

# COMPREHENSIVE POLICY ANALYSIS OF INDONESIA'S POVERTY ALLEVIATION STRATEGY THROUGH PEOPLE'S SCHOOL EDUCATION

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## ABSTRACT

**Purpose:** This study analyzes the policy design and strategic implications of the Sekolah Rakyat (People's School) program under Presidential Instruction Number 8 of 2025 as an instrument to reduce intergenerational poverty through education.

**Design/methodology/approach:** This study employs a qualitative approach using policy analysis, literature review, and comparative analysis of international educational models, including SEED Schools (USA), Escuela Nueva (Colombia), and BRAC (Bangladesh). The analysis is grounded in human capital theory and social reproduction theory.

**Findings:** The findings indicate that Sekolah Rakyat has the potential to improve educational opportunities for students from low-income families through a state-funded boarding school model. However, challenges related to social stigmatization, institutional segregation, fiscal sustainability, and inter-ministerial coordination may affect program effectiveness.

**Research limitations/implications:** This study is limited to secondary data and qualitative analysis. Future studies should examine the long-term educational and socio-economic impacts of the program through empirical research.

**Practical implications:** The study recommends regulatory harmonization, clearer institutional governance, and more inclusive student admission policies to strengthen program implementation and reduce social stigma.

**Originality/value:** This study offers a policy-oriented analysis of Sekolah Rakyat by integrating educational sociology perspectives with international comparative experiences.

**Paper type:** Literature review.

**Keywords:** Education Policy, Poverty Alleviation, Sekolah Rakyat, Social Reproduction, Public Education.

## A. INTRODUCTION

The promise of education as a great counterbalance is basically enshrined in Article 31 (*Constitution of the Republic of Indonesia in 1945*), which mandates that every citizen has the right to education and forces the government to prioritize the education budget. Over the past two decades, Indonesia has made commendable strides in expanding access to basic education through supply-side interventions such as the School Operational Assistance (BOS) and the Smart Indonesia Program (PIP). However, despite this significant fiscal investment, the correlation between socioeconomic status and educational achievement remains high. Statistical evidence reveals that these universal programs have not fully addressed the multidimensional barriers faced by "hard-to-reach" populations in extreme poverty, especially in remote and underdeveloped areas where the "poverty trap" creates cycles of low aspiration and low achievement (World Bank, 2020).

The persistence of educational stagnation among the poorest demographics, particularly those in Deciles 1 and 2 of the Integrated Social Welfare Data (DTKS), necessitates a shift from broad-spectrum policies to targeted interventions. For these families, the cost of school is often high, and the home environment often lacks the "cultural capital" needed for academic success, such as study space, parental guidance, and nutritional stability (Bourdieu & Passeron, 1990). As a result, standard public schools, which assume a supportive home

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environment, often fail to address the deficits caused by the deprivations that families have. This reality underscores the limitations of financial assistance (scholarships) without structural support, prompting policymakers to seek more holistic solutions.

In response to these structural challenges, President Prabowo Subianto's government launched the "People's School" initiative in 2025, which was legitimized by (*Presidential Instruction of the Republic of Indonesia Number 8 of 2025 concerning Optimizing the Implementation of Poverty Alleviation and Elimination of Extreme Poverty*, 2025). This policy marks a radical departure from the recent trend of inclusive education, opting for a "total institutional" approach (Goffman, 2017). By creating free state-funded boarding schools specifically for low-income people, the government intends to act as a surrogate parent, providing not only education but also nutrition, housing, and character building in a controlled environment. The explicit goal is to break the intergenerational transmission of poverty by physically removing children from circumstances that limit their opportunities and placing them in an environment designed to encourage upward mobility (Ministry of State Secretariat, 2025).

