
Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

Analysis of Evaluation of Use of Village Funds During the Covid-19 Pandemic (Case Study of Sugiharjo Village, Batang Kuis District, Deli Serdang Regency, North Sumatra Province)**Widya Sari Pardede^{1*}, Roswita Hafni¹**¹Universitas Muhammadiyah Sumatera Utara

Jl. Kapten Mukhtar Basri No. 3 Medan, Indonesia

***Email:** widyapardede99@gmail.com**ABSTRACT**

The impact of Covid-19 is weakening economic growth resulting in an increase in the number of poor people. Therefore, the national economic recovery program (PEN) in the social protection sector includes direct village fund cash assistance sourced from the village fund budget. This study aims to analyze data on the allocation of village funds provided to Sugiharjo Village, Batang Kuis District during the Covid-19 pandemic from 2019 to 2021, specifically regarding Direct Cash Assistance (BLT). The results of the study concluded that the Sugiharjo Village Government had made efforts to prevent and mitigate the impact of Covid-19 in accordance with government policies, including the management of the Village Fund. In the distribution of Village Fund Direct Cash Assistance (BLT) the Village Fund is still not effective because the distribution of Direct Cash Assistance (BLT) distributed to the community is still not in accordance with the criteria for receiving Village Fund.

Keywords: National Economic Recovery Program, Direct Cash Assistance, Poverty

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

INTRODUCTION

Corona Virus Disease 2019 (COVID-19) is a large family of viruses that cause disease in humans and animals. In humans it usually causes respiratory tract disease, from the flu to serious diseases such as Middle East Respiratory Syndrome (MERS) and Severe Acute Respiratory Syndrome (SARS) (kemenkes.com, 2020). Corona Virus Disease 2019 (COVID-19) was originally discovered in Wuhan City, Hubei Province of the People's Republic of China at the end of 2019 and spread quickly and infected millions of people in various countries including Indonesia (World Health Organization 2020). Global data as of 16 April 2021 shows that there are 138,687,638 people from 6 parts of the world (America, Eastern Mediterranean, Southeast Asia, Africa, Europe and the Western Pacific), consisting of 113 countries with confirmed outbreaks of Covid-19 and 2,978,922 people of them died. Indonesia is a country in 2nd position in the Southeast Asia region with 1,599,763 confirmed cases of Covid-19 and 43,328 deaths (covid19.go.id,2021), where the highest number of COVID-19 cases is in West Java Province has a population of 175,950, the second highest COVID-19 case is occupied by Central Java Province with a population of 142,318. North Sumatra Province is ranked 11th out of 34 Provinces in Indonesia with confirmed Covid-19, with a total of 22,999 residents. The increase in confirmed cases of Covid-19 was mostly from the cities of Medan, Binjai, Tebingtinggi, Central Tapanuli and Samosir. The city of Medan, which is the capital of North Sumatra Province with a population of 2,983,868 people, has confirmed 12,284 cases of Covid-19, where in Batang Kuis District there are 4,943 confirmed cases of Covid-19 and has the potential to continue to grow.

Economic development is a process that aims to increase the gross domestic product (GDP) of a country or region beyond the rate of population growth. In economic development, an increase in people's opinion is also followed by changes in social structure and people's attitudes. In addition to increasing income, the aim of economic development is to improve conditions outside of the economic aspect, such as improving government institutions, improving attitudes, and efforts to reduce the gap to higher levels of economic activity. According to Adam Smith, economic development is a process of combining population growth and technological progress (Suryana, 2000:55). Todaro (in Lepi T. Tarmidi, 1992:11) defines development as a multidimensional process involving major changes in social structure, societal attitudes, national institutions and acceleration of economic growth, reduction of inequality and elimination of absolute poverty. One of the successes in economic development is economic growth. In the implementation of development, high economic growth accompanied by equitable distribution of development results is the main target. However, in reality the higher economic growth causes disparities in development in each region. Inequality in development is often a serious problem and if it cannot be handled carefully it will lead to more complex crises such as population, economic, social, political, environmental problems and also in the macro context can harm the development process that an area wants to achieve. The rate of economic growth is calculated from the increase in real national income, namely the Gross Domestic Product (GDP), which applies from year to year. The following is Indonesia's economic growth from 2015 to 2020, as follows:

