

# SOCIAL JUSTICE AND BUDGET DISTRIBUTION: A CASE STUDY OF INEQUALITY IN THE ALLOCATION OF THE WADAS VILLAGE FUND BUDGET IN KARAWANG REGENCY TOWARD COMMUNITY WELFARE

Gun Gun Gumilar<sup>1\*</sup>, Adelia Saputri<sup>2</sup>, Adji Satya Dharma<sup>3</sup>, Esa Bintang Yarullah<sup>4</sup>

<sup>1,2,3,4</sup> Government Science Program, Singaperbangsa University, Karawang, Indonesia

[gungun.gumilar@fisip.unsika.ac.id](mailto:gungun.gumilar@fisip.unsika.ac.id)

\* corresponding author

## ARTICLE INFO

### Article history

Received 13 November 2024

Revised 30 December 2024

Accepted 31 December 2024

### Keywords

Social justice;

Budget allocation;

Inequality;

Village funds;

Community Welfare.

## ABSTRACT

*Social justice is the basis that the village government must fulfill towards its people, but the author found that there were deviations in budget distribution which affected the welfare of the community. Although many studies discuss budget inequality from an economic aspect, not many studies explore it from a social justice perspective. Qualitative methods are used through interviews and document analysis to understand how budget inequality influences community perceptions of social justice which aims to explore ethical values and principles of justice in budget decision making, as well as their impact on the welfare of village communities. The results of this research show that unequal budget allocation, especially in direct cash assistance programs, strengthens social and economic inequality at the village level, and raises critical questions about the government's role in realizing more inclusive social justice.*

## INTRODUCTION

Villages are part of the government system and are directly related to the community, therefore every policy implementation by the central and local governments must go through the village, which means that the role of the village is very important in determining the success of the policy (P Magal., et al 2021) In the context of village development, the government has the responsibility to ensure that the allocated budget can provide benefits fairly and equitably to all citizens. One of the important instruments in village development in Indonesia is the Village Fund, which aims to improve the welfare of rural communities and reduce inequality between regions (Y Jamaluddin., et al 2018).

In the context of village development, the government has launched various policies aimed at improving the quality of life of rural communities. One of the main initiatives is the Village Fund, which is regulated in Law No. 6/2014 on Villages. The Village Fund is designed to support equitable development, improve community welfare, and reduce socio-economic disparities at the village level (Pratama et al., 2020).

Welfare is when a person can fulfill their basic needs, such as food, clothing, shelter, clean drinking water, and the opportunity to continue education and have adequate work to improve their quality of life, so that their lives are free from poverty, ignorance, fear, or worry, and their lives are safe, peaceful, both physically and mentally



DOI: 10.24076/jspg.v6i2.1801

Gumilar et.al, Social Justice and Budget Distribution: A Case Study of Inequality in the Allocation of the Wadas Village Fund Budget in Karawang Regency Toward Community Welfare (2024)

(Fahrudin, 2012). However, in practice, there are a number of challenges related to the distribution of the Village Fund, which often creates inequities and inequalities in access to the benefits of the budget. These inequalities not only have the potential to worsen the socio-economic conditions of the community, but can also erode public trust in the village government. Various studies have shown that inequalities in budget distribution are often caused by a lack of transparency, limited public participation, and weak monitoring mechanisms (Susanto, 2019). In this context, the principle of social justice becomes very relevant to ensure that Village Fund allocations can provide benefits equally to all levels of society.

Social justice is a concept that refers to the fair distribution of resources, opportunities, and outcomes among individuals or groups in society. In the context of Village Fund distribution, the principle of social justice demands that budget allocations are not only based on the basic needs of the community, but also pay attention to vulnerable groups such as the elderly, underprivileged families, and individuals with physical or economic limitations (Rahayu et al., 2021). Unfortunately, the implementation of this principle is often constrained by various factors, such as inappropriate prioritization, limited capacity of village governments, and lack of community involvement in the decision-making process.

One concrete example of the issue of inequality in the distribution of the Village Fund can be found in Wadas Village, Karawang Regency. The village faces various challenges in managing the Village Fund, including unequal allocations for development programs and social assistance. These inequalities have not only impacted on community welfare, but have also caused unrest and dissatisfaction among residents. For example, although the Direct Cash Transfer (BLT) program funded by the Village Fund is intended to help vulnerable groups, not all eligible residents receive this assistance. This shows that there are still loopholes in the budget distribution mechanism that need to be fixed (Sutanto, 2022).

