



The Effect of Per Capita Income, Human Development Index and Open Unemployment Rate on Poverty in Tebo District

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ABSTRACT

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This study aims to analyze the effect of per capita income, the human development index and the open unemployment rate on the poverty rate in Tebo District. The research method used is secondary data analysis method. The analytical tool used is multiple regression analysis. Based on the results of testing the regression equation model using Microsoft Excel Data Analyze, it is obtained the calculation results obtained are F-Count = 0.2767 while F-Table = 9.28 ($\alpha = 0.05$; 3.2), so F-Count < F-Table. Comparison between F-Count and F-Table which shows that F-Count < F-Table, indicating that the independent variables together have no significant effect on the dependent variable, so that per capita income, HDI and open unemployment rate during the 2017-2021 period together - sama did not have a significant effect on the incidence of poverty in Tebo District.

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INTRODUCTION

One of the main indicators of the success of national development is the rate of decline in the number of poor people. Effectiveness in reducing the number of poor people is the main growth in choosing a development strategy or instrument. This means that one of the main criteria for selecting a national focus sector or mainstay sector is effectiveness in reducing the number of poor people (Sabarudin, et al, 2016).

Poverty is the inability of a person to fulfill his food and non-food consumption through

the income he has. This indicates that economic growth should create better development performance with an increase in labor force and lower poverty, but in fact increased economic growth is not accompanied by an increase in the number of jobs created, resulting in a still high unemployment rate which leads to an increase in the number of poor people (Anggara, 2017)

Various efforts have been made by the regional government of Tebo Regency in order to encourage the regional economic growth process. In accordance with the Tebo Regency regional development program for 2017-2022 "Tebo is orderly, superior, peaceful, fair and prosperous (Tebo Complete 2022)" has several aspects of determining key performance indicators, one of which is the welfare aspect related to the regional economy. This aspect has a target, namely achieving macroeconomic stability while still supporting the achievement of high quality and high economic growth and increasing the ability to finance development. The indicators are economic growth, per capita income and the percentage of poor people (RPJMD Tebo Regency, 2017).

From a macro perspective, economic growth in Tebo Regency has shown success when viewed from the rate of economic growth. The rate of economic growth in Tebo Regency has fluctuated during 2017-2021, this was due to the occurrence of Covid 19 at the beginning of March 2020. In 2018, the rate of economic growth decreased by 5.2 percent, a decrease compared to the rate of economic growth in 2017, which amounted to 5.9 percent. In 2019, the economic growth rate decreased by 4.76 percent. In 2020, the worst decline was -0.02 percent. However, in 2021 it will increase by 4.32 percent.

Increased economic growth should be accompanied by an increase in people's per capita income, an increase in HDI (Human Development Index) and a decrease in the percentage of people's poverty as well as a decrease in the open unemployment rate in Tebo Regency.

According to the Bappeda of Tebo Regency (2015) in the 2015-2021 Poverty Reduction Strategic Plan for Tebo Regency, poverty reduction efforts in Tebo Regency are through four main programs, namely programs to expand business opportunities for the poor, community empowerment programs, human resource capacity building programs and protection programs.

The following is a table showing data on Per Capita Income, HDI, Open Unemployment Rate and Poverty Rate in Tebo Regency for 2017-2021.

Table. 1. Per Capita Income, HDI, Open Unemployment Rate and Poverty Rate in Tebo Regency 2017-2021

Year	Income per capita (percent)	IPM (percent)	Open Unemployment Rate (percent)	Poverty level (percent)
2017	37.85	68,16	1.93	6,79
2018	39.75	68,67	2.07	6.58
2019	41,24	69.02	2.99	6,47
2020	43,73	69,14	2.95	6,26
2021	44,22	69.35	2.83	6,68

Source: Central Statistics Agency for Tebo Regency 2022, data processed

Based on this, this research specifically aims to; (1) analyzing the effect of per capita income, HDI and open unemployment on poverty in Tebo District; The benefits of this research are expected to be: (1) input for the Tebo Regency government in formulating regional economic development policies, especially those related to poverty alleviation; (2) a source of reference for similar research, both in terms of space and time in the future.

METHODS

This study uses a multiple linear regression analysis model in a time series. The types of data and data sources used in this study are secondary data during the 2017-2021 period, while the data sources used in this research are data obtained from an organization or institution related to this research, such as Tebo in Figures, Central Bureau Statistics, and the Ministry of Manpower

and Transmigration of Jambi and Tebo Provinces. This study uses secondary data collection methods, namely collecting data and information related to this research, either by collecting information from literature books, reports, articles, and other scientific works related to research. The method used is multiple regression analysis method. Multiple linear regression is a regression model that involves more than one independent variable. Multiple linear regression analysis was carried out to determine the direction and how much influence the independent variables have on the dependent variable (Ghozali, 2016).

