

# Building Sustainable Welfare: A Critical Evaluation of Social Assistance Policy from The Perspective of Amartya Sen Capability Theory

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## ABSTRACT

Social assistance policies in Indonesia, such as the Family Hope Program (PKH) and the Non-Cash Food Assistance (BPNT), remain focused on financial aid without a holistic approach that empowers individuals. This study aims to evaluate the effectiveness of social assistance policies through the lens of Amartya Sen capability approach in order to formulate more inclusive and sustainable policy transformation strategies. The method used is a qualitative study with policy analysis based on literature from academic journals, government reports, and Amartya Sen capability theory. The findings indicate that although social assistance programs have succeeded in increasing the purchasing power of the poor in the short term, limited access to education, healthcare, and skill training has hindered the significant development of individual capabilities. Structurally, these policies are also trapped in a logic of clientelistic politics and centralized bureaucracy, where aid distribution is often politicized for electoral interests and the preservation of the power status quo. As a result, beneficiaries experience low social mobility and continued dependence on social assistance. This study emphasizes the need for a policy approach that is not only technocratic but also transformative, by integrating dimensions of individual empowerment, social justice, and the restructuring of economic and political systems. Therefore, capability-based social policy reform is a critical step toward achieving inclusive, just, and sustainable welfare in Indonesia.

## Keywords

*Amartya Sen, Capability, Social Assistance, Poverty*

## Introduction

Social assistance policies in Indonesia, which were initially criticized by Jokowi during the SBY era but later expanded in his own administration, reflect the dilemma between short-term relief and structural empowerment (Ridwan, 2023). However, SMERU research shows that the distribution of social assistance is often politicized and non-transparent, so its effectiveness in reducing poverty remains questionable (SMERU, 2021). Amartya Sen, through the Capability Theory, asserts that poverty cannot be reduced solely to economic problems or lack of income. Poverty, in this view, is the inability of individuals to realize their potential due to limited access to fundamental resources, such as education, health, and economic opportunities. In other words, poverty is a form of deprivation of human freedom in determining the direction of their lives independently and meaningfully (Murni Sadar, 2023). In social policy, the state is often trapped in a caritative and transactional welfare paradigm. Social assistance only functions as a financial distribution instrument without a structural strategy to improve individual capabilities risks creating sustainable social dependency. This is a form of "welfare hegemony" where the state maintains the status quo through control mechanisms disguised in philanthropic narratives. From a political philosophy perspective, this reflects power relations that subjugate people into structures that do not allow them to actively free themselves from poverty (Kemenko PMK, 2023).

Previous research shows that social assistance policies in Indonesia have not been effective in reducing poverty and inequality. A study by Surabaya State University found that Direct Cash Assistance (BLT) and basic food assistance are often not well targeted and poorly evaluated, so that funds are not utilized according to the needs of the recipients (Ahad, 2022). BPS data also shows a minimal decline in poverty, from 11.66 percent in 2012 to 9.36 percent in 2023, a decrease of only 2.3 percent in more than a decade (Khaerunnisa, 2024). The Executive Director of Indef, Esther Sri Astuti, considers social assistance ineffective because it is only short-term and creates dependency without structural solutions. In Amartya Sen capability perspective, this policy fails because it only focuses on distributing aid without empowering individuals to fulfill their basic needs and improve their welfare independently. Nanda Salsabila also highlights the importance of more targeted social assistance distribution and the transformation of policies into training programs (Salsabila, 2024). The technocratic approach to the distribution of social assistance is often trapped in an administrative logic that prioritizes distribution efficiency over substantive empowerment. The state, in this framework, operates as a bureaucratic entity that simply ensures that aid reaches recipients without questioning whether the policy frees them from the bondage of structural poverty. Amartya Sen, through the Capability Approach, asserts that welfare cannot be reduced to mere numbers in an economic report, but must be measured by the extent

to which individuals have real freedom to determine their lives in a meaningful way (Sen, 1999).