Previous policy analyses concerning Indonesian educational reform have predominantly evaluated broad-spectrum financial subsidies or pedagogical curriculum changes, leaving a critical academic gap in understanding state-funded 'total institutional' interventions targeted exclusively at the extreme poor. The originality of this study lies in its unique synthesis of sociological reproduction theory with comparative international frameworks to evaluate this segregationist paradigm. This policy summary critically analyzes the "People's School" program by juxtaposing its design with global best practices and theoretical frameworks. This paper investigates whether this segregationist model serves as an effective incubator for human capital or if it inadvertently reinforces social stratification. Furthermore, it examines the operational feasibility of the proposed *Multi-Entry Multi-Exit* (MEME) curriculum and cross-ministerial governance challenges, providing evidence-based recommendations to ensure the program delivers on the promise of empowerment rather than exclusion.

## **B. METHODOLOGY**

This study used a qualitative approach (Creswell & Creswell, 2022; Sugiyono, 2019) with a policy analysis research design (Adlini et al., 2022). This research is designed to comprehensively evaluate, critically review, and provide strategic recommendations for the launch of the "People's Schools" initiative.

This research is based entirely on secondary data collected through desk research. The document selection process utilized purposive sampling based on strict inclusion criteria: (1) documents formally published or enacted between 2020 and 2025 to ensure contemporary relevance, (2) legally binding government regulations related to poverty alleviation, and (3) peer-reviewed academic literature specifically evaluating boarding school models or targeted socio-educational interventions. The qualitative content analysis followed a systematic three-step analytical procedure: data reduction (extracting core policy mandates and sociological theories), data display (mapping policy characteristics against international benchmarks), and conclusion drawing. The sources of extracted and synthesized data include:

1. **Regulatory and Legal Documents:** Includes the 1945 Constitution of the Republic of Indonesia (especially Article 31), Presidential Instruction Number 8 of 2025, as well as official government releases and guidelines.
2. **Academic Literature and Scientific Journals:** Using the sociology literature of education, especially works that discuss Human Capital Theory, Social Reproduction Theory, and total institutions. In addition, this study reviews econometric studies and empirical evaluations of global boarding schools and alternative education programs.
3. **Reports of Credible Institutions and Media:** Citing reports from global institutions such as the World Bank on poverty and education in Indonesia, as well as national media reports on curriculum operational specifications.

### **Data Analysis Framework**

The data analysis process in this study uses qualitative content analysis techniques, which are based on two main pillars of the analysis framework:

1. **Theoretical Analysis (Sociological Critical Review):** Evaluate the initiative of the People's School by juxtaposing two intersecting theoretical traditions. First, the Human Capital Theory, which supports

radical modifications to the student environment. Second, Social Reproduction Theory and Labeling Theory to map the risk of institutional segregation, stigmatization, and the formation of an "educational ghetto".

2. Comparative Analysis (Global Benchmarking): Compare policy design models with global best practices to assess the effectiveness and feasibility of programs. The three models used as benchmarks are:
  - ✓ SEED Model (United States): To review the academic impact and fiscal burden of the high-cost public boarding school model.
  - ✓ Escuela Nueva (Colombia): To evaluate the effectiveness of student-centered and adaptive pedagogical transformations.
  - ✓ BRAC (Bangladesh): To compare the efficiency of a low-cost approach model with a high level of accessibility that blends with the community

## C. RESULTS AND DISCUSSION

### CRITICAL ANALYSIS: A THEORETICAL FRAMEWORK AND GLOBAL EVIDENCE

To understand the trajectory of the People's School, it is important to analyze the theoretical architecture that supports it and the global precedents that inform its potential success or failure. This section examines the sociological tensions and empirical realities of "schools for the poor."

#### Theoretical Framework: The Tension Between 'Rescue' and 'Reproduction'.

The design of the People's School involves two conflicting theoretical traditions in the sociology of education:

##### 1. Human Capital Theory and Environmental Modification

This policy relies heavily on the Human Capital Theory, which argues that investment in education generates direct economic returns. The government argues that the "poverty trap" is perpetuated by a lack of quality inputs such as nutrition, discipline, and study time. By adopting the "Total Institution" model described by Erving Goffman, the state isolates individuals from the wider society and subjects them to a formally managed life. In this context, the "total institution" is benevolent: it seeks to "save" children by isolating them from "toxic" environments and extreme poverty, which reflects Oscar Lewis's controversial "Culture of Poverty" hypothesis (Lewis, 1966). The assumption is that by replacing the home environment with a structured dormitory, the state can overcome the habit of poverty with the habit of success.