In addition, transparency in the management of the Village Fund is also a major concern. Village governments often face obstacles in conveying information clearly and openly to the community. As a result, negative perceptions and suspicions arise about the potential misuse of funds. In fact, transparency is a key element in building public trust in village governments. When communities have adequate access to information about the allocation and use of the Village Fund, they can actively participate in the development process and oversee its implementation (Lestari & Handayani, 2020).

In an effort to address these inequalities, a participatory and inclusive approach is necessary. Community participation in the Village Fund planning and budgeting process can help ensure that budget allocations match local needs and reflect community aspirations. By involving various community groups, including women, the elderly and minority groups, village governments can create more equitable and effective distribution mechanisms. In addition, increasing the capacity of village governments in budget management is also an important factor to support the implementation of social justice principles (Rahman et al., 2018).

Previous research has shown that unequal budget allocations can exacerbate social and economic inequality and negatively impact the welfare of disadvantaged rural communities. Although the issue of inequality in budget allocation has been widely discussed in various studies, the main focus has generally been on the economic aspects. In contrast, the social justice perspective, which highlights the importance of equitable distribution, has not been explored in much depth. In fact, the application of social justice



principles in budget allocations is crucial to creating equitable welfare for rural communities.

As such, this study aims to explore the relationship between social justice and the distribution of the Village Fund in Wadas Village, and its impact on community welfare. Using a qualitative approach, this research seeks to understand community perceptions of social justice in the context of budget distribution, as well as identify factors that influence the successful implementation of the Village Fund. This research is expected to make a significant empirical contribution in addressing the inequality of Village Fund allocations, filling the gap by exploring the relationship between social justice and the distribution of the Village Fund Budget, and its impact on community welfare.

## METHODS

This research uses a qualitative approach with a case study method to analyze the inequality of the Village Fund budget allocation in Wadas Village, Karawang Regency, and its impact on community welfare. A qualitative approach was chosen because it allows for in-depth exploration of community perceptions, experiences and meanings of social justice in the distribution of village budgets. This case study is considered relevant for understanding the phenomenon of unequal distribution of funds in a particular location in a comprehensive and contextualized way, which is very important in social justice issues. As a case study, this research focuses on a specific phenomenon in Wadas Village, with an interpretive paradigm that aims to understand the experiences of the research subjects.

Data were collected through in-depth interviews, field observations, and document analysis related to the Wadas Village Budget. In-depth interviews were conducted involving village officials, namely the village treasurer, as well as several villagers who were considered to understand the social situation and budget allocation policies in their village. Information from village officials such as the treasurer, who has a direct role in budget management, is essential to obtain primary data on budget priorities, the flow of fund distribution, and transparency efforts made by the village government. In addition, interviews were also conducted with villagers, particularly vulnerable groups such as the elderly, women and low-income families, to understand their experiences of receiving assistance and their perceptions of access to and receipt of cash transfers (BLT) and other Village Fund-funded programs such as food security and *stunting*, enabling analysis of community perceptions and satisfaction with funding allocations. Interviews were semi-structured to allow for greater exploration of the issues raised.

To ensure that the data obtained has credibility, this research uses the source and method triangulation method by comparing data from observations, documents, and interviews. Field observations were carried out by recording the social and physical conditions in Wadas Village, especially related to the existence of programs financed by the Village Fund, such as village infrastructure and public facilities. In addition, document analysis was conducted by reviewing Village Budget reports, accountability reports, and budget billboards posted in the village. The document data helped validate information provided by village officials and the community regarding budget distribution and allocation.

Data analysis in this study uses thematic analysis techniques, which is the process of identifying patterns and themes that emerge from the data. (Dawadi, 2020). This analysis was conducted through several stages, starting with initial coding to find key issues, such as distribution inequality and community participation in village budgets.



Once the main themes were established, the data was further analyzed to identify community perceptions of social justice in the context of budget allocation. The thematic analysis technique allowed researchers to link the subjective experiences of residents with the structure of budget policies, resulting in a deeper understanding of the social dynamics present in the village.

The limitation of this study is that the scope only focuses on Wadas Village, so the results cannot be generalized to other villages in Indonesia. Nonetheless, this study remains relevant to provide empirical insights into how inequality in the allocation of village funds can impact on the welfare and perceived justice of villagers. This study also paid attention to research ethics by ensuring that all informants provided informed consent prior to the interviews. Confidentiality was maintained and there was no attempt to unethically influence informants. This research is expected to serve as a basis for further research that considers a wider range of locations or compares different villages to better understand the dynamics of Village Fund distribution in the context of social justice.

