Journal of Social Development Studies
Volume 7, Issue 1, March 2026, pp. 30-56
ISSN 2721-3870 (Print), 2721-3889 (Online)
Doi: https://doi.org/10.22146/jsds.26003

Beyond Poverty Reduction: Rethinking Inequality and Institutional Justice in Indonesia

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Submitted: November 10, 2025; Revised: May 9, 2026; Accepted: July 16, 2026

Abstrak

Artikel ini mengkaji isu utama tentang bagaimana keberhasilan penurunan kemiskinan di negara berpendapatan menengah belum secara otomatis mengatasi ketimpangan yang bersifat struktural, institusional, dan diskursif. Dengan menggunakan Indonesia sebagai kasus strategis, artikel ini menelaah paradoks antara penurunan angka kemiskinan dan persistensi ketimpangan dalam kerangka pembangunan yang semakin teknokratis. Penelitian menggunakan desain kualitatif-interpretatif berbasis data sekunder dan analisis dokumen kebijakan, meliputi laporan Bank Dunia, OECD, UNDP, serta dokumen RPJMN Indonesia. Analisis menunjukkan tiga pola yang berulang: pertama, ketimpangan dibingkai sebagai persoalan pembangunan yang dapat dikelola melalui kategori seperti kerentanan, kerentanan ekonomi, dan kesenjangan peluang; kedua, intervensi kebijakan dilegitimasi melalui bahasa pertumbuhan, produktivitas, daya saing, modal manusia, dan penargetan; ketiga, penerima manfaat lebih sering direpresentasikan sebagai kategori administratif—rumah tangga miskin dan rentan, 40 persen terbawah, atau kelompok marjinal—daripada sebagai subjek politik yang memiliki hak dan suara. Temuan ini menunjukkan bahwa penurunan kemiskinan tidak otomatis menghasilkan kesetaraan yang lebih substantif. Artikel ini menegaskan bahwa tantangan utama pembangunan bukan hanya mengurangi kemiskinan, tetapi juga mentransformasikan cara ketimpangan dipahami, dibenarkan, dan dikelola. Karena itu, diperlukan pergeseran dari agenda pertumbuhan inklusif menuju kerangka kesetaraan transformatif yang menekankan redistribusi, pengakuan, dan representasi.

Kata Kunci: *ketimpangan; penanggulangan kemiskinan; diskursus pembangunan; keadilan institusional;*

Abstract

This article examines the central issue of why poverty reduction in middle-income countries does not automatically lead to a substantive transformation of inequality. Using Indonesia as a strategic case, it analyzes the paradox between declining poverty rates and persistent inequality within an increasingly technocratic development framework. The study adopts a qualitative-interpretive design based on secondary data and policy document analysis, covering World Bank, OECD, and the UNDP Human Development Report as well as successive Indonesian RPJMN documents. The analysis reveals three recurring patterns: first, inequality is framed as a governable development problem through categories such as vulnerability, economic insecurity, and opportunity gaps; second, policy interventions are legitimized through the language of growth, productivity, competitiveness, human capital, and targeting; third, beneficiaries are represented primarily through administrative categories—poor and vulnerable households, the bottom 40 percent, and marginalized groups—rather than as political subjects with voice and rights. These findings show that poverty reduction does not automatically produce substantive equality, particularly when inequality is managed as a technocratic problem rather than addressed as a question of structural justice. The article argues that the central challenge of development lies not only in reducing deprivation, but also in transforming how inequality is framed, justified, and governed. It therefore calls for a shift from inclusive growth toward transformative equality grounded in redistribution, recognition, and representation.

Keywords: *inequality; poverty reduction; development discourse; institutional justice;*

Introduction

Poverty remains one of the most enduring concerns in development scholarship, although its conceptualization, measurement, and political significance have evolved considerably over time. Throughout much of the postwar development era, reductions in poverty were widely regarded as a central indicator of developmental progress. Global estimates have, in fact, documented substantial declines in extreme poverty, particularly when measured using relatively low international poverty thresholds. (Chen & Ravallion, 2007, pp. 16757–16758). Yet this achievement has never been analytically uncontested. Revised poverty estimates have shown that the developing world was poorer than previously thought, even though the long-run trend still indicated substantial progress in poverty reduction (Chen & Ravallion, 2010, pp. 1577–1578). Critics have also shown that poverty counts vary considerably depending on thresholds, assumptions, and measurement choices, raising doubts about how far aggregate declines capture the lived reality of deprivation

(Reddy & Minoiu, 2007, pp. 484–485). More importantly, the decline in extreme poverty has not necessarily been accompanied by a substantive reduction in inequality, suggesting that poverty reduction and distributive justice should not be treated as equivalent development outcomes.

This tension has become central to contemporary development debates. Birdsall (2001) argued that inequality matters not only for ethical reasons but also because it affects growth, opportunity, and social cohesion. Milanović (2019) similarly shows that contemporary capitalism can sustain economic expansion while continuing to generate durable forms of stratification and unequal life chances. Ravallion likewise showed that high initial inequality reduces the poverty-reducing power of growth, to the point that sufficiently high inequality can blunt or even reverse progress against absolute poverty (Ravallion, 1997, pp. 51–53). He later argued that the relationship between growth, inequality, and poverty cannot be understood through aggregate averages alone, because distributional patterns shape how much growth actually reaches the poor (Ravallion, 2001, pp. 1803–1805). More recent work reinforces this concern. Ravallion (2014) notes that while inequality between developing countries has declined, average inequality within developing countries has tended to rise over the longer period, and that growth has generally reduced absolute poverty less effectively in more unequal settings (pp. 851–852). Development, in this sense, cannot be assessed solely through reductions in absolute deprivation; it must also be judged by how resources, opportunities, and advantages are distributed.

This paradox underscores the analytical importance of examining how inequality is discursively constructed. Once poverty reduction is framed as a development success, the central question shifts from whether deprivation has declined to how persistent inequalities are interpreted, categorized, and governed. Policy discourse does more than merely describe inequality; it determines which forms of inequality become visible, which policy interventions are regarded as legitimate, and how poor and vulnerable populations are positioned within development governance. Inequality must therefore be examined as a discursive object, since development policies may formally acknowledge it while simultaneously translating it into administratively manageable categories, such as vulnerability, unequal opportunities, productivity deficits, and targeting failures. This discursive shift is significant because it can depoliticize and narrow the meaning of inequality, even when inequality is explicitly recognized as a policy concern.

To examine this problem, the article adopts a discursive-sociological lens. Rather than treating inequality only as a measurable distributional outcome, it analyzes how inequality is named, justified, and rendered governable within development policy. Sen's capability approach helps identify the limits of poverty reduction when material improvements do not expand substantive freedoms. Fraser's multidimensional theory of justice directs attention to redistribution, recognition, and representation as dimensions that may be narrowed within technocratic policy language. Bourdieu's concept of symbolic power and classification helps explain how administrative categories can make disadvantaged groups visible for intervention while simultaneously positioning them as objects of governance. Together, these perspectives allow the article to examine inequality not only as an economic condition, but also as a discursive and institutional formation.

The changing geography of poverty further complicates conventional development assumptions. While earlier accounts often located extreme poverty primarily in fragile and low-income countries, subsequent research has shown that a large share of the world's poor now live in middle-income countries (Collier, 2007). Sumner (2012) argues that most of the world's poor no longer live in low-income countries, but increasingly in middle-income countries (MICs), with the shift driven in large part by the graduation of populous countries such as India, Indonesia, Nigeria, and Pakistan into the MIC category (pp. 865–866). This shift suggests that contemporary poverty is increasingly tied to domestic inequality and uneven distribution within growing economies rather than to the country's income category alone. Kanbur and Sumner (2012, pp. 686–687) sharpen this point by asking whether development assistance should be oriented around poor countries or poor people, highlighting the growing importance of within-country inequality in global poverty analysis.

Indonesia offers a strategic case for examining this paradox because it combines three analytically significant conditions: substantial poverty reduction, persistent inequality, and a highly technocratic development-planning architecture. Since the late 1990s, Indonesia has recorded a major decline in poverty, with the national poverty rate falling from around 24 percent in 1999 to 9.36 percent in 2023 (BPS, 2024). However, this achievement has not been accompanied by an equivalent transformation in inequality. The national Gini ratio has remained relatively persistent at around 0.38-0.39 over the past decade, while unequal opportunity, economic insecurity, and regional disparity continue to shape development outcomes (World Bank, 2015, 2020, 2023, 2025). These patterns are visible not only in income distribution but also in the persistence of households living just above the poverty line, uneven access to quality services, and disparities between urban and rural regions, as well as between western and eastern Indonesia.

Indonesia is selected not simply as an example of a middle-income country, but as a case that exposes the limitations of poverty reduction within a democratic and institutionally planned development regime. It provides an opportunity to examine how the state acknowledges inequality while framing it through policy categories such as vulnerability, targeting, productivity, human capital, and regional competitiveness. In this respect, Indonesia does more than illustrate the changing geography of global poverty; it demonstrates how inequality in a middle-income democracy can be rendered administratively governable without generating politically transformative responses.

Existing scholarship has largely explained poverty reduction and inequality in Indonesia through economic, institutional, and policy-performance perspectives, with particular emphasis on growth, fiscal redistribution, social assistance, decentralization, and welfare expansion. Although these studies have generated valuable empirical insights into the persistence of inequality, considerably less attention has been devoted to the ways in which inequality is discursively constructed as a governable policy object across global development narratives and Indonesian planning documents. This omission is significant because policy language does not merely reflect development priorities; it also defines the boundaries of what can be problematized, measured, targeted, and justified. In particular, insufficient attention has been paid to how inequality is translated into policy categories such as vulnerability, opportunity gaps, human-capital deficits, productivity constraints, and target populations. By examining these discursive processes, this article demonstrates how inequality can be formally acknowledged within development policy while simultaneously being depoliticized through technocratic and administrative vocabularies.

This article addresses this gap by examining poverty and inequality not only as socioeconomic conditions but also as objects of policy discourse. Using Indonesia as a strategic case, the article analyzes how inequality is framed, legitimized, and represented in contemporary development discourse, and what this reveals about the limits of poverty reduction in middle-income democracies. To answer this question, the study combines secondary data on poverty and inequality with a qualitative-interpretive analysis of major development reports and policy documents, including World Bank reports, OECD working papers, the UNDP Human Development Report, and successive Indonesian RPJMN documents. Rather than treating these texts as neutral repositories of information, the study reads them as sites in which development problems are named, priorities are normalized, and policy subjects are discursively constructed.