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"



Figure 1. Economic Growth in Indonesia in 2015-2020

Source: Badan Pusat Statistik 2020 (www.bps.go.id)

In the picture above, economic growth in 2015 to 2018 in Indonesia has increased only slightly. In 2015 economic growth was 4.88%, 2016 5.03%, 2017 5.07%, and 2018 5.17%. In 2019 it decreased by 5.02%, but in 2020 Indonesia's economic growth experienced a very drastic decline of -2.07%. Economic growth in 2020 showed a decline as a result of the Covid-19 pandemic which was felt by the whole world. The Covid-19 pandemic has weakened the economic sector because people's purchasing power has decreased. The sluggish economic activity in various sectors caused economic growth to weaken throughout 2020. This condition certainly presents a challenge for the Government in maintaining the level of people's welfare. One of the challenges faced is a decrease in income levels and food security. The results of a survey conducted by the World Bank (2020) show that 24% of the family heads who were the survey sample stopped working, 64% of the heads of families who were still working experienced decreased income, and around 30% of households reported food shortages. The issue of increasing poverty is another important challenge for the Government during the pandemic. Suryahadi, et al. (2020) estimates that the Covid-19 pandemic can increase the number of new poor people by 1.3 to 8.45 million. Based on these results, government intervention is needed to prevent an increase in the poverty rate. The following is data on the number of poor people in Indonesia in the last five years.

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

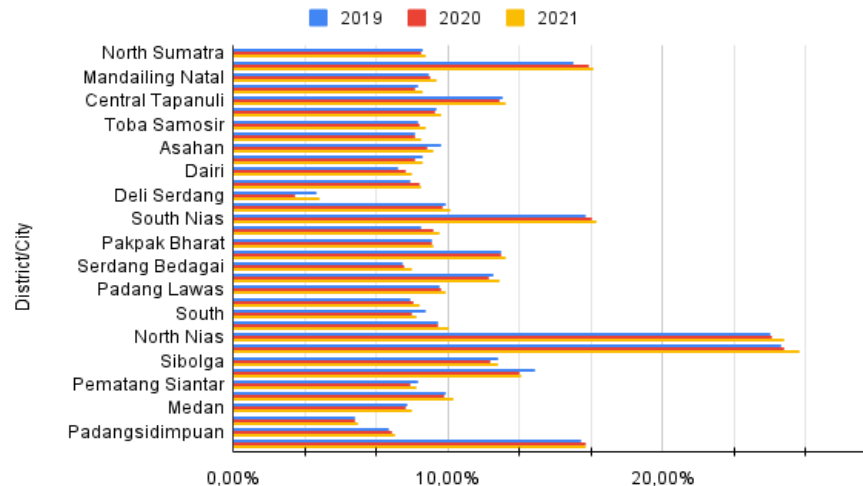


Figure 2. Percentage of Poor Population by Distric /City 2019-2021

Source: Badan Pusat Statistik 2020 (www.bps.go.id)

From the table of the percentage of poor people by district/city in 2019 to 2021. Regencies/cities with the highest poor population in 2019 were West Nias district/city, namely 25.21%, in 2020 it increased by 0.48% to 25.69% while in 2021 it has increased from the previous year of 1.27% to 26.42%. Whereas the percentage of poor people by district/city was the lowest in 2019 in Deli Serdang with a percentage of 3.89%, then in 2020 it decreased by 0.1% to 3.88% and in 2021 it has increased from the previous year by 0.23% to 4.01%. To overcome the economic impact caused by the Covid-19 pandemic, the government has implemented various policies as an effort to restore the community's economy and regrow people's purchasing power. One of them is the PEN (National Economic Recovery) Program. The national economic recovery program in the social protection sector includes direct village fund cash assistance sourced from the village fund budget. Village Funds are funds originating from the APBN earmarked for Villages which are transferred through the district/city APBD and are used to finance governance, development implementation, community development, and Village community empowerment. The realization of the Village Fund is a follow-up to the government's program to develop Indonesia from the periphery by strengthening regions and villages within the framework of a unitary state which aims to improve welfare and equitable development through improving public services, advancing the economy, overcoming development gaps between villages and strengthening communities as subjects of development. The aim of village development is to improve the welfare of rural communities and the quality of human life as well as reduce poverty, through: meeting basic needs, developing village facilities and infrastructure, developing local economic potential, and using natural resources and the environment in a sustainable manner. Providing Direct Cash Assistance (BLT) is one of the government's efforts to provide assistance to communities affected by Covid-19, namely by providing cash assistance in the amount of IDR 600,000 every month to the heads of poor families (KK) affected by Covid-19. One of the sources of funds used by the government to provide cash assistance to the poor affected by Covid-19 is

