

## The Analysis of Lampung Province Poverty in Terms of Macroeconomic Variables

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### ABSTRACT

Promoting public welfare is one of the goals of national development. One of the success factors of development is the reduction of poverty. This study aims to analyze the effect of macroeconomic variables on poverty in Lampung in the period 2011-2021. Lampung Province is the gateway to the island of Sumatra so mic activity traffic between Java and Sumatra will definitely go through Lampung Province. With this type of quantitative research with secondary data. Using panel data in the form of time series (2011-2021) and Cross Sections (15 Regencies/Cities). The data analysis method in this study uses Panel Data regression analysis assisted by EViews version 9.0 software. The results showed that there was a positive and insignificant effect between the GRDP rate and poverty, the population growth rate had a positive and insignificant effect on poverty, the open unemployment rate had a positive and significant effect on poverty, and the Human Development Index had a negative and significant effect on poverty in the Lampung Province (Nouvan, 2022).

This study aimed to determine the effect of macroeconomic variables on poverty levels in Lampung province. This research is expected to contribute, among other things, by providing information about the condition of poverty in Lampung province, as a reference for the government to make policies in the context of poverty alleviation, and can provide additional knowledge about macroeconomic variables that affect poverty for other researchers. From the research results it is proven that North Lampung Regency is the poorest Regency in Lampung Province. Evidenced by the individual effect value of 43.941 percent which is the highest value compared to other regions in Lampung Province. This is in line with data obtained from BPS for 2022.

**Keywords:** Poverty, GRDP rate, Population Growth Rate, Open Unemployment Rate, HDI

## INTRODUCTION

One of the goals of National Development in Indonesia is Public welfare. General welfare can be achieved if the poverty rate in Indonesia is low. However, the problem that Indonesia is still facing today is the high poverty rate spread across various provinces, so the general welfare in Indonesia has not been fully achieved. Ferezagia (2018) states that the problem of poverty is a complex and multidimensional problem so it becomes a top priority for development. Indonesia, which consists of many provinces, has a variety of problems and the complexity of poverty that differs between provinces. This depends on the main conditions faced by each province. The Central Bureau of Statistics (2014) defines poverty as a person's inability to meet the basic needs of life such as food, drink, health, and education. Amaliah (2021) states that poverty is simultaneously affected by economic growth, money supply, and inflation, while foreign investment has no statistically significant effect on poverty. From this statement, it can be seen that macroeconomic variables are determinants of poverty levels in an area. Poverty can also occur due to unequal economic conditions so there are people who cannot participate in the development process or enjoy the results of development (Soegijoko, 1997). In addition, there are other aspects that can be used to see the success of economic growth, namely the effectiveness of the use of existing resources (Yacoub, 2013). The lack of effective use of existing resources, especially human resources in an area, can also contribute to the poverty rate in an area. The conditions of poverty in each region are different from one another. One indicator of the success of development in an area is increased economic growth which is expected to reduce unemployment and poverty (Rustam, 2010). The following is presented data on poverty on the island of Sumatra.

