

## ABSTRACT

*This study examines the factors that influence poverty levels in the Special Region of Yogyakarta from 2014 to 2023. The background of this research is based on the discrepancy observed in 2021, when the poverty rate increased despite the simultaneous rise in the Gross Regional Domestic Product (GRDP) and the Human Development Index (HDI).*

*The study employs a quantitative descriptive approach using panel data regression analysis. The research data were obtained from publications of Statistics Indonesia (BPS) and the APBD realization reports of the Regional Government of the Special Region of Yogyakarta.*

*The results show that the Open Unemployment Rate (TPT) has a negative but insignificant effect on poverty. GRDP also has a negative yet insignificant influence, indicating that economic growth has not been fully inclusive. In contrast, the Human Development Index (HDI) has a negative and significant impact, meaning that improvements in education, health, and living standards effectively reduce poverty. Meanwhile, regional expenditure does not have a significant effect, suggesting that although government spending has increased, its allocation for pro-poor programs remains limited. Therefore, this study concludes that human development is the most influential factor in poverty reduction, whereas economic growth, unemployment, and regional expenditure have not shown significant effects.*

*Keywords: poverty, unemployment, GRDP, HDI, regional expenditure, FEM*

