Surviving Spouses: Support for Widows in Malang, East Java
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Chapter 7
THE EXCLUSIVE SAFETY NET?
State Organised Support For Widows

1. Introduction

The importance of family support for people in coping with various adversities in the developing countries is repeatedly underlined by a few scholars (Esmara and Tjiptoherijanto, 1986). In the previous chapters, I argued that the important role of family support - followed by community-based support such as neighbourly support - is also stimulated by the absence of state intervention. In other words, for many people, there is barely any other alternative than to go to their family and/or neighbours to seek assistance in times of hardships.

However, there is a small group of people who benefit from state organised support in the form of social insurance. About these beneficiaries in Indonesia, Esmara (1986: 56) wrote: ‘The benefits of the social security insurance schemes are still limited to the civil servants (including the Armed Forces) and the industrial workers, and their dependants. Total number of beneficiaries is estimated to be around 6 million employees or 30 million persons including their dependants. This is still small indeed compared to the total Indonesian labour force and population; 11,5 per cent and 20,5 per cent respectively’

However small their number might be, this group of beneficiaries should not be overlooked since their story can highlight what the majority of Indonesians are excluded from, namely the direct access to state resources. In general, state support is secured by legal regulations although in the practice this security can be influenced by various deviations such as misuse and corruption. In spite of these deviations, the support package of many beneficiaries can be substantially enriched by state support. A stable and independent income from a pension, for instance, can enable the receiver to solve financial problems without depending heavily on family or neighbourly support. The entitlement to a pension can challenge the importance of other sources of support for the pensioner’s well being. Consequently, these beneficiaries of state support – in this case the pensioners - may perceive and maintain the support relations they have engaged differently from the non-beneficiaries.

A proportion of the widows receive long-term state support in the form of pension and health insurance. Among the research population, about one third of the widows (28%) are pensioners. This percentage is quite high and reflects the urban character of the research. I would expect a smaller number if the research were carried out in rural areas. Apart from the
fact that these pensioner widows have a direct access to state resources, it would be misleading to perceive them as having a closer connection to the state for other privileges such as is common in Indonesia’s bureaucratic apparatus. Most of the pensioner widows are entitled to the pension because they were married to a civil servant or a member of the Armed Forces. Only two of these pensioner widows were member of state apparatus themselves. Therefore, the most relevant privilege of being a pensioner is connected to economic privilege, although pensioners often can establish networks among themselves through various organisations and gain social or political privilege from these networks.

The aim of this chapter is to examine how several aspects of the widows’ lives, including their coping capability and engagement in support relations, are affected by their entitlement to state organised support. There are several questions to be answered in this chapter namely, which widows do receive state organised support and in what forms? How does the state organised support affect the widows coping capability and engagement in support relations with their family, neighbours and friends?

2. Pension and Health Insurance

The term ‘state organised support’ used in this chapter is commonly used in a broader meaning than only pension and health insurance. It includes various categories of collective programmes such as social assistance, social services, social insurance, employer liability, social allowance, provident fund etc. (Midgley, 1994:220). But many of these collective schemes are actually absent in Indonesia.

Based on the data from the 111 widows, it can be concluded that the most important and relevant state organised support for 28% of the widows (31 persons) are the pension and the health insurance. The majority of them (80 persons) do not receive any long-term state organised support. They do receive ‘incidental’ support from of the state such as the Safety Net Programmes in order to cope with the crisis hardships, but this kind of support is not only given for a short\(^1\) term but also in a very limited amount. Regarding this, in this chapter I choose to focus the examination on pensions and health insurance. Before I discuss them more elaborately, in the next section I shall provide general information on the development of several social security programs in Indonesia.

\(^1\) The discussion on Safety Net Program will be a part of chapter 9 on the Indonesian crisis.
Some steps in the development of social security programs in Indonesia

According to Esmara (1986:54) the development of the modern social security system in Indonesia took place gradually over several decades. The first social security regulation was issued in 1940 based on the old Dutch Civil and Commercial Laws of the nineteenth century. The Indonesian struggle for independence in the 1950s and the political turbulence in the 1960s had made the issue of social security regulations less relevant in these periods. Not until 1963, two related social security programs were constituted based on a recommendation from a national conference of the civil servant heads of personnel bureaus in Jakarta. Esmara (1986:54-55) also wrote that:

‘First, a social assistance programme (italic by RM) for the family of civil servants and compensation due to natural disaster was established. The programme also included financial assistance for the civil servants’ first marriage. The social assistance programme was known as Dana Kesejahteraan Pegawai Negeri (DASPERI) or Civil Servants’ Welfare Funds, supervised by the Ministry of Social Welfare. Second, a social insurance (italic by RM) of Old Age and Survivor was created. Originally, the programme was intended to provide retirement benefits to aged civil servants. However, after twelve years, the programme was expanded to cover the survivors of the deceased civil servants as well. [...] The compulsory social security insurance was known as the Tabungan dan Asuransi Pegawai Negeri (TASPEN) or Civil Servants’ Saving and Insurance Programmes. The Management of the TASPEN programmes was handled by a special state-owned company, P.T TASPEN, under the supervision of the Ministry of Finance. The Armed Forces and their civilian employees were also included in the TASPEN programmes. Both programmes, the social assistance and the insurance schemes, were compulsory for all civil servants and the Armed Forces’ [...] After a period of eight years under the TASPEN programmes, it was decided in 1971 to set up a separate but similar programme for the Armed forces and their civilian employees. Asuransi Angkatan Bersenjata Republik Indonesia (ASABRI) or the Armed Forces’ Social Insurance was especially designed by making some adjustments to the TASPEN programmes [...] The management of the armed forces’ social security insurance was under the Minister of Defence’s state owned company, PERUM ASABRI. [...] In 1975, the government decided to abolish the DASPERI programmes and to strengthen the TASPEN and ASABRI programmes. The
DASPERI funds were transferred to the P.T TASPEN and PERUM ASABRI while natural disaster component to the Ministry of Social Welfare'