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

to use the Village Fund (DD). This Village Fund Direct Cash Assistance (BLT –DD) has been distributed to the community from April 2020 to June 2021.

Sugiharjo Village is located in Batang Kuis District which has an area of approximately 40.34 KM², while the boundaries of the Batang Kuis sub-district are: To the north it is bordered by Pantai Labu District, To the south it is bordered by Tanjung Morawa District, To the east it is bordered by Beringin District and Pumpkin Beach, West is bordered by Percut Sei Tuan District. The area of Sugiharjo Village is 1.53 km² with a population of 4,644 people divided into 1,040 households. However, the distribution of direct cash assistance funds that has been organized by the government cannot run well because there are still village fund distributions that are not in accordance with the criteria for receiving direct cash assistance village funds regulated in PMK 190 of 2021. Where are the criteria for receiving BLT funds, namely poor or underprivileged families who live in the village concerned, have lost their livelihood, poor families affected by the Corona Virus Disease 2019 (Covid-19) pandemic and have not received assistance, or households with a single elderly household member.

METHOD

This research uses a descriptive study research method. The type of data used by the author is a type of qualitative and quantitative data. This qualitative data uses words and numbers to describe the observed phenomena. Meanwhile, quantitative data is useful for adding supporting data in this study. Primary data sources obtained directly from field surveys, and secondary data, namely data collected by data collection agencies and publications originating from official websites and using data from various related sources. The data collection technique used was a questionnaire, namely a data collection technique by providing a list of questions which were then filled in by the respondents to facilitate data collection and time efficiency. The data analysis technique used is descriptive by explaining village funds in the form of direct cash assistance distributed to the community during the Covid-19 pandemic in Sugiharjo Village, Batang Kuis District. Presented in the form of tables, graphs, and narratives with the aim of making it easier for readers to interpret research results.

RESULT AND DISCUSSION

Deli Serdang Regency administratively surrounds the capital city of North Sumatra Province, namely Medan City. Has an area of 249,772 Ha (2,497.72 km²), which consists of 22 Districts, 380 Villages and 14 Sub-Districts. The widest sub-district is Hamparan Perak District with an area of 23,015 or 9.21 Ha or 0.37 percent of the area of Deli Serdang Regency. Based on the area by sub-district in Deli Serdang Regency, the sub-district which has the largest area is Hamparan Perak sub-district with an area of 230.15 km² or around 9.21 percent, then Sinembah Tanjung Muda Hulu sub-district with an area of 223.38 km² or around 8.94 percent. and Percut Sei Tuan District with an area of 190.79 km² or around 7.64 percent. While the sub-district that has the smallest area is Deli Tua sub-district with an area of 9.36 km² or around 0.37 percent. Batang Kuis District has an area of 40.34 km² or around 1.62 percent of the total area in Deli Serdang Regency. The Batang Kuis sub-district has a population of 68,929 in 2019 with each village having a different population.