## RESULTS AND DISCUSSION

### Key Findings from Interviews with Village Officials

Interviews with Wadas Village officials, particularly the village treasurer, revealed a number of key findings related to the distribution of the Village Fund and the implementation of development programs financed by the budget. Among the main priority programs mentioned by village officials were Direct Cash Assistance (BLT), handling *stunting*, food security, and basic infrastructure development in the village. These programs are part of a national policy that aims to improve the overall welfare of rural communities, with Cash Assistance prioritized for the most vulnerable groups, such as the elderly. Direct Cash Assistance is a priority within the Village Fund that cannot be changed by village governments as it is a central government decree. Village officials mentioned that the Cash Transfer is much needed by the community, especially in difficult economic situations, but budget constraints mean that not all villagers can receive this assistance.

From these interviews, it was found that transparency of budget allocations has been pursued by the village government through the installation of budget billboards as well as updates on social media such as Facebook. However, limitations in resources and manpower such as the lack of admins for social media mean that the publication of budget information is often limited and inconsistent. In three different stages, namely the Village Budget, amended Village Budget, and accountability report, budget billboards were posted in locations that were easily accessible to the public. However, this transparency is considered by village officials to be limited and not optimized, so that not all details of expenditures or information about the budget are clearly conveyed to the community. These limitations have the potential to create negative perceptions from the community, who desire full transparency to prevent corruption or misuse of funds.

In addition, other findings show that the decision-making process regarding the allocation of the Village Fund is carried out through hamlet meetings involving community leaders and representatives from various groups, including women. The process is conducted to ensure that any proposed programs are aligned with the vision and mission of the village government, and meet the needs of the local community. The village deliberation that results in the Village Development Work Plan (RKPD) is considered a good mechanism to distribute the budget based on priorities that match local



needs. However, the challenge is in overcoming the community's high expectations for the results of village programs, while the available budget is limited. As a result, there is an imbalance between community expectations and the realization of programs that can be implemented by the village government.

On the aspect of equitable allocation of funds, village officials stated that the Direct Cash Transfer program was distributed evenly to eligible groups, namely vulnerable groups, but not all residents could be accommodated due to budget constraints. This became one of the issues identified as social inequality felt by the community, especially those who did not receive assistance. Some residents felt that the allocation of assistance was still not fair enough, especially in fulfilling basic daily needs, resulting in dissatisfaction and the hope that the village government could be more inclusive in distributing the assistance.

Overall, the findings from these interviews suggest that while village governments strive to run programs with transparency and accountability, constraints such as budget limitations, lack of resources for effective communication, and challenges in meeting the diverse needs of communities remain significant barriers. These limitations affect community perceptions of social justice in Village Fund management, particularly in terms of accessibility and fairness in the distribution of direct assistance.

### Findings from Community Interviews

Interviews with residents of Wadas Village, namely Ibu Uwil and Ibu Unah, provided insight into community perceptions of the Village Fund assistance program and distribution in the area. Both residents said that in general, the welfare of the village community is still relatively low because many families cannot fulfill their basic daily needs, such as food and health needs. Although the village government has allocated assistance such as Direct Cash Assistance (BLT) to support vulnerable groups, not every community receives this assistance. The village government according to residents stated that priority assistance was given to the elderly, but in reality, some eligible elderly people have not received the promised assistance. This has caused unrest among the community who feel that the distribution of assistance has not been equitable and is still not in accordance with the principles of social justice. The village government promises assistance that is prioritized to the elderly, but not all elderly people have received what was promised by the village government, this concern was conveyed by residents (Mrs. Uwil and Mrs. Unah).

Residents also revealed that the distribution of Direct Cash Assistance, which amounted to Rp600.000 every three months, was sometimes replaced with basic necessities, such as instant noodles, rice, and eggs. However, the distribution of these basic necessities has stopped in recent months without any further explanation from the village government. This has caused residents to feel that the assistance program lacks consistency, both in form and distribution schedule. The community's need for regular assistance is very high, especially in the midst of difficult economic conditions, so the lack of clarity and inconsistency in the implementation of assistance has a negative impact on the community's sense of trust in the village government.

In addition, residents expressed hope for increased transparency in the process of planning and allocating the Village Fund. According to residents, currently only RT and RW representatives are involved in village meetings and the preparation of annual budget plans. Limited public access to budget-related information raises concerns about potential misuse of funds and a lack of accountability. Residents argue that disclosure of





information on budget distribution can help minimize suspicion or potential irregularities, as well as encourage wider participation from the community in the village development process. They only know that some of the village budget is allocated to road repairs and street lighting, which can be mentioned because they are physically visible.

