affected by the crisis. Examples include cash-for-work programmes, which aim to provide temporary employment to those who have lost their jobs, and emergency social assistance programmes that target poor and vulnerable households. The implementation of these programmes requires intense coordination between government agencies and cooperation with local governments to ensure that the assistance reaches the right target (MacIver & Spitz, 2020).

The economic crisis has also encouraged the government to innovate in the distribution of social assistance. The use of information technology and integrated data systems is key in accelerating and streamlining aid distribution. For example, the use of electronic cards for the distribution of food and cash assistance, as well as the use of mobile applications for registration and verification of beneficiaries. These innovations not only help speed up the distribution of assistance, but also improve the accuracy of recipient data and reduce the potential for misuse of aid funds (Lorenz, 2022).

However, the implementation of social welfare programmes during the economic crisis also faced various obstacles. Budget constraints often force the government to reduce the scope or amount of assistance. In addition, rapid changes in economic conditions can lead to mismatches between the established criteria for beneficiaries and the reality on the ground (Zullo & Kiningham, 2022). Therefore, flexibility and the ability to make quick adjustments are crucial. The government needs to continue to evaluate and closely monitor the effectiveness of the programme, and be ready to make changes to the strategy if necessary to ensure that the assistance remains relevant and effective in overcoming the impact of the economic crisis.

Programme Effectiveness during the Economic Crisis

The effectiveness of programmes during an economic crisis depends largely on the speed of the government's response and the accuracy of the targeting of assistance. Quickly implemented and well-targeted programmes tend to be more effective in mitigating the impact of the crisis on communities. Direct cash transfers, for example, have proven effective in helping poor households fulfil their basic needs during times of crisis (Syukri et al., 2024). Meanwhile, labour-intensive programmes can help reduce unemployment and maintain purchasing power. The effectiveness of these programmes can be seen from indicators such as a reduction in the poverty rate, stability in household consumption, and improvements in other welfare indicators (Memos, 2021).

However, programme effectiveness is also influenced by other factors such as data quality, distribution mechanisms, and the capacity of programme implementers. Programmes that are based on accurate and up-to-date data tend to be more effective because they can reach the right beneficiaries. An efficient and transparent distribution

mechanism also contributes to programme effectiveness by ensuring that the assistance reaches the recipients quickly and completely. On the other hand, adequate capacity of programme implementers, both at the central and local levels, is crucial to ensure smooth programme implementation and the handling of problems that may arise in the field (Nielsen, 2021).

Continuous evaluation of programme effectiveness is a crucial aspect of managing social welfare programmes during the economic crisis. Through careful evaluation, the government can identify the most effective and efficient programmes and make adjustments to those that are less effective. It also assists in decision-making regarding the allocation of limited resources during times of crisis. Furthermore, lessons learned from evaluating the effectiveness of programmes during one crisis can provide valuable input for future programme planning and implementation, so that the government is better prepared for the next economic crisis (Fishback, 2022).

Challenges and obstacles in programme implementation

Programme implementation, especially during the economic crisis, often faces significant challenges and obstacles. One of the main challenges is budget constraints. In a crisis situation, the government must allocate limited resources efficiently to fulfil various urgent needs. This can lead to dilemmas in determining programme priorities and the amount of assistance that can be disbursed. Budget limitations can also affect the scope of the programme, so that not all groups in need can be reached by the assistance provided (Choi, 2022).

The second challenge that is often faced is the problem of coordination between government agencies and between levels of government. Effective programme implementation requires good coordination between ministries or agencies at the central level, as well as between central and local governments. However, different priorities, sectoral egos, and communication limitations often hinder effective coordination. This can lead to programme duplication, delays in implementation, or even conflicts in the field (Kourachanis, 2021).

The third barrier relates to the quality of data and information systems. Social and economic assistance programmes require accurate and up-to-date data on potential beneficiaries. However, there are often gaps in data availability and quality, especially for marginalised groups or remote areas. Non-integrated information systems and limited technological infrastructure in some areas can also hinder the process of data verification and efficient aid distribution (Wu, 2020).

Last but not least, resistance and socio-cultural constraints are important challenges. Some programmes may face resistance from communities due to incompatibility with local values or lack of understanding of the programme's benefits. For example, economic empowerment programmes that aim to change traditional production patterns may face resistance from communities that have long relied on

conventional methods. In addition, issues such as social stigma towards beneficiaries or distrust of the government may also hinder community participation in programmes (Baker, 2023).

Conclusion

The effectiveness of social welfare programmes in government during the economic crisis can be concluded that these programmes have a very important role in mitigating the negative impact of the crisis on society. Social welfare programmes have proven to provide significant social protection, especially for vulnerable groups such as the poor, the unemployed, and those directly affected by the economic crisis. Through various forms of assistance such as cash transfers, food subsidies, and health insurance, these programmes have managed to maintain basic consumption levels and prevent more people from falling into extreme poverty.

However, the effectiveness of these social welfare programmes also faces several challenges and limitations. One of the main challenges is the government's budget constraints in the midst of an economic crisis, which can limit the scope and amount of assistance provided. In addition, problems in targeting beneficiaries, such as inclusion and exclusion errors, as well as constraints in the distribution of assistance, especially in remote areas, can also reduce the effectiveness of the programme. These challenges point to the need for continuous improvement in the design and implementation of social welfare programmes.

Despite these challenges, social welfare programmes remain a crucial policy instrument in dealing with the economic crisis. The success of these programmes is not only measured by their ability to reduce the short-term impact of the crisis, but also by their contribution to building community resilience in the long term. Therefore, the government needs to continue to improve the effectiveness of social welfare programmes through an improved targeting system, increased inter-agency coordination, and the development of better monitoring and evaluation mechanisms. In this way, social welfare programmes can become a key pillar in the government's strategy to overcome the economic crisis and build a more resilient and prosperous society.

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