Besides the social security programs for the civil servants and the armed forces, there are also similar programs for workers in the formal sector. Initially, in 1964, these voluntary social security programmes for industrial workers were extensions of the social security programs for the civil servants and the armed forces. The programs for industrial workers were called Dana Jaminan Sosial or Social Security Funds. At the end of 1970s these voluntary programs were stopped and new mandatory programs the Asuransi Tenaga Kerja (ASTEK) or the workers' social insurance were constituted. The ASTEK programs were managed by the PERUM ASTEK under the supervision of the Ministry of Manpower. Esmara (1986:56) mentioned that: 'The ASTEK programmes combined the Old Age and Survivors' benefit (Provident Funds) and the Workmen's Compensation or Disability insurance. The health-related benefits, which were the principal component of the previous Social Security Fund were abolished in the new ASTEK programmes. However, in the transition period all Social Security Fund programmes were carried over by ASTEK.'

*The Indonesian pension system*

The formal retirement benefits programs are usually parts of the general social security programs. In Indonesia, the pension system has three different programs, which are described by Leechor (1996: 1-2)² as:

1. **The voluntary employer-sponsored pension program.** Each company is free to choose whether or not to establish a pension plan for its employees. But to be qualified for tax benefits, the employer-sponsored plan has to comply with pension regulations, including being a separate legal entity distinct from the plan sponsor. These plans may be administered by the sponsoring company, under the direction of a board of trustees, or may be part of an approved financial-institution plan. This category of pensions has an estimated membership of about 3 million people and

² In one of its Technical Assistance Report, the Asian Development Bank (1998:1) gave a slightly different categorisation of pension system in Indonesia:

"The current system of retirement support in Indonesia includes state-managed, mandatory (i) pension fund schemes for the civil service and the armed forces, and (ii) provident fund (Jamsostek) for all workers employed in the formal labour market. The privately managed voluntary scheme include (i) employer pension fund (EPFs), and (ii) financial institutions pension funds (FIPFs) operated by banks or life insurance companies."
includes some of the largest employers in the country. Most of the existing plans are sponsored by public enterprises.

(2) **The civil service pension program.** Sponsored by the national government, the largest employer in the country, it is administered exclusively by a public enterprise, *Pt. Taspen*, independent of the pension law. As of 1995, there were about 4 million current members and about 1.5 million retirees. A closely related program is *Asabri*, which provides similar retirement benefits for about half a million military and police personnel and is administered by a separate public enterprise;

(3) **The mandatory social security program.** Also known as *Jamsostek*, it covered about 8 million people in 1995\(^3\), out of an estimated 33 million employees in the formal sector. It is administered and managed exclusively by a public enterprise, *Pt. Astek*, independent of the pension law. Enforcement of the compulsory requirement is the responsibility of Ministry of Manpower, which is also the regulator of *Pt. Astek*.

It is important to note that none of these three programmes can be categorised as what Leechor (1996:3) called a 'mandatory public pension plan'\(^4\), which normally covers all workers in the formal sector and is financed by a payroll tax on a pay-as-you-go basis’. He also argued that the absence of public pension plan is a distinctive characteristic of the Indonesian pension system.

Let us go back to the civil service retirement program, because most of the pensioner widows are under this program. According to Asian Development Bank report (1998:1), ‘[...] over three-quarters of the civil service pension payments are funded from the budget and the rest is financed from the employee contribution of 4.75% of monthly salary’\(^5\). This civil service retirement program consists of three major schemes (Leechor, 1996:24):

(a) The pension plan, which pays a stream of post-retirement annuities.

(b) The lump-sum benefit which is paid upon retirement.

(c) The post-retirement health care

\(^3\) The Asian Development Report from 1998 noted that Jamsostek covered 13 million employees.

\(^4\) According to Leechor (1996:3), ‘These public pension plans are often considered desirable because if, properly designed and implemented, they offer a mechanism for redistributing income across groups and across generations, and thereby serve as a social safety net’

\(^5\) The contribution rate of civil service is exactly the same as that of the military and police. But the contribution rate of Jamsostek (see the third program) is higher namely, 5.7% of monthly salary: 3.7% from employers and 2.0% from employees (Asian Development Bank Report, 1998:8)
I shall devote a sub section on the post retirement health care scheme since this scheme often can help the pensioner widows to cope with the high cost of medical treatment. But first, I shall discuss some steps of applying for a widow’s pension.

Applying for a widow pension

The majority of widowed informants, who are entitled to a pension, were married to civil servant or armed forces personnel. This means that these pensioner widows receive a smaller amount of pension than it when their husbands were still alive. The decrease is around 35-40%. Only a few of them are entitled to a pension because they were civil servants themselves.

Many widows acknowledged that it is impossible to apply for a widow’s pension without assistance from others. Sons, sons in law and members of the pensioner organisation are often mentioned as people who assisted them to manage the application. I discussed the practical assistance provided by male family members in applying for the widow’s pension in the chapter on family support (chapter 4). In this sub-section I shall highlight the role of pensioners’ organisation such as the Persatuan Purnawirawan Abri (PEPABRI) or the armed forces retirees’ association.