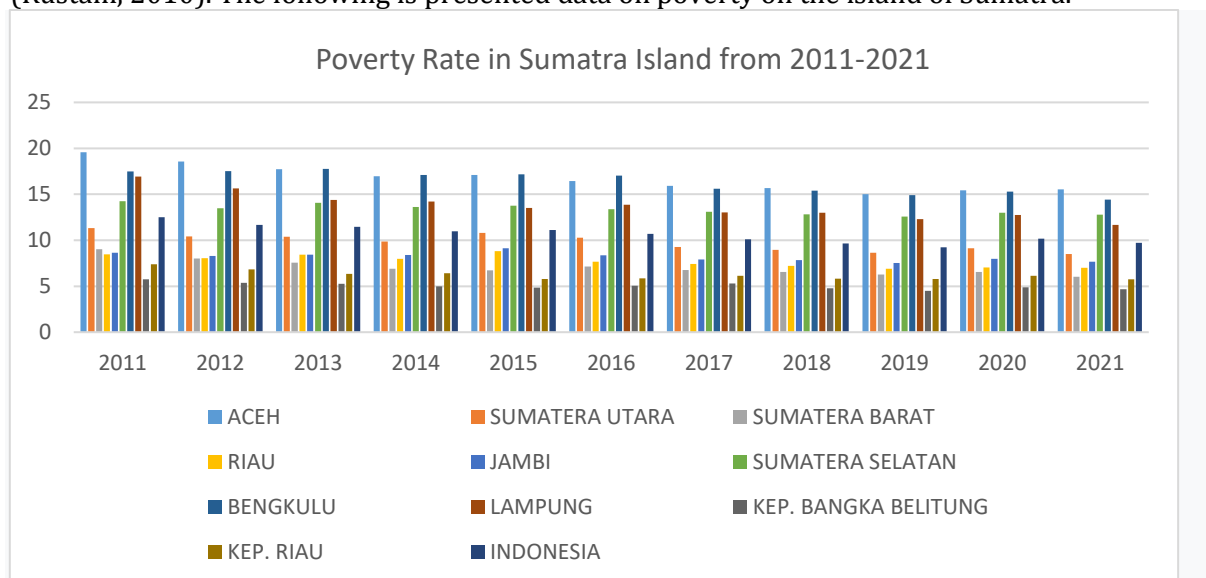


Figure 1. Poverty Rate in Sumatra Island from 2011-2021

Based on Figure 1 of the poverty rate on the island of Sumatra above, Lampung Province occupies the position of the 4th poorest province on the island of Sumatra (BPS, 2022). Poverty in Lampung Province seems to be still relatively high. We can see this from the economic growth in the province of Lampung in general and the districts/cities in the province of Lampung in particular. The high economic growth in an area can be seen from the high value of GRDP. GRDP is the total value of goods and services produced in a particular region or region, usually calculated in one year. A high GRDP value indicates that the activity of producing goods and services in an area is high. This will affect the absorption of workers who carry out production activities. This will have an impact on reducing unemployment and poverty rates (BPS, 2022).

Table 3. Regency/City GRDP Growth Rate in Lampung Province in 2011-2021.

No	Regency/City	GRDP of Regency/City of Lampung Province by Field of Business (Percent)										
		Based on Constant Prices 2011-2021										
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	West Lampung	6,67	- 34,72	6,87	5,56	5,32	5,01	5,03	5,09	5,18	- 1,16	2,58
2	Tanggamus	5,87	9,19	6,76	5,90	5,50	5,18	5,19	5,01	5,02	- 1,77	2,30
3	South Lampung	5,81	5,96	6,41	5,80	5,38	5,22	5,46	5,23	5,13	- 1,73	2,68
4	East Lampung	5,57	4,24	8,96	2,87	4,58	4,54	4,58	3,71	3,79	- 2,26	0,24
5	Central Lampung	6,02	5,95	6,46	5,68	5,38	5,61	5,27	5,33	5,35	- 1,02	2,88
6	North Lampung	5,38	5,64	6,46	5,80	5,43	5,10	5,21	5,31	5,33	- 1,45	2,82
7	WayKanan	5,31	5,55	5,28	5,67	5,27	5,12	5,11	5,18	5,17	- 1,16	2,90
8	Tulang Bawang	5,24	5,29	6,75	5,54	5,02	5,42	5,45	5,42	5,41	- 1,34	2,88
9	Pesawaran	5,52	5,87	6,20	5,59	5,03	5,07	5,01	5,05	5,00	- 1,26	2,08
10	Pringsewu	6,20	6,44	6,43	5,75	5,22	5,04	5,11	5,01	5,03	- 1,21	2,91
11	Mesuji	4,93	5,57	6,18	5,69	5,23	5,10	5,20	5,30	5,26	- 1,35	2,84
12	West Tulang Bawang	5,03	5,75	6,37	5,50	5,35	5,27	5,55	5,27	5,36	- 1,32	2,89
13	West Pesisir	5,54	5,54	5,54	5,10	4,94	5,30	5,33	5,33	5,47	- 1,18	2,07
14	Bandar Lampung	6,29	6,65	6,77	7,05	6,33	6,43	6,28	6,20	6,17	- 1,88	3,07
15	Metro	6,00	6,70	6,90	6,10	5,90	5,90	5,70	5,70	5,60	- 1,80	2,90
16	Lampung Province	6,56	6,44	5,77	5,08	5,13	5,14	5,16	5,23	5,26	- 1,67	2,79

Source: Central Bureau of Statistics Lampung Province, April 2022

The district/city GRDP rate in the Province in Table 3 above explains that in 2021 the highest GRDP (economic growth) rate is in the city of Bandar Lampung with a GRDP growth rate of 3.07 percent, exceeding the GRDP growth rate of Lampung Province which only amounted to 2.79 percent. The lowest economic growth occurred in East Lampung Regency with a GRDP growth rate of 0.24 percent (below the provincial GRDP growth rate). (Sukirno, 2011) states that GRDP (Gross Regional Domestic Product) is the value of goods and services produced in one year in a country. From this definition, GRDP is essentially a measure of a country's ability to produce goods and services in a given year. Economic growth plays an important role in poverty reduction by increasing employment, increasing labor productivity, and high real wages. Accelerated economic growth plays an important role in poverty reduction by increasing employment, increasing labor productivity and high real wages (Afrizal, F. 2013).

