

Analysis of the Influence of HDI and Unemployment on Poverty in Papua and East Nusa Tenggara (2013 - 2022)

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Abstract

Poverty is still a major problem in the development process in Indonesia. The regions of East Nusa Tenggara (NTT) and Papua are regions whose development is lagging behind compared to other regions in Indonesia. According to the Central Statistics Agency, in 2013, the poverty rate in Papua reached 26.68% and NTT was in third place with a poverty rate of 20.14%. Several factors that cause poverty include unemployment and the human development index. The aim of this research is to determine the effect of unemployment and the human development index on poverty levels in NTT and Papua for the 2013-2022 period. This research uses multiple linear regression analysis methods with a descriptive approach. The research results show that the Human Development Index (HDI) has a more significant influence on poverty in Papua than in NTT. Meanwhile, unemployment does not have a significant effect on poverty in these two regions. However, the direction of the influence is different, namely positive in NTT and negative in Papua.

Keyword : Poverty, Unemployment, Human Development Index.

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Introduction

Poverty is one of the main challenges in the development process in Indonesia. Even though economic growth has increased quite significantly, most of the results are only enjoyed by a small portion of society. Meanwhile, most other communities are still in less prosperous economic conditions. This makes it increasingly difficult for poor people to escape the trap of poverty. Small groups benefit from economic growth, while the majority of society struggles with disparities in access to opportunities in this situation. As a result, they are sidelined from progress in economic and social development and aren't able to reach their full potential. This complexity is what increasingly keeps those living in poverty stuck in their difficult circumstances (Wanto & Hardinata, 2020).

The study related to the influence of the human development index and the level of open poverty on poverty in the 5 poorest provinces in Indonesia in 2010-2020 (Yuliana Intan 2021), and the fact is that it is true that the influence of humans and the level of open poverty on the poverty index in 5 provinces Hal This has an influence, and also in this research there are 17.8% poverty factors other than HDI and TPT. This causes a gap between the research that has been carried out. This gap can be exploited by future researchers to research more specifically between the

two provinces, namely the provinces of East Nusa Tenggara and Papua regarding the influence of the human development index and poverty on poverty 2013-2022.

Specific actions should focus on improving access to education and training so that individuals have skills that match the changing job market. To address this issue, it's crucial for the government, society, and private sector to work together closely to create complete solutions. Additionally, the main priority should be generating good job opportunities and ensuring a decent standard of living. However, besides economic factors, enhancing the overall well-being of individuals is equally important. This involves guaranteeing better access to affordable healthcare and reinforcing social safety nets to shield people from financial hardships that often deepen their poverty. Only by coordinating these comprehensive efforts can Indonesia lessen the harsh effects of poverty and provide every citizen with an equal chance to succeed (Roberts, Sander & Tiwari, 2019).

Poverty has a very detrimental impact on various aspects of people's lives. The negative impacts caused by poverty include low quality human resources, high unemployment rates, school dropouts, violence, crime and health problems. Low quality of human resources will affect a person's ability to find decent work and increase the possibility of unemployment. High unemployment rates will worsen poverty conditions and exacerbate other social problems. Dropping out of school will reduce a person's opportunity to get a decent job and improve the family's economic condition. Violence and crime will increase as poverty increases. Health problems will also get worse because poor people will find it difficult to get access to adequate health services. Apart from that, poverty can also disrupt social and political stability, and make it difficult for the government to achieve sustainable development. Poverty has a very detrimental negative impact on the economy, such as decreasing productivity and competitiveness, as well as increasing poverty and unemployment rates. Poverty that is not balanced with increased employment opportunities and equal distribution of the population has the potential to worsen the level of poverty itself (Magnuson & Duncan, 2019). The East Nusa Tenggara (NTT) and Papua regions have been lagging behind in development compared to other regions in Indonesia. According to the Central Statistics Agency, in 2013, there were around 1,001,355 poor people in NTT and 1,037,67 poor people in Papua. The number of poor people in Indonesia in the same year reached 26,161.16 people, so that 2.6% of the poor were in East Nusa Tenggara and 2.5% were in Papua (Kurniawan, de Groot & Mulder, 2019).

