

Summary of “The Impact of Women as PKH Beneficiaries on Household Consumption in Indonesia”

1. Introduction

The Program Keluarga Harapan (PKH) is Indonesia’s conditional cash transfer program targeted at poor households to improve welfare through increased access to health, education, and social services. Since its inception in 2007, PKH benefits have been directed exclusively to adult women in recipient households, under the assumption that women are more likely to allocate funds toward household essentials such as food, health, and education.

International evidence on gender-targeted transfers, however, shows mixed results. While some studies confirm that female recipients channel more resources toward children’s welfare, others find no significant difference compared to male recipients, and a few report unintended negative effects. This research seeks to fill a gap in Indonesian literature by empirically testing whether the gender of the PKH recipient influences total household consumption.

Research Questions:

1. Does having a woman as the PKH recipient lead to higher household consumption compared to a male recipient?

2. Methodology

2.1 Data Source

The study uses panel data from the Indonesia Family Life Survey (IFLS) waves 4 (2007) and 5 (2014), focusing on PKH beneficiary households. The sample is restricted to households receiving PKH in both periods, allowing for consistent before–after analysis.

2.2 Variables

Variable Name	Source	Operational Definition	Measurement
Household consumption (food & non-food, excluding tobacco)	IFLS Wave 4 & 5	Total household consumption expenditure	Rupiah
PKH recipient gender	IFLS Wave 4 & 5	Gender of adult PKH recipient in household	1 = Male; 3 = Female

Household received PKH	IFLS Wave 4 & 5	Whether the household received PKH	1 = Yes; 3 = No
Age of household member	IFLS Wave 4 & 5	Age in years	Numeric
Other controls	IFLS Wave 4 & 5	Education, marital status, household size, location	Various

2.3 Analytical Framework

Two econometric techniques are employed:

1. Propensity Score Matching (PSM): Matches treatment households (those whose PKH recipient changed from female to male) with control households (recipient remained female) based on similar baseline characteristics.
2. Difference-in-Differences (DiD): Estimates the causal effect of the gender change on household consumption over time, controlling for unobserved time-invariant heterogeneity.

3. Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min - Max
Location	1040	34.462	13.860	12 - 73
Household size	1051	6.121	2.802	1 - 20
House ownership status	1051	1.335	2.980	1 - 95
Age	956	24.528	19.795	0 - 100
Primary activity past week	1040	2.677	7.765	1 - 95
Marital status	956	1.523	0.773	1 - 5
Highest grade completed	956	25.385	38.973	0 - 98

Most PKH households in both waves have low educational attainment, medium-sized households (3–7 members), are predominantly married, and often self-employed.

4. Results and Discussion

4.1 Propensity Score Matching

Matching was conducted using key household characteristics (size, education, location, marital status). Post-matching, 929 households were retained (923 control; 6 treatment). Model fit was reasonable ($R^2 \approx 0.20$), and balance checks indicated acceptable comparability between groups.

4.2 Difference-in-Differences Results

Variable	Coefficient	Significance
Time	β_1	-
Male recipient	β_2	-
Time \times Male recipient	Not significant	-

The DID estimator (interaction term) was not statistically significant, indicating that changing the PKH recipient from female to male did not produce a measurable change in household consumption between 2007 and 2014.

Interpretation: Contrary to much of the policy rationale, this study finds no significant gender effect in PKH's impact on consumption. This aligns with some international findings that question the universal benefit of gender-targeted transfers.

5. Conclusion

This study concludes that, within the available IFLS data and the PKH context, designating women as recipients does not significantly increase household consumption compared to male recipients. The findings suggest that other household or program factors may be more critical drivers of welfare outcomes.

Policy Implications:

- PKH targeting could be refined using multi-dimensional poverty indicators beyond recipient gender.
- Complementary interventions—such as financial literacy training and community engagement—could enhance the program's effectiveness.

Limitations:

- Very small treatment sample ($n = 6$) reduces statistical power.
- Lack of detailed program data (transfer amounts, compliance, attendance in P2K2

sessions).

- Results should be interpreted cautiously and validated with larger datasets.

APPENDIX FOR THE RESULT:

DID RESULT:

. reg cons TREATPKH##post

Source	SS	df	MS	Number of obs	=	1,560
Model	2.9180e+10	3	9.7265e+09	F(3, 1556)	=	0.54
Residual	2.7914e+13	1,556	1.7939e+10	Prob > F	=	0.6535
				R-squared	=	0.0010
				Adj R-squared	=	-0.0009
Total	2.7943e+13	1,559	1.7924e+10	Root MSE	=	1.3e+05

cons	Coefficient	Std. err.	t	P> t	[95% conf. interval]	
1.TREATPKH	-49502.28	54891.54	-0.90	0.367	-157171.5	58166.92
1.post	-2.20e-10	6808.458	-0.00	1.000	-13354.72	13354.72
TREATPKH#post						
1 1	2.32e-10	77628.36	0.00	1.000	-152267.2	152267.2
_cons	161552.3	4814.307	33.56	0.000	152109.1	170995.5