The next macroeconomic variable is the population growth rate and unemployment rate which can also be the cause of increasing poverty rates in a country or region.

Table 4. Regency/City Population Growth Rate in Lampung Province

No	Regency/City	The rate of population growth of districts/cities in the province of Lampung(Percent) 2011-2021										
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	West Lampung	1.16	1.10	1.09	0.97	0.94	0.88	0.88	0.81	0.71	- 0.68	0.27
2	Tanggamus	1.39	1.33	1.29	1,22	1.19	1.13	1.08	1.02	0.90	- 0.68	0.15
3	South Lampung	1.33	1.27	1.22	1.16	1.11	1.06	1.01	0.96	0.90	- 0.84	0.93
4	East Lampung	1.22	1.16	1.10	1,06	1.01	0.95	0.89	0.85	0.78	- 0.73	0.93
5	Central Lampung	1.17	1.13	1.08	1.03	0.97	0.92	0.88	0.80	0.77	- 0.71	1.59
6	North Lampung	0.79	0.73	0.68	0,63	0.56	0.53	0.46	0.42	0.36	- 0.31	0.21
7	WayKanan	1.32	1.27	1.21	1.16	1.13	1.07	1.00	0.95	0.90	- 0.85	0.93
8	Tulang Bawang	1.57	1.51	1.48	1,42	1.37	1.31	1.24	1.20	1.15	- 1.11	0.19
9	Pesawaran	1.38	1.32	1.29	1.23	1,16	1.13	1.07	1.00	0.95	- 0.91	1.19
10	Pringsewu	1.16	1.14	1.09	1,03	0.99	0.93	0.87	0.84	0.75	- 0.73	0.45
11	Mesuji	0.87	0.87	0.76	0.79	0.72	0.63	0.60	0.54	0.52	- 0.40	1.32
12	West Tulang Bawang	1.11	1.12	0.99	1,02	0.91	0.85	0.82	0.76	0.74	- 0.62	0.72
13	West Pesisir	1.12	1.11	1.04	1,01	1.00	0.93	0.82	0.80	0.75	- 0.64	0.77
14	Bandar Lampung	2.14	2.08	2.04	1,98	1.94	1.88	1.82	1.76	1.71	- 1.66	2.16
15	Metro	1.78	1.70	1.59	1.61	1.55	1.46	1.40	1.36	1.34	- 1.25	0.87
16	Lampung Province	1.33	1.28	1.24	1,19	1.13	1.08	1.03	0.98	0.92	- 0.87	1.10

Source: Central Bureau of Statistics Lampung Province, April 2022

The population growth rate in Lampung Province varies in the existing regencies/cities. In 2021, the highest population growth rate will occur in Bandar Lampung City which experienced a growth of 2.16 percent. While the lowest growth rate occurred in Tulang Bawang Regency at 0.19 percent, which was below the provincial population growth of 1.10 percent. This high increase in population growth rate allows an increase in poverty if it is not followed by an increase in income of the population. Residents will get income if they have a job and earn income (salary). Therefore, the number of unemployed can also be an indicator of the poverty rate in an area. The following table presents the unemployment rate in Lampung Province.