The main criticism of the existing social assistance model in Indonesia is its tendency to maintain paternalistic power relations. The state acts as a "benefactor" who provides assistance, while the poor are positioned as passive subjects at the mercy of institutions. This model reflects what in Gramscian analysis can be referred to as hegemonic containment where social policies are not directed at dismantling structures of inequality, but instead entrench recurrent dependency (Gramsci, 1971). Under these conditions, social assistance is more an instrument of political cooptation than an emancipatory strategy that liberates people from poverty fundamentally. With a social assistance budget that continues to increase but its impact remains minimal, this policy is not oriented towards social transformation. If welfare is only measured by economic growth rates or material consumption without considering aspects of capability, then the state fails to understand poverty as a structural problem that demands political solutions, not just administrative ones.

Sen offers a more radical perspective by shifting the focus from economic growth to improving human capabilities - ensuring that every individual has access to quality education, decent health services, and economic opportunities that allow them to escape structural dependency. The political implications of this approach are significant. If the state is truly committed to the welfare of the people, then social assistance policy must be transformed from an instrument of electoral populism into a capability-building strategy that enables the redistribution of economic power. This means that social assistance must not only provide a safety net but also create a way out of poverty by ensuring access to resources that were previously monopolized by economic and political oligarchs. Sen emphasizes that development should focus on increasing the freedom and capabilities of individuals, not just on the distribution of economic resources (Sen, 1999). Thus, social assistance programs should not only focus on material distribution, but should also improve individuals' ability to access education, health, and economic opportunities so that they can move out of poverty in a sustainable manner. By measuring development success by the ability of individuals to achieve meaningful life goals, the government can design programs that are more equitable and effective in improving the overall welfare of society (Sen, 1999). Most research on social assistance in Indonesia is still limited to aspects of distribution and short-term economic impacts, without exploring how this policy increases the capabilities of recipients in accordance with Amartya Sen theory. The lack of studies that assess the role of social assistance in expanding individuals' freedom and capacity to move out of poverty creates a theoretical gap.

Although numerous studies have been conducted regarding the effectiveness of social assistance programs in Indonesia, most still focus on technical-administrative aspects and short-term economic impacts. For example, Rahayu and

Haryanto assessed the success of the Family Hope Program (PKH) based on increased household consumption and a reduction in poverty rates, yet did not address the expansion of substantive freedoms or the social empowerment of beneficiaries (Rahayu & Haryanto, 2020). Similarly, the study by Putri and Kurniawan (2019) highlighted the effectiveness of non-cash social assistance distribution in terms of data accuracy and delivery efficiency but neglected the normative dimensions of social rights and justice (Putri & Kurniawan, 2019). In this context, this study takes a different stance by proposing Amartya Sen's capability approach as a more transformative evaluative framework one that not only assesses outcomes but also emphasizes agency, substantive freedom, and the right of citizens to lead lives they have reason to value. Thus, this research contributes to broadening the academic discourse on social assistance from a technocratic paradigm toward an ethical and structural approach grounded in social justice.

This research seeks to fill this gap by analyzing social assistance policies through a capability perspective, emphasizing the importance of long-term empowerment. Social assistance programs such as PKH and BPNT, while providing financial assistance that eases the economic burden, have not been designed to build recipients' independence. The practical gap arises from the weak integration of social assistance with access to education, health, and skills training that can strengthen social mobility. This ineffectiveness shows that the current social assistance policy is more consumptive than transformative. Therefore, this research evaluates social assistance policies to formulate solutions that not only focus on aid distribution but also encourage sustainable capability building. This research offers a novelty by evaluating social assistance policy in Indonesia through the perspective of Amartya Sen capability theory, which has rarely been used in analyzing the effectiveness of social assistance. Different from previous studies that focus more on distribution and short-term economic impacts, this research highlights how social assistance should not only function as a poverty mitigation tool, but also as an empowerment instrument that expands individual capabilities. The aim of this research is to identify structural weaknesses in current social assistance policies and formulate a policy model that is more oriented towards capability building, with a focus on improving access to education, health, and skills training. As such, this research seeks to make conceptual and practical contributions to the formulation of more sustainable social policies in Indonesia.