Although physical development programs such as road repairs and street lighting are visible and have a positive impact on residents, they consider that the village government should be more equitable in prioritizing vulnerable groups who need direct assistance. The community's expectation is for the village government to actively demonstrate transparency in the allocation of funds to all residents, and not just to certain representatives. For the community, transparency in the management of the Village Fund is crucial as it not only builds trust, but also strengthens collaboration between the community and the village government to achieve shared prosperity.

In order for the budget allocation to run smoothly, the flow comes from the hamlet deliberations first, starting from the RPJM first, the resource person sees the vision and mission of the village head, then later the APBD is held every year based on the RKPD, the RKPD is produced from the results of deliberations of every community leader and sorted based on priority programs. The resource person also looked at the legal umbrella, there were proposals that were funded by the government and there were also those that were not funded by the government. For example, mosque construction is not allowed because there is a special budget for it. In conclusion, there are two main activities for village funds. First, activities determined by the central government, and second are activities that are carried out by ourselves.

There is an RKPD team formed from community representatives, women's leaders, and Wadas Village does not arbitrarily compile its own budget. But the experts and competent to talk about budget issues. For transparency, Wadas Village makes billboards, and for every activity we update on social media, although we are not very active because we focus on other jobs, so we don't have an admin. Currently, Wadas Village only has Facebook because it is easier for local residents to use, so every Wadas Village activity is publicized on Facebook. Then billboards and banners are also published.

We have put up billboards for budget transparency three times, one APBD, APBD changes and the last is the accountability report. The transparency that is presented is sober because it does not have a special admin, and some things do not need to be publicized because the residents of Wadas Village had time to help people who were sick.

Food security is defined when all people have physical and economic access to the amount of safe and nutritious food necessary to lead a healthy and active life. One of the dimensions of food security is food access, which refers to nutrition and the resources obtained. Food security is also defined as the ability to produce, process, store, prepare, and the existence of purchasing power (Wahyuni & Yulistiyono, 2021).

The form of the food security program in Wadas Village is the farming of various animals and the raising of animals such as cows, ducks and sheep. Animals that are farmed are raised from small and sold so that they multiply. The farm itself is near partner 10.

Programs from the central government that cannot be changed are BLT, food security, and stunting. For other programs such as village infrastructure and drug counseling, we decide. Food security in preventing stunting based on the results of the interview by providing PMT to PAUD. The implementation of activities in the food security program in preventing stunting is to provide PMT to PAUD every month. Other activities besides providing PMT are providing additional food to pregnant women such as milk and peanut porridge, which is the same program as "Free lunch" during the Prabowo - Gibran



presidency. Pregnant women also receive stunting prevention and check-ups for children and pregnant women based on the duties and functions of midwives.

Overall, the interviews highlighted several key issues of concern to villagers: inequities in aid distribution, inconsistencies in program implementation, and a lack of transparency in the management of the Village Fund. Residents' perceptions indicate an urgent need for village governments to improve aid distribution mechanisms to make them more targeted, increase consistency in distribution, and involve the community in every stage of the budgeting process. Thus, it is hoped that social justice can be realized in the management of the Village Fund, and the welfare of Wadas Village residents can be more equitable and comprehensive.

### **Analysis of Inequality in Village Fund Allocation**

An analysis of the inequality of Village Fund allocations in Wadas Village shows that there is a stark difference between the original objectives of the fund and its implementation in the field, which has a direct impact on the level of community welfare. The main objective of the Village Fund is to reduce economic and social inequality by ensuring that all villagers can access the benefits of the program equally. However, based on interview data with the community and village officials, it was found that there were inequalities in the implementation of budget distribution, particularly in relation to the Direct Cash Transfer (BLT). Although the village government stated that the BLT was aimed at vulnerable groups such as the elderly, the reality in the field showed that some elderly and vulnerable groups in the community were still not receiving the assistance they needed. This inequality shows that there are obstacles to achieving social justice, a basic principle that should be the cornerstone of Village Fund allocations (Arisaputra, 2016) (Arisaputra, 2016). Some village government programs are used to implement village empowerment and institutional activities, provide allowances to village officials, and provide funds for village infrastructure development funded through the Village Fund or ADD. Financial certainty for financing is a component that helps the process of implementing each village development.