Table 5. Lampung Province's open unemployment rate in 2011-2021

No	Regency/City	Lampung Province Open Unemployment Rate 2011-2021 (Percent)										
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	West Lampung	2,84	2,28	2,52	2,18	3,55	3,55	0,96	2,74	1,66	2,13	2,83
2	Tanggamus	6,08	3,24	4,88	4,60	5,72	5,72	5,08	2,21	2,96	2,96	2,93
3	South Lampung	8,40	6,10	6,25	6,05	5,38	5,38	4,80	4,49	4,68	5,19	5,27
4	East Lampung	4,83	2,77	5,48	5,00	4,49	4,49	3,89	3,80	2,87	2,64	3,05
5	Central Lampung	3,86	2,64	3,33	2,48	2,94	2,94	3,08	2,51	2,61	4,22	4,31

6	North Lampung	6,53	8,10	7,40	5,57	7,62	7,62	5,62	4,83	5,11	5,34	6,14
7	WayKanan	3,49	3,36	4,19	3,35	3,53	3,53	2,88	4,42	3,59	3,56	3,36
8	Tulang Bawang	6,08	5,59	4,38	4,15	5,29	5,29	3,47	3,52	4,01	4,84	4,10
9	Pesawaran	7,33	6,62	9,60	8,54	7,27	7,27	5,73	4,63	4,41	4,64	4,19
10	Pringsewu	7,47	5,98	3,76	3,78	3,85	3,85	4,63	4,13	4,92	5,77	4,85
11	Mesuji	7,96	4,25	9,51	0,81	5,06	5,06	0,65	3,76	3,61	3,71	3,42
12	West Tulang Bawang	4,28	1,99	3,61	5,13	2,61	2,61	1,86	2,95	3,57	3,46	3,35
13	West Pesisir	5,14	5,14	5,14	5,14	5,14	5,14	2,71	1,87	3,25	3,41	3,08
14	Bandar Lampung	12,09	12,32	10,67	8,29	8,51	8,51	8,10	7,27	7,15	8,79	<b>8,85</b>
15	Metro	11,08	11,48	4,36	4,23	5,12	5,12	4,64	5,79	5,12	5,40	5,00
16	Lampung Province	6,38	5,20	5,69	4,79	5,14	4,62	4,33	4,04	4,03	4,67	4,69

Source: Central Bureau of Statistics Lampung Province, April 2022

In 2021 the Regency/City that has the highest unemployment rate is Bandar Lampung City, which is 8.85 percent. Followed by North Lampung Regency at 6.14 percent and followed by South Lampung Regency at 5.27 percent. Meanwhile, West Lampung Regency has the lowest unemployment rate, which is 2.83 percent. Unemployment has the effect of reducing people's income, so it will reduce the level of prosperity they achieve. An unemployed person has no income from his work. The many and diverse needs of the community make them try to fulfill their needs, what they do is work to earn income. If they do not work or are unemployed, the consequence is that they cannot meet their needs properly and causing the unemployed to have to reduce their consumption expenditures. When their needs are not met, they fall into the category of poor people and resulting in an increase in the number of poor people (Retnowati, 2015).

Furthermore, the HDI variable is one that affects the level of poverty in Lampung Province. It can be seen in the table below.

Region	HDI Regencies/Cities in Lampung Province (percent)										
	Year										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
West Lampung	61,92	62,51	63,21	63,54	64,54	65,45	66,06	66,74	67,50	67,80	67,90
Tanggamus	60,63	61,14	61,89	62,67	63,66	64,41	64,94	65,67	66,37	66,42	66,65
South Lampung	61,95	62,68	63,35	63,75	65,22	66,19	66,95	67,68	68,22	68,36	68,49
East Lampung	64,10	65,10	66,07	66,42	67,10	67,88	68,05	69,04	69,34	69,37	69,66
Central Lampung	64,71	65,60	66,57	67,07	67,61	68,33	68,95	69,73	70,04	70,16	70,23
North Lampung	62,67	62,93	64,00	64,89	65,20	65,95	66,58	67,17	67,63	67,67	67,89
WayKanan	62,04	62,79	63,92	64,32	65,18	65,74	65,97	66,63	67,19	67,44	67,57

Tulang Bawang	63,67	64,11	64,91	65,83	66,08	66,74	67,07	67,70	68,23	68,52	68,73
Pesawaran	59,44	59,98	60,94	61,70	62,70	63,47	64,43	64,97	65,75	65,79	66,14
Pringsewu	64,86	65,37	66,14	66,58	67,55	68,26	68,61	69,42	69,97	70,30	70,45
Mesuji	57,32	57,67	58,16	58,71	59,79	60,72	61,87	62,88	63,52	63,63	64,04
West Tulang Bawang	60,13	60,77	61,46	62,46	63,01	63,77	64,58	65,30	65,93	65,97	66,22
West Pesisir	58,95	58,95	58,95	59,76	60,55	61,50	62,20	62,96	63,79	63,91	64,30
Bandar Lampung	72,04	72,88	73,93	74,34	74,81	75,34	75,98	76,63	77,33	77,44	77,58
Metro	72,23	72,86	74,27	74,98	75,10	75,45	75,87	76,22	76,77	77,19	77,49
Lampung Province	64,20	64,87	65,73	66,42	66,95	67,65	68,25	69,02	69,57	69,69	69,90