Based on data from BPS for 2013 and 2022, Papua had the highest poverty rate of 26.68% in 2013 and increased to 31.33% in 2022. Then, East Nusa Tenggara was in third place with a poverty rate of 20.14% in 2013 and decreased to 20.13% in 2022. Factors that cause poverty include unemployment, human development index, minimum wage, and economic growth. Unemployment is a measure of how many people are looking for work out of the total workforce. The Human Development Index (HDI) shows how society can access development results in terms of education, health, income, and so on. Provincial Minimum Wage (UMP) is the minimum wage as well as fixed allowances and basic allowances. Poverty is influenced by factors such as the poor standard of living of the population, inadequate UMP, and increasing unemployment without increasing employment opportunities. The limited number of job opportunities is the main cause of unemployment which in turn has a direct impact on high levels of poverty (Priambodo, 2021).

The poverty level in East Nusa Tenggara and Papua is still very high compared to 34 other provinces in Indonesia. The aim of this research is to determine the effect of unemployment and the human development index on poverty levels in NTT and Papua for the 2013-2022 period.

The research "Analysis of the Effect of Unemployment and HDI on Poverty in East Nusa Tenggara and Papua (2013-2022)" aims to determine the effect of unemployment and HDI on poverty levels in the two regions for the 2013-2022 period. This study aims to find out the results of the Analysis of the Influence of HDI and Unemployment on Poverty in Papua and East Nusa Tenggara (2013 - 2022). Based on the theoretical framework explained previously and using a significance level of 5%.

Literature Review

The poverty line used by each country is different, so there is no one generally accepted poverty line due to differences in location and standard of living needs. Based on BPS (2010), the poverty line in Indonesia is determined that people with income below IDR 7,057 per person per day are called poor people. The figure of IDR 7,057 per person per day is determined based on calculations that include food and non-food needs. Meanwhile, the World Bank sets poverty standards which refer to per capita income. So, poor people are people whose average monthly per capita expenditure is below the poverty line, both food and non-food expenditure. Poverty is related to the possibility of poor families to develop and carry out their economic activities with the aim of improving their standard of living (Ningrum, Hukom & Adiwijaya, 2020). More than that, poverty is not just about income or how much you spend. However, poverty has factors outside of the material, including health and education factors which are still difficult for them to reach with limited access, this is due to the lack of even distribution of infrastructure and also due to geographical factors (Townsend, 2020).

Ragnar Nurkse developed a theory called the apparent circle of poverty theory in 1953. This theory states that a series of forces that influence each other ultimately give rise to a situation that makes a country, especially a developing country, face various problems in achieving higher development, which is called the vicious circle of poverty. Imperfect and underdeveloped markets and insufficient capital will trigger low productivity, this will result in low income received. Low income results in low savings and investment. Low investment causes poverty. Therefore, all efforts aimed at reducing poverty must be able to break the cycle and trap of poverty itself (Guo & Liu, 2021).

Unemployed are people who have entered the labor force category who are actively looking for work at a certain wage level, but do not get the job they want. The classification of unemployment consists of several types according to its causes, including, first, frictional unemployment, namely unemployment caused by the actions of a worker who wants to find work at a better level and thus leaves his previous job. Second, structural unemployment, structural changes in the economy are the main causes of this type of unemployment. Third, conjunctural unemployment, caused by excessive natural unemployment and the impact of reduced aggregate demand (Bartik, Bertrand, Rothstein & Unrath, 2020).

One of the main factors determining people's welfare is the level of income. If the available workforce is used fully, then people's income will reach a maximum, so that if the person concerned does not work (unemployed), this will reduce their income and the level of welfare they achieve, this can also lead to poor community welfare (Wang, Liang & Sun, 2019).

Based on BPS (2007), the Human Development Index (HDI) is a measure of human development achievements which includes the basic components of quality of life. The components of HDI include school participation and average length of schooling, literacy rate, longevity, health and average per capita expenditure. The availability of quality human resources is the main requirement for sustainable economic development (Chams & García-Blandón, 2019). Human capital is the ability and knowledge gained by workers through education ranging

from programs for children to on-the-job training aimed at adult workers. Therefore, capital in the education sector is very crucial in improving the quality of human resources so that the human development index will also increase (Widarni & Bawono, 2022).