The analysis identifies three recurring patterns: first, inequality is framed as a governable development problem through categories such as vulnerability, economic insecurity, and opportunity gaps; second, policy interventions are legitimized through technocratic vocabularies of productivity, competitiveness, human capital, efficiency, and targeting; third, beneficiaries are represented primarily through administrative categories of poverty, vulnerability, and need rather than as political subjects with voice and claims to justice. These patterns point to what this article conceptualizes as a technocratic trap: an epistemic-institutional condition in which inequality is acknowledged within policy discourse but translated into administratively manageable categories rather than treated as a political question of redistribution, recognition,

and representation. The trap is epistemic because it narrows how inequality can be known, discussed, and problematized; institutional because these categories are embedded in planning documents and policy instruments; and political because it shifts attention away from structural justice toward managerial solutions.

The contribution of this article is therefore threefold. First, empirically, it integrates global development narratives with Indonesian national planning discourse, showing how poverty reduction and inequality are narrated across multilateral and state policy texts. Secondly, analytically, it identifies three recurring discursive patterns—framing, legitimation, and representation—that reveal how inequality is made governable through the language of development. Third, conceptually, it advances the notion of the technocratic trap to explain how inequality can be recognized within policy discourse while being translated into administratively manageable rather than politically contested terms. In doing so, the article contributes to the sociology of development by showing that inequality is not only an economic outcome but also a discursive and institutional formation shaped by how development problems are named, justified, and administered.

Theoretical Framework

The empirical puzzle outlined above requires a framework that goes beyond economistic explanations of poverty and distribution. What is needed is a perspective that explains why development discourse may acknowledge inequality while still rendering it manageable within existing institutional arrangements. For this reason, the study draws on three complementary theoretical perspectives: Sen's capability approach, Fraser's multidimensional theory of justice, and Bourdieu's analysis of social and symbolic reproduction. Together, these perspectives provide the conceptual basis for interpreting the three recurrent discourse patterns identified in the policy corpus.

Inequality Beyond Income: Sen and the Limits of Growth-Centered Development

Amartya Sen's capability approach provides an important starting point for this study because it challenges the assumption that poverty can be understood solely in terms of income deprivation. For Sen (1999), development is not simply a matter of economic growth or rising consumption, but of expanding people's substantive freedoms—the real opportunities they have to live the kinds of lives they value. A person may move above the poverty line and remain deprived in meaningful ways if they continue to face weak access to education, health, security, political voice, or social recognition. From this perspective, poverty reduction does not automatically imply the achievement of equality.

This insight is especially important for interpreting the first coding category, *inequality as discourse*. Across the policy corpus, inequality is often framed through terms such as vulnerability, opportunity gaps, economic insecurity, and uneven gains rather than through the direct language of structural injustice. Sen's framework helps clarify why such formulations matter. He suggest that development discourse has partly moved beyond narrow income-based understandings of deprivation, but he also reveal a persistent tendency to treat inequality as a deficit in opportunity rather than as a problem rooted in unequal power relations. In other words, Sen helps explain both the strengths and the limits of contemporary development language: it increasingly recognizes that poverty is multidimensional, yet it does not always confront the institutional and political conditions that constrain people's ability to convert resources into actual freedom.

Sen's framework is particularly valuable for explaining why growth-oriented development may alleviate absolute deprivation without necessarily producing more equitable societies. When policy discourse equates development with investments in human capital, expanded market participation, or improvements in productivity, Sen's approach directs attention to a more fundamental question: who is actually capable of benefiting from these opportunities, and under what social conditions? This perspective is therefore central to understanding how inequality is represented in the corpus examined here—not merely as an economic problem, but as a broader development concern that is frequently acknowledged without being fully politicized.

Redistribution, Recognition, and Representation: Fraser's Multidimensional Justice

Nancy Fraser's theory of justice extends the analysis by showing that inequality cannot

be reduced to maldistribution alone. Fraser (2009) argues that justice requires attention to three interrelated dimensions: redistribution, recognition, and representation. Redistribution addresses the unequal allocation of material resources; recognition concerns the social and cultural status accorded to groups; and representation asks who has a voice and standing in political decision-making. These dimensions are analytically important because policies may appear progressive in distributive terms while still reproducing exclusion through cultural devaluation or political marginalization.

This framework is especially relevant to the second and third coding categories: *policy legitimation* and *beneficiary representation*. In the policy corpus analyzed in this study, interventions are often justified through the language of inclusive growth, productivity, competitiveness, efficiency, and targeted assistance. Fraser's framework helps illuminate the limits of such justifications. Policies framed in these terms may offer compensatory support, but not necessarily address whether affected groups are socially recognized as equal participants or politically represented in shaping the terms of intervention. Redistribution, in this sense, can remain administratively important but normatively incomplete.

Fraser's perspective is equally useful for examining how beneficiaries are represented. Across the reviewed corpus, policy subjects recur as poor and vulnerable households, bottom-income groups, marginalized communities, or populations requiring protection and targeting. These categories are not merely descriptive. They shape the status of policy subjects within development discourse. Fraser allows us to ask whether those represented as beneficiaries are recognized as full social and political actors or remain primarily positioned as objects of management. Her framework thus provides a direct bridge between the coding findings and the broader normative question of justice: poverty reduction may advance, but if beneficiaries continue to be culturally and politically subordinated, equality remains partial and fragile.

Social and Symbolic Reproduction: Bourdieu and Institutionalized Advantage

Pierre Bourdieu adds relational and institutional dimensions to the analysis by showing that capital is not solely economic. In his formulation, power and advantage are also reproduced through social capital, cultural capital, and symbolic capital—through networks, credentials, legitimacy, recognition, and the ability to define what counts as valuable within a given field (Bourdieu, 1986). This insight is crucial because inequality persists not only when wealth is unequally distributed, but also when some groups possess greater access to recognized forms of authority, institutional familiarity, and symbolic legitimacy.

Bourdieu is particularly relevant for interpreting technocratic legitimation, the classification of beneficiaries, and the broader reproduction of inequality within institutions. The coding findings show that policy discourse frequently privileges terms such as competitiveness, productivity, human capital, efficiency, and targeting. On the surface, these appear neutral and technical. Yet Bourdieu's perspective suggests that such language may also reflect and reinforce particular hierarchies of value. When policy systems privilege productivity, competitiveness, and formal capability, those already endowed with education, social connections, bureaucratic literacy, or institutional legitimacy are often better positioned to benefit. Technocratic language can therefore do more than justify policy; it can also obscure how policy fields reward forms of capital that are unevenly distributed from the start.

This insight also matters for the classification of beneficiaries. Administrative categories such as poor and vulnerable households, economically insecure groups, or the bottom 40 percent populations are not simply tools of description. They are part of the symbolic ordering of policy subjects. Bourdieu helps explain how these categories can make populations visible for intervention while simultaneously fixing them in positions of need, dependency, or managed inclusion. In this sense, inequality is reproduced not only through material exclusion but also through classificatory systems that define who is targetable, who is productive, who is vulnerable, and who is legitimate within institutional settings. Bourdieu's framework is thus crucial for understanding why inequality may endure even where policy language is formally inclusive, and development gains are visibly real.

Analytical Positioning of the Study

These three theoretical perspectives are not used in this study as rigid coding templates. Rather, they function as interpretive lenses that inform the reading of the policy corpus from the outset. The coding process itself was not organized deductively around pre-given theoretical categories such as capability deprivation, redistribution/recognition/representation, or social capital. Instead, the recurrent analytical categories—*inequality as discourse, policy legitimation, and representation of beneficiaries*—emerged from the corpus through interpretive coding of the documents.

This analytical strategy is important for two reasons. First, it allows the study to remain empirically grounded by letting the policy texts reveal their own recurring patterns, rather than forcing them into a predetermined conceptual grid. Second, it preserves theoretical depth by drawing on Sen, Fraser, and Bourdieu to interpret the meaning of those patterns. In this sense, the study adopts a theory-informed but empirically refined approach: the coding categories arise from the documents, while the theoretical frameworks help explain why those categories matter sociologically.

Taken together, these theories provide a multidimensional basis for interpreting the study's three central findings. Sen clarifies why inequality, framed in terms of vulnerability, insecurity, and opportunity gaps, still points to deeper limits on substantive freedom. Fraser helps explain why growth-oriented and targeted policies may remain normatively incomplete when recognition and representation are weak. Bourdieu reveals how technocratic policy language and administrative classification may contribute to the reproduction of institutionalized advantage even within ostensibly inclusive development systems. By combining these lenses, the study moves beyond a narrow economic reading of poverty and inequality by analyzing development discourse as a site where power, legitimacy, and social hierarchy are continually negotiated.

Methods

This study employs a qualitative interpretive design because its primary aim is not to establish causal relationships, but to examine how inequality is conceptualized, represented, and rendered governable within development discourse and institutional frameworks. Although longitudinal quantitative data are used to situate broader trends in poverty and inequality, the analysis focuses primarily on the social, political, and institutional meanings attributed to these trends in policy texts. From this perspective, inequality is understood not only as a measurable economic condition, but also as a socially constructed policy object shaped by governance arrangements, policy narratives, and institutional classifications.

Methodologically, the study is best characterized as a qualitative interpretive document analysis with a discourse-analytic orientation, supplemented by descriptive statistical contextualization. It does not constitute an integrative literature review in the conventional methodological sense, since the selected texts are treated as an empirical corpus of policy documents rather than merely as a body of existing scholarship to be synthesized.

The claims made in this study are therefore interpretive rather than causal. The analysis does not argue that discourse directly causes inequality or that policy language alone reproduces institutional arrangements. Instead, it examines how policy discourse may contribute to the normalization, classification, and administrative management of inequality by shaping how problems are named, how interventions are justified, and how target populations are represented. In this sense, references to institutional reproduction in the article should be understood as interpretive explanations of how discourse helps stabilize particular understandings of inequality, not as causal claims about the direct effects of language on material outcomes.

The study draws on three types of sources: global datasets, national statistics, and a qualitative policy corpus. Quantitative indicators were drawn from the World Bank's World Development Indicators (WDI), the World Inequality Database (WID), the United Nations Development Program (UNDP), and Indonesia's Badan Pusat Statistik (BPS). The main indicators included the Gini coefficient, poverty headcount ratio, Human Development Index (HDI), and income distribution by decile. These indicators were used to establish the study's empirical context, particularly the coexistence of poverty reduction and persistent inequality. They were not used to test causal relationships, but to

provide contextual anchors for the discourse-analytic reading of policy documents.

The qualitative corpus comprised 16 documents selected for interpretive and discourse-oriented analysis. These documents were chosen because they represent influential global and national policy texts that shaped the discourse on poverty, inequality, vulnerability, inclusion, and development priorities between 2000 and 2025. The corpus included Indonesian national planning documents (RPJMN and related planning texts), six World Bank reports, two OECD working papers, one UNDP Human Development Report, and selected policy papers on the changing geography of global poverty. The documents analyzed in the corpus are listed in Table 1.

