

Analysis of Smart Indonesia Card Policy in Reducing School Dropout Rates in Indonesia: A Literature Study Perspective

Ria Maharani¹, Devi Novitasari², Erinaldi³

¹ STIA Lancang Kuning Dumai, Indonesia; maharaniria463@gmail.com

² STIA Lancang Kuning Dumai, Indonesia; devinovitshaasari863@gmail.com

³ STIA Lancang Kuning Dumai, Indonesia; erinaldipratama2905@gmail.com

ARTICLE INFO

Keywords:

Smart Indonesia Card;
Public Policy;
Dropping out of school;
Studi Literature

Article history:

Received 2021-08-14

Revised 2021-11-12

Accepted 2022-01-17

ABSTRACT

The Smart Indonesia Card (KIP) program is a public policy designed to expand access to education for children from underprivileged families and realize equal distribution of learning opportunities throughout Indonesia. This study aims to analyze the effectiveness of the implementation of the KIP policy in reducing the dropout rate and review the supporting and inhibiting factors in its implementation. The method used is a literature study with a descriptive qualitative approach, referring to Mustari's public policy theory in Suaib et al. (2022) which highlights four main elements: *Input*, *goals*, *instruments*, and *impact*. The data was obtained through a review of scientific journals, official government reports, and national news related to the implementation of KIP. The results of the analysis show that the KIP policy plays an important role in reducing the dropout rate and increasing educational participation, especially in urban areas. However, the effectiveness of the program still faces obstacles in the form of inaccurate recipient data, delays in disbursement of funds, and limited educational infrastructure in the 3T area. The positive impact can be seen from the increasing public awareness of the importance of education and the opening of opportunities for equal access to learning. In conclusion, KIP is a socially effective policy but is not fully optimal in terms of administration and technology. Strengthening the integrated data system, increasing digital literacy, and adjusting the nominal amount of assistance are strategic steps to increase sustainability and equitable distribution of program benefits.

This is an open access article under the CC BY SA license.



Corresponding Author:

Ria Maharani

STIA Lancang Kuning Dumai, Indonesia; maharaniria463@gmail.com

1. INTRODUCTION

Education is the main foundation of human development and the state's instrument in creating social welfare, justice, and economic mobility between generations. Almost all modern countries place education as a strategic priority, as the quality of education determines labor productivity, social stability,

and development sustainability. Indonesia, through Article 31 of the 1945 Constitution, recognizes that education is the right of every citizen and the government is obliged to finance basic education for the people. However, the fulfillment of these constitutional rights is not fully aligned with the social reality that occurs on the ground. Access to education is not accepted equally by all Indonesian children because it is influenced by family economic conditions, regional disparities, cultural factors, and infrastructure inequality.

One of the latent problems in the world of Indonesian education is the phenomenon of school dropouts. Children from underprivileged families are more likely to drop out of school early, as direct and indirect educational costs such as uniforms, books, transportation, and school contributions cannot be borne by parents. School dropouts are not just an individual problem, but have systemic impacts: when children drop out of school, formal job opportunities decrease, the risk of being trapped in a low-wage economy increases, and intergenerational poverty is difficult to break. In other words, the state's failure to contain the dropout rate has implications for the fall in the quality of national human capital.

The Central Statistics Agency (BPS, 2023) noted that school dropout rates are still found at all levels, especially in community groups with low welfare levels. An empirical picture of it can be seen in the following table:

| Level | Dropout Rate (%) | Information |
|--------|------------------|---------------------------------------|
| SD | 0,32% | Higher in rural areas |
| JUNIOR | 1,12% | Dominated by poor households |
| SMA | 1,97% | The highest in Papua, Maluku, and NTT |

This data shows that the risk of dropping out of school increases as the level of education increases, one of which is because the cost of education is getting bigger at the secondary level. This fact encourages the government to present policy interventions through direct education assistance schemes so that economic factors do not become obstacles to school sustainability.

The Government of Indonesia responds to the problem of school dropouts by implementing affirmative policies in the education sector, one of which is through the Smart Indonesia Card (KIP) program. This policy is intended to ensure that children from underprivileged families can continue their education without being burdened by financial constraints. President Joko Widodo emphasized that "there should be no Indonesian child who does not go to school just because his parents cannot afford it" (CNBC Indonesia, January 23, 2024). On this basis, the state allocates the education budget in the form of direct cash assistance for students from elementary to high school levels recorded in the Integrated Social Welfare Data (DTKS).