The Human Development Index (HDI) is an indicator used to measure a country's progress in health, education and economic aspects. HDI can help the government plan better and more sustainable development policies. However, there are several pros and cons regarding the use of HDI in overcoming poverty. HDI can help the government plan better and more sustainable development policies and HDI can help the government in equalizing a country's development progress in health, education and economic aspects. While the cons are, HDI does not take into account other factors that can influence poverty, such as income inequality, poverty and access to basic services (Widarni & Bawono, 2021).

H1: HDI has a significant effect on poverty.

The relationship between unemployment and poverty is complex and controversial. On the one hand, unemployment can worsen poverty because families' incomes are reduced, making it difficult for them to meet basic needs such as food, housing and education. On the other hand, some people argue that poverty can lead to unemployment because people living in poverty are less likely to have access to the education and training necessary to obtain decent work (Widarni, Drean, & Bawono, 2022). However, there are also those who argue that unemployment can help reduce poverty because it can force governments to provide social assistance and training programs to help people who are unemployed. However, it is important to remember that unemployment and poverty are interrelated problems and must be addressed together to achieve significant progress in reducing poverty and unemployment (Widarni, Prestianawati, & Bawono, 2020).

H2: Unemployment has a significant effect on poverty.

The relationship between the human development index (HDI) and unemployment and poverty is complex and controversial. On the one hand, a high HDI can help reduce poverty because it can improve people's quality of life through better access to education, health and decent work. On the other hand, some people argue that unemployment can worsen poverty because families' incomes are reduced, making it difficult for them to meet basic needs such as food, housing, and education (Kolot, Kozmenko, Herasymenko, & Štreimikienė, 2020). However, there are also those who argue that unemployment can help increase the HDI because it can force the government to provide social assistance and training programs to help people who are unemployed. However, it is important to remember that HDI, unemployment and poverty are interrelated issues and must be addressed together to achieve significant progress in reducing poverty and unemployment (Tjahjanto, Tuhana, Mafruhah, Istiqomah, & Ismoyowati, 2023).

H3: HDI and unemployment has a significant effect on poverty.

Research methods

The research applied quantitative approaches using a descriptive approach. This study was supported by secondary data from the Central Statistics Agency, also known as BPS, about the factors contributing to poverty in Indonesia during 2013 to 2022. Panel data, which combines time series data coming from 2013 to 2022 with cross-section data from 34 Indonesian provinces, is used in this research.

Multiple linear regression analysis is the analytical technique used in this research. A statistical technique called multiple linear regression is employed to determine the correlation among one dependent variable along with two or more independent variables. Poverty (Y) is the dependent

variable in this study, and the independent variables are the Human Development Index (X2) and unemployment (X1), both of which are considered to have an impact on the degree of poverty. The multiple linear regression model used in this research is as follows:

$$KM_{it} = \alpha + \beta_1 PNG_{it} + \beta_2 HDI_{it} + e_{it}$$

KM = Poverty levels in East Nusa Tenggara and Papua

PNG = Unemployment in East Nusa Tenggara and Papua

HDI = Human development index in East Nusa Tenggara and Papua

α = intercept

β_1, β_2 = independent variable regression coefficient

e_{it} = Error Term (Standard Error)

A number between 0 and 1 indicates how effectively the statistical model predicts a result, and this is known as the determination coefficient test. The notation R², or "r squared," is frequently used to represent the coefficient of determination. The lowercase r (r²) is typically used for simple linear regression. 1. With dividing the variation of the dependent variable by the variance of the model, one can get the coefficient of determination. The more closely the coefficient for determination value approaches 1, the more accurate the model's predictions are.

The F test is a method used in regression models to determine whether or not the independent variables taken as a whole significantly affect the dependent variable. The F-calculated value is obtained using a formula incorporating the coefficient of determination, and it is then compared with the F-table value obtained from the F distribution table to perform the F test. The independent variable has a significant impact if the F-calculated value is higher than the F-table value or the F-significant value is lower than the level significance. If not, there is no significant impact of the independent variable.

In a regression model, the t test can be used to determine if the independent variable has a statistically significant partial impact on the dependent variable. Applying the t test entails computing the t-value using a formula that combines the coefficient of regression and standard error, then contrasting it to the t-table value obtained through the t distribution table. The independent variable having a substantial impact whenever the t-calculated value is higher above the t-table value or if the significant t value is lower than the significance level. In a situation that it is not, the independent variable had no significant effect.

