ABSTRACT

Poverty is still considered as a serious economics problem. Therefore, government's supports in fiscal policy such as government expenditure are necessary to reduce poverty. The aim of this research is to analyze the effect of inflation, government expenditure on education, social security,and agriculture with poverty levels in Indonesia from 1980-2017. Multiple linear regression is used for analyze the research model.

The results of this research indicate that government expenditure on education, social security, and agriculture have a negative and significant effect on poverty levels in Indonesia. Inflation has a positive and significant effect on poverty levels in Indonesia.

Keywords: Poverty Levels, Inflation, Government Education Expenditure, Government Social Security Expenditure, Government Agriculture Expenditure.