## Method

This study employs a qualitative approach using thematic content analysis to examine and evaluate literature related to social assistance policies within the framework of Amartya Sen's capability theory. The analysis is conducted through a systematic process involving the collection, organization, and interpretation of academic literature, policy reports, and relevant official government documents. The

inclusion criteria for the literature are based on thematic relevance, timeliness, and its connection to the concepts of capability, poverty, and social policy in Indonesia. This method enables the researcher to identify key themes such as social dependency, exclusion, and empowerment, which are then critically analyzed to assess the extent to which existing policies reflect the principles of the capability approach. In addition, a critical synthesis of the literature findings is undertaken to construct normative arguments concerning structural weaknesses and propose alternative solutions grounded in the capability approach. By integrating thematic analysis with critical synthesis, this study not only interprets the content of the literature but also offers a transformative normative reflection on social assistance policies in Indonesia.

## Results and Discussion

Social assistance is a form of government intervention aimed at shielding vulnerable groups from economic and social pressures through both financial and non-financial support. According to Barr (2012), social assistance serves as a welfare policy instrument functioning as a safety net to prevent the poor from falling into extreme poverty. In Indonesia, social assistance programs include Direct Cash Assistance (BLT), the Family Hope Program (PKH), and Non-Cash Food Assistance (BPNT), all of which are designed to address basic needs such as food, education, and healthcare (Kementerian Sosial RI, 2022). However, through the lens of Amartya Sen capability theory, the effectiveness of social assistance should not be assessed solely based on resource distribution, but rather on its ability to enhance individuals' capabilities to lead better and more autonomous lives (Sen, 1999). That poverty is not merely a lack of income, but rather a restriction on individuals' ability to access opportunities that enable self-development. Therefore, social assistance that remains purely consumed without a clear empowerment strategy risk fostering structural dependency and failing to address the root causes of poverty. Thus, effective social assistance policies must go beyond short-term relief by integrating access to education, healthcare, and skills training to broaden individuals' choices and freedoms, enabling them to achieve sustainable well-being and economic independence.

However, the implementation of social assistance programs in Indonesia frequently encounters challenges such as mistargeting, fund misallocation, and bureaucratic inefficiencies. Critics argue that despite substantial budget allocations, the impact of these programs on poverty alleviation and inequality reduction has remained marginal. Some studies suggest that social assistance policies must be integrated with capability-enhancing initiatives and structural economic reforms to ensure long-term sustainability. Thus, while social assistance remains a critical component of Indonesia's social policy framework, its effectiveness and efficiency necessitate continuous evaluation and reform. Without strategic improvements that

address systemic weaknesses, these programs risk becoming political instruments rather than mechanisms for genuine socio-economic empowerment. (Kominfo, 2018)

The journey of social assistance from time to time and various regimes is very dynamic. There are many stories related to social assistance, ranging from its use for corruption, political campaigns on television, to personalization of distribution to increase electoral potential. One thing that is consistent is that the social assistance budget continues to increase every year. Especially ahead of national or regional elections, the allocation jumps significantly.

The social protection budget during the administration of President Susilo Bambang Yudhoyono (SBY) increased from Rp 143.7 trillion in 2004 to Rp 249.7 trillion in 2014. In 2014, the social protection budget reached Rp 249.7 trillion, an increase of around 74% from the previous year. (Saputra, 2024)

The social protection budget during the administration of President Joko Widodo (Jokowi) increased significantly. In 2015, the social protection budget reached IDR 249.7 trillion, an increase of about 2.5 times from the previous year. In 2020, the social protection budget reached IDR 498 trillion, an increase of around 100% from the previous year. In 2023, the social protection budget reached IDR 443.5 trillion, an increase of around 11% from the previous year. While in 2024 the budget ready to be disbursed by the government is almost Rp. 500 trillion (Saputra, 2024).

#### **a. Critique of Social Assistance: Dependency vs Empowerment**

One of the major criticisms of social assistance (Bansos) policies in Indonesia is that they often create a dependency trap. Many recipients remain in the category of the poor for years because the assistance they receive is not accompanied by improvements in skills or job opportunities (World Bank, 2021). In many cases, recipients are reluctant to seek better employment for fear of losing access to social programs (Banerjee & Duflo, 2011).