Table 6. HDI year by year Lampung regency/city 2011-2021

Source: Central Bureau of Statistics Lampung Province, April 2022

In 2021 it can be seen that there is an average increase in HDI in districts/cities in Lampung Province. The highest HDI value is found in the municipality of Bandar Lampung with an HDI value of 77.58% and the lowest is in Mesuji Regency with an HDI value of 64.04%.

The measurement of human development was first introduced by UNDP (United Nations Development Program) in 1990. UNDP introduced a new idea in a human measurement called the Human Development Index (HDI). Since then, the HDI has been published regularly in the annual Human Development Report (HDR). The HDI explains how the population can access development outcomes in terms of income, health, and education, as well as other aspects of life. According to UNDP, the HDI measures the achievement of human development based on a number of basic components of quality of life which are summarized from the three basic human dimension approach, which includes a long and healthy life (a long and healthy life), knowledge/education and a decent standard of living. Dimensions of longevity and health are represented by indicators of life expectancy at birth. The dimension of knowledge is measured by indicators of expected years of schooling and the average length of schooling, while the dimensions of decent living standards are represented by per capita expenditure.

Based on the geographical situation, Lampung Province is the gateway to entering the island of Sumatra, so the traffic of economic activities between Java and Sumatra must pass through Lampung Province. This makes Lampung Province has the potential as one of the distribution nodes of national goods and services. Based on this potential, it should be able to increase the absorption of labor and income in Lampung Province so that it can reduce poverty. But in fact, based on data from the Central Bureau of Statistics, Lampung Province is still far behind compared to other provinces on the island of Sumatra. Therefore, it is necessary to study the level of poverty in Lampung Province, based on the influence of macroeconomic variables. The existence of this research will be able to provide benefits and contributions, including: 1. Being able to find out about the conditions of poverty in Lampung province can provide a summary of the variables that affect poverty in Lampung province; 2. It is hoped that the results of the research can provide input to policy makers, especially local governments, in preparing budgets and making policy implementation more effective in order to support the success of poverty alleviation in Lampung province; 3. For researchers and academics, it is hoped that this

research can add to the body of knowledge regarding macroeconomic variables that affect poverty.

## **LITERATURE REVIEW AND HYPOTHESIS**

According to the Central Bureau of Statistics (2014), poverty is defined as a person's inability to meet the basic needs of life such as food, drink, health and education. Poverty is a problem faced by all countries. Economic growth is an indicator of overcoming the problem of poverty, where economic growth is a concept of economic development (Atalay, 2015). The level of economic growth in a country or region can be seen from the value of GDP or GRDP. GRDP is the total added value produced by all business units in a certain area and can also be said as the sum of the final goods and services produced by all economic units (Central Bureau of Statistics 2022). From the results of the partial significance test, the effect of the rate/level of GRDP has a positive but not significant effect. There are various opinions regarding economic growth which is a long-term economic problem. The definition of economic growth itself is economic development that occurs from time to time and causes the development of regional real income. Economic growth is mostly measured by the increase in the amount of regional income within a certain period of time. Mariyanti and Mahfudz's (2016) research on the relationship between economic growth and poverty concludes that there is a causal relationship between poverty and economic growth. Economic growth itself can be a driving force to generate wealth which will later trickle down to eradicate poverty and all the problems that accompany it (Cremin & Nakabugo 2012).

In 1990, Pakistani economist Mahbubul Haq and Nobel laureate from India Amartya Sen stated that measuring development is not only seen from income but also from other indicators, namely human development (Sofilda, 2016). Sen stated that economic growth should not be seen as the main goal, but development should be able to improve the quality of life and freedom enjoyed by humans. In determining human quality, UNDP uses the Human Development Index (HDI) or HDI. The Human Development Index (HDI) is an indicator that can explain how the population can access development outcomes in obtaining income, health, education, and so on. The HDI is formed from 3 (three) basic dimensions, namely: a long and healthy life, knowledge/education, and a decent standard of living (Central Bureau of Statistics, 2022). From 2011-2021 the percentage of the human development index is increasing. Along with this, the problem is the increasing poverty rate in the province of Lampung. In line with this research, research by Sofilda et al (2016) shows that HDI has a negative and significant effect on poverty levels in the districts/cities of Papua Province (Sofilda, 2016). In contrast to research (Susilowati and Wahyudi, 2015), state that HDI does not have a significant effect on poverty in Indonesia in the period 1990-2013.

