



Dinamika Ekonomi: Jurnal Ekonomi dan Pembangunan

Vol. XIII, No. 2, 2022, pp. 271-279

Influence Growth Economy and Unemployment Rate on Poverty Rate Province West Java in 2014-2019

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<https://doi.org/10.29313/de.v13i2.9634>

Received : 02/06/2022

Accepted: 30/09/2022

Keywords: *literacy rate, life expectancy, poverty*

ABSTRACT

Studies this aim for knowing how much big Effect of Growth Rate Economy Unemployment Rate on the Poverty Rate in West Java in 2014-2019. Method used method quantitative . Data obtained from the Central Bureau of Statistics and processed by the author use E-views 9 application for help obtain conclusion . Development process of progress in a manner Keep going continuous and continuous going to toward desired goal _ achieved . one _ destination development Indonesian national based Opening The 1945 Constitution is to advance well-being general . unemployment situation in which a person classified in force work want to get profession but no could get it . poverty is all situation _ limited happening _ no on the will of the person concerned . Something population is said to be poor if characterized by low education , productivity employment , income , health and nutrition as well as being his life , which shows circle helplessness . With use method regression simple panel data and choose effects modeling approach permanent concluded that variable Growth Rate Economy have influence no significant on the Poverty Level in Province West Java . When Growth Rate Economy experience increase hence poverty rate will experience increase . While the Unemployment Rate also has influence positive and no significant to on the Poverty Level in the Province West Java in 2019. When the Unemployment Rate experience increase hence the Poverty Rate experience increase .

Keywords : *growth _ economy , unemployment , poverty*

1. PRELIMINARY

Development is a process of progress in a manner Keep going continuous and continuous going to toward desired goal _ achieved . National development held shared by government and society . Society plays a role as perpetrator main development and government role as mobilizer as well as create conducive atmosphere and support the development process . Government and society together each other complementary and mutually fill in to achieve destination development national . National development covers whole aspect life Public that is aspect economy , politics , culture and resilience of the country are all has loaded in Line Big State Policy (GBHN).

one _ destination development Indonesian national based _ _ Opening The 1945 Constitution is to advance well-being general . Well - being general is condition fulfillment material, spiritual, and social needs citizens of the country so that they can life worthy and capable develop self , so could doing function social and economic . Well-being common in Indonesia can described one of them based on level poverty . There is connection negative Among well-being general with level poverty in Indonesia. The more low level poverty describe the more tall well-being resident .

problem poverty Keep going Becomes problem big throughout Indonesian history as a country. In a mismanaged country, no there is more problem _ big , besides problem poverty . Kemis - right has make millions children no can get quality education , difficulties _ finance health , less _ _ savings and not exists

investment , lack access to service public , lack field work , lack guarantee social and protection to family , strength current urbanization to city , and more worst , poverty cause millions people Fulfill god _ _ food , clothing and boards in a manner limited . Poverty , causes people _ _ village willing sacrifice what just for safety life , safety life (James. C.Scott , 1981), risking power physique for produce profit for middleman local and accept no wages _ worth it with cost the energy expended . Laborers _ farmer village work throughout day , however they accept very wages _ little (Sahdan , 2005).

Table 1. Growth Rate Comparison Economy 2014-2019 year .

Year	Bandung	Bogor	Bekasi
2014	7.72%	6.01%	5.61%
2015	7.64%	6.14%	5.56%
2016	7.79%	6.73%	6.09%
2017	7.21%	6.12%	5.73%
2018	7.08%	6.14%	5.86%
2019	6.79%	6.05%	5.41%

Source : Central Bureau of Statistics (BPS) , 2022 Processed by the Author

Table 2. Comparison of Unemployment Rates 2014-2019 year .

Year	Bandung	Bogor	Bekasi
2014	8.05%	7.65%	9.36%
2015	9.02%	10.01%	9.36%
2016	8.89%	8.89%	8.89%
2017	8.44%	9.55%	10.97%
2018	8.05%	9.83%	9.74%
2019	8.18%	9.11%	8.30%

Source : Central Bureau of Statistics (BPS) , 2022 Processed by the Author

Table 3. Poverty Rate Comparison 2014-2019 year .

Year	Bandung	Bogor	Bekasi
2014	7.65%	8.91%	5.25%
2015	8.00%	8.96%	5.46%
2016	7.61%	8.83%	5.06%
2017	7.36%	8.57%	4.79%
2018	6.65%	7.14%	4.11%
2019	5.94%	6.66%	3.81%

Source : Central Bureau of Statistics (BPS) , 2022 Processed by the Author

Identification Problem

Based on background behind so obtained formula problem in between is following this :

1. How Effect of Growth Rate Economy and Unemployment Rate to decline number Poverty in 2014-2019 ?
2. How many big Effect of Growth Rate Economy and Unemployment Rate to decline number Poverty in 2014-2019 ?

Destination Study

Destination study this is for identify and analyze :

1. Effect of Growth Rate Economy and Unemployment Rate to decline number Poverty in 2014-2019 .

2. The magnitude Effect of Growth Rate Economy and Unemployment Rate to decline number Poverty in 2014-2019 .

Benefit Study

As for benefit from study from study this is as following :

1. Study this used for knowing how Effect of Growth Rate Economy and Unemployment Rate to decline number Poverty in 2014-2019 .
2. Study this as ingredient references and materials learning for needy parties _ in arrange study next .
3. Study this could used for add insight and ability think about application obtained theory _ from eye accepted courses _ into the research .

