

DYNAMICS OF THE IMPLEMENTATION OF THE RED AND WHITE COOPERATIVE PROGRAM AND ITS IMPLICATIONS FOR COMMUNITY SOCIAL WELFARE: A QUALITATIVE STUDY IN JREBENG KULON VILLAGE, PROBOLINGGO CITY

Ahmad Maman Ayyubi

Universitas Panca Marga

ahmadmamanayyubi398@gmail.com

Siti Marwiyah

Universitas Panca Marga

marwiyah@upm.ac.id

Eko Yudianto Yunus

Universitas Panca Marga

ekoyudianto@upm.ac.id

Abstrak

Penelitian ini bertujuan menganalisis implementasi Program Koperasi Merah Putih serta implikasinya terhadap kesejahteraan sosial di Kelurahan Jrebeng Kulon, Kota Probolinggo. Penelitian menggunakan pendekatan kualitatif dengan desain deskriptif-analitis untuk mengkaji proses implementasi kebijakan berdasarkan model implementasi Edward III yang meliputi komunikasi, sumber daya, disposisi, dan struktur birokrasi. Data dikumpulkan melalui wawancara mendalam, observasi, dan analisis dokumen dengan teknik purposive sampling terhadap informan yang relevan. Hasil penelitian menunjukkan bahwa implementasi program belum berjalan optimal. Komunikasi kebijakan masih belum konsisten sehingga membatasi pemahaman dan partisipasi masyarakat. Keterbatasan sumber daya, meliputi kapasitas sumber daya manusia, modal keuangan, dan infrastruktur, menghambat pengembangan koperasi. Meskipun pelaksana menunjukkan komitmen, upaya tersebut belum didukung oleh inovasi dan kapasitas adaptif yang memadai. Selain itu, lemahnya koordinasi antar pemangku kepentingan serta mekanisme tata kelola yang belum terintegrasi mengurangi efektivitas implementasi. Meskipun demikian, program ini berkontribusi terhadap peningkatan kesejahteraan sosial melalui penyediaan akses terhadap kebutuhan pokok dan layanan keuangan skala kecil. Temuan ini menegaskan pentingnya penguatan koordinasi kelembagaan, kapasitas sumber daya, dan komunikasi kebijakan untuk mewujudkan kesejahteraan sosial yang berkelanjutan.

Kata Kunci: implementasi kebijakan, koperasi, kesejahteraan sosial, Edward III, ekonomi kerakyatan.

Abstract

This study analyzes the implementation of the Merah Putih Cooperative Program and its implications for social welfare in Jrebeng Kulon Village, Probolinggo City. A qualitative descriptive approach was employed to examine the policy implementation process using Edward III's framework, which emphasizes communication, resources, disposition, and bureaucratic structure. Data were collected through in-depth interviews, observations, and document analysis with purposively selected informants. The findings reveal that the program has not yet been implemented optimally. Policy communication remains inconsistent, limiting public understanding and participation. Resource constraints, including inadequate human resource capacity, financial capital, and infrastructure, have hindered the cooperative's development. Although implementers demonstrate commitment, their efforts are constrained by limited innovation and adaptive capacity. In addition, weak coordination among stakeholders and fragmented governance mechanisms reduce implementation effectiveness. Despite these challenges, the program has improved community access to basic necessities and small-scale financial services, contributing to local social welfare. The findings underscore the interdependence of implementation variables and highlight the need for stronger institutional coordination, resource capacity, and policy communication to achieve sustainable social welfare outcomes.

Keywords: policy implementation, cooperative, social welfare, Edward III, people-centered economy.