Sen argues that ideal social policies are those that expand individual freedoms, not merely maintain people in a state of survival. If social assistance policies are not accompanied by reforms that promote skill development and economic opportunities, then these programs will not be able to reduce poverty in a systemic way. By expanding economic and social freedoms, focusing on the development of capabilities, measuring and enhancing *functioning*, and prioritizing sustainable well-being, Sen approach offers a comprehensive framework for critiquing and improving social assistance programs in Indonesia. Although designed to address the basic needs of the poor and vulnerable, Bansos policies often generate contradictions in the social and economic praxis. As various studies show, social assistance programs frequently fail to structurally empower individuals and serve only as short-term charitable responses to poverty (Suryahadi, Al Izzati, & Suryadarma, 2020). Through the capability approach proposed by Amartya Sen, the

critique of Bansos can be directed more deeply at the structural, social, and economic aspects often neglected in such policies.

**Table 1.** Critique of Social Assistance Policy in Indonesia Based on Amartya Sen's Capability

| Approach       |                                                                                                    |                                                                                                                           |                                                                                                                           |
|----------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| Aspect         | Official Government Objectives                                                                     | Social Reality and Practical Criticism                                                                                    | Critique Based on Capability Approach (Sen)                                                                               |
| General Goal   | To reduce poverty, meet basic needs, and maintain social stability (Kemensos, 2021).               | Assistance often results in dependency and fails to empower recipients (SMERU Research Institute, 2022; Wijayanti, 2019). | Focuses on expanding individuals' substantive freedoms to pursue lives they value (Sen, 1999).                            |
| Targeting      | Based on data from DTKS (Unified Database of Social Welfare) to ensure precision (Kemensos, 2021). | Data often outdated or manipulated, leading to inclusion and exclusion errors (Sumner, 2021).                             | Misidentification reduces people's capabilities; data errors reinforce structural inequality (Sen, 1999; Ferguson, 2021). |
| Implementation | Distribution via banks or agents to ensure accountability and transparency (World Bank, 2020).     | Delays, leakages, and lack of access in remote areas; technocratic control without community voice (Ferguson, 2021).      | Focus on technical efficiency undermines participation; fails to build agency (Sen, 1999; Fraser, 2010).                  |

Source : compiled from various sources

The table 1 above presents a comparison between the official objectives of the government in implementing social assistance (Bansos) programs and the conceptual critiques posed through Amartya Sen capability approach. While the government emphasizes poverty reduction through short-term material support, the capability-based critique highlights structural and philosophical shortcomings in the design and implementation of these programs.

The following section will elaborate on each critique listed in the table, ranging from issues of dependency and passive subjectivity, the reduction of poverty to mere income concerns, the dominance of instrumental rationality in policymaking, to the emergence of stigma and social exclusion. Through this analysis, it is hoped that a deeper understanding will emerge regarding the need to transform policies from a charitable orientation to those that strengthen citizens' capabilities and sustainable self-reliance.

#### **a. Social Dependency and the Formation of Passive Subjectivity**

From a social perspective, Bansos not only creates a dependency trap, but also forms the subjectivity of recipients as passive individuals. In the Gramscian

framework, this can be read as a form of cultural hegemony exercised by the state over the lower class: recipients are positioned as passive objects of state policy rather than active subjects of development (Gramsci, 2018). Receiving assistance without active community involvement in the formulation, evaluation, and oversight of policies creates a top-down relationship that reinforces the dominant position of the state and weakens the capacity of citizens to become agents of change.

A survey conducted by the SMERU Research Institute on November 10, 2022, shows that most recipients of social assistance do not understand in detail the mechanisms of the policies they receive, and only interpret them as a “gift” from the state (SMERU Research Institute, 2022, November 10). This condition fosters a paternalistic culture that alienates society from deliberative and participatory political processes. This political alienation contradicts Sen (1999) idea of *substantive freedoms*, in which political freedom and social participation are fundamental aspects of development.