Table 1: Description variables

Variable	Description	Data Type	Data Source
X1	Human Development Index is a variable that measures the level of achievement of human development in a country or region.	Decimal number	Central Bureau of Statistics of Indonesia
X2	Unemployment is a variable that measures the number of people who do not have a job but are looking for work.	Decimal number	Central Bureau of Statistics of Indonesia
Y	Poverty is a variable that measures the number of people who are unable to meet basic food and non-food needs. The poverty variable is usually expressed as a percentage of the total population.	Decimal number	Central Bureau of Statistics of Indonesia

Results and Discussion

Table 2: Determination Coefficient Test (R²)

<i>Regression Statistics</i>	
Multiple R	0.704008928
R Square	0.495628571
Adjusted R Square	0.351522448

Standard Error	0.731400318
Observations	10

The table shows a multiple R value of 0.7040 which illustrates that all independent variables (unemployment and HDI) have a strong correlation with the dependent variable (poverty) of 0.7040. Then, the Adjusted R Square value is 0.3515 or 35.15%. This means that unemployment and the human development index explain poverty by 35.15%, the remaining 64.85% is influenced by other factors.

Table 3: F Test (simultaneous)

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	3.67971502	1.83985751	3.43933041	0.09112271
Residual	7	3.74462497	0.53494642	7	9
Total	9	7.42434	5		

Variabel Dependen: Y =Poverty

Predictors: (Constant), X1 = Unemployment, X2 = IPM

Based on the table above, 3.4393 is obtained as a calculated F value with a significance of 0.0911 and a significance level of 5% or $\alpha = 0.05$, so the significance value is $0.0911 > 0.05$. Meanwhile, the F table value with df1, namely a total of 2 independent variables, and df2 with 7 (n-k-1), obtained 4.74 as the F table value, so calculated F ($3.4393 \leq F$ table (4.74)). The conclusion is that not all independent variables have a significant effect on poverty simultaneously.

Table 4: t Test (Partial)

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	35.395	11.45265555	3.090543114	0.017553609
X1	2.1189	0.813946765	2.603270103	0.03525694
X2	-0.3303	0.197591467	-1.671437746	0.138557713

The table shows that the Unemployment variable (X1) influences poverty significantly as indicated by the significance value (P-value) $< \alpha$, namely $0.0352 < 0.05$ and the human development index variable (X2) does not significantly influence poverty in NTT with a value significance (P-value) $> \alpha$, namely $0.1385 > 0.05$.

Based on the research results obtained using multiple linear regression analysis, the regression equation below is obtained:

$$\text{Poverty Rate} = 35,39 (\text{cons}) + 2,11 (\text{PNG}) - 0,33 (\text{HDI})$$

The research's unemployment variable shows a positive coefficient and has a significant effect on poverty in NTT. This indicates that, if all the other variables stay constant, poverty will rise by 2.11% for every 1% increase in the unemployment rate. The HDI variable, on the other hand, has a coefficient that is negative and has little effect on poverty in NTT. Accordingly, if all other factors stay the same, the rate of poverty in NTT will drop by 0.33% for every 1% increase in the HDI.

Table 5: Determination Coefficient Test (R2)

<i>Regression Statistics</i>	
Multiple R	0.91829725
R Square	0.843269839
Adjusted R Square	0.798489793
Standard Error	0.628131875
Observations	10

The table shows a multiple R value of 0.918 which illustrates that all independent variables (unemployment and HDI) have a strong correlation with the dependent variable (poverty) of 0.918. Then, the Adjusted R Square value is 0.7984 or 79.84%. This means that unemployment and the human development index explain poverty by 79.84%, the remaining 20.16% is influenced by other factors.

Table 6: F Test (simultaneous)

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	14.85982493	7.429912466	18.83137501	0.00152417
Residual	7	2.761847568	0.394549653		2
Total	9	17.6216725			

Variabel Dependen: Y = Poverty

Predictors: (Constant), X1 = Unemployment, X2 = IPM

Based on the table above, 18.8313 is obtained as a calculated F value with a significance of 0.0015 and a significance level of 5% or $\alpha = 0.05$, so the significance value is $0.0015 < 0.05$. Meanwhile, the F table value with df1, namely a total of 2 independent variables, and df2 with 7 (n-k-1), obtained 4.74 as the F table value, so calculated F (18.83) \geq F table (4.74). The conclusion is that all independent variables have a significant effect simultaneously on poverty.