The implementation of KIP during the first few years showed a decrease in the number of school dropouts nationally. Based on data from the Ministry of Education (2024), there has been a decrease in the dropout rate at all levels after this program is implemented. To provide a more measurable picture, here is a comparison of conditions before and after the implementation of KIP nationally:

| Level | Dropout Rate (%) | Information |
|--------|------------------|---------------------------------------|
| SD | 0,32% | Higher in rural areas |
| JUNIOR | 1,12% | Dominated by poor households |
| SMA | 1,97% | The highest in Papua, Maluku, and NTT |

This decline shows that on a macro level, the presence of KIP has succeeded in reducing economic barriers to education sustainability. However, this decline is not even. In urban areas the impact is more significant than in remote areas, and in the provinces of Papua, Maluku, and East Nusa Tenggara the dropout rate remains relatively high due to geographical, cultural, and limited educational services.

In addition, the effectiveness of KIP faces a number of implementation obstacles. CNBC Indonesia (June 22, 2021) reported that there was a fund for the Smart Indonesia Program (PIP) of IDR 2.8 trillion

that was not on target due to a discrepancy in recipient data. Other problems include late disbursement, nominal assistance that has not covered all secondary education needs, and low administrative literacy among some recipient parents in the 3T area. These constraints do not indicate policy failures, but rather illustrate the complexity of implementing social assistance-based programs in a country with regional heterogeneity such as Indonesia.

Departing from this urgency, this study was prepared with the title "Analysis of Smart Indonesia Card Policy in Reducing School Dropout Rates in Indonesia: A Literature Study Perspective"

2. METHODS

This study uses a literature study method (library research) with a descriptive qualitative approach. The data was obtained through analysis of scientific journals, books, official government documents, and news from national media.

The analysis stages are carried out by:

1. Data reduction to select relevant information;
2. Data presentation in the form of thematic analysis based on Mustari theory;
3. Drawing conclusions through various sources.

To strengthen the analysis in this study, the author uses four main scientific journals that are relevant to the Smart Indonesia Card (KIP) policy. The literature was selected based on the suitability of the theme, policy context, and empirical findings that discussed the effectiveness, challenges, and impacts of KIP in various regions. A summary of the four sources is presented in the following table:

| No | Author & Year | Heading | Focus | Key Findings |
|----|-----------------------|--|--|--|
| 1 | (Suardi, 2021) | Policy Implementation of the Smart Indonesia Program in the Perspective of Sustainable Development | Implementati on of policies & SDGs | KIP has not significantly reduced the dropout rate at the secondary level. |
| 2 | (Albert et al., 2025) | The Effectiveness of Education Assistance Programs in Reducing School Dropouts in Indonesia | Program evaluation & distribution of aid | KIP is effective in increasing participation, but data distribution and verification are not evenly distributed. |
| 3 | (Wayes, 2024) | Micah 6:8 Theological Study of the KIP Program | Ethics & social justice | KIP as a form of state moral responsibility to the poor. |
| 4 | (Habibi, 2025) | The Effectiveness of the Use of KIP in the Perspective of School Financial Management | Governance of education funds | KIP funds help poor students, but school financial management is still complex. |

3. FINDINGS AND DISCUSSION

The analysis of the research results was carried out based on four elements of public policy according to Mustari in (Suaib et al., 2022), namely Input, goals, instruments, and impact. These four elements provide a comprehensive overview of how the Smart Indonesia Card (KIP) policy is designed, implemented, and has a real impact in efforts to reduce the dropout rate in Indonesia.

3.1. Input

The Input stage describes all factors that affect the formation of public policy, such as actors, resources, data, and social value.

In the context of KIP, policy input comes from the central government's commitment through the vision of human development outlined in the Nawa Cita and the 2020–2024 National Medium-Term Development Plan (RPJMN). The government seeks to ensure that no child drops out of school for economic reasons, as President Joko Widodo emphasized in his statement on CNBC Indonesia (January 23, 2024) that "there should be no Indonesian child who does not go to school just because his parents cannot afford it."