Document selection followed four inclusion criteria: first, substantive relevance to the nexus of poverty, inequality, and social policy; second, publication within the 2000–2025 period; third, institutional authority, meaning that the document was issued by a recognized state, multilateral, or international policy institution; and fourth, analytical richness, namely the presence of sustained discussion on development

Document	Institution/ Author	Year	Type	Analytical relevance
RPJMN 2010–2014	Bappenas	2010	National development planning document	Poverty reduction, pro-poor growth, development equity
RPJMN 2015–2019 Book I	Bappenas	2014	National development planning document	Inclusive growth, productivity, bottom 40 percent
RPJMN 2015–2019 Book II	Bappenas	2014	National development planning document	Sectoral development, regional inequality, social protection
RPJMN 2020–2024	Bappenas	2020	National development planning document	Quality growth, human capital, targeted assistance, regional balance
World Development Report 2000/2001: Attacking Poverty	World Bank	2000	Global development report	Poverty, voice, vulnerability, empowerment
Global Monitoring Report 2011: Improving the Odds of Achieving the MDGs	World Bank	2011	Global development report	Inclusive growth, MDGs, uneven progress
Indonesia's Rising Divide	World Bank	2015	Country report	Inequality of opportunity, sustainable development, shared prosperity
No One Left Behind: Rural Poverty in Indonesia	World Bank	2020	Country report	Rural poverty, spatial disparity, left-behind regions
Indonesia Poverty Assessment	World Bank	2023	Country report	Economic insecurity, vulnerability, mobility
Poverty & Equity Brief: Indonesia	World Bank	2025	Country brief	Poverty, inequality, uneven gains, vulnerability to shocks
Trends in poverty and inequality in decentralising Indonesia	OECD	2013	Working paper	Decentralization, regional inequality, social assistance
Policies for Inclusive and Sustainable Growth in Indonesia	OECD	2015	Working paper	Productivity, competitiveness, inclusive growth
Human Development Report 2023-24	UNDP	2024	Global report	Human development, agency, dignity, social cohesion
Global Poverty and the New Bottom Billion	Sumner/IDS	2010	Working paper	Poverty in middle-income countries, national distribution problem
The New Bottom Billion	Sumner/Center for Global Development	2011	Policy brief	Poor people in middle-income countries
Where Do the Poor Live?	Sumner	2012	Journal article	Geography of poverty, middle-income countries

Table 1: Policy Corpus Analyzed in the Study
Source: Authors, 2026

priorities, policy framing, beneficiary categories, or justifications for intervention. Exclusion criteria were also applied to reduce selection bias. Documents were excluded if they fell outside the study period, lacked direct relevance to poverty and inequality discourse, contained insufficient policy or analytical substance, duplicated arguments already represented in higher-authority texts, or lacked empirical and institutional grounding. Rather than aiming for exhaustive coverage, the corpus was designed as a purposive, analytically bounded selection of influential policy texts through which the study could systematically trace how inequality was framed, justified, and governed within contemporary development discourse.

The analysis followed a three-stage coding procedure. First, all documents were read to identify recurring textual markers related to poverty, inequality, vulnerability, inclusion, productivity, targeting, beneficiaries, voice, and participation. Second, these textual markers were grouped into three analytical categories: inequality as discourse, policy legitimation, and representation of beneficiaries. Third, the distribution of these categories was compared across document types, particularly Indonesian RPJMN documents, World Bank reports, OECD papers, and the UNDP Human Development Report. This comparison was intended to avoid relying solely on selective excerpts, and to identify how particular discursive patterns and counter-patterns appeared across the corpus.

To strengthen the discourse-analytic component, the study operationalized several key concepts before coding. First,

Discursive pattern	RPJMN documents	World Bank documents	OECD papers	UNDP Human Development Report
Inequality framed as vulnerability, opportunity gap, or uneven development	Appears through poverty reduction, development equity, regional balance, bottom 40 percent, and targeted assistance	Appears through inequality of opportunity, economic insecurity, uneven gains, rural poverty, and vulnerability to shocks	Appears through inclusive growth, regional inequality, decentralization, and policy adaptation	Appears less through vulnerability or targeting and more through human development, social cohesion, dignity, and human security
Policy legitimation through growth, productivity, competitiveness, and human capital	Strongly visible in inclusive growth, productivity, competitiveness, human capital, infrastructure, and targeting language	Visible in shared prosperity, pro-poor investments, productivity, job quality, and economic security	Strongly visible in productivity, human capital, inclusive growth, efficiency, and structural reform language	Less central; emphasis falls more on human development, agency, dignity, and social cohesion
Beneficiaries represented as administrative target groups	Poor households, bottom 40 percent, vulnerable groups, families receiving assistance, target beneficiaries	Poor and vulnerable households, economically insecure groups, rural poor, lower-income groups, at-risk middle class	Target groups, social assistance recipients, vulnerable households, bottom income quintiles	Less administrative; subjects are more often framed through agency, dignity, empowerment, and participation
Voice, agency, dignity, and participation	Limited compared with targeting and planning language	Present in earlier global poverty discourse and selected country reports	Limited compared with productivity and policy-efficiency language	Central to the human development framing
Redistribution, recognition, and representation as justice claims	Mostly implicit rather than explicit	Present indirectly through opportunity, insecurity, and shared prosperity language	Mostly indirect through inclusive growth and policy adaptation	More visible through dignity, agency, human security, and social cohesion

Table 2: Distribution of Discursive Patterns across Document Types

Source: Author's interpretive mapping of the policy corpus (2026).

Note. The table presents an interpretive distribution of discursive patterns across document types. It does not report statistical frequency or formal content-analysis results.

inequality as discourse refers to the ways inequality is constructed in policy language, not merely as a socio-economic condition, but as a policy object that is named, framed, prioritized, and rendered governable through particular narratives. This category was identified through textual markers such as "inclusive growth," "inequality of opportunity," "economic insecurity," "vulnerability," "left behind," "uneven development," and "social cohesion". Second, policy legitimation refers to discursive strategies used to justify specific policy priorities, interventions, or development models. This category was identified through terms such as "competitiveness," "productivity," "human capital," "efficiency," "fiscal policy," "infrastructure," "pro-poor investment," "targeting," and "long-term growth". Third, representation of beneficiaries refers to how target populations were portrayed in policy texts, including whether they were portrayed as passive recipients, productive assets, vulnerable groups, administratively targeted households, or rights-bearing citizens. This category was identified using terms such as "poor and vulnerable households," "bottom 40 percent," "target groups," "beneficiaries," "families receiving assistance," "vulnerable workers," "economically insecure households," and "marginalized groups."

The study did not use quantitative content analysis or formal frequency counting. Instead, the comparative mapping in Table 2 provides an interpretive overview of how the main discursive patterns and counter-patterns appeared across document types. The table is not intended to measure prevalence statistically, but to show the distribution of key formulations and emphases across the policy corpus. This approach was used to improve analytical transparency and reduce reliance on isolated illustrative excerpts.

Quantitative and qualitative materials were integrated sequentially rather than statistically. The quantitative indicators revealed the empirical paradox: poverty declined while inequality, insecurity, and regional disparity persisted. The policy corpus was then analyzed to interpret how this paradox was framed and governed in development discourse. In this design, descriptive statistics functioned as contextual evidence, while document analysis provided the main basis for interpretive claims. Triangulation was conducted by comparing patterns across datasets, national statistics, and policy documents. Convergences across sources were used to strengthen interpretation, while inconsistencies were treated as analytically meaningful because they revealed tensions between trends and institutional narratives.

Results

From Global Poverty Reduction to Indonesia's Uneven Development Paradox

Since the early 2000s, global poverty has declined substantially, often reinforcing the view that growth-oriented development has been broadly successful. Yet this aggregate progress has unfolded unevenly across regions, countries, and social groups. Poverty reduction was especially pronounced in East Asia, while Sub-Saharan Africa progressed more slowly and Latin America experienced weaker gains than East Asia (Chen & Ravallion, 2007, p. 16759). The Global Monitoring Report 2011 similarly describes development progress as "heterogeneity, gaps, and challenges," emphasizing that global poverty reduction has not eliminated uneven development outcomes (World Bank, 2011, p. xii). Moreover, the use of higher poverty thresholds substantially increases the number of people counted as poor, revealing the limits of absolute-poverty narratives based on low international poverty lines (Chen & Ravallion, 2007, p. 16759).

Indonesia illustrates this uneven development paradox with particular clarity. The country has achieved substantial poverty reduction since the late 1990s, yet this achievement has coexisted with persistent inequality, economic insecurity, and regional disparity. This pattern is important because Indonesia is not simply a passive example of the global poverty transition; it is a middle-income democracy with a highly institutionalized planning system, decentralized governance, and recurring national policy commitments to inclusive growth, human capital, social protection, and regional balance. The Indonesian case, therefore, reveals how poverty reduction can be institutionally recognized as a policy success while inequality remains translated into administratively manageable categories such as vulnerability, targeting, productivity gaps, and uneven regional development.

The Indonesian policy corpus shows that this paradox is not only empirical but also discursive.

Across successive RPJMN documents and major development reports, poverty reduction is generally presented as a measurable policy objective, while inequality is framed in more flexible, technocratic terms such as opportunity gaps, economic insecurity, regional imbalances, human capital deficits, and poor or vulnerable households. This distinction matters because it reveals how inequality becomes governable within development planning: not primarily as a political question of redistribution, recognition, and representation, but as a policy problem to be managed through growth, targeting, competitiveness, and improved service delivery.

The corpus indicates that poverty reduction has rarely been framed as sufficient in itself. Instead, major development documents increasingly represent inequality as a parallel and persistent problem. In the *World Development Report 2000/2001*, poverty is already defined as multidimensional, encompassing not only low income and consumption but also "powerlessness and voicelessness, and vulnerability and fear," indicating that deprivation is understood as a broader social and political condition rather than a purely monetary one (World Bank, 2000, p. 5). Likewise, the Global Monitoring Report 2011 frames development progress through "heterogeneity, gaps, and challenges," while emphasizing the need to provide opportunities for "those that are being left behind" (World Bank, 2011, p. xii). Together, these formulations show that even within mainstream development discourse, poverty reduction has been accompanied by a growing awareness that unequal outcomes remain deeply embedded in social and institutional structures.

This reading resonates with Sen's (1999) argument that monetary indicators often obscure deeper forms of capability deprivation, meaning that people's real freedoms and opportunities may remain constrained even when income poverty declines. From this perspective, falling poverty rates can mask enduring inequality and limited agency. The decline in global poverty, therefore, does not necessarily indicate the erosion of inequality; rather, it may coexist with persistent exclusions in opportunity, voice, and social power.