##### 2. Reproductive Theory and Social Labeling

On the contrary, critical sociologists warn against Social Reproduction, arguing that schools often reproduce existing social hierarchies rather than dismantle them (Bourdieu & Passeron, 1990). By creating a separate system for the poor, the state risks instituting a "caste" system in which the People's Schools are seen not as elite academies, but as warehouses for the poor. Labeling theory suggests that students who attend these schools can internalize "state-dependent" or "charitable cases" identities. If the wider community views these institutions as "schools for the poor," graduates may face stigma in the labor market, potentially eroding the self-efficacy that the program seeks to build (Rafid et al., 2025).

#### Comparative Analysis of Global Models

Comparing Sekolah Rakyat with international models reveals that Indonesia has opted for a high-cost, high-risk approach that deviates from community-based trends in the Global South:

##### 3. SEED Model (USA): High-Cost/High-Impact Approach

The People's School model is very similar to the SEED school (*Schools for Educational Evolution and Development*) in the US, which is a public boarding school for low-income urban students. A rigorous econometric study found that attending SEED schools improved achievement by about 0.2 standard deviations in math and reading lessons per year (Curto & Fryer, 2014). These results validate the "environmental change" hypothesis. However, further research shows that these advantages often come at a high psychological cost and are much more expensive to maintain than those in a day school (Behaghel et al., 2017). The return on investment (ROI) for SEED schools is lower than for high-performing schools, raising questions about the fiscal sustainability for national launches in Indonesia.

##### 4. Escuela Nueva (Colombia) - Pedagogical Transformation Approach

In contrast to segregation, the Escuela Nueva model transformed the rural school itself through a student-centered pedagogy. It uses flexible "learning guides" that allow students to progress at their own pace, accommodating varied farming cycles and learning speeds (Psacharopoulos et al., 1992). This model has been successful in improving achievement and reducing dropout rates by *integrating* education into society rather

than separating students from it (Colbert, 2009). Indonesia's adoption of the MEME curriculum tries to mimic this flexibility, but in a rigid dormitory structure, it has the potential to create a clash between pedagogical fluidity and institutional rigidity.

5. BRAC (Bangladesh) - Low-Cost/High-Access Approach

BRAC prioritizes proximity to infrastructure and low-cost rental of one-room structures within the community, and hires local facilitators. This "first access" approach achieves a completion rate of more than 90% for the poorest children by eliminating physical and cultural distance (Chowdhury et al., 2003). The People's School's focus on infrastructure (new campuses, dormitories) is the antithesis of BRAC's "lean" model, prioritizing the depth of intervention for a few over the breadth of access for many.

Beyond these theoretical frameworks, recent empirical evaluations of educational interventions in developing economies highlight that removing students from their communities without providing continuous socio-emotional integration often leads to higher long-term psychological. Furthermore, robust empirical evidence from targeted poverty reduction programs globally indicates that pedagogical flexibility and teacher quality rather than merely altering physical infrastructure or enforcing boarding structures account for the vast majority of variance in sustained student achievement gains.

**The "Captain of Leadership" Problem: Bureaucratic Fragmentation**

A critical finding in the implementation analysis is the bureaucratic friction caused by placing the People's School under the Ministry of Social Affairs (Kemensos) and not the Ministry of Education (Kemendikdasmen).