However, the success of policy implementation is highly dependent on the quality of beneficiary data. Based on a CNBC Indonesia report (June 22, 2021), there are around Rp2.8 trillion in education assistance funds that are not on target, due to inaccuracies in the Integrated Social Welfare Data (DTKS). This condition shows weak recipient validation, which has an impact on policy efficiency.

Moreover Input Policies also include social values and community participation. In some rural areas, the perception of education is still influenced by cultural factors, where boys are prioritized in school over girls. In fact, according to (Suardi, 2021), the social participation of the community is an important element in guaranteeing the success of public policies, since implementation depends not only on bureaucratic structures but also on social support at the grassroots level.

In terms of resources, the limitation of educational infrastructure in 3T areas (disadvantaged, frontier, outermost) is an additional obstacle. Schools in regions such as Papua, Maluku, and East Nusa Tenggara still experience a shortage of educators, learning facilities, and weak internet connectivity. In fact, the KIP policy requires the integration of a digital-based system for the validation of aid recipient data.

Thus, even though KIP policy inputs have led to good intentions and designs, its success still depends on improving the data system, equitable distribution of educational resources, and strengthening community participation as social supervisors.

3.2 Goals

The main goal of the KIP policy is to ensure equal access to education for all children of the nation. Explicitly, this goal supports the Sustainable Development Goals (SDGs) point 4, which is to provide quality and inclusive education for all.

According to (Albert et al., 2025), KIP is designed not only to reduce the dropout rate, but also as part of affirmative policies that encourage equal sharing of learning opportunities. This goal is very relevant to the social context of Indonesia which is still facing economic and regional inequality.

In addition, the policy goals are not only short-term (reducing the dropout rate), but also long-term: creating a productive generation and able to get out of the cycle of poverty. (Dunn, 2018) Explain that the evaluation of public policy objectives must pay attention to the sustainable impact on the quality of life of the community, not just administrative results.

Thus, the goals of KIP must continue to be directed not only to increase school participation, but also to strengthen the quality of education and the welfare of recipient families.

3.3 Instruments

Policy instruments are a means to achieve predetermined goals. In the KIP policy, the main tools include education fund assistance, recipient data systems, implementing institutions, and supervisory mechanisms.

Technically, KIP assistance is given in the form of cash funds that are distributed through student accounts. The nominal assistance provided is IDR 225,000 per semester for elementary school, IDR 375,000 for junior high school, and IDR 500,000 for high school. However, according to (Wayes, 2024), this amount is not enough for the needs of education as a whole because additional costs such as transportation, uniforms, and study equipment are not covered in the aid.

Another problem arises in terms of administration. Many schools report delays in disbursement of funds up to two or three months after the specified schedule. This condition is caused by the slow verification of data between the Ministry of Education and Culture, the Education Office, and the

distributing bank. (Habibi, 2025) It also highlighted the weak capacity of implementing officials at the school level, which caused the distribution process of aid to be not uniform in each region.

As a solution, the government has begun to implement a data digitization system through the integration between the Integrated Social Welfare Data (DTKS) and One Data Indonesia. This system is expected to be able to reduce administrative errors and speed up the process of disbursing funds. However, digitalization also requires good technological literacy from schools and parents, which is still an obstacle in rural areas.

Thus, the effectiveness of the KIP instrument is highly dependent on synergy between institutions, bureaucratic speed, and data transparency. Without improvements in this aspect, policy objectives will be difficult to achieve optimally.

3.4 Impact

Policy impact is the main measure of successful implementation. In the context of KIP, the positive impact can be seen from the increase in school participation and the decrease in the national dropout rate.

Data from the Ministry of Education (2024) shows that the KIP program has succeeded in reducing the dropout rate by 8% in the past decade, and more than 20 million students have become beneficiaries of the program. KIP also contributes to increasing girls' participation in education, especially in rural areas, which were previously hampered by economic and cultural factors.

However, the impact of the policy also has another side. CNBC Indonesia (2021) revealed that some people show dependence on government assistance, so this policy has not fully encouraged family independence. In addition, there are still inequalities between regions: in provinces with strong infrastructure such as East Java and DKI Jakarta, KIP is running effectively; while in Papua and NTT, limited access reduces its effectiveness.