The Shifting Geography of Poverty

In The Bottom Billion, Collier (2007) located the world's poorest populations in fragile, low-income states beset by conflict and weak governance. A decade later, Sumner (2010, 2011, 2012, 2016) redefined this geography by demonstrating that roughly three-quarters of the global poor now live in middle-income countries (MICs) such as China, India, and Indonesia. Poverty, therefore, is no longer confined to failed states; it now coexists with rapid economic growth and, in several cases, democratic consolidation.

The coding findings reinforce this shift. In his working paper, Sumner (2010) recasts global poverty as increasingly becoming a "national distribution problem," arguing that poverty now persists less because countries are poor in aggregate than because "governance and domestic taxation and redistribution policies become of more importance than ODA" (p. 26). He further calls for "more inclusive policy processes in new and old MICs" (p. 3), underscoring that the contemporary geography of poverty is increasingly shaped by unequal domestic distribution rather than country income status alone. This reframing is analytically important because it redirects attention away from inter-country comparison toward domestic governance, redistribution, and institutional inequality. Poverty in MICs thus appears less as a residual development lag and more as an expression of unequal opportunity, structural change, and weak redistributive capacity.

This argument is further supported by Kanbur and Sumner (2012, pp. 686–689), who show that poverty in middle-income countries increasingly persists because within-country inequality allows deprivation to remain even where average national income has risen above standard international poverty thresholds. Rather than being explained solely by exclusion from the global economy, poverty increasingly reflects domestic distributional structures and the political and institutional conditions under which resources are allocated. In this sense, the persistence of poverty in MICs challenges the optimism of the classical Kuznets curve, which assumed that inequality would decline naturally as development advanced.

Empirical evidence instead suggests that prosperity and inequality often advance together. Data from the World Inequality Database show that the wealthiest 10 percent of the global population capture more than half of total income, while the poorest half receive less than

one-tenth of total income (World Inequality Database, 2024). Comparative evidence across selected MICs clearly highlights this paradox. Although poverty has fallen in many cases, inequality remains persistent, as reflected in still-elevated Gini coefficients and the large income shares captured by the top 10 percent (World Bank, 2024; World Inequality Database, 2024). Growth, in short, has reduced deprivation, but not disparity.

These patterns are not treated here as causal evidence, but as empirical context for interpreting how poverty and inequality have been narrated and governed in development discourse. Taken together, both the secondary literature and the coded documents suggest that the contemporary geography of poverty is increasingly shaped by inequality within countries rather than simply by differences between them.

Indonesia as a Strategic Case: Planning, Decentralization, and Regional Inequality

Indonesia provides distinct analytical insight because its poverty-inequality paradox unfolds within a development regime characterized by national planning, decentralization, and regional unevenness. Successive RPJMN documents show that the Indonesian state has consistently recognized poverty reduction, inequality, and regional disparity as development concerns (Bappenas, 2010, 2014, 2020). However, the language used to address these concerns has increasingly emphasized inclusive growth, competitiveness, productivity, human capital, infrastructure, and targeted social assistance (Bappenas, 2014, 2020; Vujanovic, 2015; World Bank, 2023). This pattern suggests that inequality is not absent from policy discourse; rather, it is incorporated into a technocratic planning framework that renders it measurable, targetable, and administratively manageable.

Decentralization further complicates this pattern. While decentralization was expected to bring governance closer to citizens and enable more context-sensitive development, it also produced uneven institutional capacity across regions. Studies of poverty and inequality in decentralizing Indonesia show that regional variation remains significant and that subnational capacity shapes how national policy priorities are translated into local outcomes (Miranti et al., 2013; World Bank, 2020, 2023). As a result, the same national policy language may operate differently across provinces, districts, and municipalities, depending on fiscal capacity, bureaucratic capability, local political priorities, and access to infrastructure and services. These dynamics position Indonesia as analytically important for understanding how inequality is governed in middle-income democracies: national policy discourse may promote inclusion, but implementation occurs within territorially uneven institutional landscapes.

Regional inequality is therefore central to the Indonesian case. Unequal access to education, health services, infrastructure, labor markets, and productive resources means that poverty reduction does not automatically equalize substantive opportunities (World Bank, 2015, 2020, 2023). Many households may move above the poverty line while remaining economically insecure, vulnerable to shocks, and weakly positioned to convert development programs

Country	Poverty Headcount (% below $2.15/day)	Gini Coefficient	Top 10% Income Share (%)	Year
China	0.6	0.46	41	2022
India	12.9	0.47	53	2022
Indonesia	9.4	0.39	45	2023
Nigeria	32.8	0.43	49	2023
Brazil	5.2	0.52	57	2023

Table 3: Comparative Data on Poverty and Inequality Across Selected MICs

Note. Poverty headcount and Gini figures in this table are reported using the World Bank and World Inequality Database series available to the study at the time of analysis, based on the 2024 data framework used in the manuscript. The table is intended for comparative analytical illustration rather than for reporting the latest post-review updates. Figures are presented using the most recent comparable observations available within that framework. Indonesian national poverty statistics reported by BPS are discussed separately and are not directly comparable to the World Bank's international poverty-line estimates.

into long-term mobility (World Bank, 2023, 2025). The Indonesian case thus reveals that the problem is not simply the persistence of inequality after poverty reduction, but the way inequality is institutionally translated into categories of vulnerability, target groups, and regional development gaps.

The Indonesian Case: Growth Without Justice

Having clarified why Indonesia constitutes a strategic case, this section turns to the empirical pattern underpinning the article's central paradox: poverty reduction without equivalent progress in distributive justice. Indonesia illustrates this paradox particularly clearly. Between 1999 and 2023, the national poverty rate fell sharply from 24 percent to 9.36 percent, signaling substantial progress in poverty alleviation (BPS, 2024). Yet despite sustained growth and middle-income status, inequality has remained a persistent feature of Indonesia's development trajectory. The national Gini ratio has hovered around 0.39 for more than a decade, while policy and research documents increasingly acknowledge that poverty reduction has not been accompanied by equivalent progress in distributive justice (World Bank, 2023, 2024), reflecting the broader pattern identified by Sumner (2016): poverty may decline even as structural inequality remains durable.

The coded policy corpus confirms this pattern. In *Indonesia's Rising Divide,* inequality is explicitly described as "an obstacle to sustainable development," and up to one-third of it is attributed to "inequality of opportunities" (World Bank, 2015). This is a significant shift in framing: inequality is no longer treated merely as a statistical side effect of growth, but as a distinct development problem rooted in unequal access to opportunity. The *Indonesia Poverty Assessment* extends this interpretation by emphasizing "economic insecurity," including households that are not officially poor but remain vulnerable to falling into poverty (World Bank, 2023). Similarly, the *Poverty & Equity Brief* highlights "uneven gains" and increasing vulnerability to shocks among lower-income and middle-class households, suggesting that development gains remain fragile and unevenly distributed (World Bank, 2025).

These patterns are also reflected in Indonesia's regional and sectoral disparities. Economic growth has been concentrated disproportionately in urban, non-agricultural sectors, while rural and eastern regions continue to face weaker access to infrastructure, education, and productive employment (World Bank, 2020, 2023). The persistence of a large "floating middle class" living only slightly above the poverty line further underscores the insecurity of development gains in Indonesia (World Bank, 2023). In this sense, poverty reduction has not eliminated vulnerability; rather, it has often shifted many households into precarious positions just above official poverty thresholds. At a descriptive level, this pattern is consistent with what Fraser (2009) terms maldistribution, namely the continued concentration of resources and opportunities within more privileged groups across class, gender, and geography.

Taken together, the secondary literature and the coded policy documents suggest that Indonesia's development success has reduced absolute deprivation without dismantling the deeper inequalities embedded in its institutional and economic structures. Growth has expanded access and raised living standards, but insecurity, unequal opportunity, and structural disparities remain durable. These empirical patterns provide the context for examining how policy texts interpret, justify, and govern inequality in a middle-income democracy where poverty reduction has coexisted with persistent forms of exclusion.

Policy Narratives and the Technocratic Trap

Across the reviewed policy corpus, three discourse patterns appeared consistently: inequality was framed as a governable development problem, policy interventions were justified through growth-oriented and technocratic language, and beneficiaries were represented primarily through administrative categories of vulnerability. These patterns recur across both international policy reports and Indonesian planning documents, suggesting that poverty reduction and inequality are not narrated in the same way. While poverty is often presented as a measurable problem that can be reduced through policy efforts, inequality is more frequently framed as a matter of opportunity gaps, productivity constraints, vulnerability, and targeting.

In the Indonesian corpus, this pattern is especially visible across the RPJMN sequence.

RPJMN 2010–2014 framed inequality mainly through poverty reduction and development equity, as seen in its emphasis on "*penanggulangan kemiskinan dan pemerataan pembangunan*" and "pro-poor growth" (Bappenas, 2010, p. II.1-35). RPJMN 2015–2019 moved further toward an inclusive-growth vocabulary, explicitly prioritizing "*Menciptakan pertumbuhan inklusif* [Creating inclusive growth]," "*Meningkatkan produktivitas rakyat dan daya saing di pasar internasional* [Increasing people's productivity and competitiveness in international markets]," and "*Memperbaiki standar hidup dari penduduk 40 persen terbawah* [Improving the living standards of the bottom 40 percent of the population]." (Bappenas, 2014, pp. 2-11; 1-5). RPJMN 2020–2024 extended this trajectory by embedding inequality within the language of "quality and equitable growth," "qualified and competitive human resources," infrastructure competitiveness, and "integrated and well-targeted social assistance" (Bappenas, 2020, pp. X.1; I.2; VI.2; IV.26). Across this sequence, inequality appears less as a structural question of redistribution than as a governable development problem to be addressed through productivity, competitiveness, human-capital formation, and increasingly targeted intervention.

This technocratic framing is visible, for example, in the OECD's policy language, which states that "policy needs to focus on generating strong, inclusive and sustainable growth" and that reforms should strengthen "human capital" and improve productivity (Vujanovic, 2015, pp. 3, 8). In the present analysis, such formulations were coded under *policy legitimation* because they justify intervention through the language of growth, productivity, and competitiveness rather than through explicit redistribution. Through Fraser's perspective, this suggests that inequality is addressed through administratively acceptable strategies of inclusion; through Bourdieu's formulation, it also indicates how policy discourse privileges valued forms of capital, such as education and competitiveness, while obscuring unequal starting positions.

A similar pattern appears in the representation of target populations. The RPJMN 2020–2024 refers to "poor and vulnerable households" and emphasizes "integrated and well-targeted social assistance" (Bappenas, 2020, pp. IV.17, IV.26). These formulations were coded under *representation of beneficiaries* because they construct policy subjects primarily as administratively targetable populations. From Fraser's perspective, such language reflects limited recognition and weak representation, while from Sen's perspective, it suggests that beneficiaries are positioned more as recipients of intervention than as agents with substantive freedoms.