INTRODUCTION

Public policy development occupies a strategic position in directing state intervention toward social issues that are complex, multidimensional, and continuously evolving. Within the development of contemporary public administration studies, policy is no longer understood merely as a normative product that ceases at the formulation stage, but rather as a dynamic process involving interactions among actors, institutions, and the surrounding social context. This perspective places implementation as the primary arena in which policies are empirically tested, negotiated, and reinterpreted within the practices of social life.¹

This approach has gained strong legitimacy within modern policy literature, particularly in discussions concerning the gap between policy

¹ Budi Winarno, *Kebijakan Publik: Teori dan Proses* (Yogyakarta: CAPS, 2022); Michael Hill dan Peter Hupe, *Implementing Public Policy: An Introduction to the Study of Operational Governance*, 3rd ed. (London: SAGE, 2014).

design and implementation outcomes. Howlett, Ramesh, and Perl emphasize that policy success is highly dependent upon implementation capacity, which encompasses the analytical, operational, and political capabilities of implementing actors.² Peters further argues that the complexity of governance continues to increase alongside the growing involvement of non-state actors, making the implementation process inseparable from the dynamics of power relations and institutional coordination.³

Within the context of Indonesia's national development, the issue of social welfare demonstrates characteristics that are far from simple. Various development indicators reveal persistent limitations in public access to productive economic resources, education, and other essential services. Reports issued by the World Bank and Bappenas indicate that poverty is not merely structural in nature, but is also associated with the limited capacity of communities to access sustainable economic opportunities.⁴ This situation requires policy approaches that move beyond social assistance orientation toward strengthening community-based economic capacity.

Cooperatives, as collective-based economic institutions, have gained increasing relevance in responding to these challenges. Conceptually, cooperatives are not merely business entities, but socio-economic institutions that uphold principles of participation, solidarity, and equitable distribution of benefits. Within the framework of institutional economics, cooperatives are viewed as capable of strengthening the collective capacity of communities in overcoming limited access to capital and markets.⁵ This

² Michael Howlett, M. Ramesh, dan Anthony Perl, *Studying Public Policy: Principles and Processes*, 4th ed. (Oxford: Oxford University Press, 2020).

³ B. Guy Peters, *Advanced Introduction to Public Policy* (Cheltenham: Edward Elgar Publishing, 2018).

⁴ World Bank, *Indonesia Poverty Assessment* (2022); Badan Perencanaan Pembangunan Nasional (Bappenas), *Laporan Pembangunan Indonesia 2023* (Jakarta: Bappenas, 2023).

⁵ Johnston Birchall, "The Governance of Large Co-operative Businesses," *Annals of Public and Cooperative Economics* 88, no. 3 (2017): 345–368; Sonja Novkovic, "Cooperative Business: New Approaches to Economic Governance and Development," *Journal of Co-operative Organization and Management* 7, no. 2 (2019): 100090.

perspective is consistent with Suharto's view, which positions cooperatives as instruments of social empowerment contributing to more inclusive social welfare improvement.⁶

The Merah Putih Cooperative Program emerged as part of a governmental policy initiative aimed at strengthening the people's economy through cooperative revitalization at the local level. This program contains dual dimensions: functioning as an economic instrument to improve access to productive resources, while simultaneously serving as a social mechanism to strengthen social cohesion and public participation. Within the framework of public policy, the program represents an integrative effort connecting economic objectives with the broader agenda of social welfare.

Nevertheless, policy implementation at the local level does not always proceed in accordance with previously formulated normative designs. The empirical realities observed in Jrebeng Kulon Village, Probolinggo City, reveal complex dynamics in the implementation of the Merah Putih Cooperative Program. Limited public participation, restricted organizational capacity of cooperatives, and weak coordination among stakeholders indicate the existence of problems within the implementation process. This phenomenon reflects what policy literature refers to as an *implementation gap*, namely the discrepancy between policy objectives and realities in practice.⁷

To understand these dynamics more systematically, this study employs the policy implementation analytical framework developed by Edward III, which identifies four primary variables determining implementation success: communication, resources, implementers' disposition, and bureaucratic structure.⁸ This model remains relevant in contemporary studies because it effectively explains how interactions among these variables shape policy implementation performance across different contexts.