Table 7: t Test (Partial)

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	71.12219871	7.069242214	10.06079528	2.05559E-05
X1	-0.000281413	0.000181571	-1.549877704	0.16510409
X2	-0.728281767	0.119202546	-6.109615856	0.000486453

The table shows that the Unemployment variable (X1) does not significantly influence poverty as indicated by the significance value (P-value) $> \alpha$, namely $0.1651 > 0.05$ and the human development index variable (X2) significantly influences poverty in Papua with a significance value (P-value) $< \alpha$, namely $0.00048 < 0.05$. Based on the research results obtained using multiple linear regression analysis, the regression equation below is obtained:

$$\text{Poverty Rate} = 71,2 (\text{Cons}) - 0,00028 (\text{PNG}) - 0,728 (\text{HDI})$$

The research's unemployment variable shows a negative coefficient and has little effect on Papua New Guinea's poverty. This indicates that, assuming all other factors stay the same, poverty will reduce by 0.00028% for every 1% increase in the unemployment rate. In this moment, the Human Development Index (HDI) variable has a negative coefficient which has a big impact on Papua New Guinea's poverty. This indicates that, assuming the other variables stay constant, the rate of poverty in Papua will drop by 0.72% for every 1% increase in the HDI.

Discussion

The influence of unemployment and the human development index on poverty in East Nusa Tenggara

It was discovered through research and investigation conducted in East Nusa Tenggara that unemployment positively and significantly affects the degree of poverty. The proportion of people living in poverty rises in direct proportion to the number of individuals without jobs or income. This is evident from the partial t test results, which indicate that the effect is significant at the 95% confidence level for unemployment, with a significance value of $0.0352 < 0.05$. With a 2.11 unemployment regression coefficient, poverty will rise by 2.11% for every 1% increase in unemployment, provided all the other variables remains the same. Meanwhile, poverty levels are negatively but not significantly impacted by the Human Development Index (HDI). This indicates that, although not significantly different, improving human life quality which involves income, health, and education is linked to a decrease in poverty. This is evident from the partial t test results, which indicate that the effect is not significant at the 95% confidence level for HDI, with a significance value of $0.1385 > 0.05$. Given the HDI regression coefficient of -0.33, it can be concluded that, under the assumption that all of the other variables stay the same, a 1% increase in the HDI will result in a 0.33% decrease in poverty.

The influence of unemployment and the human development index on poverty in Papua

Based on the research findings, it seems that poverty levels are negatively impacted by both unemployment and the Human Development Index (HDI). Accordingly, the poverty rate decreases when the unemployment rate and HDI rise. There are variations in these two components' respective levels of influence, though. Poverty rates in Papua are negatively, although not significantly, impacted by unemployment. This suggests that although the impact is small, the number of individuals in poverty should decrease as more people lose their employment or income. This is evident through the partial t test results, which indicate that the effect is not significant at the 95% confidence level for unemployed people, with a significance value of $0.1651 > 0.05$. With a -0.00028 unemployment regression coefficient and the assumption that each of the other variables remain constant, a 1% rise in unemployment is expected to result in a 0.00028% decrease in poverty. The Human Development Index (HDI) has a significant and negative impact upon poverty rates. It indicates that a higher standard of living, including income, health, and education, will result in a substantial decrease in poverty. A 95% confidence level indicates that the effect is significant, as proven by the partial t test results, where HDI had a significance value in $0.00048 < 0.05$. Provided all other variables stay constant, the Human Development Index (HDI) regression coefficient of -0.728 indicates that for every 1% increase in the HDI, there is a corresponding 0.728% decrease in poverty.