According to the Central Bureau of Statistics, unemployment is people who are looking for work, setting up a business, not looking for work because it is impossible to get a job, and those who have work but have not started work (Central Bureau of Statistics, 2015). The increase in the unemployment rate is assessed from one of the consequences, namely the lack of skills/skills possessed by the community. The open unemployment rate has a positive and significant relationship with the poverty rate. This is supported by some previous research. An empirical study conducted by Ariasih & Yuliarini stated that open unemployment has the same results as this research, with results that affect the level of poverty. The more unemployment increases, the number of people who are not productive will also increase. necessities of life, which results in the stability of a country's security being shaken so that there will be an increase in the crime rate.



The high poverty rate in Lampung indicates that many development programs implemented by the government have not been implemented optimally, especially in the context of alleviating poverty. So that poverty does not get worse, the government must be able to put poverty as the center of attention. Some experts state that the most appropriate poverty alleviation is to revive economic activities in the region in order to create economic growth (Yacoub, 2012). This economic growth is later expected to create new jobs that will reduce the unemployment rate so that it can provide a better quality of life for the community to reduce poverty.

Based on the literature review and previous research, the hypothesis of this study is Based on some of these studies, the hypothesis proposed in this study is: GRDP rate has a negative effect on the poverty rate in Lampung Province, Population Growth Rate has a positive effect on the poverty rate in Lampung Province, The Open Unemployment Rate has a positive effect on the poverty rate in Lampung Province, the Human Development Index has a negative effect on the poverty rate in Lampung Province.

## METHODS

This research was conducted in Lampung Province with a sample of 15 districts/cities. Using a quantitative approach with secondary data. The data sources for this research are the Central Bureau of Statistics Indonesia and the Province of Lampung. The time period used is 11 years, namely 2011-2021. Using panel data regression analysis tool. Panel data analysis is generally defined as the analysis of one group of variables that not only have diversity (dimensional) in the time series but also in cross sections it becomes one of the advantages of panel data because it can see the effect of the independent variable on the dependent variable in the time series but also in cross sections. Based on existing literature, there are several advantages to using panel data, including a. Panel data which is a combination of two-time series data and a cross-section is able to provide more data, more variety reduces collinearity between variables, increases the degree of freedom, and is more efficient; b. Being able to control individual heterogeneity, ultimately making panel data used to test and build more complex behavioral models; c. Combining information from time series and cross-section data can overcome problems that arise when there is a problem of omitted variables (variables omitted). In general, there are three approach models in the panel data model, namely the model without influence (common effect) and the model with influence (fixed effect and random effect). The Chow test and the Hausman test determine the decision to use a common effect, fixed effect, or random effect.

First, the Chow test was conducted to determine whether the model was included in the common effect model (CEM) or fixed effect model (FEM), then the Hausman test was carried out to determine whether the model was included in the fixed effect model (FEM) or random effect model (REM). The test is carried out in determining the best model to be used. The variables used in this study are the poverty variable, the GRDP rate, the Human Development Index (HDI), and the Open Unemployment Rate. This research used the model as follows:

$$\text{Poverty} = \alpha + \beta_1. \text{Economic growth} + \beta_2. \text{HDI} + \beta_3. \text{Open Unemployment Rate} + e$$

The operational definitions include:

- Poverty  
The percentage of poverty in each Regency/City in the province is the sum of poverty that occurs in urban and rural areas.
- GRDP Rate  
GRDP Rate is a reflection of economic growth based on constant prices in each Regency/City. GRDP is the amount of added value (output value-input value) produced



by all business units in a particular country or is the total value of final goods and services produced by all economic units.

- **Open Unemployment Rate**  
Open Unemployment Rate data is an illustration of the number of open unemployment in Lampung Province, the data used is data in the form of percent of the open unemployment rate in each Regency/City in Lampung Province, this data is sourced from the Central Bureau of Statistics during 2011-2021.
- **Human Development Index (HDI)**  
Human Development Index with a new calculation method that has been published by the Central Bureau of Statistics. The Human Development Index in this study was obtained from reports from the Central Bureau of Statistics regarding the magnitude of the human development index (HDI) by the province in Indonesia from 2007-2009.