At the same time, the coding also identified counter-discursive elements within the broader development corpus. While technocratic and market-oriented formulations dominate many planning and policy documents, other texts—particularly the *Human Development Report 2023–24* and the earlier World Bank formulation in Attacking Poverty—place greater emphasis on social cohesion, agency, dignity, voice, and human security. The UNDP, for instance, states that "social cohesion is rightly on national and international agendas" and argues that development should enable people to live "free from fear, want and living without dignity," while also allowing them to feel "more in control of their lives" and "more empowered to act on shared challenges" (UNDP, 2024, pp. 126, 6, 5).

Similarly, the *World Development Report 2000/2001* defines poverty not only through low income, but also through "lack of political power and voice," "powerlessness and voicelessness, and vulnerability and fear," and even the "shame and indignity" experienced by poor people in their encounters with institutions (World Bank, 2000, pp. 1, 5, 100). These alternative formulations treat inequality not only as a technical or distributive problem but also as a question of recognition, participation, and social belonging. They portray policy subjects less as passive targets and more as actors whose well-being depends on voice, empowerment, and fair institutions. Although these counter-discourses remain less prominent in the Indonesian planning corpus than technocratic formulations, their presence demonstrates that the language of development is not entirely uniform and that more rights-based and people-centered interpretations remain available within international policy discourse itself.

Table 4 presents a consolidated summary of the coded discursive patterns across the selected policy corpus, including textual indicators, coding categories, and their interpretive meanings.

As shown in Table 4, the reviewed corpus reveals a recurring tendency to frame inequality

Document	Inequality as discourse	Policy legitimation	Representation of beneficiaries
RPJMN 2010–2014	Inequality is framed mainly through poverty reduction and development equity.	Policy is legitimized through pro-poor growth, national competitiveness, and human resource development.	Beneficiaries are represented as poor families, the poor, RTSM households, and recipients of targeted social assistance.
RPJMN 2015–2019 Book I	Inequality is framed as a problem of uneven development outcomes, linked to poverty and vulnerability.	Policy is legitimized through inclusive growth, people's productivity, and international competitiveness.	Beneficiaries are represented as the bottom 40 percent, the poor, vulnerable workers, and marginalized groups.
RPJMN 2015–2019 Book II	Inequality is more explicitly framed as unequal income distribution and uneven development outcomes.	Policy is legitimized through inclusive development, inclusive growth, productivity, and national competitiveness.	Beneficiaries are represented as the bottom 40 percent, low-income populations, vulnerable workers, the poor and vulnerable, and marginalized groups.
RPJMN 2020–2024	Inequality is framed as a governable development problem through the language of equity, quality growth, and regional balance.	Policy is legitimized through competitiveness, human capital quality, infrastructure competitiveness, and a growth-and-equity strategy.	Beneficiaries are represented as poor and vulnerable households, families receiving assistance, and vulnerable groups to be reached through integrated and well-targeted interventions.
World Bank, *Indonesia's Rising Divide* (2015)	Inequality is framed as an obstacle to sustainable development and as a problem of inequality of opportunity.	Policy is legitimized through evidence-based policy reasoning and the use of fiscal policy to address inequality.	Beneficiaries are represented as the poor and vulnerable, especially those at risk of being left behind in the pursuit of shared prosperity.
World Bank, *No One Left Behind: Rural Poverty in Indonesia* (2020)	Inequality is framed as spatially uneven rural deprivation, non-inclusive rural growth, and the persistence of left-behind locations.	Policy is legitimized through connectivity, rural opportunity expansion, agricultural income improvement, and targeted interventions.	Beneficiaries are represented as the rural poor, the poor and vulnerable in rural areas, and families and locations left behind.
World Bank, *Indonesia Poverty Assessment* (2023)	Inequality is framed through economic insecurity, vulnerability to downward mobility, and productivity gaps.	Policy is legitimized through better opportunities, pro-poor investments, competitiveness, productivity, and expanded social protection.	Beneficiaries are represented as the extreme poor, the economically insecure poor, and the non-poor but insecure.
World Bank, *Poverty & Equity Brief: Indonesia* (2025)	Inequality is framed as uneven gains, fragile labor-market recovery, and vulnerability to shocks.	Policy is legitimized through steady growth, job-quality improvement, social insurance expansion, and inclusive growth.	Beneficiaries are represented as lower-income groups, vulnerable households, and an increasingly at-risk middle class.
OECD, *Trends in poverty and inequality in decentralising Indonesia* (2013)	Inequality is framed as a problem that requires direct policy attention, not merely faster growth.	Policy is legitimized through efficient policy adaptation and attention to geographic patterns of inequality.	Beneficiaries are represented as target groups of social assistance and those most in need.
OECD, *Policies for Inclusive and Sustainable Growth in Indonesia* (2015)	Inequality is framed within the paradigm of inclusive and sustainable growth.	Policy is legitimized through productivity, human capital, structural transformation, and efficiency.	Beneficiaries are represented as vulnerable households, bottom income quintiles, and groups requiring better targeting.

Table 4: Summary of Discursive Patterns across Development and Poverty Policy Documents
Source: Author's coding analysis (2026).

as a governable development problem, legitimize intervention through technocratic and growth-oriented language, and represent beneficiaries primarily through administrative categories of vulnerability and need.

Theoretical Synthesis of Findings

Read through the lenses of Sen, Fraser, and Bourdieu, the findings point to a consistent paradox: poverty reduction can coexist with durable inequality when development expands material gains without transforming the institutional and discursive conditions through which advantage is reproduced. Sen's perspective helps explain why growth-centered policy language may broaden access to resources without necessarily expanding people's real capabilities and freedoms (Sen, 1999). Fraser's framework clarifies why redistribution alone is insufficient when policy subjects are simultaneously misrecognized and underrepresented within political and institutional processes (Fraser, 2009). Bourdieu's approach, meanwhile, highlights how social and symbolic capital remain unequally distributed, allowing dominant groups to convert economic advantage into legitimacy, influence, and institutional continuity (Bourdieu, 1986).

The coding findings support this interpretation. Across the reviewed corpus, inequality is repeatedly framed as a governable development problem; policy interventions are justified through competitiveness, productivity, efficiency, and targeted inclusion; and beneficiaries are represented primarily through administrative categories of vulnerability, insecurity, and need (Bappenas, 2010, 2014, 2020; Miranti et al., 2013; Vujanovic, 2015; World Bank, 2015, 2023, 2025). This suggests that poverty reduction has often been pursued within policy systems that are more comfortable with managing vulnerability than transforming the deeper relations of power, recognition, and distribution that sustain inequality.

In Indonesia, as in many middle-income countries, inequality can therefore be read as institutionalized rather than incidental. The persistence of a stable Gini ratio, widespread economic insecurity, and a large population living just above the poverty line indicate that development gains remain unevenly secured (World Bank, 2023, 2024, 2025). From this perspective, anti-poverty interventions have been more successful in reducing absolute deprivation than in dismantling the mechanisms that reproduce relative inequality across class, region, and social position. This pattern is consistent with Sumner's argument that poverty in middle-income countries increasingly reflects domestic inequality and distributional politics rather than aggregate national poverty alone (Sumner, 2010, 2012, 2016).

A synthesis of the empirical patterns is presented in Table 5. Global poverty has declined substantially over recent decades, but the concentration of income and opportunity remains highly unequal (World Bank, 2024; World Inequality Database, 2024). The shift of poverty into middle-income countries reinforces Sumner's "the new bottom billion" thesis, while the Indonesian policy corpus shows that inequality is frequently narrated through the languages of opportunity, inclusion, vulnerability, and competitiveness rather than justice, redistribution, or structural reform (Bappenas, 2014, 2020; World Bank, 2015, 2023). Taken together, these findings suggest that the persistence of inequality is not simply an economic anomaly but an outcome shaped by how development is institutionally organized, discursively framed, and politically managed.

Table 5 synthesizes the descriptive trend patterns and their interpretive implications as read through the study's theoretical framework.

Overall Findings

Taken together, the findings indicate that the global struggle against poverty has increasingly become a struggle over how inequality is understood, framed, and governed. The reviewed corpus shows that inequality is rarely absent from development discourse; rather, it is frequently translated into administratively manageable forms such as vulnerability, productivity gaps, opportunity deficits, and targeted assistance categories. In this sense, poverty reduction has not displaced inequality as a development concern, but has often rearticulated it in technical and managerial terms.

This pattern is particularly visible in middle-income countries, where poverty increasingly persists not in the context of generalized national deprivation, but within economies that have already achieved substantial growth. "The new bottom billion," as Sumner (2010, 2012, 2016) suggests, now resides less in failed

Analytical Dimension	Empirical Evidence	Theoretical Implication
Decline in global poverty	Global extreme poverty fell substantially over recent decades, though progress remained highly uneven across regions and groups	Reduced deprivation does not necessarily translate into equal capabilities or substantive freedom
Persistence of inequality	The global top 10% capture more than half of total income, while the poorest half receive less than one-tenth	Absolute poverty may decline while distributive inequality remains deeply entrenched
Poverty shift to MICs	Much of the world's poor population is now concentrated in middle-income countries	Poverty is increasingly tied to domestic inequality rather than low national income alone
Indonesia's inequality	Indonesia achieved major poverty reduction, yet continues to exhibit economic insecurity, unequal opportunity, and uneven gains	Growth can coexist with durable structural inequality
Policy discourse	Inequality is increasingly framed through inclusion, productivity, vulnerability, and targeting rather than justice or redistribution	Technocratic discourse manages inequality more readily than it transforms unequal power relations

Table 5: Summary of Empirical Patterns

Note. Global poverty and inequality data from World Bank (2024), *World Development Indicators* (indicators SI.POV.DDAY and SI.POV.GINI), and the World Inequality Database (2024). Estimates on the concentration of poverty in MICs are based on Sumner (2012) and interpreted alongside more recent comparative evidence. Indonesian patterns are derived from BPS (2024), World Bank policy reports on Indonesia (2015, 2023, 2025), and the author's discourse-analytic coding of the selected policy corpus.

states than in countries where development has expanded aggregate prosperity without transforming deeper structures of distribution and exclusion. Indonesia exemplifies this condition. Across the coded documents, poverty alleviation is repeatedly acknowledged as a policy success. Yet, inequality continues to appear as a durable problem expressed through unequal opportunities, economic insecurity, regional disparity, and the persistence of poor and vulnerable groups within a growing economy (Bappenas, 2014, 2020; World Bank, 2015, 2023, 2025).