In addition to problems in the distribution of direct assistance, inequality is also evident in the priority of budget allocations for other programs. As revealed by residents, village budgets are mostly allocated to physical projects such as road repairs and lighting which, although important, do not directly support the improvement of the welfare of vulnerable communities who need immediate assistance. This inequality is exacerbated by limited community involvement in the budget planning process. The participation of communities, particularly vulnerable groups, in decision-making regarding the Village Fund is considered crucial to achieving a fairer and more equitable distribution (Sulaiman, 2021). In the case of Wadas Village, only RT and RW representatives were involved in budget deliberations, while the majority of the community was either not involved or did not have access to adequate information about budget allocations. This reflects that decision-making has not been fully inclusive and participatory, which can then lead to a sense of dissatisfaction among the community.

Consistency in the form and timing of aid distribution is also a concern. In recent months, Direct Cash Assistance, which was initially provided in cash worth Rp600.000 per quarter, was briefly replaced by food packages, but then discontinued without a clear explanation. Such uncertainty risks creating dissatisfaction and feelings of injustice among beneficiaries. In the view of social justice theory, consistency and timeliness are crucial to achieving a just perception in society, as uncertainty will only exacerbate



feelings of inequality among needy citizens (Cuervo, 2016). The amount of funding allocation for a village is determined based on the basic allocation that has been calculated based on the principle of equity. The Wadas Village budget in terms of Direct Cash Assistance (BLT) has the same amount of Rp300.000 from the central government. There were no problems with BLT, because Wadas Village has an obligation and policy to help people who need help from local parties. The budget for receiving BLT has a time span of 3 months, and it is not gradual but is done with a certain month such as in January-February and getting Direct Cash Assistance (BLT) a second time in November-December.

The management of the Village Fund must be carried out efficiently, economically, transparently, and fairly, in accordance with applicable laws and regulations and for the benefit of the community.

The Village Fund Allocation (ADD) is operated in accordance with the principles of efficiency, focusing on objectives, and providing benefits to the village community. ADD should also be supervised for activities that aim to improve community service facilities and infrastructure to meet basic needs, strengthen village institutions, and carry out other activities that are very important to the community as a whole. The management of ADD must be integrated with the management of the Village Budget (APBDes), so that the principles of managing ADD and APBDes are in accordance with good governance standards, namely (Jamaluddin et al., n.d.):

a. Participatory

The ADD process must involve many parties, from planning, decision-making, to monitoring and evaluation. This means that ADD management involves not only the village elite (village government, Village Consultative Body, Village Community Resilience Organization/Rukun Tetangga/Rukun Warga administrators, or community leaders), but also the general public such as farmers, laborers, women, youth, and others.

b. Transparent

All parties should be made aware of the entire process in an open manner. In addition, the village community should be informed of the goals, objectives, results, and benefits of each activity using these funds.

c. Accountable

All stages in the use of ADD, from its proposed allocation, implementation, to the achievement of results, must be accountable to all parties, especially the village community.

d. Equality

All parties involved in the management of ADD have equal rights and positions.

According to Article 20 of the Minister of Home Affairs Regulation No. 37/2007 on Village Financial Management Guidelines and Law No. 6/2014 on Villages, the management of village fund allocations is an important aspect of village financial management. Therefore, its management must be carried out in accordance with the rules and mechanisms stipulated in the applicable laws and regulations in the village. The objectives of the Village Fund Allocation (ADD) include:

- a. Improving the organization of village governments in providing services, development, and community in accordance with their authority





- b. Increasing the capacity of village community organizations to participate in planning, implementing, and controlling development in accordance with the village's potential.
- c. Increase the capacity of village community institutions to actively monitor and control development.
- d. Improve income equality, employment opportunities, and business opportunities for village communities. - Improve the ability of village communities to collaborate.

The inequality of Village Fund allocations in Wadas Village raises broader questions about the role of village governments in realizing equitable welfare. Such inequality in the management of village budgets is in line with the findings of other studies which show that unfair decision-making and lack of community participation often exacerbate social and economic inequality at the village level. (Zhao, 2016). Therefore, it is important for village governments to improve existing budgeting mechanisms by strengthening transparency and increasing community involvement at every stage of the process. By including the community in deliberations and providing open access to information, village governments can promote fairer budget management, which in turn will strengthen citizens' trust in government and help achieve social justice at the local level.