The membership of PEPABRI is voluntary, although most of the retirees and their spouses are members of the association. PEPABRI has various activities, from the formal ones such as routine meetings, arisan and simpan pinjam (mutual associations) to the informal ones such as providing different kinds of assistance to the members and their spouses. Assisting a widow to apply for a pension is one of these informal activities of PEPABRI activists. There is a common and unwritten agreement that a widow who is assisted will give the assistant uang lelah (fee). The amount of the fee is negotiable. Many widows, especially those who are illiterate or not able to travel, prefer to pay this fee rather than to face the Taspen bureaucracy. Moreover, not all of them have sons or other family members who can help. I often heard positive comments from the widows if I asked them about the assistance given by the PEPABRI activists in applying for a pension. Some of them were even proud of the fact that people from the association helped them. The assistance was a proof that they still belong to the association even after the death of their husbands. Bu Yun (67) one of the pensioner widows in Semeru alley said, “My husband’s friends from the PEPABRI helped me to arrange the military burial and to apply for the widow pension. I just prepared the required papers and teken-teken (gave her signature)”. I also asked some retirees about the assistance provided by the PEPABRI. A retiree from a PEPABRI branch in Malang
said to me, “As a member of PEPABRI I have a kind of security that if I die, my wife will be helped to handle a lot of formalities by people who know about it”.

The application procedure of a widow’s pension usually takes place in this order:

a. When a member of PEPABRI dies, the local branch of the association will send an activist to offer assistance to the widow in preparing application requirements including obtaining an application form. If the widow prefers to be helped by other people, for instance her own family members, then the PEPABRI activist will withdraw his involvement in the application process. However, none of the widows who are PEPABRI/PERIP members6 told me about this kind of refusal.

b. The application requirements are7:

- SKEP (the official order as a retiree of the armed forces)
- A letter, which declares the death of the retiree. Depending on the deceased’s rank the letter will be issued by the RT, RW and the village head or the lurah. This letter should also be signed by the camat (the head of the ward)
- The marriage certificate
- The Kartu Keluarga (family card)
- The widow’s and the deceased’s Kartu Tanda Penduduk (identity card)
- Four of the widows’ photographs
- Other relevant decrees or certificates that can be advantageous for the process of application and for obtaining various subsidies.
- A request letter from the widow to apply for a pension.
- A completed application form

All of these requirements should be submitted to the local PT Taspen/Asabri. Commonly there is, at least, one PT Taspen office at the municipal or regency level. Widows who live in municipality of Malang, for instance, do not have to travel outside the city to apply the pension. According to some members of PEPABRI branch in Malang, since the pension schemes are administered by PT Taspen/Asabri, the application procedure of a widow pension is better. Normally, the procedure will take around 2 - 3 months.

Besides a few personal - practical difficulties such as illiteracy, physical restrictions on travelling or unfamiliarity to bureaucracy, the applicants of a widow’s pension are normally

6 Within the PEPABRI there are sub-associations namely, the PERIP or Persatuan Istri Purnawirawan (the Association of retirees’ wives) and the WARAKAWURI (the association of retirees’ widows)
7 This list of requirements functions is an example, since it is especially valid for application of military widow pension.
not confronted with other serious problems. In general, the widows’ right to the pension is protected by Pension Benefits Law and is respected by the parties involved (Taspen/Asabri, PEPABRI, local/national government etc.). Moreover, pensions, which are received by widows in Indonesia, are a form of social insurance⁸, and not a form of social assistance⁹.

Pensioners who are entitled to a pension from a social insurance programme will have a different status from the beneficiaries of a pension as a social assistance. The former group is not stigmatised as a needy group, while the latter group usually is. In order to bring the difference to the fore I shall refer to the situation of in India. However, this is not meant to be a systematic comparison.

As I mentioned before, a widow’s pension that is received by a small number of widows in Indonesia is a part of a part the civil service retirement programme. As the widows of civil servants or the members of the Armed Forces, these women are entitled to the widow’s pension regardless of their economic position. In several places in India, a small number of widows are also entitled to a widow’s pension, but this widow’s pension is meant as a social assistance. In Tamil Nadu for instance, there is a pension scheme for destitute¹⁰ widows. Prasad (1998:287) described various obstacles that have to be dealt with by (destitute) widows in Tamil Nadu both as applicants in applying for the pension as well as pensioners in protecting their entitlement to it. According to Prasad (1998:294), some of the obstacles are:

‘The administration remains largely inaccessible to widows due basically to its accent on withholding information, rigid procedural orientation and insensitivity to the urgent needs of the people [...] In this process [the operation of pension scheme at the district level, RM] several distortions in the working scheme were found. Some of them are:

⁸ According to Ginneken (1999:5), “Social insurance is social security that is financed by contributions and is based on the insurance principle. The essence of insurance is understood here to be the elimination of the uncertain risk of loss for the individual or household, by combining a larger number of similarly exposed individuals or households into a common fund that makes good the loss cause to any member. In general, the common fund is financed by individual contributions (italic by RM), but it may also be replenished by the state - partially or even totally.”

⁹ For the definition of social assistance, I also refer to Ginneken (1999:5): “Social assistance is defined as benefits in cash or in kind that are financed by the State (national and/or local), and that are mostly provided on the basis of a means or income tests. The concept also includes universal benefit schemes, i.e. those which are tax-based but do not use a means test”.

¹⁰ “A widow is considered destitute is she is without any regular income or source of income and she has no relations of 20 years of age or above, particularly a son, or grandson or if she had not remarried...Widows without any relatives and who do not own land or a house worth Rs 1,000, who do not wear jewels worth Rs 500 or more, who do not have any form of regular employment, or who do not have supportive relations are also treated as destitutes” (Prasad, 1998:287-288).
(i) The eligibility criteria are defined narrowly and interpreted rigidly in order to ensure easy rejection of application. The notion of destitution in particular remains inadequate in not recognizing, investigating, or addressing whether son, grandson or adult relatives (all of which can disqualify a widow) actually live with and support the widow.