In the Indonesian context, in particular, the discourse has shifted from poverty alleviation toward broader concerns about inclusion, competitiveness, and economic security, but without fully displacing the technocratic logic of growth and targeting. As a result, inequality is recognized, but often addressed through instruments that manage its symptoms more readily than its structural causes. This helps explain why poverty reduction and durable inequality continue to coexist.

The persistence of this paradox points to the need for a broader development paradigm—one that moves beyond the language of inclusive growth toward a more transformative understanding of equality. Such an approach would treat redistribution, recognition, and representation not as separate policy domains, but as mutually reinforcing dimensions of justice. In this view, development is not only about reducing poverty but also about reshaping the institutional and political conditions through which equality can be lived, recognized, and sustained. Only through such a shift can emerging democracies move beyond prosperity without justice toward more substantive and shared forms of social equality.

Discussion

The findings of this study point to a persistent contradiction in contemporary development policy: poverty reduction is frequently presented as a marker of success, yet inequality remains embedded in the institutional and discursive frameworks through which development is understood and governed. The coding results suggest that this persistence is not incidental. Across the reviewed corpus, inequality is repeatedly framed as a governable development problem, policy interventions are justified through the language of growth, productivity, competitiveness, and efficiency, and beneficiaries are portrayed primarily through administrative categories of vulnerability, insecurity, and need (Bappenas, 2010, 2014, 2020; Miranti et al., 2013; Vujanovic, 2015; World Bank, 2015, 2023, 2025). Taken together, these patterns

help explain why poverty may decline without producing deeper forms of equality. This broader pattern resonates with Milanović's (2019) argument that contemporary capitalism can sustain economic expansion while preserving durable forms of stratification across classes and social groups. What appears, at first glance, to be a development success story is therefore also a story of conceptual and institutional limits: poverty is reduced, but the social organization of inequality often remains intact.

To interpret this contradiction, the discussion draws on Sen's (1999) capability approach, Fraser's (2009) theory of redistribution, recognition, and representation, and Bourdieu's (1986) concept of social and symbolic capital. These perspectives are complementary because each illuminates a different layer of the problem. Sen helps explain why material progress does not automatically translate into substantive freedom. Fraser clarifies why distributive improvements remain incomplete when policy subjects are also culturally misrecognized and politically underrepresented. Bourdieu, in turn, reveals how inequality may be sustained through the unequal distribution and recognition of valued forms of capital, legitimacy, and institutional advantage. Read together, these theories suggest that the persistence of inequality amid poverty reduction is not simply a policy failure, but a reflection of how development itself is framed, justified, and administered.

Framing Inequality: From Poverty Reduction to Governable Inequality

One of the clearest findings from the coded corpus is that inequality is no longer absent from mainstream development discourse. On the contrary, it is increasingly named, acknowledged, and incorporated into policy language. However, the way it is framed matters. Across the reviewed documents, inequality is seldom presented primarily as a conflict over power, ownership, or structural redistribution. Instead, it is more often rendered as a governable development problem: a matter of opportunity deficits, vulnerability, economic insecurity, uneven gains, and populations being "left behind" (Sumner, 2010; World Bank, 2011, 2015, 2023, 2025; UNDP, 2024). This is an important shift. The language of development no longer treats poverty alone as the central problem, yet it neither fully embraces inequality as a question of structural injustice. Rather, inequality is incorporated into policy discourse in ways that make it legible to governance.

This framing is visible at both the global and the Indonesian levels. In international documents, poverty is increasingly described as multidimensional and intertwined with voicelessness, vulnerability, and exclusion (World Bank, 2000, 2011). Sumner's (2010, 2012, 2016) reformulation of global poverty as a "national distribution problem" similarly redirects attention away from poor countries as such and toward inequalities within middle-income countries. In the Indonesian corpus, *Indonesia's Rising Divide* explicitly defines inequality as "an obstacle to sustainable development" and links it to "inequality of opportunities" (World Bank, 2015). The *Indonesia Poverty Assessment 2023* moves further by emphasizing "economic insecurity," thereby including households that are not officially poor but remain susceptible to downward mobility (World Bank, 2023). The *Poverty & Equity Brief* adds the language of "uneven gains" and shock vulnerability, extending concern beyond the poor in a narrow sense to insecure lower-income and middle-class groups (World Bank, 2025). These formulations indicate that inequality is increasingly recognized, but typically through categories that remain compatible with policy management.

This shift also resonates with Birdsall's (2001, pp. 10–12, 26) argument that inequality matters because it shapes opportunity, constrains growth, and weakens the poverty-reducing effects of development. Ravallion (2014, pp. 851–852) similarly shows that growth in developing countries has often coexisted with persistent within-country inequality even where absolute poverty has declined. In this sense, the move from poverty to inequality in development discourse is not simply semantic; it reflects a deeper recognition that deprivation increasingly persists within growing economies rather than outside them.

From Sen's perspective, this shift is analytically significant but normatively incomplete. Sen (1999) argued that development should be understood not simply as income growth, but as the expansion of substantive freedoms: the real opportunities people have to live lives they value. The coded documents partially move in this direction when they discuss unequal opportunities, insecurity, or

the human consequences of exclusion. Yet they often stop short of asking whether development institutions actually redistribute the conditions necessary for those freedoms to become real. In other words, the discourse acknowledges that poverty is more than low income, but it does not always follow through to a deeper analysis of why capabilities remain unequally distributed. The language of "opportunity" can therefore be double-edged: it broadens the meaning of deprivation, yet it may also obscure the structural barriers that prevent many people from converting opportunities into effective agency.

Fraser's framework helps deepen this point. Her distinction between redistribution, recognition, and representation suggests that inequality should not be reduced to maldistribution alone (Fraser, 2009). The coding findings show that mainstream policy discourse increasingly recognizes inequality, but often in ways that displace its political dimensions. Vulnerability, economic insecurity, and unequal opportunity are all important categories, but they can become technocratic substitutes for more conflictual language about class hierarchy, elite capture, or unequal political voice. This is especially important in middle-income democracies such as Indonesia, where the coexistence of electoral inclusion and socioeconomic disparity can produce the appearance of fairness without altering deeper relations of privilege. Thus, the discursive move from poverty to inequality is real, but it often remains incomplete: inequality is acknowledged, yet reframed in forms that remain governable within existing institutional arrangements.

Bourdieu's perspective further suggests that the discourse of governable inequality may conceal the social reproduction of privilege. If inequality is repeatedly framed as an opportunity gap, an insecurity problem, or a matter of vulnerability, then the role of inherited capital—economic, social, cultural, and symbolic—can recede from view. Yet these forms of capital strongly shape who can benefit from education, labor-market access, state programs, and bureaucratic recognition (Bourdieu, 1986). The language of opportunity is not wrong, but it is often insufficient. It tends to individualize inequality by implying that the main problem is insufficient access, rather than asking how advantage itself is institutionally accumulated, protected, and normalized. In this sense, policy discourse may render inequality governable precisely by translating structural asymmetry into administratively manageable categories.

The Indonesian case illustrates this dynamic with particular clarity. Recent World Bank analyses of Indonesia frame inequality not simply as a matter of low income, but as a problem of unequal opportunity, economic insecurity, and uneven gains across regions and social groups. These insights align closely with the coding results: inequality is increasingly recognized in Indonesian development discourse, yet it remains embedded in a developmental vocabulary of equity, quality growth, competitiveness, regional balance, and inclusion (Bappenas, 2010, 2014, 2020). This does not mean that the state ignores inequality. Rather, it suggests that inequality is recognized in a form that remains closely tied to the broader project of national development management. The result is a discourse more sophisticated than older poverty-only frameworks, yet still limited in how far it goes in naming inequality as a matter of structural redistribution, political voice, and institutionalized exclusion.

Legitimation through Growth, Productivity, and Targeting

A second major pattern emerging from the coded corpus concerns the language used to justify policy priorities. Across the reviewed documents, interventions are repeatedly legitimized not primarily through equality as a moral or political end, but through growth, productivity, competitiveness, efficiency, human capital, and targeted policy design (Bappenas, 2010, 2014, 2020; Vujanovic, 2015; World Bank, 2000, 2011, 2015, 2023, 2025). In this respect, inequality is not denied; rather, policy responses to it are normalized through a developmental logic that privileges administrative performance and economic functionality. The question is less whether inequality matters than how it is made actionable. The dominant answer in the corpus is clear: through better growth, more productive populations, stronger infrastructure, improved targeting, and more efficient institutions.

This pattern is visible in both global and national documents. At the global level, the *World Development Report 2000/2001* justifies anti-poverty interventions through "opportunity, empowerment, and security,"

while also emphasizing equitable growth, access to markets, and more responsive institutions (World Bank, 2000). The Global Monitoring Report 2011 likewise states the achievement of development goals within "inclusive growth," "improved policies," and "growth and policy reforms" (World Bank, 2011). In the Indonesian context, OECD reports frame reform through "inclusive and sustainable growth," "productivity," "human capital," and "better targeting," while World Bank assessments emphasize "pro-poor investments," "competitiveness and productivity," and job quality as pathways to greater security and inclusion (Miranti et al., 2013; Vujanovic, 2015; World Bank, 2023, 2025). Across these texts, growth-oriented policy language serves not merely as economic description but as a normative vocabulary through which interventions are rendered reasonable, necessary, and desirable.

The historical progression within the RPJMN documents makes this pattern especially visible. RPJMN 2010–2014 still relies heavily on the language of pro-poor growth, national competitiveness, and human-resource upgrading (Bappenas, 2010). RPJMN 2015–2019 places greater emphasis on inclusive growth, people's productivity, and the bottom 40 percent, suggesting a partial broadening of the developmental agenda (Bappenas, 2014). RPJMN 2020–2024 further consolidates this logic by referencing quality and equitable growth, competitiveness, quality human resources, infrastructure competitiveness, and well-targeted assistance (Bappenas, 2020). What changes across these documents is not the disappearance of equity concerns, but the increasing tendency to articulate them through the instrumental language of growth management. Equity becomes something to be pursued through competitiveness, infrastructure, human capital, and policy integration rather than through explicit redistributive restructuring.

From Sen's perspective, this form of legitimation is both understandable and limited. Sen (1999) does not reject growth; indeed, he recognizes that material expansion can enlarge people's capabilities. However, his key argument is that development cannot be reduced to the means of prosperity without attention to the actual freedoms people can enjoy. The coding results suggest that much of the reviewed corpus operates with an instrumental logic in which opportunity is assumed to follow from growth, skills, and market access. Yet this assumption is not self-evident. A policy language centered on productivity and competitiveness may expand aggregate capacity while still leaving unequal social conditions untouched. When human capital becomes the preferred answer to inequality, the deeper question of whether institutions distribute the conditions for freedom fairly can easily recede into the background.

