

ABSTRACT

The Special Region of Yogyakarta has consistently recorded the highest average percentage of poor population in Java Island during the 2014–2023 period, reaching 12.7 percent. This high poverty rate poses a significant challenge, especially considering that D.I Yogyakarta is widely recognized for its relatively strong educational quality and human development achievements. Poverty is a multidimensional issue that requires comprehensive analysis through the lens of human development and government expenditure.

This study aims to analyze the influence of the Islamic Human Development Index (I-HDI), educational function expenditure, and social assistance expenditure on poverty levels across 5 regencies/cities within the province during the 2014-2023 period. The I-HDI is calculated using the Simple Weighted Index (SWI) method, assigning equal weights of 20 percent to each of the 5 dimensions aligned with the maqashid syariah indicators. A quantitative research approach is employed, utilizing secondary data comprising 400 panel data points, analyzed through the Fixed Effect Model regression technique.

The findings reveal that the I-HDI variable has a significant negative effect on poverty levels in the Special Region of Yogyakarta during the 2014-2023 period. Conversely, both educational function expenditure and social assistance expenditure variables exhibit a positive effect on poverty levels within the same timeframe. Collectively, all examined variables significantly influence poverty levels in the Special Region of Yogyakarta throughout the study period.

Keywords: Islamic Human Development Index (I-HDI); Educational Function Expenditure; Social Assistance Expenditure; Poverty