⁶ Edi Suharto, *Membangun Masyarakat Memberdayakan Rakyat* (Bandung: Refika Aditama, 2020).

⁷ Hill dan Hupe, *Implementing Public Policy*.

⁸ George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

Communication in policy implementation extends beyond the mere transmission of information, encompassing the interpretive processes undertaken by implementing actors and society. Clarity, consistency, and accuracy in information transmission become determining factors in shaping collective understanding of policy.⁹ Inaccuracies in communication frequently trigger policy distortions that ultimately reduce implementation effectiveness.

Within the context of implementation, resources are not limited to financial aspects alone, but also include the quality of human resources, organizational capacity, and supporting infrastructure. Agustino emphasizes the importance of the competence and preparedness of public officials in implementing policy, while Howlett and colleagues associate resource capacity with institutional capability in managing policy complexity.¹⁰

Implementers' disposition reflects the dimensions of attitudes, commitment, and integrity among actors involved in policy implementation. Edward III underlines that positive attitudes toward policy will encourage more optimal program execution. Conversely, resistance or misalignment of values may hinder the implementation process.¹¹

Bureaucratic structure relates to organizational patterns, coordination mechanisms, and the distribution of authority among institutions. Excessively complex structures potentially generate fragmentation and slow down implementation processes.¹² Within the context of community-based policies such as cooperatives, coordination among actors becomes a crucial element in ensuring program sustainability.

Various previous studies indicate that the success of cooperatives in improving social welfare is strongly influenced by management quality,

⁹ Edward III, *Implementing Public Policy*; Laurence J. O'Toole Jr., "Implementation Theory and Practice: Toward a Third Generation," *Public Administration Review* 78, no. 1 (2017): 24–36.

¹⁰ Leo Agustino, *Dasar-dasar Kebijakan Publik* (Bandung: Alfabeta, 2017); Howlett, Ramesh, dan Perl, *Studying Public Policy*.

¹¹ Edward III, *Implementing Public Policy*.

¹² Winarno, *Kebijakan Publik*.

member participation, and adequate policy support. Birchall and Novkovic emphasize that successful cooperatives generally possess adaptive governance systems and high levels of member participation.¹³ Other studies suggest that failures in cooperative policy implementation are frequently associated with weak organizational capacity and low levels of coordination among stakeholders.¹⁴

This research was designed using a qualitative approach with a descriptive-analytical orientation to explore in depth the dynamics of the implementation of the Merah Putih Cooperative Program. This approach was selected because it is capable of capturing social complexities that cannot simply be reduced to numerical measurements, but instead require contextual understanding of experiences, perceptions, and interactions among actors.¹⁵

The research was conducted in Jrebeng Kulon Village, Probolinggo City, one of the locations where the program has been implemented. Informants were selected purposively based on their direct involvement in the program, including village officials, cooperative administrators, and community members as beneficiaries. Data collection techniques consisted of in-depth interviews, participatory observation, and documentation studies.

Data analysis employed the interactive model developed by Miles, Huberman, and Saldana, involving processes of data reduction, data presentation, and iterative meaning-making.¹⁶ Data validity was ensured through source and method triangulation techniques, thereby producing findings with scientific credibility and validity.

Within this framework, the study seeks to provide a more comprehensive understanding of how cooperative policies are implemented at the local level, while simultaneously uncovering the

¹³ Birchall, "The Governance of Large Co-operative Businesses"; Novkovic, "Cooperative Business."

¹⁴ Agustino, *Dasar-dasar Kebijakan Publik*; Winarno, *Kebijakan Publik*.

¹⁵ John W. Creswell dan Cheryl N. Poth, *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*, 4th ed. (Thousand Oaks: SAGE, 2018).

¹⁶ Matthew B. Miles, A. Michael Huberman, dan Johnny Saldaña, *Qualitative Data Analysis: A Methods Sourcebook*, 3rd ed. (Thousand Oaks: SAGE, 2014).

relationship between implementation processes and the construction of community social welfare.

