

## **ABSTRACT**

*Income inequality remains a significant structural challenge for the ASEAN-6 member countries, which include Indonesia, Malaysia, Singapore, Thailand, Vietnam, and the Philippines. Amidst rapid digital transformation, the development of information and communication technology (ICT) is believed to be a strategic instrument influencing the dynamics of income distribution. This study aims to analyze the influence of ICT on income inequality in the ASEAN-6 using panel data for the period 2011–2020. ICT in this study is represented by two main indicators: internet penetration and mobile phone subscriptions. The analytical method used is the Fixed Effects Model (FEM) to estimate a linear relationship, and the parabolic model is used to test the existence of the Kuznets Curve Hypothesis. The results show that internet penetration and mobile cellular subscriptions have a negative and significant effect on income inequality, indicating that expanding digital access contributes to improving income distribution in the region. Meanwhile, the control variable urbanization shows a negative effect, and average years of schooling shows a positive effect, although neither is statistically significant. Furthermore, the parabolic test indicates a quadratic pattern that rejects the Kuznets curve hypothesis for the mobile phone variable, where a U-shaped relationship was found. The implications of this study emphasize that governments in the ASEAN-6 must not only focus on expanding digital infrastructure but also strengthen digital literacy and technology-based financial inclusion. Inclusive policies are needed to prevent the risk of an advanced digital divide that could widen the income gap in the future.*

*Keywords: Income Inequality, ICT, Internet Penetration, Mobile Phones, Kuznets Curve*

