CSR for Child Poverty: Challenging Policy in Disruptive Era

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Abstract—National Socio-Economic Survey 2017 has pointed out that in the City of Magelang, there were 31.7% of poor people with low education, labor status, and unemployment. Children from this poor family automatically are on child poverty condition. The problems are: (1) How do the city government and the CSR forum construct the child poverty problems, which in turn impacts the choice of CSR utilization policy—particularly in disruptive era, which is threatening labor’s job?; (2) How far is local poverty alleviation policy responsive to children?; and (3) How far is the utilization of new media in the communication strategy of poverty alleviation policy? This article aims at elaborating the design of Corporate Social Responsibility (CSR) utilization for poor child development in dealing with disruptive effect of information technology. The research was conducted by using qualitative method, with policy document study and interview as the data collection methods. Interpretative data analysis was carried out by using collaborative governance theory. The novelty of this research is in the study of child poverty with CSR collaboration as the sustainable pro-poor policy strategy. The research found that local government’s policy had not put child poverty in the priority of CSR utilization. Policy communication had not optimized new media as media for advocacy. The research’s contribution was the development of child-oriented local poverty overcoming policy. Further researches are recommended to study poor family’s perspectives on the alleviation of child poverty.

Keywords—poverty alleviation; local government; disruptive era; pro-poor policy.

I. INTRODUCTION

Child poverty is an important issue to study as it impacts the nation’s future, especially in the disruptive era. Child poverty refers to the state of children living in poverty. Disruptive era describes an era in which technology and society are evolving faster than businesses can naturally adapt [1]. In relation to this, the child-responsive poverty alleviation policy is urgent to establish. The policy can be accomplished when its actors and implementers have a specific sensitivity to the child poverty issue. Therefore, this article presents a discourse analysis on child poverty sensitivity among policy actors in Magelang, Central Java. In the democratic governance era, policy actor is not solely government’s domain but it also involves other stakeholders, including business sectors. A good public policy is a visionary policy, meaning that it is anticipative to time challenge as a dynamic policy variable [2]. Industrial era 4.0 is one of the time challenges that should be adapted in the design of the poverty alleviation policy, including child poverty [29].

The review on relevant data found that child poverty can be viewed not only from economic incapability concept but also from deprivation concept. The latter is a have-not condition viewed from physical, social, and emotional condition as indicated or proven by its relation to a local community or a broader community where an individual, a family, or a group lives. Statistic situation of child poverty in Indonesia, as reported by Bappenas and Unicef using standard of $1.3 per day, shows that 13.7% of the children under 18 years old have lived in the families below poverty line. About 31-41% of the poor children have lived in urban areas [3]. Using multidimensional approach to poverty, we can see that 65% of the children developed deprivation in two or more aspects of child welfare during 2011-2015. Welfare aspect used to assess deprivation includes education, health, basic utility, nutrition/food, protection, and shelter. In the city where this study was conducted, there were 8.7% or 10,713 poor children.

In relation to national policy for alleviating poverty, the Central Government has issued some social policies including child component to be indicator of beneficiary. Firstly, the Family Hope Program (Program Keluarga Harapan or PKH) is a conditional cash transfer program, primarily designed to improve maternal and neonatal health as well as children’s education. Secondly, Smart Indonesia Program (Program Indonesia Pintar or PIP) aims at providing support to cover the indirect costs associated with education. Thirdly, the Child Social Welfare Program (Program Kesejahteraan Sosial Anak or PKSA) aims at reaching these children with annual cash transfers of Rp1 million per child combined with guidance and care by social workers and/or by child care institutions that link the children and their families to basic social services.

Magelang has a vision to be a service and smart city; it means that urban social environment provides stimulant to deal with the challenge of disruptive era. This city also has information technology utilization developer community, which could be potential to help implement its programs.