(ii) The opportunity cost of obtaining information and applying for assistance seems substantially high for any destitute applicant. Also the time taken to process any application by the social security administration is inordinately long. If a widow is ultimately awarded a pension she may still be compelled to wait till a vacancy arises or till funds are actually released by the revenue administration, and so on.

(iii) Once their applications are approved, pensioners face another kind of struggle. They are constantly under pressure to prove their bona fides in a manner determined by the social security administration, lest the pension be withdrawn.'

Beside the administrative inefficiency, the receivers of widow’s pensions in Indonesia do not face these problems. However, in general, the Indonesian civil service/military pension program is not without problems. There are management weaknesses that do not directly correspond to the stigmatisation of the pensioners. Leechor (1996:28-29) wrote that the combination of problems such as incompatibility of contributions and benefits, low returns on investment and high administrative costs could endanger the obligations to be paid out of the pension assets.

Health care benefits
As mentioned above, the post-retirement health care benefit, or the Askes, is one of the schemes within civil service retirement program. The formal procedure to become a member of Askes is not as lengthy as the procedure to apply for a pension, but it also includes filling in a complicated membership form. A widow can also ask a few PEPABRI activists to assist her in applying for Askes membership. Since the application procedure is less difficult, these activists commonly do not receive special fees for their assistance, though the widow may express her thankfulness in the form of small gifts.

All pensioners (the retirees or the widows) have to pay 2% of their pension base pay every month as the premium for these health care benefits. By doing this, they are insured against the cost of modest health treatments such as regular visit to a doctor and/or a physiotherapist, a generic medication and inexpensive hospitalisation.
Although participation in *Askes* is compulsory, not all pensioners use it when they need health treatments. Among the pensioners, there are varying ideas about the services provided by the scheme. *Askes* is often associated with low quality medical care; therefore it is less interesting for those who can afford a better treatment. But this low quality medical treatment is also perceived as a source of security, which is better than nothing. The way in which two pensioner widows in Semeru alley used their entitlement to *Askes*, can illustrate this problem.

Bu Yun (67) and Bu Atim (68) are neighbours in Semeru alley. Both of them were married to members of the armed forces, therefore they receive a widow’s pension. Bu Yun is a retired police officer, thus she also gets her own pension. So, it is obvious that Bu Yun’s economic condition is better than that of Bu Atim.

In 1999 both of them suffered from a stroke attack and partial paralysis. As pensioners they are entitled to *Askes* services such as medication and five visits each week to a physiotherapist at the military hospital of Malang. For each visit they have to submit a copy of their *Kartu Tanda Penduduk* (ID Card) and show their *Askes* card. While Bu Atim used her health insurance intensively, Bu Yun never used hers and chose to visit a specialist outside the military hospital. Therefore, Bu Yun had to pay hundreds of thousands rupiah just for the medication. When I asked her why she did not use her *Askes*, she said, “I got stroke, not influenza. I won’t get better with generic medication. I live only once, so I should not decrease the chance to have a good health again by taking low quality medicines. I even have more faith in the Chinese traditional medication than those generic things!” Although she can pay the expensive medication, Bu Yun could not afford to pay the visit to a physiotherapist at a private clinic. She only visited the physiotherapist at the military hospital once then she decided to stop, “They only have old instruments for the exercises, and I doubt whether these instruments can help me. Moreover, my own doctor gives me suggestions how to exercise at home”.

On the contrary, Bu Atim used her *Askes* intensively for all of the medications and other treatments she needed. She told me, “The doctors and physiotherapists at the military hospitals are also professionals. I believe that I get the right medicines although they are not the most expensive ones. People often forget that the high price is for the trademark, isn’t? I have to admit that I don’t have enough money to pay a specialist, however I am satisfied with the *Askes* services. My only problem is that the military hospital is not nearby”.

Between these contrasting positions, there are also pensioners who perceive their *Akses* as a basic protection that can be used or not according to their health problems. *Askes*
services are adequate for coping with less serious illnesses or regular health check up. If they become more seriously ill, they may also use other alternatives such as the Chinese traditional medication, or visit a specialist. Nevertheless, the majority of pensioners I talked with acknowledged that it is better to have Askes protection however limited the services are.

It is interesting to mention that I also met some pensioners who were entitled to Askes and really needed the insurance for their medical treatments but did not use it. This group can be categorised into:

Firstly, those who choose for self-medication by taking traditional/herbals medicine or the jamu. Though most jamu are cheaper than other medicines, these pensioners have to buy the jamu by themselves since it is not included within the Askes. In the beginning of the interview they usually said that the traditional medicine were better than the modern ones, but in the later phase they also added that they were actually afraid of doctors and hospitals. They pay the Askes premium because they are compelled to do so, but they also know that they are not interested in using the service.

Secondly, those who are not well informed about Askes. The case of Bu Daim (70) is an illustration of it. According to Bu Daim, she applied for the widow pension with the assistance one of her daughters. She knows that her pension is always reduced for a few things. She simply called the reduction a potongan (deduction from wages), while it is the Askes premium. When I asked her what is the potongan for, she answered, “You know, if you get money from the government you have to pay administrative cost, that is the potongan for”. She admitted that she had heard something about Askes, but she did not know exactly what it is. Bu Daim’s inability to gain information on pension schemes seems to start from her (and her deceased husband’s) non-participation in pensioner’s organisation like PEPABRI. In the regular meetings, PEPABRI members usually keep each other well informed about various relevant information for pensioners. Those who do not participate run the risk of being held back for lack of information and assistance.

These problems demonstrate how Askes protection can be ineffective because of some deviations from the standard assumption that modern medical care is suitable for everyone and everyone has the required knowledge of the health insurance scheme. In the case of Askes, the members’ participation is compulsory, thus, it is not an independent decision of the pensioners. Since the pensioners represent a highly heterogeneous group, their knowledge on modern risk sharing institution such as Askes is also different. It is obvious that a number of pensioners are not ready for their Askes membership. Their unfamiliarity with the modern
medical care (doctors and hospitals) and their consequent reluctance to use it, or their lack of knowledge on the scheme, have made them pay twice for their health care.