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

Allocator of Village Funds in the Village Fund Direct Cash Assistance (BLT) Program in Sugiharjo Village, Batang Kuis District from 2019 - 2021

This study took the research object in Sugiharjo Village, Batang Kuis District, Deli Serdang Regency, North Sumatra Province. The reason for selecting the sample in Sugiharjo Village is because the village is one of the villages in Batang Kuis District which is included in the category of the largest and smallest Village Fund recipients among other villages in Batang Kuis District. Therefore, indirectly receiving Village Funds will affect the amount of Village Fund Direct Cash Assistance (BLT) receipts, which is a priority for Village Fund use during the Covid-19 pandemic. In this case the data was strengthened by obtaining from field observations, so research was carried out using village government interviews and distributing several questionnaires to families receiving Village Fund Direct Cash Assistance (BLT). The total number of questionnaires distributed was 80 respondents who received Village Fund Direct Cash Assistance (BLT) taken in Sugiharjo Village, Batang Kuis District. This is done to see the accuracy of the distribution of assistance sourced from the Village Fund and the use of Village Funds for the Direct Cash Assistance (BLT) program. The following is an explanation of the analysis regarding the results of the answers to the interviews and questionnaires as well as descriptions of the respondents who answered the questionnaires.

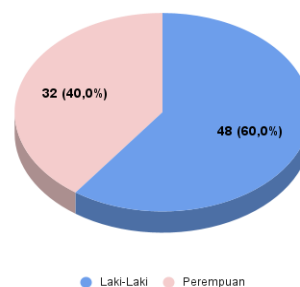


Figure 3. percentage of respondents

In this study, the recipients of the Village Fund Direct Cash Assistance (BLT) totaled 80 respondents. Based on the survey results obtained from 80 respondents, around 60.0% of the respondents were male or totaled 48 people, and 40.0% of the respondents were female or totaled 32 female respondents. Where based on age measurements obtained as many as 3 respondents aged <25 years with a percentage of 3.7%, 15 respondents aged 26-35 years with a percentage of 18.8%, 38 respondents aged 36-46 years with a percentage of 47.5% , and 24 respondents aged 47-60 years with a percentage of 30%. The technique of determining the respondents using random methods without having to determine the number representing each age of the respondent.