Birdsall (2001, pp. 10–12, 26) is especially relevant here because she argues that inequality is not merely a distributive side issue, but one that shapes opportunity, constrains growth, weakens poverty reduction, and can trap societies in persistent unequal equilibria. This insight helps explain why the coded corpus repeatedly frames inequality through opportunity, productivity, and targeting rather than more direct questions of ownership, labor power, or elite capture. Ravallion (2001, pp. 1803–1805) similarly shows that growth, inequality, and poverty cannot be understood through averages alone, because distributional patterns shape how much growth actually reaches the poor. The technocratic vocabulary identified in this study, therefore, is not politically neutral. It channels policy attention toward what can be optimized while narrowing the space for more redistributive or conflict-centered interpretations of inequality.

Fraser's framework reinforces this point by highlighting the normative selectivity of *policy legitimation*. Her account of redistribution, recognition, and representation suggests that justice cannot be reduced to administratively efficient policy delivery (Fraser, 2009). Yet the documents in this study repeatedly justify intervention through technocratic criteria such as better targeting, fiscal sustainability, productivity gains, labor-market integration, and infrastructure competitiveness. These are not trivial concerns. But they reveal a pattern in which the language of justice is often subordinated to the language of optimization. Redistribution, when present, appears primarily as an instrument for greater inclusion in development, not as a direct challenge to entrenched asymmetries of wealth and power.

Bourdieu's perspective adds a further layer by showing how apparently neutral policy categories can normalize unequal structures. The recurrent emphasis on competitiveness,

human capital, and productivity can do more than organize policy; it can also valorize forms of capital that are already unevenly distributed (Bourdieu, 1986). Those who possess stronger educational credentials, social connections, bureaucratic literacy, or institutional legitimacy are better positioned to convert these policy priorities into advantage. In this sense, technocratic legitimation may not only respond to inequality, but also reproduce it.

This dynamic is also visible in the Indonesian case. Reading alongside the coded corpus, recent analyses of inequality in Indonesia suggest that growth, productivity, and targeting have become the dominant language of *policy legitimation*, but not necessarily the language of structural justice. Rather than being framed primarily through redistribution, political voice, or institutional exclusion, inequality is more often represented in the language of unequal opportunity, economic insecurity, and uneven gains across regions and social groups. This pattern aligns closely with the coding results, which show that inequality is increasingly recognized in Indonesian development discourse, but in forms that remain more administratively manageable than politically transformative.

Taken together, the findings suggest that contemporary development policy frequently legitimates itself by promising inclusion without fully confronting redistribution. Growth, productivity, and targeting operate as persuasive and widely accepted justifications for intervention, yet they also narrow the horizon of what counts as an appropriate response. In this sense, the technocratic trap lies not in rejecting equality, but in translating equality into a language compatible with managerial governance and developmental performance. The result is a policy discourse that can acknowledge inequality, mobilize resources against it, and still leave many of its structural foundations intact.

For Indonesian policy, the implication is not to abandon poverty reduction, inclusive growth, or targeted social protection, but to move beyond a narrow managerial model of inclusion. The ideal policy direction is a transformative equality-based development governance model. Such a model would retain the strengths of poverty reduction and social protection, but would connect them more explicitly to redistribution, recognition, and representation. Redistribution requires policy instruments that go beyond targeted assistance, including stronger equalization of access to education, health, employment protection, productive assets, and regional infrastructure. Recognition requires treating poor, vulnerable, rural, and marginalized groups not merely as beneficiaries or target populations, but as citizens with dignity, local knowledge, and legitimate claims. Representation requires institutional mechanisms through which affected communities can participate meaningfully in policy design, implementation, monitoring, and evaluation.

In the Indonesian context, this model would shift the evaluation of development success from a narrow focus on poverty reduction and program targeting toward a broader assessment of whether policy reduces economic insecurity, narrows regional disparities, expands institutional access, and strengthens the voice of marginalized groups. This does not reject technocratic planning, but reorients it. Planning instruments, indicators, and social protection programs should not only identify who is poor or vulnerable, but also examine why particular groups remain structurally disadvantaged and how they can participate in shaping the terms of development.

Governing the Poor: Beneficiaries, Vulnerability, and Administrative Categories

A third major pattern in the coded corpus concerns the *representation of beneficiaries*. Across the reviewed documents, the poor are rarely absent from policy discourse; indeed, they are often highly visible. However, the terms through which they are made visible are remarkably structured. Rather than being portrayed primarily as citizens with rights, voice, and claims to justice, they are more commonly represented through administrative and technocratic categories such as poor and vulnerable households, the bottom 40 percent, economically insecure households, vulnerable workers, families receiving assistance, socially excluded groups, and those most in need (Bappenas, 2010, 2014, 2020; Miranti et al., 2013; Vujanovic, 2015; World Bank, 2011, 2015, 2023, 2025). This pattern is analytically important because policy categories do not merely describe populations; they also shape how those populations can be governed, assisted, and imagined within development practice.

At one level, such categorization is necessary. Welfare policy, poverty reduction programs, and social assistance systems require target groups, eligibility thresholds, and institutional classifications. The problem, however, is that these administrative representations can narrow the political meaning of inequality by translating social subjects into governable objects. In the Indonesian policy corpus, for example, beneficiaries are repeatedly described as poor and vulnerable households, the bottom 40 percent, low-income populations, vulnerable groups, and families receiving social assistance (Bappenas, 2014, 2020; World Bank, 2023). In earlier RPJMN documents, they also appear in highly programmatic categories such as poor families, targeted recipients, and specific welfare beneficiary groups (Bappenas, 2010). In the World Bank and OECD materials, similar classificatory logic appears through formulations such as economically insecure households, vulnerable households, bottom income quintiles, and groups requiring better targeting (Vujanovic, 2015; World Bank, 2023, 2025). These categories render populations legible for intervention, but they also position them primarily as recipients of programs rather than as agents capable of shaping the terms of development itself.

Fraser's framework is especially powerful in interpreting this pattern. Her argument that injustice operates not only through maldistribution but also through misrecognition and misrepresentation helps clarify why administrative visibility does not necessarily equal political inclusion (Fraser, 2009). The coded documents show that beneficiaries are recognized, but often only in limited ways: as vulnerable, poor, targetable, insecure, or in need of assistance. Such recognition can support redistribution, but it can also reinforce hierarchical distinctions between governing institutions and governed populations. In Fraser's terms, subjects may be materially included while still being culturally and politically subordinated. This is particularly clear when groups are named through deficit-oriented categories that emphasize risk, dependency, or policy need without granting them a stronger role as participants in deliberation, representation, or institutional design.

Sen's approach offers a related but distinct insight. If development is understood as the expansion of capabilities, then the representation of beneficiaries matters because policy language influences whether people are treated as passive recipients of welfare or as agents capable of shaping their own lives (Sen, 1999). The coded corpus shows both tendencies, though unevenly. Most Indonesian planning documents lean toward administrative classifications that facilitate targeting and service delivery. Yet some international documents offer more expansive formulations. The *Human Development Report 2023–24* emphasizes agency, dignity, voice, and human security, while the *World Development Report 2000/2001* foregrounds powerlessness, voicelessness, and even the shame and indignity experienced by poor people in institutional encounters (UNDP, 2024; World Bank, 2000). These alternative formulations are significant because they represent the poor not simply as populations requiring management, but as subjects whose well-being depends on recognition, participation, and fair institutions.

Bourdieu's perspective adds another dimension by showing how classificatory language itself participates in symbolic power. Categories such as poor, vulnerable, bottom 40 percent, or economically insecure are not merely descriptive; they are institutional labels that shape who is seen, how they are seen, and what kinds of interventions become thinkable (Bourdieu, 1986). Symbolic power operates precisely through such classificatory systems, which define the social world in ways that appear natural, objective, and administratively necessary. The repeated coding of beneficiaries through deficit-based or vulnerability-based categories may therefore do more than identify need; it may help stabilize a hierarchy in which certain groups are continuously positioned as policy objects rather than as bearers of authoritative knowledge or political legitimacy. From this perspective, representation is not just about whether the poor are visible, but about the terms on which they become visible.

This tension is particularly evident in the Indonesian case. On the one hand, the corpus shows a widening recognition of policy subjects: the poor are no longer treated as a homogeneous category, but differentiated into poor and vulnerable households, the bottom 40 percent, vulnerable workers, economically insecure groups, and geographically left-behind populations (Bappenas, 2014, 2020;

World Bank, 2020, 2023, 2025). This indicates a more nuanced awareness of differentiated vulnerability. On the other hand, the dominant language remains administrative. Beneficiaries are still most often recognized as categories to be targeted, protected, incentivized, or integrated into development. Even when the vocabulary becomes more expansive, as in references to productive assets, vulnerable workers, or families receiving assistance, it continues to operate largely within a policy grammar of management rather than democratic co-production. The poor are made visible, but primarily as populations to be acted upon.

The contrast between official planning language and more people-centered international discourse is especially revealing. In UNDP's formulation, development subjects are linked to dignity, agency, and voice; in the earlier World Bank discourse of Attacking Poverty, they are linked to indignity, voicelessness, and the need for fair institutions (UNDP, 2024; World Bank, 2000). These strands of discourse suggest that the representation of beneficiaries need not be confined to targeting and vulnerability alone. Yet within the Indonesian planning corpus, such language remains secondary to the dominant logic of classification, assistance, and managed inclusion. This suggests that the challenge is not only to improve policy design but also to rethink the discursive status of policy subjects themselves.

Recent analyses of inequality in Indonesia sharpen this point by showing that deprivation is increasingly described through categories such as vulnerability, economic insecurity, and uneven gains across social groups and regions. Read alongside the coded representations of beneficiaries, this suggests that poor and vulnerable groups in Indonesia are being made more visible in policy discourse, but still largely within an administrative framework of targeting, protection, and managed inclusion. What expands, in other words, is the precision of classification more than the depth of redistribution, recognition, or representation.

Taken together, the findings indicate that beneficiaries in contemporary development discourse are often recognized through categories that facilitate administration but limit political subjectivity. This does not mean that targeting is inherently problematic or that vulnerability should be ignored. Rather, it means that when policy subjects are represented primarily as administratively legible populations, deeper questions of voice, agency, and recognition can be pushed aside. The issue, then, is not visibility alone, but the terms of visibility. A development discourse committed to equality would need not only to identify who is poor or vulnerable, but also to create space for those groups to appear as participants, claim-makers, and co-authors of development itself.