3. State Organised Support in the Widows’ Lives

In section two above, I focused the discussion on the institutions of state organised support, especially the pension and health insurance schemes. In this section I shall continue the examination on the way the widows’ lives are affected by pension and health insurance.

As it is discussed in the previous chapters, widows represent a heterogeneous group who belong to various socio-economic layers. Consequently, they also confront different problems and have different strategies and actions to cope with the problems. Parallel to the family and neighbourly support, the state organised support also provides the possibility of problem solution. Nevertheless, those who have access to this support, namely the pensioner widows, as a sub-category among widows in general, are also dissimilar. They are not only different in some aspects to the non-pensioners, but they also different from each other in utilising their pension. Or in other words, the pension has different economic and social importance for each of them.

The examination in this section will be focused on this array of differences with a special attention to the widows’ coping capability and engagement in different support relations. To begin with, I shall highlight some personal features of the pensioner widows in a comparison with the non-pensioner widows.

The pensioner widows
Almost one third (28%) of the widows are pensioners. The average age of these pensioners is a little higher (65 years) than the average age of all widows (63 years). All of the pensioner widows in this research are Javanese, therefore most of them live in Javanese neighbourhoods such as in Kauman, including Semeru alley (48%) and Purwodadi, including Kemirahan alley (42%). I only met a few of pensioner widows in the Madurese neighbourhood in Kotalama (10%) and none of the Madurese widows in Kacangan alley is a pensioner11.

It is difficult to define the common characteristics of these pensioners. As I mentioned

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11 The Madurese population in Kotalama (including Kacangan alley) are mostly migrants who work at the trading sector. In my fieldwork I did not meet any Madurese men (especially the older generation) who worked in the civil service or the armed forces. This can explain why none of the Madurese widows is a pensioner.
before, they represent a heterogeneous group in terms of socio-economic position. If the pensioners are compared to the non-pensioners, both similarities and differences can be found.

To have some indicators to the economic position of both groups I shall compare their housing condition and ownership of luxury goods (radio/tape recorder, television and refrigerator). The majority of pensioners (91%) and non-pensioners (90%) live in a house with brick walls. Nevertheless, if we look at their ownership of a few tertiary goods there are differences among them:

Table 7.1: The ownership of luxury goods among pensioners and non-pensioners (%)

<table>
<thead>
<tr>
<th>The luxury goods</th>
<th>Pensioners (N=31)</th>
<th>Non-pensioners (N=80)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radio/tape recorder</td>
<td>100%</td>
<td>76%</td>
</tr>
<tr>
<td>Television</td>
<td>100%</td>
<td>63%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>60%</td>
<td>18%</td>
</tr>
</tbody>
</table>

It can be seen from the table that the pensioners have a better purchasing power than the non-pensioners. The pension as an advancement for the widows’ economic position is also reflected by the fact that the number of pensioners who still have to work is lower (37.5%) than that of the non-pensioners (53%).

Both groups are similar in their living arrangement pattern. The majority of both the pensioner (87.5%) as well as the non-pensioner (87%) widows are the owners of their houses. Therefore, most of them are widowed mothers who have invited their children (and their family) to live in the parental house. 84.5% of the pensioners and 76% of the non-pensioners live with their children and the children’s families (sons/daughters in law and grand children). What is also demonstrated by this fact is a similar idea and effort for securing old age care among the widows regardless of their entitlement to a pension.

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12 Of course the market value of the houses is different according to the neighbourhood. Houses in the neighbourhoods such as Kemirahan alley or in the first stretch of Semeru alley (where many of the pensioners live) have a higher value than of houses in Kacangan alley or Talun market (where most of the non-pensioners live).
The economic importance of a pension

It is not difficult to imagine the connection between the death of a breadwinner husband with the loss, decrease and fluctuation of income that have to be confronted by the widow and their descendants. Concerning these economic problems, a widow pension, as an independent and stable income, can be easily seen as a protection from the problems. But do the pensioners perceive the importance of their pension in a similar way? If not, what makes the difference?

The pensioner widows receive different amounts of pension according to the military rank or the (last) function of their deceased husbands. Nevertheless, rank and function are not the only criteria that are counted for the actual amount of a pension. In the armed forces for example, there are some subsidies such as the rice subsidy (in cash), the additional subsidy, the handicap subsidy or the subsidy related to special services done by the (deceased) retirees. These subsidies can increase the pension almost 300% from its base pay. Bu Atim (68) in Semeru alley is entitled to a pension with a base pay of Rp 103.000. But each month she actually receives Rp 336.000. Another example is the pension that is received by Pak Mar (70) a retired army captain. The base pay is Rp 378.100, but actually he receives Rp 802.400 every month.

Since the subsidies, which every pensioner is entitled to, are not the same, it is not easy to draw a list of the amount of pension according to the rank. Moreover, many of the pensioner widows would only mention the amount of the base pay in the interviews. The pensioner widows in the research sites mentioned base pays that were range from Rp 75.000 to Rp. 150.000. That means their actual amounts of pension range approximately from Rp 225.000 to Rp. 450.000. What does this amount of money mean for the pensioners? Do they depend on their pension?

Based on the degree of their dependency on the pension as a main source of income, two situations can be highlighted: firstly, pensioners who depend on the pension as their main income (87%). Secondly, pensioners who have other (main) source of income and consider their pension only as an extra income (13%). A few people in the second group can even loose their pension without a serious financial disadvantage.