Comparison of the Effect of Unemployment and HDI on Poverty in East Nusa Tenggara and Papua

From this comparison, it can be concluded that the impact of HDI on poverty levels is more pronounced in Papua than in East Nusa Tenggara. In fact, this is due to the lower significance value and higher regression coefficient (in absolute value) for HDI in Papua compared to East Nusa Tenggara. The significance value of HDI in Papua is $0.00048 < 0.05$, which means the effect is significant at the 95% confidence level. The HDI regression coefficient in Papua is -0.728 , assuming other variables remain constant, it can be said that every 1% increase in HDI is associated with a reduction in poverty of around 0.728%. Meanwhile, the significance value of HDI in East Nusa Tenggara is $0.1385 > 0.05$, which means the effect is not significant at the 95% confidence level. The HDI regression coefficient in East Nusa Tenggara is -0.33 , which can be stated that assuming other variables remain constant, an increase in HDI of 1% will correlate with a reduction in poverty of 0.33%.

Meanwhile, in both regions, the effect of unemployment on the poverty level is not significant, but has a different direction, namely positive in East Nusa Tenggara and negative in Papua. This indicates that there are other factors that play a role in influencing the poverty level in the two regions, apart from unemployment and HDI. Other factors may include geographic, political, cultural, or other variables that can strengthen or weaken the impact of unemployment and HDI on poverty levels. For example, in East Nusa Tenggara, dry and barren natural conditions can make things difficult for the agricultural sector, which is often the main source of community income. This could lead to an increase in unemployment and poverty levels in the region. On the other hand, in Papua, political conflicts between the government and separatist groups can create instability and discomfort in the area. The impact may be the opposite, with unemployment and poverty rates decreasing as many individuals flee or join separatist groups.

Government Policy in Reducing Poverty Rates in Indonesia

Handling poverty is an important government focus that requires serious attention. To overcome this problem, the government has implemented policies, including Presidential Instruction no. 4 of 2022 which aims to accelerate the reduction of extreme poverty levels throughout Indonesia until 2024. The long-term target is to make extreme poverty levels reach 0% by 2030, which is in line with sustainable development goals (Beegle & Christiaensen, 2019). The government is also carrying out a series of efforts to overcome poverty, including promoting inclusive economic growth, creating new jobs, maintaining economic stability, and maintaining trade policies and price stability. Focus is also given to increasing the productivity of the agricultural sector and developing infrastructure in marginalized areas. Apart from that, various programs are directly aimed at the poor, such as social assistance, the Family Hope Program, expansion of the social security system through BPJS, empowerment of MSMEs, and distribution of People's Business Credit (KUR).

Andre Bayo Ala (1981) stated that to overcome poverty, there are two strategies that can be implemented. First, a short-term strategy that focuses on redistributing resources to the poor by increasing employment opportunities, income and more equal distribution. Second, a long-term strategy that focuses on developing local self-reliance, meeting the needs of living individually and socially with dignity. The government, in its efforts to eradicate poverty, is divided into two categories, namely protecting families and groups who are temporarily experiencing poverty, and helping people who are chronically experiencing poverty through empowerment and prevention so that they do not fall into new poverty (Anghel, Fauser & Boccagni, 2019).

Conclusion

The main goal of national development is to reduce poverty and improve community welfare. However, the factors that cause poverty are different in each region in Indonesia. Based on research in East Nusa Tenggara (NTT) and Papua, it was concluded that HDI played a greater role in reducing poverty rates in Papua than in NTT. Increasing the HDI, which includes education, health and income, is considered a more effective way to reduce poverty in Papua. Apart from that, research shows that unemployment does not really affect poverty in the two regions, but the impact is different: it has a positive effect in NTT and a negative effect in Papua. Apart from unemployment factors, things such as geography, politics and culture also influence the level of poverty in the region. Therefore, efforts to overcome poverty in NTT and Papua are to increase the allocation of funds and resources, especially to increase HDI in Papua, especially in the fields of education, health and income. Further research is also needed regarding other factors that influence poverty in these two regions. Strategies adapted to the characteristics and conditions of each region must be developed to deal with poverty comprehensively and efficiently. Regular evaluation of implemented policies, coordination between sectors, and cooperation with related parties such as the private sector, regional government, civil society and international institutions are also important to achieve the goal of eliminating extreme poverty in Indonesia by 2030. The results of this research can provide useful direction for policy makers in designing effective programs to overcome poverty and national income inequality. Apart from that, it is hoped that it can increase public awareness of economic and social problems related to poverty and income inequality in Indonesia.

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