However, although there have been aids from Central Government, some problems are still encountered in Magelang as the research site that some children from poor family still have not gotten aids yet, do not continue their education, and have to work as child labor. In addition, in Magelang there are some companies with CSR programs, but they have not been coordinated specifically to implement the child-responsive poverty alleviation program in disruptive information era.
In consideration of such a thought, the problem statements to be addressed by this article are: 1) how do the city government and the CSR forum construct the child poverty problems, which in turn impacts the choice of CSR utilization policy--particularly in disruptive era which is threatening labor’s job?; (2) how far is local poverty alleviation policy responsive to children?; and (3) how far is the utilization of new media in the communication strategy of poverty alleviation policy?

The analytical framework used in this study is overall poverty approach with Poverty Caused by Cumulative and Cyclical Interdependency theory and Collaborative Governance model. This article aims at elaborating the utilization of Corporate Social Responsibility (CSR) for poor child development in dealing with disruptive effect of information technology.

The theoretical contribution of this article is that it presents a variant perspective on child poverty constructed by city government apparatus and local business realm funding the CSR. The practical contribution constitutes the identification of children mainstreaming on poverty alleviation policy in dealing with disruptive era. The recommendation of policy resulting from this research includes the development of CSR policy as the Future Best Friend for Vulnerable Child. Further studies are recommended to conduct on child poverty by using discourse analysis method from poor family children’s perspective.

II. LITERATURE REVIEW
A. The Concept of Child Poverty
Child poverty concept used in this study is overall poverty approach as defined in World Summit for Social Development in Copenhagen in 1995. It means that poverty is viewed from economic, education, health, community’s social need and other basic need indicators, either physically or spiritually. Child poverty condition is viewed from deprivation or supportability insufficiency thereby affecting the child’s competitiveness sustainability in adulthood.

The future threat of poor child should be intervened with by a sustainable poverty alleviation policy. The poverty alleviation strategies very much vary, depending highly on the perspective explaining the cause and the consequence of poverty. Public policy formulation and its implementation are not free from the exposure of process affected by the policy actors’ value orientation [4]-[7]. Thus, the selection of poverty alleviation strategy is tied to time context and basic value of policy actor. The intended basic value is the belief in what to be owned by a poor child in order to survive reasonably, physically, economically, socially, and culturally.

The literature review on studies conducted during 1995-2015 relevant to the condition of children coming from poor family finds that they tend to have disadvantages in the terms of general cognitive functioning, attention, and executive function. However, they have creativity as a potential power [8]. It can be found that training is required to improve their cognition, and their improved cognitive ability will affect the children from poor family, e.g. their competitiveness due to improved learning achievement [9]. Children from poor family also assume poverty cost materially and socially. They are vulnerable to social exclusion. They potentially experience opportunity narrowing socially and economically in its attempt to maximize resource utilization they have [10]. The study conducted on child poverty in Indonesia found some critical points to be considered in government policy. The factors contributing strongly are: (1) big family burden; (2) geographical disparity; (3) female family head; (4) low family head education; (5) family head’s job with low income. Those factors generate dynamic deprivation effect on education, health, nutrition, shelter, and protection fields.

B. The challenge of child poverty problem
In relation to era 4.0, there are putatively some factors becoming opportunities and threats, depending on the policy and social-cultural environment dominating the poor children. The use of ICT for public affairs becomes opportunity and threat (challenge) all at once in certain aspects [11]-[13]. Industry 4.0 era facilitates the access to information and communication network for a variety of transaction and self-development opportunities. On the other hand, ICT penetration results in the engine or robot’s taking-over the job opportunity usually done by laborer, thereby leaving unemployment for the worker group without skill advantage.

In order to face the challenges of the industry 4.0 era, public policy for poverty alleviation among children has to ensure that the poor children have the attitudes and competencies needed to survive: (1) Critical thinking and problem solving; (2) Collaboration across network; (3) Agility and adaptability; (4) Initiative and entrepreneurship; (5) Accessing and analyzing information; (6) Effective oral and written communication; (7) Curiosity and imagination; (8) attitude or ethics; (9) innovation; (10) willingness; (11) commercial management capabilities; (12) financial management; (13) strategic management; and (14) technology management [1],[13]-[14].