#### **b. Reducing Poverty to an Income Problem**

Economically, Bansos policies tend to reduce poverty to a matter of insufficient income alone. This paradigm is narrow and overlooks the multidimensional nature of poverty. In a study by Alkire et al. (2021), poverty is measured not only in terms of income but also access to education, healthcare, clean water, and social participation. Unfortunately, the majority of Bansos programs in Indonesia, such as the Family Hope Program (PKH) or Direct Cash Assistance (BLT), still focus mainly on cash distribution without a systemic scheme to address structural poverty. This is reinforced by data from Statistics Indonesia, which shows that while the rate of extreme poverty has declined, inequality (measured by the Gini Ratio) has shown no significant change. This indicates that the distribution of wealth and access to productive resources remains imbalanced. Without structural redistribution policies focused on asset ownership, education, and decent employment, Bansos merely acts as a temporary buffer against the symptoms of poverty, not a long-term solution (Sumner, 2021).

#### **c. Critique of Instrumental Rationality in Policy Design**

Bansos policies in Indonesia can also be criticized for their overly technocratic and numbers-oriented rationality. In a neoliberal policy approach, social interventions are often measured by quantitative *outputs* such as the number of beneficiaries or amount of funds distributed rather than qualitative *outcomes* like improvements in quality of life, freedom to choose meaningful work, or the ability to live independently (Ferguson, 2021). This logic reflects what Habermas calls instrumental rationality, where policy goals are limited to technical efficiency rather than substantive rationality (Habermas, 2015). According to Sen capability approach, the main objective of policy should not merely be the improvement of economic indicators but the expansion of real freedoms that individuals can enjoy (Sen, 1999). This means that the success of Bansos should not be measured only by the number

of recipients, but by how far the assistance helps individuals develop capabilities such as obtaining meaningful work, accessing quality education, or actively participating in their communities.

#### **d. Stigmatization and Social Exclusion**

Bansos also contributes to stigmatization and social exclusion. Some studies show that recipients are often viewed as inferior or “lazy” by the broader public, reinforcing negative stereotypes against the poor (Putri & Sihalohe, 2020). In the long term, such stigma reinforces social alienation and weakens cross-class solidarity. From the perspective of social philosophy, this can be understood through Axel Honneth’s theory of recognition, in which acknowledgment of individual dignity is an essential condition for a cohesive social identity. When the poor are treated only as objects of state charity instead of dignified subjects with potential, they are deprived of social recognition, a form of symbolic injustice that directly affects identity and self-worth.

Stigmatization also has psychological impacts on recipients, making them feel unworthy and stripping them of their self-esteem as autonomous individuals (Wijayanti, 2019). From Amartya Sen perspective, this situation reflects a failure to expand capability, as the assistance provided does not strengthen agency or the capacity to make autonomous life decisions. Instead, aid designed in a charitable and non-participatory manner merely reproduces dependency and passivity. Philosopher Nancy Fraser further argues that social justice is not only about the distribution of economic resources but also about social recognition (Fraser, 2010). When social assistance programs perpetuate dominant representations that the poor are a burden to the state, the state fails to create an equal deliberative space.

Furthermore, social exclusion also arises from unjust or biased targeting processes. The Unified Database for Social Welfare (DTKS) used to select recipients is often criticized for its inaccuracy and susceptibility to politicization (Kusumastuti, 2021). This inaccuracy is not merely a technocratic issue but reflects an ethical crisis in the welfare system. When procedural justice is violated for example, through nepotism, data manipulation, or discriminatory distribution it undermines public trust in the state as a provider of justice. John Rawls emphasizes the importance of fair equality of opportunity in social institutions. If state aid becomes a tool of political co-optation, the state has violated a core principle of justice requiring that the distribution of benefits and burdens be fair and free from class or political discrimination. When the public perceives that social assistance is not distributed fairly, trust in government declines. This has serious implications for the political legitimacy of the state. In modern political philosophy, as emphasized by Jürgen Habermas, legitimacy does not stem solely from formal procedures (elections and constitutions), but also from the state's willingness to engage in rational and transparent communication with its citizens, and to implement policies that are morally accountable. Biased, corrupt, or non-transparent distribution of Bansos

erodes public trust, deepens the divide between the state and the people, and invites social resistance that could threaten the stability of democracy itself.

