

ABSTRACT

Poverty remains a persistent economic development problem in Indonesia, as evidenced by substantial disparities in poverty rates across provinces. Wide disparities in poverty levels can lead to complex problems affecting various aspects of development, highlighting the need for inclusive policies. This study aims to analyze the effects of Mean Years of Schooling (MYS), Life Expectancy at Birth (LEB), Open Unemployment Rate (OUR), and Economic Growth (EG) on provincial poverty rates in Indonesia from 2005 to 2024, as well as to analyze differences in the structural characteristics of poverty rates across provinces in Indonesia. The data used in this study were obtained from Statistics Indonesia (BPS) and cover 31 provinces. The analytical method employed is panel data regression using Fixed Effects Model (FEM) through the Least Squares Dummy Variable (LSDV) approach, with Papua Province as the reference category. The results show that Mean Years of Schooling (MYS) has a negative and statistically significant effect on poverty rates, while Life Expectancy at Birth (LEB) has no significant effect on poverty. The Open Unemployment Rate (OUR) has a positive and statistically significant effect on poverty rates, whereas Economic Growth (EG) has no significant effect on poverty rates. Furthermore, the study finds significant differences in the structural characteristics of poverty rates across provinces in Indonesia.

Keywords: *Poverty, education, health, open unemployment, economic growth, panel data.*