### **The Role of Village Government in Strengthening Social Justice**

Village governments play an important role in strengthening social justice at the local level, especially in managing and distributing the budget in an equitable manner. As the government institution closest to the community, village governments are expected to understand and accommodate the needs of all citizens fairly. In the context of the Village Fund, an equitable and targeted budget allocation is a form of social justice that is sought so that all levels of society, especially those who are vulnerable, can benefit from the assistance (Handini et al., 2019). Therefore, the role of village governments is very strategic in determining inclusive and transparent budget policies, and ensuring that the distribution of the budget minimizes social inequality.

Social justice requires village governments to not only distribute funds equitably, but also ensure that the allocations are well-targeted and address the main needs of the community. For example, in the distribution of Direct Cash Assistance (BLT), the village has the responsibility to ensure that the assistance is actually received by the groups most in need, such as the elderly and families with economic limitations. In interviews in Wadas Village, it was found that despite the village government's efforts to implement assistance programs, not all elderly and vulnerable communities received the expected assistance. This inaccuracy suggests a need to improve selection and data collection mechanisms to make assistance programs more equitable and effective (Magal et al., 2021).

In addition to the distribution of funds, village governments also play an important role in increasing community involvement in the budget planning process through deliberative mechanisms. Greater community participation can help create a sense of ownership and public trust in the village government, which ultimately supports social justice. According to Lukasiewicz and Baldwin (2017) the active involvement of the community in the decision-making process is an important factor for building trust and preventing feelings of injustice. Such participation also ensures that decisions are made



in line with the needs and aspirations of the community, so that any budget allocations are more reflective of local priorities.

Budget transparency is also an important element in strengthening social justice. By providing open and accessible information to the public, village governments can ensure that people understand how the village budget is allocated and spent. In Wadas Village, budget transparency is pursued through billboards and publications on social media, although administrative constraints still hinder the effectiveness of information delivery. These limitations suggest that there is a need to increase the capacity of village governments to utilize information technology to optimize budget transparency (Sofyani et al., 2020). Thus, village governments are expected to increase transparency through various information channels that are easily accessible to the public, so that every citizen can oversee the village budget management process.

Government Regulation Number 24 of 2005 states that "transparency is providing open and honest financial information to the public based on the consideration that the public has the right to know openly and thoroughly about the government's accountability in managing the resources entrusted to it and its compliance with legislation (Ambya, 2020)."

In the financial management of Wadas Village, the principle of justice has been applied through coordination by small groups within the village, including RT/RW, religious leaders, and community leaders, prior to budgeting. In dealing with major obstacles in order to get justice by communicating and conducting deliberations with the people of Wadas Village to get solutions to these problems. If there is a budget that is unclear, it can be ensured to ask the relevant parties for transparency so that village development activities are in accordance with the budget or do not occur in reality.

Overall, the role of village governments in strengthening social justice is not only limited to the distribution of targeted budgets but also includes efforts to create openness, active community participation, and transparent budget management. Through these measures, village governments can build public trust and create equitable welfare at the local level. In this context, it is important for village governments to continuously improve their administrative capacity and expand public access to decision-making processes. By doing so, the principle of social justice can be realized, and every layer of the village community, especially the vulnerable, can benefit from the funds allocated for the common good.

### Implications for Community Welfare

The implications of Village Fund allocations for community welfare are significant, particularly in reducing poverty and improving community access to basic needs. Inequalities in the allocation of funds that are poorly targeted can have a direct impact on community welfare, especially vulnerable groups such as the elderly, low-income families, and those with physical or economic limitations (Barron et al., 2022). When funds are unevenly allocated, the poor and vulnerable are often overlooked, preventing them from fully enjoying the benefits promised by village programs. For example, if the Village Fund does not consistently reach these groups through direct cash transfer (BLT) and food security programs, the welfare gap at the village level will widen, potentially leading to social unrest.

Wisely allocated Village Funds can be a key instrument in improving welfare, as they have the potential to strengthen the health, education and infrastructure sectors that rural communities desperately need. For example, a well-targeted food security program



can help underprivileged families meet their basic needs, thereby improving their overall economic resilience (Andrews et al., 2018). Likewise, support for programs that address *stunting* and maternal and child health care have a long-term impact on the quality of life of rural communities. Improved public health affects productivity, which in turn supports improved living standards.

However, when there is an imbalance in the allocation of funds, as was found in the case of Desa Wadas, where not every elderly and impoverished community member received the promised assistance, the welfare goal is difficult to achieve. Such disparities in the distribution of funds can lead to community distrust of the village government, especially if there is a lack of transparency and community participation in the decision-making process. In this context, budget transparency and community engagement are important elements in maintaining public trust and ensuring that the Village Fund is actually used for the needs of the wider community (Evans et al., 2019).