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

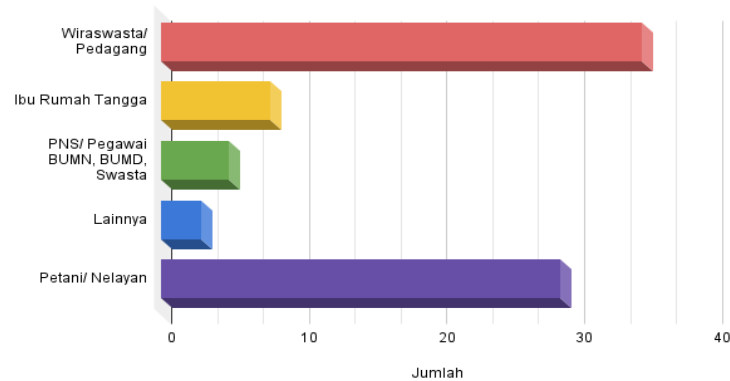


Figure 4. Type of work of the respondents

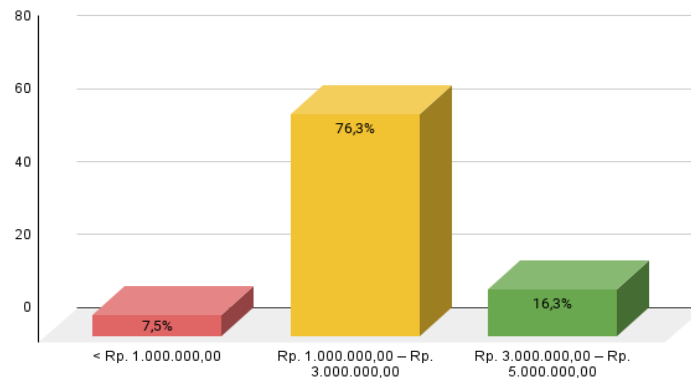


Figure 5. monthly income level

In the diagram above, for the types of community work in Sugiharjo Village, Batang Kuis District, there are 35 people who work as Entrepreneurs / Traders with a percentage of 43.8%, Housewives as many as 8 people with a percentage of 10%, for PNS / BUMN Employees, BUMD employees as many as 5 people with a percentage of 6.3%, Farmers / Fishermen as many as 29 people with a percentage of 36.3%, and other types of work, namely laundry workers as many as 3 people with a percentage of 3.8%. It can be seen that in this BLT receipt, there are still Civil Servants who receive Direct Cash Assistance Funds, where this BLT receipt is not in accordance with the requirements of BLT recipients. Based on the level of monthly income, there are 6 respondents who earn < Rp. 1,000,000 per month with a percentage of 7.5%, 61 respondents who earn Rp. 1,000,000 – Rp. 3,000,000 per month with a percentage of 76.3%, 13 respondents who earn Rp. 3,000,000 – Rp. 5,000,000 per month with a percentage of 16.3%, and there are no respondents who earn > Rp. 5,000,000. It can be seen that there are still at least people who earn < Rp. 1,000,000 received Village Fund Direct Cash Assistance in Sugiharjo Village. Discussion following hypothesis 1, write scientific findings obtained from the results of research that has been done but must be supported by adequate data. The scientific findings referred to here are not the research data obtained. These scientific findings must be explained scientifically, including What scientific findings were obtained? Why does that happen? Why are variable trends like that?

Medan, Sumatera Utara, Indonesia 26th January 2023

Faculty of Economics and Business Universitas Muhammadiyah Sumatera Utara

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

All of these questions must be explained scientifically, not only descriptive, if necessary, supported by adequate underlying scientific phenomena (John 2015; Mega et al., 2017). Also, it should be explained the comparison with the results of other researchers who are almost the same topic. Research results and findings must be able to answer the research hypotheses in the introduction.

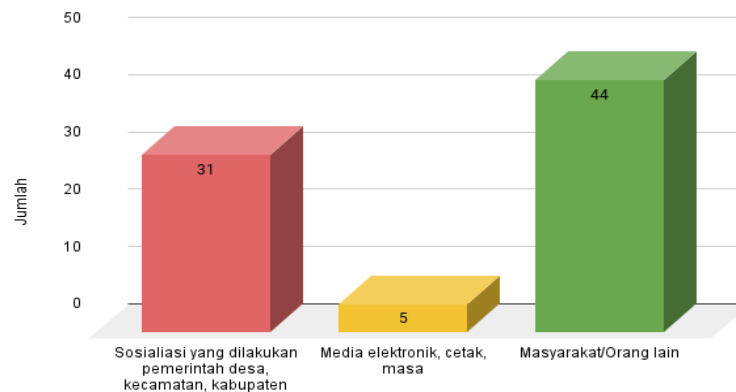


Figure 6. Availability of Information on Direct Cash Assistance (BLT) from the Sugiharjo Village Fund, Batang Kuis District

In the diagram above, out of 80 respondents regarding the availability of information on village funds, 31 respondents knew themselves as recipients of direct cash assistance (BLT) with a percentage of 38.8%, who knew because of the socialization carried out by the village government to the community, 5 respondents with a percentage of 6, 3% know through electronic media, and 44 respondents with a percentage of 55.0% know from the surrounding community.

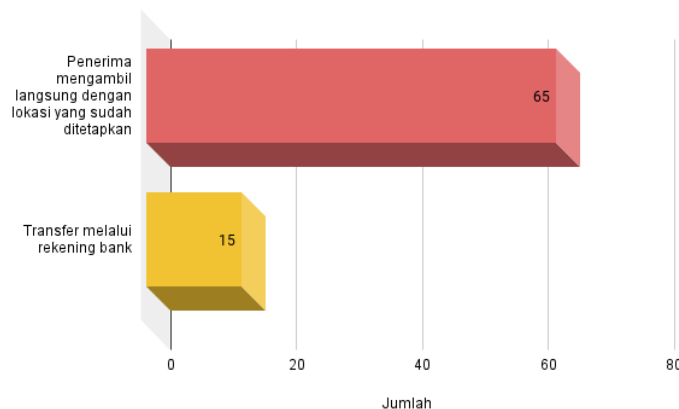


Figure 7. The process of distributing/receiving Direct Cash Assistance (BLT) for Sugiharjo Village Funds, Batang Kuis District

In the diagram above, of the 80 respondents who show that by distributing and receiving direct cash assistance (BLT) for the Village Fund, there are 65 respondents with a percentage of 81.3% with the recipient system taking directly at the location determined by the village government, and there are 15 respondents with the percentage of 18.8% who

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

received Village Fund Direct Cash Assistance (BLT) via transfer to the beneficiary's bank account.