RESULTS AND DISCUSSION

Income per capita

The per capita income of Tebo Regency residents during 2017-2021 has fluctuated. Over a five-year period the population has an average per capita income of IDR 2,981,541 per year.

Human Development Index (IPM)

The Human Development Index (IPM) during 2017-2021 in Tebo Regency has always increased. In 2017 it was 68.16. In 2018 it increased by 68.67. In 2019 it became 69.02. In 2020 it has increased to 69.14. Likewise, in 2021 there was also an increase of 69.35.

Open Unemployment Rate

The open unemployment rate in Tebo Regency during the 2017-2021 period tends to increase. In 2017 it was 1.93 percent. In 2018 it increased to 2.07 percent. In 2019 it increased by 2.99 percent. In 2020 it has again increased to 2.95 percent. In 2021, there will be a decrease of 2.83 percent.

Poverty level

The poverty rate in Tebo Regency in 2017 was 6.79 percent. In 2018 it was 6.58 percent. In 2019 it was 6.47 percent. In 2020 it will be 6.26 percent, while in 2021 it will be 6.68 percent. Based on the poverty percentage, it can be seen that the number of poor households in Tebo Regency has fluctuated from 2017 to 2020, decreased and increased in 2021.

Analysis of the Influence of Per Capita Income, HDI and Open Unemployment Rate on Poverty

To see the effect of per capita income, HDI and unemployment on poverty during the 2017-2021 period to see this effect a multiple regression test was used with the results as follows:

$$Y = -8.3425004 - 0.0321382X_1 + 0.24783937X_2 - 0.32782X_3 \\ (-0.1562263) (0.187872) (-0.5264173)$$

From the results of tests carried out using Data Analyze in Microsoft Excel for the coefficient of determination (R^2), it is used to see how much the dependent variable is able to influence variations in the size of changes in the budget deficit. Based on the test results above, the coefficient of determination is obtained 0.4536. This means that 45.36 percent of the variation in the size of poverty is influenced by the variables per capita income, HDI and open unemployment rate. And 54.64 is influenced by variables other than per capita income, HDI, and open unemployment. The calculation results obtained are $F\text{-Count} = 0.2767$ while $F\text{-Table} = 9.8$ ($\alpha = 0.05$; 3.2), so $F\text{-Count} < F\text{-Table}$. Comparison between $F\text{-Count}$ and $F\text{-Table}$ which shows that $F\text{-Count} < F\text{-Table}$, indicating that the independent variables together have no significant effect on the dependent variable, so that per capita income, HDI and open unemployment rate during the 2017-2021 period together -sama did not have a significant effect on the incidence of poverty in Tebo District.

Based on the results of testing the regression equation model above, it is illustrated that the t value of the three independent variables is illustrated. Based on the test results, it was obtained that the t value for the per capita income variable was -0.5162, the t value for the HDI was 0.1878 and the t value for the open unemployment rate was -0.5264. With a confidence level of 95 percent $df = nk$, a t table of 2.920 is obtained. The three variables per capita income,

HDI and the open unemployment rate variable have a t count that is smaller than the t table value. This means that the per capita income, HDI and open unemployment rate variables together do not significantly affect poverty in Tebo Regency during the 2017-2021 period.

The interpretation of the regression equation model based on the results of the tests that have been carried out obtains an equation regarding the effect of the variables per capita income (x1), HDI (x2) and open unemployment rate (x3) on poverty in Tebo District. Based on the results of the equation model can be interpreted as follows:

based on the results of the regression equation $Y = -8.3425004 - 0.0321382X_1 + 0.24783937X_2 - 0.32782X_3$ can be translated as follows: every time there is a decrease in per capita income by 1 million, it will cause an increase in poverty by 0.03 percent. Every time there is an increase in HDI by 1, poverty will increase by 0.24 percent or every time there is an increase in poverty by 0.24 percent, there will be an increase in HDI by 1. Every time there is a decrease in the open unemployment rate by 1 percent, poverty will increase by minus 0,3278. The biggest influence on poverty comes from HDI.

CONCLUSION

Based on the results of the analysis and discussion that has been carried out, according to the results of the calculations and tests, it can be concluded as follows:

Based on the test results above, the coefficient of determination is obtained 0.4536. This means that 45.36 percent of the variation in the size of poverty is influenced by the variables per capita income, HDI and open unemployment rate. And 54.64 is influenced by variables other than per capita income, HDI, and open unemployment.

Based on the results of testing the regression equation model, the t value obtained from the three independent variables. The calculation results obtained are F-Count = 0.2767 while F-Table = 9.8 ($\alpha = 0.05$; 3.2), so F-Count < F-Table. Comparison between F-Count and F-Table which shows that F-Count < F-Table, indicating that the independent variables together have no significant effect on the dependent variable, so that per capita income, HDI and open unemployment rate during the 2017-2021 period together -sama did not have a significant effect on the incidence of poverty in Tebo District.

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