On the other hand, the positive implications of the equitable allocation of funds can be seen in the increased accessibility of village infrastructure such as road construction and lighting, which directly improves the quality of life of the community. Good road access not only facilitates mobility, but also makes it easier for people to access public services, markets and employment opportunities. When the Village Fund is allocated to infrastructure with the involvement of community participation, the impact can be more significant and sustainable, as the community feels involved in the planning and has a sense of responsibility to maintain the facilities (Rijani et al., 2024).

In the long term, equitable allocation of the Village Fund can strengthen social justice at the village level, create equity in welfare, and reduce poverty. When communities see equity in the distribution of aid and services, they are more likely to support village policies and actively participate in development. Therefore, village governments have a responsibility to improve the distribution mechanism of the Village Fund to make it more inclusive and transparent. A participatory approach involving all community groups should be prioritized in the budget planning process. In addition, transparency in budget management should be improved by providing information that is more accessible and understandable to the public. Through these measures, village governments can create a more equitable budget allocation, which in turn will strengthen people's trust in the government. Village governments also need to leverage technology to improve communication with the community, such as through more organized and consistent digital platforms. Thus, the principle of social justice can be realized in the management of the Village Fund, and the welfare of village communities, especially vulnerable groups, can be significantly improved.

## CONCLUSIONS

The conclusion of this study on the inequality of Village Fund allocations in Wadas Village, Karawang Regency, highlights the importance of social justice in budget distribution to achieve equitable community welfare. The research reveals that despite the existence of a number of assistance programs from the village government such as Direct Cash Assistance (BLT) and food security, unequal distribution has resulted in some communities, especially vulnerable groups such as the elderly and underprivileged families, not receiving the benefits they should. This shows that the purpose of the Village Fund to create welfare and equitable development has not been achieved optimally, especially in the context of inclusive social justice. Such allocation inequalities not only



hamper the achievement of community welfare, but also create feelings of injustice that can undermine community trust in the village government.

Research findings also reveal that the unequal distribution of the Village Fund is often caused by limitations in community participation mechanisms and budget transparency. In interviews with village officials, there were indications that the budgeting process had involved deliberations with community leaders and representatives, but that participation had not included all levels of society. This condition is exacerbated by the lack of transparency in budget reporting, where information on the distribution of funds is only conveyed through social media or billboards that are rarely updated. This lack of transparency has led to the perception that budget management is less open, resulting in community unrest and assumptions that aid is not distributed fairly. Communities that feel uninvolved or uninformed about the allocation of funds have the potential to view village governments skeptically, resulting in decreased participation in development programs.

Another conclusion that can be drawn is the importance of improving the fund distribution mechanism so that the Village Fund can truly benefit all village communities without exception. The application of social justice principles in the distribution of the budget is not only important to create equity, but also to increase the sense of trust and attachment of the community to the village government. In the context of Wadas Village, promoting a participatory approach that involves all community groups and ensuring that aid distribution covers all vulnerable groups is an important step towards creating a more prosperous and harmonious community. In addition, the village government needs to improve its budget transparency system by providing information that is more accessible to the public, such as through consistent social media management or disseminating information in a form that is easily understood by ordinary people.

Overall, this study emphasizes that a fair and equitable allocation of the Village Fund is a key factor in realizing the welfare of village communities. Village governments need to understand that unfair distribution can exacerbate social inequality and hinder the achievement of long-term development goals. Therefore, a social justice approach in the management of the Village Fund needs to be consistently applied so that the fund truly becomes a useful instrument in reducing poverty and improving the quality of life of rural communities. This requires the village government to play an active role in promoting the principles of transparency, fairness and participation at every stage of budget distribution. If these principles are effectively applied, the Village Fund will be able to have a significant impact on community welfare, create sustainable development, and strengthen public trust in the village government.

To improve Village Fund management, the Wadas Village government can prioritize transparency through various strategic measures. In addition to billboards and social media, an online information portal containing budget documents, realization reports, and activity schedules can help the community access information easily. Information boards in strategic locations and regular monthly or annual reports are also important to ensure the public is updated on fund management.

Community participation can be enhanced by holding thematic village meetings that focus on specific issues, such as education or infrastructure, as well as small group discussions involving women, youth and other vulnerable groups. Surveys or questionnaires can also be used to better understand community needs, so that fund management is better targeted.