## **2. Reforming Social Assistance through the Capability Approach**

Reforming social assistance policies must begin with the framework of the capability approach. In this view, the state is not merely tasked with "helping the poor," but with creating the socio-economic conditions that enable every individual to fully develop their potential. Therefore, social assistance programs should be integrated with policies on education, job training, social entrepreneurship, and community empowerment (Nasution, 2020). A capability-based model of conditional cash transfers (CCT), which links aid to active participation in education or training, could be an effective solution. In countries like Brazil (through the Bolsa Família program) and Mexico (Prospera), this approach has proven successful in reducing structural poverty while simultaneously enhancing long-term capabilities (Molyneux, 2019). The Indonesian government needs to strengthen synergy between the Ministry of Social Affairs, the Ministry of Education, and the Ministry of Manpower to design a transformative social assistance scheme that not only focuses on the distribution of funds but also on social transformation and the enhancement of functioning, as advocated by Sen (1999). However, applying the capability approach to social assistance reform requires more than just inter-ministerial coordination. It demands a paradigm shift: from the state as a benefactor to the state as a facilitator of freedom. Capability based social policy is not simply about providing resources it must dismantle structural barriers that prevent citizens from realizing their potential. This requires the courage to overhaul a reproductive education system, reorganize an exploitative labor market, and intervene in an unequal politico-economic structure (Robeyns, 2017).

Social assistance should no longer be understood as a form of state charity delivered vertically from top to bottom, but as a recognition of citizens' rights to a dignified standard of living. Poverty, then, is not merely the absence of income, but the absence of substantive capabilities to lead a life one values. Thus, the state's role is not just to give people "fish," but to create a social environment that enables every citizen to have a "boat, a hook, and rights to the sea." Unfortunately, this approach often clashes with political and bureaucratic realities in Indonesia. The oligarchic and patrimonial structure of power tends to turn social assistance into a tool of political co-optation rather than empowerment. The rampant politicization of social assistance during election periods reflects how social policy, which should promote emancipation, is instead used to entrench power (Aspinall & Berenschot, 2019). This creates a paradox, social assistance meant to liberate ends up reinforcing dependence and subordination. Moreover, digital and geographic disparities present serious challenges to applying the capability approach. Many areas in Indonesia still lack infrastructure, access to basic education and health services, and adequate job training facilities. In such conditions, merely providing cash assistance will not be

sufficient to expand recipients' capabilities. A participatory approach involving local communities in the design and evaluation of social assistance programs according to their specific needs and contexts is essential (Chambers, 2018).

The findings of this study demonstrate that Amartya Sen's capability approach provides a comprehensive evaluative framework for assessing the effectiveness of social assistance policies, particularly in terms of sustainability and social justice. In the Indonesian context, programs such as the Family Hope Program (PKH) and Non-Cash Food Assistance (BPNT) have largely focused on the short-term distribution of benefits yet have not systematically expanded citizens' substantive capabilities to live with dignity and autonomy (Alkire, 2019).

The implementation of social assistance in Indonesia is further hindered by political bias, weak data systems, and bureaucratic inefficiencies. Evaluations conducted by TNP2K and Bappenas highlight persistent issues of mistargeting, stemming from outdated beneficiary data and a lack of transparent verification mechanisms (Bappenas, 2020). As a result, these programs risk being instrumentalized for electoral populism, rather than serving as authentic mechanisms for socio-economic empowerment.

Sen's capability approach underscores the importance of constructing social institutions that enhance individual agencies such as critical education, access to quality healthcare, and community-based vocational training. However, in practice, initiatives like PKH have yet to fully facilitate the active participation of beneficiaries in decision-making processes or enable them to broaden their life choices autonomously.

Accordingly, this study advocates for a fundamental reform of social assistance policy in Indonesia toward a more participatory, equitable, and rights-based model. Capabilities should not be understood solely in terms of achieved outcomes, but in terms of the freedom to determine and pursue a meaningful life. In this regard, public policy must do more than provide it must empower and liberate.