## RESULTS

Several provinces on the island of Sumatra are still above the national poverty rate, where the province of Lampung is ranked as the third poorest province on the island of Sumatra.

The test results with the Chow test show the probability level of P-value or chi-square probability and the f test is 0.000 which means at 5% or 0.05, then the P-value or 0.00 0.05 (Pesaran, M. 2010). Which means the test results show that it is rejected and accepted so that the best model chosen is the Fixed Effect model.

### Chow Test

Effects Test	Statistic	d.f.	Prob.
Cross-section F	176.120108	(14,146)	0.0000
Cross-section Chi-square	475.883583	14	0.0000

Source: Panel data regression output results with EViews 9 regression.

H0 = The model follows pooled Least Square

H1 = The model follows the fixed effect model

While in the Hausman test the p-value or probability result is 0.000 with an error rate of 5% or 0.05. then p-value or 0.0000 0.05. so the selected model is the Fixed Effect model, which can be seen in the table below.

Table.2 Result of the Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	4.924277	4	0.0000

Sumber: Output Eviews 9

Ho = The model follows the fixed effect

H1 = The model follows the random effect

Based on the Chow and Hausman tests, the model used is the fixed effect model, then analyzed using regression.

The result of Fixed Effect Model (FEM)

Variable	Koefisien	Std. Error	t-Statistic	Prob.
C	35.19883	4.735744	7.432588	0.0000
PDRB	0.093899	0.063655	1.475137	0.1421
TPT	0.135205	0.062094	2.177427	0.0309
IPM	-0.351555	0.061689	-5.698856	0.0000
R-squared	0.510408	Prob(F-statistic)		0.000000
Adjusted R-Squared	0.498168	Durbin-Watson stat		0.450563

Source: Output Eviews 9, Appendix 12

From the table above, it can be seen that the GRDP level has a coefficient value of 0.093 with a probability of  $0.142 > 0.05$ . The GRDP growth rate has an insignificant positive value, which means that GRDP has no effect on the poverty level. TPT has a coefficient value of 0.135 with a probability of  $0.0309 > 0.05$ . TPT has a positive and significant value, which means that TPT has a significant effect on poverty. Meanwhile, HDI has a probability of  $-0.352 < 0.05$ . The HDI has a negative and significant value, which means that the HDI has a negative and significant effect on poverty.

R-squared	0.510	Mean dependent var	0.968
Adjusted R-squared	0.498	S.D. dependent var	1.329
S.E. of regression	0.941	Sum squared resid	141.783
F-statistic	41.700	Durbin-Watson stat	0.451

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Prob(F-statistic)

0.000

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The f-test statistic shows a probability value of  $0.000 < 0.05$ . From the tests that have been carried out, it is obtained that the GRDP rate and population growth rate have a positive but not significant effect on the poverty rate but the open unemployment rate has a positive and significant effect. HDI has a negative and significant effect on the level of poverty in Lampung Province. This is indicated by the probability value which is smaller than  $= 5\%$ . The coefficient of determination is 0.510 or 51.04%. This shows that the GRDP rate, population growth rate, open unemployment rate, and HDI are able to explain 51.04% of the poverty rate in Lampung Province, the remaining 48.96% is influenced by factors not included in the model.

## DISCUSSION

According to the regression results, the regression coefficient for the GRDP rate variable shows a positive sign, which is 0.093899. Based on the partial significance test, the GRDP rate variable has no significant effect on the poverty level in Lampung Province from 2011-2021. This is indicated by the t-count value of the GRDP rate of 1.475137 which is smaller than the t-table value of 1.65437 with a significance level of  $= 0.05$ . This indicates that if there is an increase in the value of the GRDP rate of 1 (one) percent, it will increase the poverty rate by 0.09 percent. From the results of the regression of the GRDP rate variable (economic growth) with a coefficient value of 0.087702 and a probability value of 0.1762 ( $> 0.05$ ), it can be stated that the GRDP (economic growth) rate variable has no significant effect on the poverty level. The results of this study are in line with research conducted by Ridho Andykha Putra Analysis of the Effect of GRDP, Unemployment Rate, and HDI on Poverty Levels in Central Java Province, and research conducted by Siti Khairul Umah entitled Effect of GRDP, Education, Health, and Unemployment Against Poverty Levels in East Java (2000-2019). both studies show that the increase in GRDP or economic growth has no effect on the number of poor people.