METHODS

This study employed a qualitative approach with a descriptive-analytical orientation to explore the dynamics of the implementation of the Merah Putih Cooperative Program in Jrebeng Kulon Village, Probolinggo City. A qualitative approach was selected because the study aimed to obtain an in-depth understanding of the policy implementation process within its natural social setting by examining the experiences, perceptions, and interactions of the actors involved. The descriptive-analytical design enabled the researcher not only to describe the empirical realities of policy implementation but also to analyze the relationships among the implementation variables using an established theoretical framework. The analysis was guided by George C. Edward III's policy implementation model, which identifies communication, resources, disposition, and bureaucratic structure as the four principal determinants of implementation performance. These four dimensions served as the analytical framework for examining the implementation dynamics of the Merah Putih Cooperative Program and their implications for community social welfare. Through this approach, the study sought to provide a contextual understanding of how policy implementation operates at the local level and how interactions among implementation variables influence policy outcomes.¹⁷

The research was conducted in Jrebeng Kulon Village, Probolinggo City, one of the locations where the Merah Putih Cooperative Program has been implemented. Informants were selected using purposive sampling based on their direct involvement in and knowledge of the program. Accordingly, the study involved village officials, cooperative administrators, and community members who benefited from the program. These groups were considered capable of providing complementary perspectives regarding the planning, implementation, and utilization of the

¹⁷ John W. Creswell and Cheryl N. Poth, *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*, 4th ed. (Thousand Oaks, CA: SAGE Publications, 2018); George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

cooperative program. Data were collected through three primary techniques: in-depth interviews, participatory observation, and document analysis. In-depth interviews were conducted to obtain detailed information on the experiences and perceptions of the informants concerning policy implementation. Participatory observation enabled the researcher to understand the actual implementation process and the interactions among stakeholders in the field, while document analysis was used to complement and verify information obtained through interviews and observations. The combination of these data collection techniques allowed the researcher to develop a comprehensive understanding of the implementation process from multiple perspectives.¹⁸

The collected data were analyzed using the interactive analysis model developed by Miles, Huberman, and Saldaña. This model was chosen because it allows data analysis to be conducted continuously throughout the research process. The analysis began with data condensation by selecting, simplifying, categorizing, and focusing the collected information according to the objectives of the study. Subsequently, the data were organized and presented in a systematic narrative to facilitate the identification of patterns and relationships among the four implementation variables proposed by Edward III. The final stage involved drawing and verifying conclusions through an iterative process of comparing findings from different sources until a consistent interpretation was achieved. To ensure the credibility and trustworthiness of the findings, the study applied source triangulation and method triangulation. Source triangulation was conducted by comparing information obtained from village officials, cooperative administrators, and community beneficiaries, while method triangulation involved comparing evidence gathered through interviews, participatory observation, and document analysis. These procedures enhanced the validity of the findings and ensured that the interpretation accurately reflected the dynamics of the implementation of

¹⁸ George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

the Merah Putih Cooperative Program and its implications for community social welfare.¹⁹

RESULTS AND DISCUSSION

The research findings demonstrate that the implementation of the Merah Putih Cooperative Program in Jrebeng Kulon Village cannot be interpreted linearly as either a success or a failure. Instead, it should be understood as a process situated within a dynamic spectrum between partial achievement and structural limitations. This phenomenon reflects the classical character of policy implementation at the local level, where normative policy designs frequently undergo adjustment, reduction, and even distortion when interacting with social realities and limited institutional capacities.²⁰

Edward III's approach was employed to systematically dissect this process through four primary variables.²¹ This analysis does not merely position these variables as technical indicators, but also as analytical lenses through which actor relations, resource distribution, and patterns of interaction shaping local policy implementation performance can be understood.

