

ABSTRACT

The Indonesian government introduced the Bantuan Siswa Miskin (BSM) program in 2008 to assist poor students in accessing school necessities. Although BSM has been shown to improve educational outcomes such as school participation and reduce child labor, evidences on its impact on educational expenditure allocation are limited. This study evaluates how BSM might increase household educational expenditures. This study employs data from IFLS 4 & 5. Using Propensity Score Matching and Difference-in-Differences methods, the results show that the BSM program increases household educational expenditure allocations. Additionally, this study also finds that BSM impact is higher among households that also receive another school subsidy program. Overall, recipient households are found to allocate BSM funds accurately in line with the program's objectives.

Keywords: Bantuan Siswa Miskin, Educational Goods, Household Education Expenditure

JEL classification: D04, H31, I38