From a political economic standpoint, this approach also requires the state to intervene in market mechanisms that tend to widen inequality. The state cannot remain a passive regulator, but must actively create decent jobs, regulate land and resource distribution, and correct historically rooted structural inequalities. This calls for progressive fiscal policies, such as wealth taxation and asset redistribution, so that social assistance reform is not merely patchwork but truly transformational (Stiglitz, 2019). The neoliberal capitalist logic that has dominated Indonesia's economic policy since the 1990s has eroded the state's role as a protector of the vulnerable. In this context, social assistance is often treated as compensation for the social and economic exclusion caused by the free market, rather than as a constitutional right of citizens. As a result, social assistance becomes charitable rather than emancipatory. According to Amartya Sen capability theory, social policy should not only focus on access to resources but also ensure that individuals have

substantive freedoms to lead the lives they value (Sen, 1999). Thus, the capability approach requires structural interventions that address not only the symptoms of poverty but also its roots.

### **3. A Critical Reflection on Amartya Sen Capability Theory**

Amartya Sen capability theory has made a significant contribution to the discourse on social justice and human development. By shifting the focus from the accumulation of resources to the actual capabilities of individuals to lead lives they have reason to value, Sen opened a new ethical space for evaluating public policies. However, this theory is not immune to criticism. Martha Nussbaum, for example, argues that the capability theory needs a list of universal core capabilities as a normative foundation (Nussbaum, 2011), whereas Sen rejects such essentialism and prefers a contextual, deliberative-democratic approach. Ingrid Robeyns criticizes the theory for being too abstract and difficult to operate in real policy contexts (Robeyns, 2005), while Thomas Pogge laments its lack of attention to global institutional structures that systemically produce injustice (Pogge, 2008). Similarly, Alison Jaggar argues that the theory lacks sensitivity to power relations based on gender and culture, particularly in the context of women in non-Western societies (Jaggar, 2013). David A. Crocker emphasizes that the theory still requires further methodological and normative elaboration in order to function as an effective tool for policy analysis (Jaggar, 2013).

In the Indonesian context, these criticisms find strong resonance. The implementation of the capability theory in social assistance (bansos) policies, for instance, faces serious challenges both structurally and culturally. Social assistance policies are often entangled in political patronage networks, bureaucratic corruption, and oligarchic interests that ultimately weaken their transformative power. Pogge's criticism regarding the lack of structural dimensions in Sen theory is highly relevant here: how can a state enhance individual capabilities if the institutions distributing aid perpetuate exploitative power relations? In practice, the management of social assistance in Indonesia often becomes a tool to produce political loyalty during election seasons, rather than a mechanism for social liberation. Furthermore, Jaggar critique about cultural insensitivity also emerges in the context of digitalized aid distribution. Technology-based programs often fail to reach communities in regions with low digital literacy, particularly women and the elderly. This shows that technological capability is not merely an issue of access, but also one of exclusive knowledge structures. Robeyns's critique regarding the lack of concrete guidelines also becomes apparent when policies are implemented in a sectoral manner without inter-institutional coordination, causing the goal of enhancing capabilities to devolve into mere administrative ritual lacking transformative spirit.

In the framework of political philosophy, this situation raises a fundamental question: does the state truly intend to emancipate its citizens, or is it merely creating an illusion of justice to sustain domination? As Gramsci reminds us, hegemonic

power operates precisely through consent produced by social institutions including welfare policies. Therefore, the capability approach in Indonesia must be critically and contextually reconstructed, considering power dynamics, social relations, and local norms. Otherwise, the theory will fail as a liberatory force and instead serve as a new legitimacy for the status quo. The question, then, is no longer about how the state gives, but for whom the state exists, and how it emancipates. The answer to this question will determine whether capability theory can live as an emancipatory praxis or merely serve as moral rhetoric within a skewed policy landscape.