1. Professional Identity Crisis: Teachers recruited for Public Schools face ambiguity regarding their professional status. Although they are educators governed by *the Law on Teachers and Lecturers*, their operational "employer" is the Ministry of Social Welfare. These results make it difficult to certify, advance careers, and comply with National Education Standards (Muharam & Kurniawan, 2025).
2. Standardization Risk: Without strict oversight from the Ministry of Education, there is a risk that the curriculum will drift toward vocational training or "character building" at the expense of academic rigor, a fate common to educational programs for low-income people globally.

**DISCUSSION**

**Policy Landscape of 'People's Schools' Legal and Institutional Architecture**

The initiative is supported by Presidential Instruction Number 8 of 2025. This regulation frames schools primarily as instruments for poverty eradication under the coordination of the Ministry of Social Affairs (Kemensos), rather than solely as educational units under the Ministry of Education (Presidential Instruction of the Republic of Indonesia Number 8, 2025).

Table 1. Institutional Role

Institutions	Mandated Roles	Strategic Implications
Ministry of Social Affairs (Kemensos)	Coordinator; Student recruitment through DTSEN; Provision of social welfare.	Schools are treated as "social assistance" centers, which can create friction with educational standards.
Ministry of Education and Culture	Curriculum supervision; Teacher competency standards; Quality assurance.	Supporting roles: potential "dual command" problems for teachers.
Ministry of Public Works (PU)	Construction of dormitories and facilities.	Focusing on physical assets aligns with the infrastructure-heavy development ethos.

**Operational Scale and Pedagogical Features**

1. Targeting: Eligibility was rigorously tested using the National Single Social and Economic Data (DTSEN), which targeted households in Deciles 1 and 2 (Ministry of State Secretariat, 2025)
2. Curriculum (MEME): Schools adopt a Multi-Entry Multi-Exit (MEME) system (Tempo.co, 2025). This system allows students to enter at any time (*Multi-Entry*) and exit after mastery of competencies or due to temporary economic needs (*Multi-Exit*), recognizing the phenomenon of "stop-out" that is common in low-income communities.
3. Talent DNA: The program uses "Talent DNA" testing to map students' potential early on, aiming to tailor education to individual talents (Antara News, 2025).

## D. CONCLUSION

The People's School initiative is a bold experiment in social engineering that rejects passive acceptance of poverty. Theoretically, this rests on evidence that radical environmental changes can result in academic gains for the disadvantaged. However, the sociological risks of segregation and the practical challenges of dual governance are enormous. In conclusion, the primary findings of this research indicate that while an infrastructure-heavy, 'total institution' model offers controlled learning environments, its current design structurally invites severe bureaucratic fragmentation. More critically, without integrating community support, the program risks significant social stigmatization and lacks the proven pedagogical fluidity observed in successful community-rooted models in the Global South.

### Policy Recommendations

Success depends on transforming the program from a "charity project" into a professional education system that empowers rather than stigmatizes. Indonesia must learn from the West's high-structure model and the success of the community-rooted Global South to ensure these massive investments generate demographic dividends, not demographic burdens.

To ensure that the People's School becomes a catalyst for mobility rather than a place of segregation, the following strategic adjustments are recommended:

1. **Institutional Harmonization (SKB):** Issuing a Joint Decree between the Ministry of Social Affairs and the Ministry of Education to clarify governance. The Ministry of Social Affairs must manage welfare (dormitories, nutrition), while the Ministry of Education maintains full authority over academic and teacher management to ensure that the diploma of the People's School is equivalent to that of a formal school.
2. **Model Hybridization:** Move away from a monolithic dormitory approach. Adopt Escuela Nueva's flexible learning guide to support the MEME curriculum effectively. Allow a "day bachelor" option for students living nearby to maintain family ties and reduce costs (Psacharopoulos et al., 1993).
3. **De-Stigmatization through Branding and Mixing:** Rebranding initiatives from "People's Schools" (which connotes charity) to names that emphasize excellence, such as the "National Leadership Academy." Reserve quotas (e.g., 20%) for high-achieving non-poor students to create a mixed socioeconomic environment, reduce stigma, and introduce a positive peer effect.

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