However these two situations are only a general differentiation because actually there are various situations with differences in gradation. This gradation is especially related to two factors namely the widows’ life stage and health condition. If we go back to the two situations, it is obvious that pensioners, who totally depend on their pension, are often older and have health problems. Thus, those who are less able or not able at all to work any longer.
Bu Atim (68), bu Daim (70) and bu Sunik (71) are examples of pensioners in the first situation. Bu Atim and bu Sunik live in the first stretch of Semeru alley while bu Daim is a resident of the second stretch of the alley close to the Talun market. Both bu Atim as well as bu Sunik receive a pension around Rp 336,000, but bu Daim has a smaller pension namely around Rp 200,000/month. None of them work any longer because of their health problems. They do receive financial support from their children, but only irregular gifts. Therefore, their pension is the only regular and substantial income they have. About her pension, bu Daim told me, “Biar sedikit sedikit bapak masih ninggali makan (although it’s just a small amount of money my husband had left me something to eat). I am thankful for having a pension because I don’t have to depend on my children and don’t have to work any longer. It is hard for old people to worry whether they can eat nor not. If I get my pension, I divide them in two envelopes, one for electricity and water bills and the house rent, and the other for the day-to-day necessities. At the end of the month, if there is some money left, I will put it in my savings tin can. But mostly there is no such an extra, not with the price increase these days. However, if I spend my pension carefully I can live with it for the rest of my life”. These three pensioners are aware, first, that the amount of their pension is limited, second, that their purchasing power is endangered by the high inflation in the economic crisis, nevertheless an effort to generate another source of income is not the first thing they shall do to cope with the problem. To change their consumption pattern is perceived as easier to do than to change their total dependency to the pension. One of the serious obstacles is their physical inability to work.

Pensioners who have a good business (shop, lodging house, furniture workshop etc.) are those who belong to the second situation. These women can afford to consider their pension as an income to be spent for gifts, to be lent out, or just buat tambah-tambah (additional money). A pensioner widow who owns a successful furniture workshop in Kemirirahan alley said that she did not know exactly the amount of her widow pension. According to her the money is usually used to give monthly pocket money for her grand children.

Younger widows who are still burdened with school fees usually cannot totally depend on their pension, although the pension is an important extra income. It is interesting to note that some of the better off widows had started their economic success in this situation. Their husbands died when the children were at the school age. Since the pension was not enough to cover all of the household costs, especially the school expenses, the widowed mothers had to create other sources of income. After several years, while their business has grown, their
financial burdens - on the contrary - have decreased because the children finished their education, married or left the parental house. Now, a few of them have almost an 'empty nest' with abundant economic resources.

There are also cases where the pensioner widows had cleared a way to their economic advancement since before their widowhood because they realised that they could not depend on their husbands' salary or pension. Bu Arifin (58) in Semeru alley had started a small grocery store in front of her house before the death of her husband. According to her, "I had to do something to help my husband. His salary as a headmaster of a primary school was not enough to finance a household with six school age children. Alhamdulillah, my shop is running well. When my husband suddenly died several years ago, most of my children were still at the university. If I didn't have this shop and had to rely only on my pension, I think that my children would have to stop their study. When the income from the shop got better, I built a lodging house for another source of income. The incomes from the shop and the lodging house are much higher than either my husband's salary or the pension I receive now". With a smile, she also added, "If the salary had not been that small, probably I would not have started to run a shop and could not gain what I have now".

Pension and economic problems
In the open interviews both the pensioners and the non-pensioners usually mentioned a similar idea about economic problems in people's lives. Nobody, including the rich, can escape from economic problems. Some of them even referred to the big businessmen in Jakarta who suffered from big debts. But when they were asked about their economic problems caused by insecure or fluctuating income and cash shortage, the two groups gave different answers. While 41% of the non-pensioners acknowledged that they did regularly confront this kind of economic problem, only 16% of the pensioners said they did. The two groups also had a different perception on their recent financial condition especially if it is compared with the financial condition before the widowhood. The table below will illustrate this difference:

Table 7.2: The widows' perception of their recent financial condition (%)

<table>
<thead>
<tr>
<th>Perception in recent financial condition</th>
<th>Pensioners (N=31)</th>
<th>Non-pensioners (N=80)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved</td>
<td>62.5%</td>
<td>36%</td>
</tr>
<tr>
<td>Same</td>
<td>21%</td>
<td>30%</td>
</tr>
<tr>
<td>Deteriorated</td>
<td>16.5%</td>
<td>34%</td>
</tr>
</tbody>
</table>

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Most of the pensioners who have a positive look at their recent financial condition are those with a smaller financial responsibility, that is, those who mainly spend their pension for their own needs. As Bu Sunik (71) said, “My widow’s pension is smaller than my husband’s salary, but I use the pension only for my own expenditures. When my husband was still alive and the children were small, I often got a headache because of the continuous struggle to manage my husband’s salary. There were a lot of fixed expenditures to be paid, the electricity and water bills, the school fees, the pocket money for the children, the daily needs, the cigarette money for my husband. At that time I had to provide food for seven people, but now, I do not even cook every day. Old people do not eat that much! Of course I still have fixed expenditures now, but they are much smaller”.

Bu Sum (54) is one of the pensioners who feel that her financial condition is getting worse now. Her husband, who worked in the armed forces, used to ngobyek (to generate additional income) as a night watchman and bodyguard of a rich Chinese family in Surabaya. After he got killed in a traffic accident, Sum and her sons had to finance their lives with only the widow pension. For Sum, the reduction of financial responsibility is still out of sight since none of her adult sons works. These sons also have prohibited their mother to work. Consequently, the widow’s pension is the only income available for four adults in this household.