As stated in the regression results, the regression coefficient for the Open Unemployment Rate variable shows a positive sign, which is 0.135205. Based on the partial significance test, the effect the open unemployment rate variable has a positive and significant effect on the poverty rate in Lampung Province from 2011-2021. This is indicated by the t-count value of the Open Unemployment Rate of 2.177 which is greater than the t-table value of 1.654 with a significance level of  $= 0.05$ . This indicates that if there is an increase in the value of the Open Unemployment Rate by 1 (one) percent, it will increase the poverty rate by 0.13 percent. The results of the research carried out are related to the effect of the Population Growth Rate on the poverty level of the Regency/City in Lampung Province. From the regression results of the population's Open Unemployment Rate variable with a coefficient value of 0.125021 and a probability value of 0.05 ( $=0.05$ ), it can be stated that the open unemployment rate variable has a positive and significant effect on the poverty rate in Lampung Province. This is in line with the results of I Komang Agus Adi Putra's research in his research entitled "Analysis of the Effect of Open Unemployment Rates, Job Opportunities, and Education Levels on Poverty Levels in Regencies/Cities in Bali Province" whose results show that the open unemployment rate has a positive and significant effect. on poverty and has a dominant influence on poverty in districts/cities in the Province of Bali.

Looking at the regression results, the regression coefficient for the Human Development Index (HDI) variable shows a negative sign, which is -0.351555. Based on the partial significance test, the influence of the HDI variable has a negative and significant effect on the poverty level in

Lampung Province from 2011-2021. This is indicated by the HDI t-count value of -5.699 which is smaller than the t-table value of 1.654 with a significance level of  $\alpha = 0.05$ . This indicates that if there is an increase in the HDI value of 1 (one) percent, it will reduce the poverty rate by 0.35 percent. From the regression results of the Human Development Index (HDI) variable with a coefficient value of -0.362 and a probability value of 0.000 ( $<0.05$ ), it can be stated that the Human Development Index (IPM) variable has a negative and significant effect on poverty levels in Indonesia. Lampung province. This is in accordance with Shinta Setya Ningrum's research entitled "Analysis of the Effect of the Open Unemployment Rate, HDI, and Minimum Wage on the Number of Poor People in Indonesia in 2011-2015" which states that HDI has a negative and Significant effect on poverty in Indonesia. Similar to the research conducted by Sayifullah and Tia Ratu Gandasari in their research entitled "The Effect of the Human Development Index and Unemployment on Poverty in Banten Province", which stated that the HDI had a negative and significant influence. From the regression results it was found that the Human Development Index (IPM) has a positive and significant influence, the human development index contains three important dimensions in development which are related to aspects of fulfilling the need for longevity and healthy life, to get knowledge and have access to resources that meet living standards. This means that three important dimensions of human development greatly affect poverty.

The Human Development Index (IPM) is one way to measure the level of success or performance of a region or country in terms of human development. As the gateway to the island of Sumatra, which has a very strategic area, Lampung Province should be an example of the development of the Human Development Index, however, the HDI in Lampung Province is currently still relatively low in Sumatra.

## **CONCLUSION**

The results showed that the independent variables were the rate of GRDP, Open Unemployment Rate, and HDI simultaneously/together on the dependent variable of poverty. GRDP has a positive and insignificant effect on poverty in Lampung Province from 2011-2021. GRDP has a positive effect on the Poverty Level in 15 Regencies/Cities in Lampung Province. These results indicate uneven economic growth. Economic growth that is not followed by equity will result in economic inequality in a region. The Open Unemployment Rate has had a positive and significant effect on the poverty rate in Lampung Province from 2011-2021. The Unemployment Variable represented by the Open Unemployment Rate has a positive and significant influence on the Poverty Level in Lampung Province. The results of the study are in line with the opinion of Todaro (2013) who states that the problem of unemployment is closely related to the prosperity of the community. HDI has a negative and significant effect on the level of poverty in Lampung Province from 2011-2021. The reduced poverty rate due to an increased HDI indicates that the HDI can increase human labor productivity, which will increase income to meet the needs of a decent life. This study supports previous research, namely the research of Sofilda et al (2013), which shows that HDI has a negative and significant effect on poverty levels in the Regency / City of Lampung Province.

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