

ABSTRACT

Poverty is still one of the main problems that are difficult to overcome in achieving economic development. The poor population in Indonesia is concentrated on the island of Java and Central Java Province is the province with the second highest poverty rate in Java. The average poverty rate in Central Java for the last five years, namely 2019-2023, is at 11.08 percent, which is still classified as Hard Core Poverty (> 10%) in the sense that the poverty rate is still at a high level. This study aims to analyze the factors that influence the poverty rate in Central Java Province.

The variables used to analyze poverty are Average Years of Schooling, Life Expectancy, Unemployment Rate, and Female Labor Force Participation Rate. This study uses secondary data from 35 districts/cities in Central Java during the period 2013-2022. The method used is panel data analysis using the Fixed Effect Model (FEM).

The results of the study show that the variables Average Years of Schooling, Life Expectancy, and Female Labor Force Participation Rate have a negative and significant effect on the poverty rate. Meanwhile, the Unemployment Rate has a significant positive effect on the poverty rate in Central Java Province in 2013-2022.

Keyword: Poverty, Years of Schooling, Life Expectancy, Unemployment, Female Labor Force Participation, Fixed Effect Model