These two cases show that a pension can guarantee only a certain amount of stable and independent income for the pensioners (and their family). This is not, however, always congruent with an advancement of their economic well-being. To what extent the pension can provide a protection from economic problems (or can facilitate a promotion of economic condition) should be examined in connection with the actual problems faced by the beneficiary. The largest advancement is gained by widows who have less economic responsibility (including no house rent or debts) and do not suffer from serious illness (no expensive medication which is not covered by health insurance or the Askes). However, most of the widows told me that - regardless the amount of money - it is better to be entitled to a pension since it is an income which can be di cokot-cokot alot (you can bite it in spite of the fact that it is tough).

Pension and economic support
Compared to the non-pensioners, generally, the pensioners are in a more advantageous economic position. Although it is usually not a large amount of money, the pension is a stable income that allows the beneficiaries to have an economic independence. However, these
economic advancement and independence do not mean that the pensioners receive less economic support than the non-pensioners. On the contrary, 85% of the pensioners do receive economic support, compares to 77% of the non-pensioners. Why does this ‘contradiction’ happen?

From the interviews with the 15% of the pensioners who do not receive financial support either from their family or their neighbours, two reasons can be found for the lack of support. The first and most important reason is that most of them have a good economic position. A few of them even have a better economic position than their children. These widows do engage in (financial) support relation but usually as the provider and not as the receiver of support. The second reason is only an additional reason to the first one namely, the widows’ childlessness. A few rich widows, who actually do not need financial support at all, still receive financial support from their children in the form of gifts for their birthday or for the lebaran. This kind of support is not received by most of the childless widows. Other family members are less likely to give these extra supports especially when there is no obvious need for it because the widows themselves have a good economic position.

Similarly, the better economic position and childlessness are also among other reasons why the 23% of the non-pensioners do not receive financial support. Nevertheless, there is another situation that can explain the lack of financial support among the poorer non-pensioners that is less relevant for many of the pensioners. The poorer non-pensioners often complained that none of their children (or other first degree relatives such as siblings) could support them financially because their children were also as poor as the widows themselves. The pensioner widows never raised this kind of problem. They did told me about different economic success among their children and how these children gave different amount of financial support according to their economic position, but none of the pensioners complained that all of their children were unable to put aside some money for their mother.

Most of the pensioners’ children have finished their secondary school. Some of them are even university graduates. One of the factors that make the higher education more accessible to them is their parents’ stable income (first their father’s salary or pension and later their mother’s widow pension). Moreover, pensioners are also entitled to apply for ‘instant’ credit from the Bank Pensiunan dan Tabungan Nasional (BTPN)\(^3\) or the pensioners’

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\(^3\) Only pensioners can apply for credit at BPTN. The monthly instalments are withdrawn automatically from their pension within the period of two years. The interest is quite high (3.5%) if is compared to other government bank like the BRI (1.5%). But the procedure is very brief. Within two hours the credit can be approved. In a bank like BRI the similar procedure can take several weeks.
I spoke to some pensioners who acknowledged that they applied for credits to pay the school or university tuition for their children.

According to many of the pensioners, it was not easy to manage the limited amount of salary/pension for the monthly costs especially the school fees, they even had to generate extra income in order to survive. However, every month there was a reliable income to cover the fixed financial burdens. As bu Sunik (71), a pensioner in Semeru alley said, “The first thing I did when I got my pension was to pay water and electricity bills and the children’s school fees. The expenditures for our daily necessities could be managed later”. Consequently, the cases of school drop out (because of financial problem) were rare among the pensioner’s children. Their higher education also provided them with a higher chance of getting better work, finding a better spouse and gaining a better economic position, and later of supporting their parents. At this point, a pension as a stable income also functions as a means for its beneficiaries to invest in old age assistance, a benefit to which only a number of selected people are entitled.

If we look at the formalised economic support provided by neighbourly organisation, the pensioner and the non-pensioner widows usually receive a same amount of support. For example, the better off pensioners and the poorer non-pensioners receive a similar amount of money from the burial fund. However, there is a small difference at the economic support that is provided by the individual neighbours. None of the pensioner widows had to rely on daily economic support from their neighbours, while a few of non-pensioner widows did. It can be said that the entitlement to a pension has no direct influence to this difference, except that the pension can protect its beneficiaries from serious financial hardships in which neighbours had to provide assistance.

4. Uncommon Stories of Widows and Their Pension

The majority of the widows are entitled to a pension because they were legally married to men who worked in or the retired from the armed forces or civil service. The widow’s pension is withdrawn if the widow remarries. This connection between the entitlement to a pension with marriage is the basis of the uncommon stories in this section. The stories are illustrations of the unusual connections between pensions and the widows’ remarriage.

Although there is no prohibition against remarriage for widows in general, most of the widows acknowledged that remarriage is a delicate issue that should be considered carefully. Their hesitation is based on several reasons such as the fear of marrying the wrong man, the
children or parents’ disapproval, the fear of infidelity between a stepfather and a stepdaughter etc. For widows who are entitled to a pension, another reason not to remarry is the fear of the withdrawal of their pension. Nevertheless, there are a few pensioner widows who did remarry without losing their pension. One of them even gets a larger pension because of her remarriage.

_Bu Nik gets a higher rank_

Bu Nik is a Javanese woman who lives in Lawang, a small town 17 kilometres from Malang. For her neighbours and acquaintances, bu Nik is known as a woman who has remarried a couple of times. But among the armed forces pensioners (the retirees, the retirees’ spouses and the pensioner widows) bu Nik is not only interesting as a source of gossip and jokes because of her remarriages, but also because in each of these remarriages, bu Nik managed to get married to a higher rank retiree. Her first husband was a soldier who suddenly died because of heart attack. Bu Nik had no children from this first marriage. A few years later she married with a widower. Bu Nik’s second husband was an armed forces retiree who had a higher rank than bu Nik’s first husband. Because of this remarriage, bu Nik lost her widow pension from her first marriage.