C. Policy intervention strategy
Considering such situation, this study employs the theory of Poverty Caused by Cumulative and Cyclical Interdependencies to analyze the challenge of poverty policy with children perspective. This theory sees that the individual situation of poor group and the community resource are interdependent as an interdependence cycle. The theory gives an idea to correlate the child poverty situation to the potential business realm in this location. This idea is confirmed with previous studies finding that the largest challenge of poverty alleviation policy is the weak collaboration between stakeholders to result in sustainable policy [5],[15].

This study also used Collaborative Governance theory to find the recommendation concerning the child-responsive poverty alleviation policy pattern by utilizing business realm CSR resource in dealing with the challenge of the 4.0 era. Collaborative Governance concept refers to multi-partner government, including partnership between state, private, civilian, and community to solve the public problem [16]-[17].

Collaboration utilization is dependent on the interaction between stakeholders involved, whether or not each of them is committed to be productive, to share motivation in order to increase the commitment in cooperative action. The components to be existent in collaborative governance model...
The collaboration of poverty alleviation policy by utilizing CSR results in the need for communication between community and business realm in order to realize the effective policy implementation. The effective policy should take the following points into account: (1) problem substance and problem root, (2) the use of appropriate policy, (3) analytical, political, and operational dimensions; (4) two domains: (a) policy instrument/technique choice taken; (b) the capacity of policy executing agent [2].

The theoretical proposition was used in this study as the framework of data collection to get a description of an effective poor child poverty alleviation policy construction. Firstly, it involves the agreement concerning the policy intervention model. In the context of child poverty context, it means that the agreement of substantial need is intended to anticipate the sustainable deprivation of poor child. Secondly, it also involves the utilization of social media to raise resource support. Thirdly, the implementation of policy agreement in the form of collaborative action prepares the poor children for being competitive in 4.0 era in order to get economic, social, and cultural resources to improve the quality of life.

The implementation of policy will be effective when it optimizes the appropriate communication strategy for policy coordination [18]. Speaking of communication strategy in 4.0 era, it is inseparable from internet use. Previous studies found that internet use, particularly social media, increases in number within community to search for and to share information on such areas as job vacancy, health, business transaction, profession, etc. [19]-[20]. Social media encourages the government to develop social media for a two-way communication with the public [21].

In Indonesia, the growth of internet use occupies the 2nd rank globally, with the growth rate of 10% [22] (Katadata, 2018). This phenomenon indicates that social media can be a means of disseminating various value orders and practical information that can affect the development of community group. Although the role and advantages of the use of information and communication technology (ICT), in this case social media, in public service have been acknowledged by many studies, there are still few number of studies that discuss the use of ICT in addressing poverty issues in the society [23].

Previous studies found that social media contribute to poverty issue in three ways: (1) being a channel to share information about resource (time, expertise, support) and occupational information; (2) being information channel to give support and learning opportunity, skill training or early support for business development; and (3) creating collective power and action or volunteer support for social campaign, or escorting an aspiration for development affair in a region [24]. This social media development phenomenon gives an opportunity of expanding social capital network, because of social media’s “interconnectedness” characteristic. Therefore, in poor child case, in which the narrowing of resource ability is found [10], social media potentially becomes the opportunity of opening the access.

III. METHODOLOGY

The City of Magelang as the location of this research is a unique city: it is a small city with the area of 18 square-kilometers and the population of about 121,000. This city has declared itself as a service city and smart city, which includes the empowerment of civil society in its Long-Term Development Plan. This city won national award for creative city, best local plan, innovative region, and high competitiveness index categories. This city has blogger community and IT village, and the existence of which has been known nationally.

The informants consisted of: 22 local government officers who are members of Local Poverty Alleviation Coordination Team and 9 representatives of local business in the Corporate Social and Environmental Responsibility (CSER) Forum. Techniques of data collection were in-depth interview, focused group discussion, and document analysis. The documents analyzed included: (1) local regulations about local poverty alleviation, (2) local poverty alleviation strategy; and (3) local regulations about CESR or CSR.

