

ABSTRACT

Central Java Province is one of the provinces that is the center of the economy in Indonesia. The industrial, agricultural and fisheries sectors are the mainstay sectors for Central Java. Recorded by the Central Statistics Agency in 2018, the contribution of Central Java's GRDP to the national GDP was 8.9%, the 4th largest of 34 provinces in Indonesia (BPS, 2019). The purpose of this study is: to see the unemployment, GRDP, and HDI variables affect the poverty.

This study used data from 2010 to 2018 with an annual period. This research uses panel data regression analysis method. The variables used in this study were poverty as the dependent variable and the independent variables were unemployment, GRDP, and HDI. The results showed that all independent variables affect the dependent variable.

The results of this study indicate that unemployment has an insignificant positive effect on poverty. GRDP has a significant negative effect on poverty. While HDI has a negative and insignificant effect on poverty.

Keywords: Poverty, Unemployment, HDI, GRDP, Data Panel, Central Java