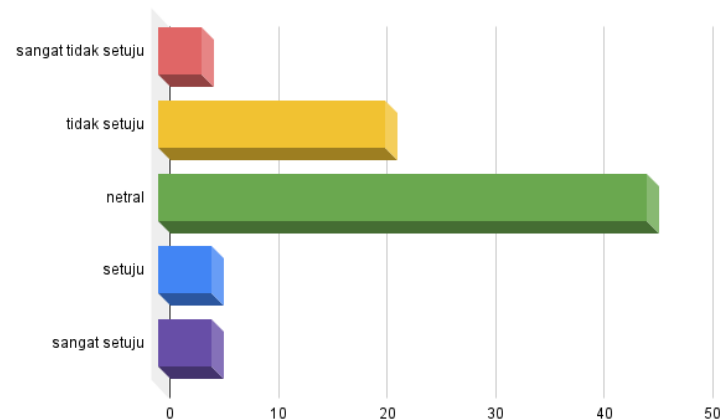


Figure 8. The process of collecting data and receiving direct cash assistance is carried out transparently

In the diagram above, out of 80 respondents who stated that the data collection process and receipt of Village Fund Direct Cash Assistance was carried out transparently, there were 4 respondents with a percentage of 5% who strongly disagreed and there were 21 respondents with a percentage of 26.3% who did not agree, this was due to a lack of socialization carried out by the village government regarding direct cash assistance to village funds. However, there were 5 respondents with a percentage of 6.3% who agreed and strongly agreed that the process of collecting data and receiving direct cash assistance was carried out transparently. There were 45 respondents with a percentage of 56.3% who stated that they were neutral towards the process of collecting data and receiving direct village cash assistance which was carried out in a transparent manner.

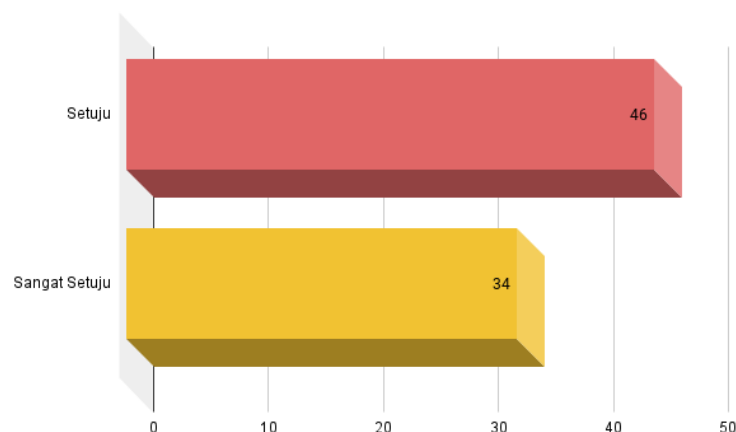


Figure 9. Direct Cash Assistance to Help Fulfill the Basic Needs of RT in Sugiharjo Village, Batang Kuis District.

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

In the diagram above, out of 80 respondents who stated that Direct Cash Assistance can help household basic needs in Sugiharjo Village, Batang Kuis District, 46 respondents stated that they agreed with a percentage of 57.5%, and there were 34 respondents with a percentage of 42.5% who stated that they strongly agreed that the existence of Direct Cash Assistance can help household basic needs in Sugiharjo Village, Batang Kuis District.

CONCLUSION

The Sugiharjo Village Government has made efforts to prevent and mitigate the impact of Covid-19 in accordance with government policies, including the management of the Village Fund. The form of allocation is in the form of Direct Village Cash Assistance in the amount of IDR 300,000 per month for 12 months or one year. In the distribution of Village Fund Direct Cash Assistance (BLT) it is still not effective because the distribution of Direct Cash Assistance (BLT) distributed to the community is still not in accordance with the criteria for receiving Village Fund Direct Cash Assistance (BLT) determined by the village government, there are still capable families who receive assistance provided by the village government. The existence of the Village Fund Direct Cash Assistance (BLT) program is very useful in helping the basic needs of the people who are in Sugiharjo Village, Batang Kuis District, especially the people affected by Covid-19.