From Inclusive Growth to Transformative Equality

Taken together, the findings suggest that the prevailing paradigm of inclusive growth remains normatively important but analytically insufficient. Across the reviewed corpus, inclusive growth functions as one of the most recurrent policy idioms for addressing poverty and inequality. It promises broader participation in development, wider access to opportunity, and a reduction of exclusion through better targeting, improved productivity, stronger human capital, and expanded social protection (Bappenas, 2014, 2020; Vujanovic, 2015; World Bank, 2011, 2023, 2025). In this sense, inclusive growth marks an important departure from older models that treated aggregate growth alone as adequate. Yet the coding results also show its limits. In practice, inclusive growth often remains tied to a technocratic logic in which inequality is acknowledged, but addressed through instruments that improve incorporation into existing economic structures rather than transforming the structures that generate unequal outcomes.

The Indonesian case illustrates these limits with particular clarity. Read alongside the coded corpus, recent policy analyses suggest that poor and vulnerable groups are increasingly rendered visible through categories such as vulnerability, economic insecurity, and uneven gains, but still largely within an administrative framework of targeting, protection, and managed inclusion. Rather than displacing the structures that reproduce unequal outcomes, the discourse of inclusive growth often refines the terms through which inequality is classified and managed. What expands, in other words, is not necessarily structural justice, but the policy capacity to identify, sort, and govern populations more precisely.

This is why the findings point toward the need for what may be called transformative

equality-based development governance. By this term, this article refers to a development orientation that does not stop at widening access to markets, services, or safety nets, but seeks to transform the institutional, cultural, and political conditions through which inequality is sustained. This framework treats redistribution, recognition, and representation as mutually reinforcing dimensions of justice. In this respect, it is closer to Fraser's (2009) conception of parity of participation than to mainstream policy approaches that seek only to improve inclusion within unequal structures. A person may receive assistance, training, or access to markets and still remain constrained by stigma, weak bargaining power, unequal voice, or exclusion from meaningful decision-making. The coded corpus suggests that current policy discourse often addresses material inclusion more readily than these deeper dimensions of justice.

Sen's capability approach helps clarify why this distinction matters. If development is about expanding substantive freedoms, then the question is not only whether people are included in growth, but whether they gain the real capacity to shape their lives on fair terms (Sen, 1999). The reviewed policy texts frequently promise better opportunities, stronger human capital, or improved productivity, all of which may matter. But opportunities alone do not guarantee capability expansion when the conditions of conversion remain unequal. Women may have formal access to labor markets but remain constrained by care burdens, social norms, and limited institutional support. Rural households may receive targeted interventions yet still face weak infrastructure, unequal bargaining positions, and ecological vulnerability. Policy systems may recognize lower-income and economically insecure households, but only as categories to be stabilized rather than as groups entitled to reshape the rules of distribution. Transformative equality, in this sense, requires more than inclusion; it requires institutions that actively equalize the social conditions under which freedom can be exercised.

Fraser's perspective deepens this argument by showing why inclusion without transformation is often fragile. The coding results reveal a discourse that is relatively comfortable with redistribution through assistance, subsidies, or pro-poor investment, but less comfortable with the deeper questions of recognition and representation that would challenge established hierarchies (Fraser, 2009). Policy documents repeatedly acknowledge vulnerable groups, poor and vulnerable households, the bottom 40 percent, and economically insecure populations. Yet, they less frequently address how these groups might gain a stronger political voice, institutional presence, or cultural legitimacy. In that sense, many of the interventions identified in the corpus resemble what Fraser calls affirmative rather than transformative remedies: they mitigate disadvantage without fundamentally restructuring the social and political relations that generate it. Transformative equality would therefore require not only better policies for the poor, but also changes in how institutions recognize marginalized populations and how development priorities are politically determined.

Bourdieu's contribution is equally important here because it draws attention to the social reproduction of advantage. A development model centered only on inclusion can leave the unequal distribution of capital—economic, cultural, social, and symbolic—untouched, shaping who benefits most from new opportunities (Bourdieu, 1986). In the Indonesian development context, social capital may include access to bureaucratic networks, village authorities, local political elites, community organizations, religious leaders, patronage networks, and informal channels of information through which development programs are accessed. Symbolic capital may include educational credentials, administrative literacy, recognized community status, reputation as a "productive" citizen or entrepreneur, formal business status, or legitimacy as a deserving beneficiary within state classification systems.

These forms of capital matter because groups that already possess bureaucratic familiarity, recognized status, social networks, or symbolic legitimacy are often better positioned to navigate policy systems, access programs, and convert development opportunities into a durable advantage. Conversely, groups lacking such capital may be formally included as target beneficiaries yet remain poorly positioned to influence policy priorities or secure long-term mobility. The findings suggest that when competitiveness, productivity, and human capital become the dominant criteria of *policy legitimation*, those already endowed with

institutional familiarity, credentials, networks, and recognized legitimacy are best positioned to convert policy opportunities into a durable advantage. Transformative equality would therefore require policies that not only help disadvantaged groups adapt to existing systems, but also interrogate how those systems reward some forms of capital over others.

In the Indonesian context, such a shift would have several implications. Reading alongside the coded corpus, recent policy analyses suggest that inequality in Indonesia persists not only because redistribution remains limited, but also because unequal opportunity, economic insecurity, and uneven gains are managed through categories that do not necessarily transform deeper structures of advantage. Transformative equality requires moving beyond a narrow reliance on targeted assistance toward stronger structural equalization across regions, sectors, and social groups. It would also require rethinking how beneficiaries are positioned in policy language and practice—not only as vulnerable recipients, but as social actors capable of voice, participation, and claim-making. The point is not to reject inclusive growth altogether, but to recognize that inclusion without transformation can stabilize inequality in a softer form.

Toward a Political Sociology of Inequality

Overall, this study has argued that poverty reduction and inequality must not be treated as sequential stages in a single development trajectory, as though growth first reduces poverty and then eventually resolves inequality. The coded policy corpus suggests a more complex reality. Poverty reduction has advanced significantly in many settings, including Indonesia. Yet, inequality remains persistent, partly because it is not only an economic outcome but also a discursive, institutional, and political condition. Development documents increasingly acknowledge this condition, yet they often do so in ways that render inequality administratively manageable rather than structurally transformative. As a result, policy systems may succeed in reducing hardship while leaving intact the hierarchies of power, recognition, and representation that sustain uneven life chances.

This conclusion has broader implications for both development studies and political sociology. For development studies, the central issue is no longer simply whether poverty declines, but how inequality is conceptualized and governed within policy regimes that remain deeply attached to growth, productivity, and targeting. For political sociology, it highlights the importance of examining development not just as a technical project, but as a field of power in which categories, institutions, and policy languages shape who is seen, how they are classified, and what forms of justice are considered legitimate. The categories identified in the corpus—*inequality as discourse, policy legitimation, and representation of beneficiaries*—show that development policy is not merely a response to inequality; it is also an arena in which inequality is narrated, normalized, and contested.

The findings suggest that several interrelated factors shape equality. First, redistributive capacity determines whether the state can allocate resources, services, infrastructure, and protection in ways that reduce structural disadvantage rather than merely compensate for poverty. Second, recognition shapes whether poor, vulnerable, rural, and marginalized groups are treated as citizens with dignity and knowledge, or merely as administrative categories of need. Third, representation determines whether affected communities have a meaningful voice in policy design, implementation, and evaluation. Fourth, regional equity affects whether development gains are distributed across territories or concentrated in more institutionally and economically advantaged regions. Fifth, institutional accessibility shapes whether citizens can actually navigate bureaucratic procedures, claim entitlements, and benefit from public programs. Finally, the distribution of social and symbolic capital affects who can convert policy opportunities into real mobility and who remains formally included but substantively disadvantaged.

These factors show that equality cannot be reduced to poverty reduction alone. A household may move above the poverty line but remain economically insecure, politically voiceless, regionally disadvantaged, or weakly recognized by institutions. For this reason, a political sociology of inequality must examine not only how resources are distributed, but also how policy categories, institutional access, social recognition, and political voice shape the conditions under which equality can be lived.

In this light, the persistence of inequality amid prosperity should not be read simply as a

failure of implementation. It is also a reflection of the conceptual limits of development frameworks that prioritize managed inclusion over structural transformation. A more adequate response would require moving beyond reducing poverty as an isolated objective toward a richer political project of equality—one that redistributes resources, recognizes marginalized lives, and expands meaningful representation. Only then can development move from the management of deprivation toward the democratization of opportunity, dignity, and power.

Conclusion

This study has argued that the contemporary development debate can no longer be understood simply as a question of poverty reduction. While global and national poverty rates have declined, the findings show that inequality remains deeply embedded in the institutional and discursive frameworks through which development is interpreted and governed. Across the reviewed policy corpus, three recurring patterns were identified: inequality is framed as a governable development problem, policy interventions are legitimized through the language of growth, productivity, competitiveness, and efficiency, and beneficiaries are represented primarily through administrative categories of vulnerability, insecurity, and need. These patterns help explain why poverty reduction may coexist with durable forms of inequality.

The study also shows that the geography of poverty has shifted. Poverty is no longer concentrated mainly in low-income and fragile states, but increasingly persists within middle-income countries where growth has expanded without fully transforming unequal structures of opportunity, recognition, and representation. Indonesia illustrates this condition clearly. Although poverty has fallen substantially, policy documents and secondary evidence reveal the continued persistence of economic insecurity, unequal opportunity, regional disparity, and the reproduction of poor and vulnerable groups within a growing economy. In this sense, poverty has been reduced, but inequality has not been fundamentally displaced.

Interpreted through the lenses of Sen, Fraser, and Bourdieu, these findings suggest that the limits of contemporary development policy lie not only in implementation gaps, but also in the conceptual, institutional, and managerial boundaries of the dominant policy paradigm itself. Sen helps illuminate why material improvement does not automatically translate into substantive freedom. Fraser clarifies why distributive measures remain incomplete when policy subjects are also misrecognized and underrepresented. Bourdieu reveals how social and symbolic capital may contribute to the reproduction of advantage even within formally inclusive policy systems. Together, these perspectives show that inequality persists not as a residual anomaly but as a patterned outcome of how development is framed, justified, and administered.

The contribution of this study, therefore, lies in showing that development policy is not merely a response to inequality; it is also one of the sites where inequality is narrated, normalized, and managed. The dominant discourse of inclusive growth has expanded the language of concern, but it often addresses inequality through instruments that manage vulnerability more readily than they transform structural power relations. For this reason, the study argues for moving beyond poverty reduction and beyond inclusive growth toward a more transformative understanding of equality—one that integrates redistribution, recognition, and representation as mutually reinforcing dimensions of justice.

Ultimately, the challenge for middle-income democracies is not only to reduce deprivation, but to democratize the conditions under which prosperity, dignity, and voice are distributed. Development, in this view, should be evaluated not only by how many people move above the poverty line, but also by whether institutions reduce insecurity, widen meaningful participation, and weaken the reproduction of entrenched advantage. Only through such a shift can development move from the management of poverty toward the pursuit of more substantive and transformative equality.

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