Policy Communication: Transmission Gaps and the Problematics of Interpretation

The communication dimension reveals fundamental problems within the implementation process. Field findings indicate that the dissemination of information regarding the Merah Putih Cooperative Program has not been conducted systematically or sustainably. Information concerning program objectives, operational mechanisms, and the economic benefits of cooperatives has failed to reach all segments of

¹⁹ Matthew B. Miles, A. Michael Huberman, and Johnny Saldaña, *Qualitative Data Analysis: A Methods Sourcebook*, 3rd ed. (Thousand Oaks, CA: SAGE Publications, 2014).

²⁰ Michael Hill dan Peter Hupe, *Implementing Public Policy: An Introduction to the Study of Operational Governance*, 3rd ed. (London: SAGE Publications, 2014); Michael Howlett, M. Ramesh, dan Anthony Perl, *Studying Public Policy: Principles and Processes*, 4th ed. (Oxford: Oxford University Press, 2020).

²¹ George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

society evenly. The communication pattern that emerged tended to be one-directional, limited primarily to the initial phase of cooperative establishment, and was not followed by periodic efforts to strengthen public understanding.

This condition reflects weaknesses in the aspects of transmission and communication consistency as formulated by Edward III.²² Unsustainable communication creates varying spaces of interpretation among community members. Some individuals perceive cooperatives merely as savings and loan institutions, while the collective dimensions and economic empowerment functions have not been fully internalized. This situation creates a gap between policy as a conceptual design and policy as social practice.

From the perspective of policy implementation, communication is not merely a process of delivering messages, but also a process of meaning construction. O'Toole emphasizes that successful implementation is highly dependent upon shared interpretations among actors.²³ When policy messages are not interpreted uniformly, actions emerging in practice tend to become fragmented and directionless.

Empirical findings in Jrebeng Kulon indicate that the low intensity of socialization efforts has directly affected the level of community participation. Participation in the cooperative remains limited to particular groups possessing earlier access to information or closer relationships with cooperative administrators. This pattern reflects the existence of *information asymmetry*, which ultimately contributes to the exclusivity of participation.

Contemporary literature also associates communication quality with policy legitimacy. Moynihan and Pandey explain that inclusive communication is capable of increasing public trust in government programs.²⁴ In the context of cooperatives, social legitimacy becomes a

²² Edward III, *Implementing Public Policy*.

²³ Laurence J. O'Toole Jr., "Implementation Theory and Practice: Toward a Third Generation," *Public Administration Review* 78, no. 1 (2017): 24–36.

²⁴ Donald P. Moynihan dan Sanjay K. Pandey, "The Ties That Bind: Social Networks, Person–Organization Value Fit, and Turnover Intention," *Journal of Public Administration Research and Theory* 28, no. 3 (2018): 305–320.

crucial element because organizational sustainability is highly dependent upon member participation.

On the other hand, the non-dialogical character of communication indicates the limited availability of feedback mechanisms from the community. Interactions that occur tend to be informative rather than deliberative in nature. In fact, within community-based policies, two-way communication plays a crucial role in fostering a sense of ownership toward the program.

This phenomenon demonstrates that communication problems are not merely related to the quantity of information dissemination, but also to the quality of interaction established between policy implementers and society. Without adaptive and participatory communication mechanisms, policies tend to face limitations in establishing a strong social foundation.

Resources: Capacity Limitations and Their Impact on Implementation Performance

The resource dimension reveals structural as well as operational problems in the implementation of the Merah Putih Cooperative Program in Jrebeng Kulon Village. Research findings indicate that limitations are not confined to quantitative aspects alone, but also involve the quality and distribution of available resources. This situation directly affects the capacity of cooperative organizations to perform their economic and social functions optimally.

Human resources constitute the most prominent critical point. Cooperative administrators demonstrate limitations in managerial aspects, particularly in administrative management, financial recording, and business planning. Cooperative activities operate more as administrative routines rather than as economic organizations oriented toward institutional development. This condition reflects a gap between the institutional demands of modern cooperatives and the actual capacities of implementers at the local level.