The interviews was used to understand the informants’ opinion about (1) children from poor family; (2) the concerns about the poor children’s situation in the next 5-20 years; (3) the expectations from the condition of poor family’s children in the next 5-20 years; and (4) policy intervention necessarily prepared for these children. The FGD was utilized as means of data triangulation and to identify the city government’s and the business sector's idea construction related to child poverty. The document analysis was used to identify the concept of child poverty and the poverty alleviation programs and strategy potentially responsive to child poverty. This research also identified content analysis from the social media used city government to find out whether or not it contains poverty issue.

IV. RESULTS AND ANALYSIS

A. Child Poverty in Local Poverty Policy

The local poverty overcoming documents studied by using content analysis technique shows that child poverty issue has been contained implicitly as the part of poor family. The local regulations about poverty alleviation and CSR are implicitly responsive to dealing with disruptive era.

The objectives of poverty alleviation are: (1) to improve capacity and to develop basic ability and entrepreneurial ability of poor people; (2) to confirm the role of poor people in public policy decision making ensuring appreciation, protection, and fulfillment of basic rights; (3) to realize economic, political, and social condition and environment enabling the poor people to get an as-widely-as-possible opportunity of fulfilling basic rights and of improving the standard of life sustainably; and (4) to give the security to the poor and vulnerable community group.

B. Child Poverty Sensitivity Level

Both government apparatus and CSR donors from business sector have had a moderate level of sensitivity to child poverty in order to anticipate disruptive era averagely.
Policy actors’ perception on the existing condition of poor family’s children can be identified from the content of the government’s poverty aid policy: education aid, health aid, food aid, housing aid, and child protection mainstreaming program. The concept of child poverty is constructed as the condition of children’s less fulfilled need for food, education, and health.

Nearly all informants explained that all of these have had aid programs. Poverty aid program held by Central government - the Family Hope Program (Program Keluarga Harapan – PKH) – creates the policy actors’ understanding on child poverty concept. The terminologies of “sustainable education, Infant/ under-five Child Mortality Rate (Health), nutrition deficient child, food security, children’s protection from violence, and livable house” are often uttered by governmental officials thereby inherent to the governmental apparatuses’ mind. It means that the more often a concept is disseminated - moreover in structured manner through governmental program -, the more is its contribution to building the policy actor’s thinking way in the region. The data show that the variable of terminology mentioning frequency in central government’s policy package has had a big opportunity to affect the policy actor’s perspective in the region.

The construction of child poverty related to disruptive era is represented by the question “what they worry and expect about the situation of poor children in the next 5-20 years”. The narration of informants’ response is interpreted to be the actors’ concern with child poverty in disruptive era. Keywords appearing frequently are “technology, job opportunity, winning the competition, and unemployment”. Some informants interpreted these keywords as the poor child dealing with hard situation and challenge in disruptive technology era. The challenge faced is to reinforce the poor children’s competitiveness in the future to compete for job opportunity and to win the competition to prevent them from being unemployed.

In relation to the need for the competency to subjugate the disruptive era’s challenge [1], [13]-[14] some aspects get inadequate attention in the policy actor’s discourse. They are, among others: (1) the development of talent and skill potentially becoming productive asset, (2), the growth and the development of value order and entrepreneur culture based on technology wisdom; and (3) the growth and development of social capital network to improve the competitiveness of poor family’s children in the future.

These three aspects are missed as they have not been contained in the preexisting poverty aid, thereby not internalized yet into both government and business realm’s perspectives. These three aspects are future oriented, in which network system becomes desirable in disruptive era and its future. Meanwhile, the characteristic of existing aid currently is still dominated with the safety net giving principle currently aiming at preventing the worse risk from occurring in the following days. Therefore, futuristic perspective has not been internalized strongly into government and CSR’s mind to be constructed into child-responsive poverty overcoming policy.