Several years later, bu Nik’s second husband died because of diabetes. Bu Nik became a widow again, this time with two small sons. Nevertheless, Bu Nik was entitled to a higher widow pension from her second marriage. A few years later, the pensioner community in Lawang was surprised with the news of bu Nik’s third marriage. Her third husband is also an armed forces retiree who has a higher rank than bu Nik’s second husband.

Nobody in the pensioner community is really bothered by bu Nik’s remarriages, especially because those remarriages are legal ones. Nobody also has blamed bu Nik for the death of her first and second husbands since these men were seriously ill. However the gossip and jokes (especially among the retirees) about bu Nik are still told. One of the retirees said to me, “As a retiree, I do not have any chance to be promoted twice to a higher rank like bu Nik. From just a soldier to be a sergeant major. If she survives her third husband, she will get a larger amount of widow pension!” When I finished my second fieldwork in August 1999, bu Nik was still married to the third husband.

Along with this story I have an unanswered question: to what extent did the consideration for a better pension actually influence her selection of remarriage candidates? The gossip and jokes about bu Nik give an ambiguous picture of the remarried widow. On the one hand she is described as a woman who has carefully calculated the way to gain a better
economic position, on the other hand she is also described as just a lucky woman who has found the right men to remarry. One retiree commented, “I doubt whether she was that smart for purposely choosing retirees with a higher rank. In my opinion, she even doesn’t understand the military rank! She is a good woman and she is lucky too”. After giving this comment, the retiree soon changed the object of our conversation. He said that uncommon things also happen among the pensioners, but that it is none of our business.

Bu Min’s siri marriage

I heard the story about bu Min fortuitously in an interview with a kyai (a Moslem religious leader) in Semeru alley. At that time, he tried to explain marriage and remarriage according to Islam. When our conversation came to the theme of siri marriage, he told me about bu Min’s marriage as an example.

Bu Min’s first husband was lower rank civil servant. When he died, bu Min was entitled to a small widow pension. Bu Min herself is a fruit seller in Talun Market. According to the kyai, bu Min’s income from her fruit stall is larger than the widow pension. But the pension is stable additional income for her. I know bu Min well since she is one of my widowed informants in the Talun market. However, I never knew that she had married twice.

More than ten years after her first husband’s death, bu Min had a special relation with a pedicab driver. One day, bu Min asked the kyai whether she could marry the pedicab driver in a siri marriage. According the kyai, “Bu Min told me that she preferred a siri marriage because she and her future husband were too old to have a normal marriage. She wanted a marriage that would be witnessed only by small number of people. She did not bother whether their marriage would be legalised by the state or not, as long as it was legal before Allah and Islam. National law makes one marriage more legal than the other. As long as a couple is married according to the syaraa laws (Islamic canon Law), their marriage is legal before Allah. I introduced bu Min to a person who would guide the ceremony, and they got married. Three years ago her second husband died. You know, pedicab driver is a physically demanding work. Some people said that the real reason to have a siri marriage was because bu Min wanted to prevent the withdrawal of her pension. A siri marriage is not recognised by

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14 According to the national Marriage Law (UU no.1/1974) a marriage is legal if it is performed according the religious law and it is registered at Kantor Urusan Agama/KUA (for the Moslem) and Kantor Catatan Sipil (for the non Moslem). A siri marriage is a marriage which is performed and legal according to syaraa’ law in Islam, but it is not registered at the KUA. Therefore, siri marriage is not legal according to the national marriage law, although it is legal according to Islam.
the state, thus, according to the national marriage law she was never remarried and therefore she still has the right to the pension from her first marriage”.

5. Concluding Remarks

Although the term ‘state organised support’ refers to various collective schemes, this chapter is mainly focused on pension and health insurance since these schemes are the most relevant ones for almost one third of the widows. The other two thirds of them do not receive pension and health insurance or any other substantial state organised support.

Most of the pensioner widows are entitled to the widow’s pension because of their marriage with civil servants or members of armed forces. Only a few of them are entitled to a pension because of their own profession.

In applying for a pension, the widows are often confronted with several practical obstacles, such as illiteracy, physical limitations on travel, unfamiliarity with bureaucracy or the problem of administrative inefficiency. Nevertheless, in general, their position as beneficiaries is socially respectable and legally protected. These pensioners are not perceived as needy since their pension is a form of social insurance and not social assistance.

The widowed pensioners are representing a heterogeneous group in term of socio-economic position. Consequently, the entitlement to a pension and health insurance has different meaning and importance for different widows. There are widows who totally depend on their pension but there are also a few others who consider the pension only as an extra income. Widows who perceive their pension as an important supplement for their other income can also be found between the previous contrasting conditions. If they are not limited by their physical inability (illness, old age), many pensioners tend to generate additional income.

An entitlement to a pension can indeed guarantee a certain amount of stable and independent income but this not automatically refers to economic advancement. Among those who do not have other substantial income, the best advancement from a pension is gained by pensioners who have less economic responsibility (for example: those without school age children) and who have no regular expensive medication costs. In other words, to what extent the pension can protect the widows’ economic well-being is influenced by various actual problems including the non-economic ones.

Although a pension usually provides the beneficiaries with a certain economic independency, compared to the non-pensioners, the pensioners do not receive less economic
support (especially from their first degree relatives such as children). Therefore, it can also be underlined that a statutory social security such as a pension scheme and health insurance is not counter productive to the familial and community based support. On the contrary, a stable reliable income from a pension and other rights appended to it - such as the right to apply for a credit in the pensioner’s bank can - can enlarge the pensioners’ children’s chance of getting a better education. With a better education these children also have a better access to better work. Regardless of complicating factors such as affection and the quality of relationship, they may also have a better socio-economic position to support their widowed mother.