Within the perspective of policy implementation, Edward III positions resources as the primary prerequisite determining policy

implementation success.²⁵ Agustino emphasizes that resource limitations frequently become the principal cause of policy objectives failing to be achieved, particularly at the implementation level.²⁶ Contemporary literature further expands this understanding through the concept of *policy capacity*, which encompasses technical, managerial, and adaptive capabilities in dealing with policy complexity.²⁷

Field findings demonstrate that limited capacity not only hinders cooperative operations, but also restricts innovation potential. Business activities remain concentrated on savings and loan services as well as the distribution of basic necessities on a small scale. There are no significant indications of business diversification or economic expansion efforts capable of improving the cooperative's competitiveness. This situation indicates that the cooperative has not yet functioned as a driving force of the local economy, but rather as a supporting institution for limited-scale economic activities.

In addition to human resource issues, limited business capital and infrastructure further reinforce implementation obstacles. Limited capital constrains the cooperative's ability to develop productive enterprises, while inadequate operational facilities reduce organizational work efficiency. Within the framework of institutional economics, this condition creates what is referred to as a *low capacity trap*, in which organizations struggle to develop because of interrelated resource limitations.²⁸

The implications of these resource limitations are reflected in the low productivity of the cooperative and its restricted contribution to the enhancement of community economic activities. The cooperative has not yet been able to create significant added value for its members, resulting in low attractiveness for broader community participation. This condition

²⁵ George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

²⁶ Leo Agustino, *Dasar-dasar Kebijakan Publik* (Bandung: Alfabeta, 2017).

²⁷ Michael Howlett, M. Ramesh, dan Anthony Perl, *Studying Public Policy: Principles and Processes*, 4th ed. (Oxford: Oxford University Press, 2020).

²⁸ Johnston Birchall, "The Governance of Large Co-operative Businesses," *Annals of Public and Cooperative Economics* 88, no. 3 (2017): 345–368.

demonstrates the reciprocal relationship between organizational capacity and community participation, in which both dimensions mutually influence one another in shaping policy implementation performance.

Implementers' Disposition: Normative Commitment and the Limitations of Innovative Orientation

The disposition dimension demonstrates a character that is more complex than the resource aspect. Research findings indicate the presence of positive attitudes among policy implementers toward the Merah Putih Cooperative Program. Cooperative administrators possess the willingness to operate the program and provide benefits to the community. This commitment is reflected in the continuity of cooperative operations despite the various limitations encountered.

Nevertheless, such commitment has not yet transformed into strategic actions capable of encouraging progressive cooperative development. The activities carried out remain routine in nature and tend to maintain old patterns without meaningful innovation. The cooperative has not demonstrated the capacity to identify new economic opportunities or develop business models that are more adaptive to community needs.

Within Edward III's framework, disposition is not merely associated with willingness to implement policy, but also encompasses the intensity of commitment and the quality of attitudes in executing such policy.²⁹ Implementers possessing high levels of commitment are expected to translate policy into creative and responsive actions suited to local contexts. Public policy literature emphasizes the importance of the innovation dimension in policy implementation. Peters states that implementing actors need to possess an *entrepreneurial orientation* in order to overcome resource limitations and the complexity of policy environments.³⁰ Without such orientation, implementation tends to stagnate and becomes incapable of generating significant change.

²⁹ George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

³⁰ B. Guy Peters, *Advanced Introduction to Public Policy* (Cheltenham: Edward Elgar Publishing, 2018).