REFERENCES

- Adisasmita, Rahardjo. (2005). *Dasar-Dasar Ekonomi Wilayah*. Yogyakarta: Graha Ilmu.
- Arsyad, Lincolin. (2010). *Ekonomi Pembangunan*. Yogyakarta: UPP STIM YKPN Yogyakarta.
- Aulia, Meiliana. (2022). *Implementasi Kebijakan Program Bantuan Langsung Tunai Dana Desa (BLT-DD) Pada Masyarakat Miskin Yaang Terdampak Covid-19 Di Desa PaokMotong, Kecamatan Masbagik, Kabupaten Lombok Timur*.
- Ayu, Nursela. (2021). *Evaluasi Penggunaan Dana Desa Tahun 2020 Untuk Pencegahan Dan Penyebaran Covid-19 Di Desa Tanjung Kecamatan Koto Kampar Hulu Kabupaten Kampar*.
- Aziz, N. L. (2016). Otonomi Desa Dan Efektivitas Dana Desa. *Jurnal Penelitian Politik*, 193-211.
- Badan Pusat Statistik (BPS) Indonesia tahun 2020.
- Badan Pusat Statistik (BPS) Provinsi Sumatera Utara tahun 2020.
- Deininger, K., & Pedro, O. (2000). Asset Distribution, Inequality, and Growth. *The World Bank*, 5-9.
- Fadli, Hafiz. (2021). Analisis Kebijakan Transfer Payment Pada Dana Desa Di Era Pandemi Covid-19 (Studi Kasus: Kecamatan Bandar Pasir Mandoge, Kabupaten Asahan, Sumatera Utara). *Skripsi*. Medan: Universitas Muhammadiyah Sumatera Utara.
- Gilarso, T. (2004). *Pengantar Ilmu Ekonomi Makro*. Yogyakarta: Kanisius.
- Globalcybernews.com, "penyerahan bantuan langsung tunai dana desa periode januari tahun 2021", 25 Juli 2022. <<https://globalcybernews.com/2021/05/23/penyerahan-bantuan-langsung-tunai-dana-desa-periode-januari-tahun-2021>>.
- H, Muhammad dan Muhammad Azis. (2018). *Pembangunan Ekonomi dan Pemberdayaan Masyarakat Edisi Kedua*. Makassar: CV. Nur Lina.

Proceeding Medan International Conference Economics and Business

Volume 1, Year 2023

"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

- Jhingan, M. L. (2012). *Ekonomi Pembangunan dan Perencanaan*. Jakarta: Rajawali Presa.
- Kementerian Keuangan Republik Indonesia. (2015). *Dana Desa Tahun 2015 - 2018*. Diakses dari <http://www.kemenkeu.go.id>.
- Kompas.com, "bantuan yang digelontarkan selama pandemic covid-19", 25 Juli 2022. <
<https://www.kompas.com/tren/read/2021/08/17/133000065/7/> bantuan -
yang-digelontarkan-selama-pandemi-covid-19->.
- Nordhaus, William dan Samuelson, Paul. (1992). *Makro Ekonomi*. Jakarta: Erlangga.
- Putong, Iskandar. (2003). *Pengantar Ekonomi Mikro & Makro*. Jakarta: Ghalia Indonesia.
- Sari, Novita. (2021). *Analisa Evaluasi Kebijakan Bantuan Lansung Tunai Dana Desa Pada Ketahanan Pangan di Era Pandemi Covid-19 (Studi kasus Desa Simpang Empat, Kecamatan Simpang Empat, Kabupaten Asahan Provinsi Sumatera Utara*. *Skripsi*. Medan: Universitas Muhammadiyah Sumatera Utara.
- Sukirno, Sadono. (2011). *Makro Ekonomi Teori Pengantari*. Jakarta: PT. Raja Grafindo Persada.
- Sukirno, Sadono. (2007). *Ekonomi Pembangunan*. Jakarta: Kencana.
- Tarigan, Robinson. (2009). *Ekonomi Regional Teori dan Aplikasi*. Jakarta: Bumi Aksara.
- Yuliana. (2020). Corona Virus disiasas. *Wellnes Journalpress*, 2 (1)