

## **ABSTRACT**

*The high level of poverty in D.I Yogyakarta indicate unreliable economic development equally. This research aims to analyze the effect of the quality of human by measuring the human development index, expenditure on public sector as seen from the ratio of realization of education expenditure, health expenditure, infrastructure expenditure and effect of macroeconomic variables such as economic growth, population growth rate and open unemployment rates against poverty levels in the Special Region of Yogyakarta.*

*The analytical method used in this research is fixed effect model (FEM). This research used secondary data in panel form containing 5 Districts/Cities at Special Region of Yogyakarta on cross section data and 2011 until 2018 on time series data. Data processed with Eviews10.*

*The result of this examine shows that Human Development Index, growth of population, and expenditure on education has significant effect for poverty level in D.I Yogyakarta. Meanwhile, growth of economic, unemployment level, expenditure on health, and expenditure on infrastructure are insignificant for poverty level in Special Region of Yogyakarta.*

*Keywords: Poverty, HDI, Public Sector Expenditure, Economic Growth, Population Growth Rate, Open Unemployment, Fixed Effect Model*