In the aid distribution mechanism, village governments need to update data regularly to ensure that the aid is right on target. The use of technology, such as applications or SMS-based systems, can digitize the distribution process and improve accuracy. In addition, the involvement of independent parties in the evaluation of aid distribution can prevent misuse and increase community trust.

Strengthening the capacity of village officials is also key. Training on financial governance, asset management, and technology utilization, such as the Village Financial System (Siskeudes) application, should be conducted regularly. In addition, technical assistance from experts can help village governments manage budgets more professionally and efficiently.

To ensure accountability, oversight needs to be strengthened through the establishment of independent oversight teams involving community leaders and academics. Public accountability forums can also be held regularly, where village governments present their performance to the community. Complaints channels, both physical and digital, need to be provided so that people can easily report irregularities.

Village governments should also allocate budgets for community empowerment programs. Skills training based on local potential, the establishment or strengthening of BUMDes, and education and health programs, such as scholarships or mobile health services, are important steps to create a long-term impact on community welfare. With these steps, the management of the Village Fund is expected to become more transparent, fair and effective in improving the lives of the people of Wadas Village.

## References

- Ambya, A. (2020). Transformation of Village Fund Allocation on Income Inequality and Rural Areas in Indonesia. *Journal of Development Economics*, 9(1), 16-23.
- Andrews, C., Hsiao, A., & Ralston, L. (2018). Social safety nets promote poverty reduction, increase resilience, and expand opportunities. In *Realizing the full potential of social safety nets in Africa* (pp. 87-138). World Bank.
- Arisaputra, M. I. (2016). Access Reform in the framework of Agrarian Reform to realize social justice. *Journal of Perspective*, 21(2), 83-96.
- Barron, G. C., Laryea-Adjei, G., Vike-Freiberga, V., Abubakar, I., Dakkak, H., Devakumar, D., & Karadag, O. (2022). Safeguarding people living in vulnerable conditions in the COVID-19 era through universal health coverage and social protection. *The Lancet Public Health*, 7(1), 86-92.
- Cuervo, H. (2016). *Understanding social justice in rural education*. Springer.
- Dawadi, S. (2020). Thematic analysis approach: A step by step guide for ELT research practitioners. *Journal of NELTA*, 25(1), 62-71.
- Evans, D. K., Holtemeyer, B., & Kosec, K. (2019). Cash transfers increase trust in local government. *World Development*, 114, 138-155.
- Handini, S., Sukaai, & Astuti, H. K. (2019). *Village community empowerment in the development of MSMEs in coastal areas*. Scopindo Media Pustaka.
- Jamaluddin, Y., Sumaryana, A., Rusli, B., & Buchari, R. A. (n.d.). *JPPUMA: Journal of Governance and Political Social UMA Analysis of the Impact of Management and Use of Village Funds on Regional Development Analysis of the Impact of Management and Use of Village Funds on Regional Development*. <http://ojs.uma.ac.id/index.php/jppuma>
- Magal, P., Kawung, G. M., B Maramis, M. T., & Development Economics Faculty of Economics and Business, J. (2021). VILLAGE FUND ALLOCATION ANALYSIS ON





- POVERTY AND COMMUNITY WELFARE IN SOLIMANDUNGAN BARU VILLAGE DISTRICT BOLAANG MONGONDOW DISTRICT. In Jurnal EMBA (Vol. 9, Issue 1).
- Lukasiewicz, A., & Baldwin, C. (2017). Voice, power, and history: Ensuring social justice for all stakeholders in water decision-making. *Local Environment*, 22(9), 1042-1060.
- Rijani, M., Munawarah, & Mahdalina. (2024). The effectiveness of the Village Fund in improving development in Muara Payang Village, Muara Komam District, Paser Regency. *Journal of Regional Finance, Center and Archives*, 1(2), 214-223.
- Sofyani, H., Riyadh, H. A., & Fahlevi, H. (2020). Improving service quality, accountability and transparency of local government: The intervening role of information technology governance. *Cogent Business and Management*, 7(1), 1735690.
- Sulaiman, E. S. (2021). *Community empowerment in the health sector: Theory and implementation*. UGM Press.
- Wahyuni, M. E., & Yulistiyono, H. (2021). Implementation of Village Fund Governance in Village Community Development and Empowerment. *Scientific Journal of Assets*, 23(2), 155-166. <https://doi.org/10.37470/1.23.2.185>
- Zhao, P. (2016). Planning for social inclusion: The impact of socioeconomic inequities on the informal development of farmland in suburban Beijing. *Land Use Policy*, 57, 431-443.