#### **4. Policy Recommendations Based on Amartya Sen's Capability Approach**

According to Amartya Sen's capability approach, genuine development is defined as the expansion of individuals' substantive freedoms to lead lives they have reason to value (Sen, 1999). However, in the Indonesian context, welfare policies remain trapped within a charitable logic that prioritizes short-term cash transfers and is administered by a technocratic bureaucracy vulnerable to political manipulation. Programs such as the Family Hope Program (PKH) and the Non-Cash Food Assistance (BPNT) have indeed contributed to short-term improvements in household consumption among the poor, but they have largely failed to create structural conditions that sustainably enhance citizens' capabilities to escape poverty (Suryahadi, 2020).

To address these limitations, this study proposes an innovative policy alternative that has yet to be seriously implemented in Indonesia: The Universal Capability Account (UCA). This model envisions a non-cash social account granted to every citizen from birth, containing entitlements to essential public services such as education, healthcare, skills training, and social participation. The account cannot be withdrawn as monetary aid but rather functions as a measurable and sustainable guarantee by the state to fulfill every individual's basic rights.

The UCA is not merely an administrative reform, it signifies a paradigmatic shift: from the state as a charitable donor to the state as a facilitator of human emancipation. It disrupts entrenched patterns of dependency often exploited by local elites for political mobilization. Rampant practices of clientelism in Indonesia have rendered social assistance politically instrumental rather than empowering (Aspinall & Berenschot, 2019). Consequently, this study also advocates regional governance reform through a Capability-Based Municipality approach. In this model, development success is no longer measured solely by economic growth indicators such as regional GDP, but by tangible expansions in citizens' capabilities access to political participation, culture, education, meaningful employment, and health. Evaluations are conducted participatorily by local communities, rather than exclusively by central technocratic institutions. This represents a form of philosophical decentralization: positioning citizens not as statistical objects but as subjects of development. This approach resonates with Jürgen Habermas's critique

that democratic legitimacy arises not merely from electoral procedures, but from rational and participatory communication (Habermas, 2015).

Moreover, a capability-based public policy must critically engage with the triadic relationship between the state, capital, and the environment. In many cases, ecological degradation caused by extractivist development is driven by state policies that neglect citizens' ecological capabilities. Mining, palm oil expansion, and large-scale infrastructure projects often destroy access to clean water, arable land, and dignified living spaces all of which are foundational conditions for a meaningful life. To address this, a Green Capability Reform is proposed as a new development paradigm. This approach demands that every economic policy be assessed not only in terms of growth and efficiency, but in terms of its impact on the ecological capabilities of communities. It also challenges the hegemony of politico-economic oligarchies that exploit natural resources without moral accountability. As Sen (1999) asserts, freedom is not a consequence of development, it is its foundation. By integrating principles of ecological justice, citizen participation, and liberation from political domination, capability-based policies can serve as transformative strategies to dismantle corrupt power structures and realize genuine sovereignty for the people.

## Conclusion

This paper has examined social assistance policies in Indonesia through the lens of political ethics and social justice based on Amartya Sen capability theory. These policies are indeed aimed at reducing the impacts of poverty and inequality. However, both conceptually and structurally, they still focus on short-term aid rather than long-term development of capabilities among the poor. This analysis reveals that current social assistance programs have yet to consistently build the basic capabilities of beneficiaries to live independently and with dignity. Distribution of aid also suffers from problems of accuracy and transparency. The main criticism raised is that the current approach to social assistance is overly technocratic and fails to consider power relations, clientelistic politics, and structural inequality. Assistance often becomes a tool of political legitimation rather than a means of building genuine social justice.

This study affirms that Amartya Sen's capability approach provides a more equitable and transformative conceptual foundation for designing social assistance policies in Indonesia. Rather than merely delivering material support, the capability approach emphasizes the importance of expanding individual's real freedoms and life choices. Consequently, the Indonesian government must undertake concrete reforms, including improving the targeting database of social assistance recipients through participatory engagement with local communities; integrating skill-building and social mentoring components into programs such as PKH and BPNT decentralizing welfare policies based on local contextual needs; strengthening

grassroots social institutions such as Posyandu (*community health posts*), cooperatives, and community learning centers and establishing a transparent and participatory monitoring system through digitalization and social auditing mechanisms. These measures are intended to ensure that social assistance does not remain a mere short-term poverty alleviation tool but becomes a structural empowerment instrument toward more substantive and sustainable social justice

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