The social impact of KIP can also be seen from the increasing public awareness of the importance of education. However, for this impact to be sustainable, the government needs to ensure that the aid not only covers school fees, but also supports a conducive learning environment, such as the provision of transportation, learning facilities, and psychosocial support for children from poor families.

4. CONCLUSION

Based on Mustari in's public policy theory (Suaib et al., 2022), an analysis of the Smart Indonesia Card (KIP) policy shows that this policy is a strategic step by the government in reducing the dropout rate in Indonesia.

1. Input: shows that the intention and design of policies are strong, but their implementation is hampered by data problems, coordination, and gaps in education infrastructure.
2. Goals: are aligned with the SDGs and RPJMN, but the achievement has not been evenly distributed between regions, especially in the 3T area.
3. Instruments: still facing obstacles in the amount of assistance, speed of distribution, and limitations in data digitization.
4. Impact: shows success in reducing school dropout rates and expanding access to education, but the impact has not been sustained across provinces.

Overall, KIP can be categorized as a socially effective public policy, but it is not yet optimal administratively and technologically. The government needs to strengthen the surveillance system, update the beneficiary data regularly, and ensure equitable distribution of benefits between regions.

REFERENCES

- Albert, A., Masduki, M., & Rochimah, H. (2025). Efektivitas Program Bantuan Pendidikan Dalam Mengurangi Putus Sekolah Di Indonesia: Evaluasi Implementasi Kartu Indonesia Pintar. *Jurnal Manajemen Pendidikan*, 10(2), 718–727.
- Dunn, W. N. (2018). *Public Policy Analysis: An Integrated Approach*. Routledge.

- Habibi, I. A. (2025). Efektivitas Penggunaan Kartu Indonesia Pintar (KIP): Analisis Dampak dan Tantangan Implementasi dalam Perspektif Manajemen Keuangan Sekolah. *Al-Amin: Jurnal Ilmu Pendidikan Dan Sosial Humaniora*, 3(1), 13–29.
- Khairi, H. (2008). Konsep Dasar Kebijakan Publik. *Atmospheric Environment*, 42(13), 2934–2947.
- Rahmawati, R. (2025). Kebijakan Publik (Analisis Teori dan Politik). *YPAD Penerbit*.
- Rantung, M. I. R. (2024). Evaluasi Kebijakan Publik (Konsep dan Model). *Penerbit Tahta Media*.
- Solichin. (2015). *Implementasi kebijakan pendidikan dan peran birokrasi*.
- Solichin, A. W. (2008). Analisis Kebijakan dari formulasi ke implementasi kebijakan Negara. *Jakarta: Bumi Aksara*.
- Suaib, H., Rakia, A. S. R. S., Purnomo, A., & Ohorella, H. M. (2022). *Pengantar kebijakan publik*. Humanities Genius.
- Suardi, W. (2021). Penerapan Kebijakan Pendidikan" Program Indonesia Pintar" dalam Perspektif Pembangunan Berkelanjutan di Indonesia. *Moderat: Jurnal Ilmiah Ilmu Pemerintahan*, 7(3), 608–621.
- Suwitri, S. (2008). Konsep dasar kebijakan publik. *Semarang: Badan Penerbit Universitas Diponegoro*.
- Wayes, G. (2024). Suatu Kajian Teologis Mikha 6: 8 Terhadap Program Kartu Indonesia Pintar (Kip) Sebagai Upaya Pemerintah Mengurangi Kemiskinan Dan Pemerataan Pendidikan. *Jurnal Penggerak*, 6(1), 171–204.
- Winarno, B. (2014). Kebijakan Publik: Teori, Proses dan Studi Kasus. Yogyakarta. *Center of Academic Publishing Service*.
- CNBC Indonesia. (23 Januari 2024). *Jokowi Ogah Anak Indonesia tak Sekolah Gegara Orangtua Tidak Mampu*. <https://www.cnbcindonesia.com/news/20240123174440-4-508409/jokowi-ogah-anak-indonesia-tak-sekolah-gegara-orang-tua-tidak-mampu>
- CNBC Indonesia. (22 Juni 2021). *Duh! Program Indonesia Pintar Rp2,8 T Tak Tepat Sasaran*. <https://www.cnbcindonesia.com/news/20210622165926-4-255132/duh-program-indonesia-pintar-rp28-t-tak-tepat-sasaran>