Findings in Jrebeng Kulon reveal a gap between normative commitment and innovative capacity. Cooperative administrators possess strong intentions, yet they have not developed the capabilities or strategies necessary to expand the organization more dynamically. This condition demonstrates that passive forms of disposition are insufficient to encourage successful policy implementation, particularly within programs aimed at economic empowerment. Another interesting aspect concerns the relationship between implementers' disposition and the level of public trust. The commitment demonstrated by cooperative administrators contributes to the formation of initial trust among community members, although it remains insufficient to encourage broad participation. This condition indicates that disposition plays an important role in building social legitimacy, which constitutes a prerequisite for the sustainability of cooperatives as community-based institutions.³¹

This situation indicates that strengthening disposition requires not only enhanced commitment, but also the development of innovative capacity and organizational leadership. Without transformation within this dimension, cooperatives will face difficulties in developing into adaptive and sustainable economic entities.

Bureaucratic Structure: Fragmentation of Coordination and Limitations of Implementation Governance

The bureaucratic structure dimension demonstrates the existence of institutional relationship patterns that have not yet been cohesively established. Research findings indicate that interactions among village government officials, cooperative administrators, and related institutions occur in the form of sporadic coordination that has not been systematically institutionalized. This pattern creates fragmentation in program implementation, where each actor performs its role without an integrated coordination framework.

The absence of clear working mechanisms reflects weaknesses in the operational design of policy implementation. There are no structured divisions of responsibility nor standard procedures regulating coordination

³¹ Sonja Novkovic, "Cooperative Business: New Approaches to Economic Governance and Development," *Journal of Co-operative Organization and Management* 7, no. 2 (2019): 100090.

flows among parties. This condition causes implementation processes to proceed partially, making it difficult for policy effectiveness to be achieved comprehensively.

Within Edward III's framework, bureaucratic structure is closely associated with the organizational capacity to create efficient and coordinated working systems.³² Poorly organized structures possess the potential to generate overlapping authority, delays in decision-making, and ambiguity in accountability. Winarno emphasizes that bureaucratic complexity unaccompanied by effective coordination will produce implementation dysfunction.³³ Modern implementation perspectives also highlight the importance of *network governance* approaches in public policy implementation. Hill and Hupe explain that policies involving multiple actors require network-based coordination that enables information exchange, synchronization of actions, and clear role distribution.³⁴ Without such mechanisms, policies tend to lose implementation direction and encounter difficulties in achieving intended objectives.

Findings in Jrebeng Kulon indicate that weak coordination among actors affects the limited institutional support provided to cooperatives. Cooperatives operate more as local initiatives that are not fully connected to broader policy systems. This condition obstructs the synergy potential that should otherwise strengthen cooperative capacity through cross-sectoral support.

Implications of Implementation for Social Welfare: Partial Impacts and Inequality of Access

Although policy implementation faces various limitations, research findings indicate the existence of partial impacts on community social welfare. The Merah Putih Cooperative has provided alternative access for

³² George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

³³ Budi Winarno, *Kebijakan Publik: Teori dan Proses* (Yogyakarta: CAPS, 2022).

³⁴ Michael Hill dan Peter Hupe, *Implementing Public Policy: An Introduction to the Study of Operational Governance*, 3rd ed. (London: SAGE Publications, 2014).

community members to obtain basic necessities at relatively affordable prices. In addition, savings and loan services create opportunities for communities to access small-scale financing that was previously difficult to obtain through formal financial institutions.

Within the context of social welfare, access to economic resources constitutes one of the key indicators reflecting increased individual capacity in fulfilling basic needs. Suharto views social welfare as a condition determined not solely by income level, but also by the capacity of individuals to access sustainable economic opportunities.³⁵ Within this framework, the existence of cooperatives contributes to expanding such access, although still on a limited scale.

Interview findings with community members reveal changes in patterns of economic fulfillment, particularly among small business actors. Cooperatives have become alternative financing sources that are more accessible compared to formal institutions. This condition demonstrates that cooperatives possess potential as instruments of financial inclusion at the local level.

Despite these positive contributions, the resulting impacts have not yet demonstrated equitable distribution. The limited number of cooperative members causes program benefits to be experienced only by a small portion of society. Furthermore, the underdeveloped scale of business activities restricts the cooperative's capacity to generate broader economic impacts.