C. Incorporating CSR in the Poverty Alleviation Strategy

Poverty overcoming program strategy, as mentioned in the Local Regulation document, includes:

1) The activity conducted by central government, local government, business sector, and community to improve the poor community’s welfare through social aid, community empowerment, micro/small business empowerment, and other programs in an attempt to improve economic activities;

2) In an attempt to overcome poverty, community and business performers/business realm are obligatorily required: (a) to participate actively in helping fulfill the basic needs of poor citizen; (b) to participate actively in improving the welfare and to care about the poor citizen; (c) to encourage family to fulfill basic need and to improve its members’ welfare maximally; (d) to require poor citizens to obligatorily endeavor to improve their standard of life and welfare to fulfill their basic need and to participate actively in poverty overcoming effort.

3) In fulfilling their basic need, poor citizens are obliged to comply with norm, ethic, esthetic, and the provision of legislations.

4) In an attempt to overcome poverty, community and business performers/business realm are required obligatorily: (a) to participate actively in helping fulfill the basic needs of poor citizen; and (b) to participate actively in improving the welfare and to care about the poor citizens.

5) The family is required to take an attempt to fulfill basic need and to improve its members’ welfare maximally.

6) Every poor citizen is entitled to get basic need fulfillment including: food; health service; education service; occupation and running business; housing; clean water and sanitation; natural resource; security; and participating.

7) The fund for the poverty overcoming activity can originate from: State Income and Expense Budget; Provincial Income and Expense Budget; Local Income and Expense Budget; CSR of Private and Public Companies and Program; Partnership and Environmental Building (PKBL) for State or Local Government-Owned Enterprise; community; and other legal and non-binding fund source.

We conclude that document of poverty overcoming strategy has provided a space for collaboration between local government and business sector’s CSR. The regulation has included norm, ethic, and esthetic in overcoming poverty. What has been written in the policy document fulfills an element of collaborative governance [16]-[17], in which there is a basic agreement becoming the normative guideline of collaboration.

Since November 2018, CSR forum has been established in this city, managed by the representatives of local government and of business performers. This condition becomes an entrance to fulfill the collaborative governance element of the aspect “there is a high-quality interaction based on basic principle of partnership agreed repeatedly” [16]-[17]. Nevertheless, city government still needs a considerable attempt to fulfill other components: “mutual understanding on the information on “shared problem”, and generating the presence of “interdependence” between stakeholders.

The data show that some aspects have got inadequate attention in child poverty issue; therefore poverty overcoming strategies should be redesigned to integrate futuristic aspect in order to address the challenge of
disruptive and post-disruptive era: (1) the development of poor child’s talent and skill in order to be the capital for work economically and socially; (2) the internalization of local cultural wisdom values into the foundation of idea for work among poor children; (3) the internalization of entrepreneurial spirit into poor children; and (4) helping connect the poor children to social net to increase their access to social capital.

Putnam defined social capital as the part of social organization, including trust, norm, and network that can improve the community’s efficiency by facilitating the coordinated action [25]. The central ideas of social capital theory are that social net has value, and social contact affects individual and group productivity. Social capital can be developed into a strategy to help the marginalized group economically and socially [26]. The social capital building strategy is intended to create welfare system based on subsidization principle through the public’s active support to the disadvantaged group. The principles included into social capital are: firstly, developing trust; secondly, developing commitment or mutual help, the relation creating social net followed with friendship, kinship, or neighborhood; and thirdly, developing reciprocity or mutual benefit. The important elements deposited in the social capital are, among others, trust, commitment, and reciprocity. Social capital can be managed to support innovative and productive behavior [27].

D. Social media Use for Child Poverty Issue

The result of content analysis shows that poverty issue has been discussed very minimally in social media. This city has official Facebook, Twitter, Instagram, and website. However, the most actively updated is Facebook. In line with national data, Indonesia, the growth of internet use reaches 105, occupying the second rank in the world. Social media active users reach 49%, with the largest proportion being Facebook users (92%). In term of gender profile of users, 44% are females, and the rest 56% are males [22]. Observation on the Magelang Government’s Facebook during May 2017-May 2018, shows that out of 196 users (26 or 13% female and 170 or 87% male) only 6 or about 30% reported the poverty issue.

Some of this poverty issue is child-sensitive in nature related to the education grant received lately by the poor students. This situational analysis represents that the Facebook social media use still needs improvement. The government’s official social media account should be socialized as widely as possible to poor family groups to make them connected to the information on local government policy. The government’s official social media account should be set specifically for providing information on the opportunity of expanding the caring net in developing human resource particularly in the poor family’s children. Male group (26%) communicates more actively using the government’s official social media than the female one (13%). Meanwhile, poor children coming from widow family are found more vulnerable to encounter deprivation [3].

Therefore, city government should improve information management through social media to dig data about the vulnerability problem of poor family with female family head. The result of interview with Facebook admin shows that there were some constraints with the optimization of social media using strategy: the management of information discussion and discussion moderation was not established to be the part of Service’s functional duty, but it was established as side job (duty) only; the content of information was not designed in structured manner; and the public’s response was designed as the feedback of policy used for considering the policy design.

Magelang has not had social media account specifically used for poverty issue and community network in order to improve the family’s welfare. When analogized with online marketing, city government has not played its role as the seller that updates information and manages information in planned manner through social media network. From the result of FGD on the topic of policy communication developing strategy, in relation to the disruptive era’s challenge and the child poverty issue, the need for following up the use of city government’s official social media account has been identified.

The management of city government’s official social media account should be redesigned by using egalitarian diction choice rather than bureaucratic language or technocratic term understandable to bureaucratic professional or academicians only. The content of information should be planned based on daily case faced by poor children and their family. Issue posting should be activated using online discussion moderation. The result of online discussion should be managed and treated to be primary data as the public’s feedback on local poverty issues. The conclusion of FGD on child poverty which attended by city government and CSR donor team provides a shared understanding that the development of social net is urgent to mitigate the child poverty risk. In 4.0 era, the development of social net should be prioritized through optimizing the social media use.

V. CONCLUSION AND RECOMMENDATION

The local poverty overcoming policy has not been responsive to child poverty, and it still tends to be neutral. It can be seen from the narration of actor’s understanding construction having not included yet the disruptive era’s challenge into the focus of attention in the local poverty overcoming strategy. Child poverty perspective should be socialized to local apparatus as to make the poverty overcoming policy more anticipative to disruptive era’s challenge and its sustainability. Likewise, child poverty perspective should be disseminated to the public, including business performers being the potential source of CSR. CSR should be allocated to help poor children to have greater resource capacity to deal with the life competition in disruptive era.

In other words, theoretically the public policy of alleviating poverty should mainstream the partiality to poor children (children mainstreaming on poverty alleviation policy). The variable contributing to creating the policy actor’s preference to poverty issue is the frequency of mentioning “issue keyword” in the actors’ daily duty.

Referring to the disruptive era’s challenges [1], [13]-[14] this research found that the competencies requiring intervention through poverty alleviation policy collaboratively using CSR fund are:

1) Individual competency, involving value, attitude, and skill aspects. Value and attitude to be developed include:
curiosity and imagination; attitude or ethics; willingness; agility and adaptability. Meanwhile the skill to be developed includes: critical thinking and problem solving; collaboration across network; initiative and entrepreneurship; accessing and analyzing information; effective oral and written communication; innovation; commercial management capabilities; financial management; strategic management; technology management.

2) The New Media use for building social capital network for poor children. City government and CSR forum in this city should optimize the utilization of social media as information, education, and social resource management media. The development of such competencies is intended to improve the competitiveness of poor family’s children in the future. The poor family’s children are trained to have entrepreneurial ability and skill to develop social capital network.

This study recommends the establishment of CSR policy as the Future Best Friend of Vulnerable Children. Practical recommendation is intended to (1) the reinforcement of apparatus and business realm’s capacity to be sensitive to poor child; (2) the integration of child poverty mainstreaming into the local apparatus organization’s work plan; and (3) the development of poverty social net system through social media. Local Action Plan should be arranged by involving Education and Culture Service, and Youth and Sport Service to integrate the “Competency of dealing with disruptive era” material content into its work program, because the service’s target groups are children and youth. Further studies on the child poverty by using discourse analysis method from poor family’s children perspective or parents’ perspective are recommended to conduct.

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