International literature indicates that the success of cooperatives in improving welfare is highly influenced by member participation levels and organizational capacity in managing productive enterprises.³⁶ When participation remains low and capacity is limited, the resulting impacts tend to remain localized and unsustainable.

³⁵ Edi Suharto, *Membangun Masyarakat Memberdayakan Rakyat* (Bandung: Refika Aditama, 2020).

³⁶ Sonja Novkovic, "Cooperative Business: New Approaches to Economic Governance and Development," *Journal of Co-operative Organization and Management* 7, no. 2 (2019): 100090.

The phenomena emerging in Jrebeng Kulon demonstrate a close relationship between the quality of policy implementation and the distribution of social benefits. Limitations within the dimensions of communication, resources, disposition, and bureaucratic structure directly affect the restricted reach of cooperative benefits. This condition creates inequalities of access, where only certain groups are able to optimally benefit from the existence of cooperatives.

The analysis of the four implementation variables demonstrates the existence of mutually interconnected relationships that cannot be separated in a partial manner. Suboptimal communication affects the low level of community participation, which ultimately has an impact on the limited resources available to the cooperative. Resource limitations hinder innovation capacity, which subsequently weakens the disposition of implementers in developing the organization. At the same time, an uncoordinated bureaucratic structure reinforces fragmentation in implementation.

This relationship indicates that policy implementation constitutes an interdependent system. Edward III positions these four variables as a unified set that shapes overall implementation performance.³⁷ Contemporary literature reinforces this view by emphasizing that failure in one dimension will simultaneously affect the other dimensions.³⁸

Within the context of the Merah Putih Cooperative Program, this pattern of interdependence is clearly reflected in the relationship between institutional capacity and the level of community participation. A cooperative with limited capacity struggles to attract broad participation, while low participation restricts the strengthening of organizational capacity. This situation creates a cycle that slows the development of the cooperative as both an economic and social instrument.

This analysis demonstrates that policy implementation cannot be understood as a linear process that stands independently, but rather as a complex system shaped by the interaction of various factors. This

³⁷ George C. Edward III, *Implementing Public Policy* (Washington, DC: Congressional Quarterly Press, 1980).

³⁸ Michael Howlett, M. Ramesh, dan Anthony Perl, *Studying Public Policy: Principles and Processes*, 4th ed. (Oxford: Oxford University Press, 2020).

approach provides a deeper understanding of policy dynamics at the local level, while also opening broader analytical space for examining the relationship between public policy and community social welfare.

CONCLUSION

This study demonstrates that the implementation of the Merah Putih Cooperative Program in Jrebeng Kulon Village, Probolinggo City, has not yet reached an optimal level when examined through Edward III's policy implementation model. Weak and inconsistent policy communication has limited public understanding and participation, while constraints in human resources, managerial capacity, financial capital, and supporting infrastructure have restricted the cooperative's institutional development. Although implementers have demonstrated commitment to the program, this commitment has not been supported by sufficient innovation or strategic capacity. Furthermore, weak coordination among stakeholders, unclear role distribution, and the absence of an integrated governance mechanism have reduced the overall effectiveness of program implementation. These findings indicate that the implementation process remains partial and has not yet been fully institutionalized.

Despite these limitations, the Merah Putih Cooperative Program has generated tangible socio-economic benefits by improving community access to basic necessities and providing alternative financing for small-scale businesses through savings and loan services. However, these benefits remain limited because community participation, membership coverage, and institutional capacity have not developed sufficiently to produce broader welfare impacts. Overall, the findings confirm that successful policy implementation depends on the synergy among communication, resources, disposition, and bureaucratic structure rather than on the existence of the program alone. Strengthening these interrelated dimensions through more effective communication, enhanced institutional capacity, innovative leadership, and integrated governance is therefore essential to achieving sustainable improvements in community social welfare.

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