2. LITERATURE REVIEWS

Economic growth

Growth economy is effort enhancement capacity production for reach the addition of output, which is measured use Product Domestic Gross (GDP) and Product Gross Regional Domestic (GDP) in something region .. Growth economy is the process of increasing output per capita in period long . The pressure is on three aspects , namely : process, output per capita and term long . Growth economy is a process, no something description economy at one when . Here our see aspect dynamic from something economy , that is how something economy develop or changed from time to time .

Simon Kuznets (in Arsyad , 2010) stated that growth economy is increase capacity period long from the country concerned for provide various goods economy to its inhabitants . Ascension capacity the possible by existence progress or adjustments _ _ technological , institutional and ideological to various existing situation . _

Whereas according to Ali Ibrahim Hasyim, growth economy could interpreted as a change process condition economy a country by continuous going to more circumstances _ good During period certain . There are three component the necessary basis in growth economy something nation ; (1) Increasing in a manner constantly _ _ supply goods ; (2) technology Up as factor main determinant _ degrees growth in provide various variety goods to its inhabitants ; (3) usage technology in a manner extensive and efficient need field adjustments _ institutional and ideological , so innovation produced by the people 's science and technology man could utilized in a manner right .

According to view expert economy classic , law results more additions _ reduce will influence growth economics , this means growth economy no will Keep going continuously taking place (Sukirno , 2013).

Development economy contain more meaning _ large as well as covers changes to the order economy Public in a manner thorough . Economic development in general defined as a causal process increase income real per capita population a deep country period length accompanied by improvement _ system institutional .

Unemployment Rate

According to Sadono Sukirno (1994), unemployment is a situation in which a person classified in force work want to get profession but not yet could get it . Unemployment is circumstances where people want work however no get job .

Unemployment often interpreted as anyone wants work however no have job . Unemployment consists of 3 types

1. Unemployment Covert is power no work _ work in a manner maximum because an excuse _ certain .
2. Half Unemployed is power less work _ than 35 hours per week .
3. Open unemployment is serious workforce _ _ _ no have job .

According to Sukirno (2008: 13) in study Rovia Nugrahani Pramesthi (2013), unemployment is someone who has classified in force work , which is active currently look for work on one level wages certain

, however no could obtain desired job . _ in the same direction with opinion on yes quoted from study Rovia Nugrahani Pramesthi (2013) entitled ' Influence Unemployment and Inflation To Growth Economy in the District Trenggalek ', Murni (2006: 197) unemployment are people of his age is at in age force work and average look for job .

Poverty

kindly etymologically , " poverty " originates from the word "poor" which means no rich things and everything lack . Central Bureau of Statistics define as inability individual in Fulfill needs minimal basis for life worthy more far mentioned poverty is a existing conditions _ under line score standard minimum requirements , either for so - called food and non - food line poverty (poverty line) or also called limit poverty (poverty threshold) .

Supriatna (1997:90) states that poverty is all situation _ limited happening _ no on the will of the person concerned . Something population is said to be poor if characterized by low level education , productivity employment , income , health and nutrition as well as well-being his life , which shows circle helplessness . Poverty can due to limitations source power existing humans , fine _ past track formal and non-formal education in the end raises consequence to low informal education .

Poverty is something fluid , all - round concept no definite and multidimensional . Called liquid , because poverty can meaning subjective , however at the same time meaningful objective . kindly objective can just Public no could poor , because income already be on top limit line poverty , which by a while expert be measured according to standard requirements tree based on on needs rice and nutrition.³ However , what appears in a manner objective not that poor can just felt as poverty by the culprit , because exists feeling no capable Fulfill needs the economy , or even with compare them with conditions experienced by other people, whose income more tall from him .

More continued Emil Salim (in Supriatna , 1997: 82) suggests five characteristics poor residents . Fifth characteristic the poor residents are : 1) No have factor production myself , 2) No have possibility for obtain asset production with strength , 3) Level of education in general low , 4) Many in between those who don't have facilities , and 5) In between they aged relatively young and not have Skills or adequate education . _

Indicator poverty issued by BAPPENAS has relative meaning _ broad , that is from various side needs life , among others are ; (1) limited adequacy and quality food ; (2) limited access and low quality service health ; _ _ (3) limited access and low quality service education ; (4) limited opportunity work and try ; (5) weak protection to asset effort , and difference wages ; (6) limited access service housing and sanitation ; (7) scattered the bag access to clean water ; (8) weak - nya certainty ownership and control land ; (9) worsening condition environment life and resources nature , as well its limited _ access Public to source power nature ; (10) weak security guarantee ; _ (11) weak participation ; (12) magnitude burden population caused by its size _ _ dependent family ; (13) governance bad governance that causes - right _ inefficiency and ineffectiveness in service public , widespread corruption and low guarantee social to society . (Sahdan , 2005)

3. METHOD

Method used _ is method analysis quantitative . The type of data used is secondary data in the form of *time series* data in period time six year (2014-2019), Data to be processed through method analysis multiple linear regression with *panel* data use Ordinary Least Square (OLS) method . Variable in study this there is three variables , among others Number Poverty (Y) as variable bound and Growth Rate Economy (X1) and Unemployment Rate (X2) as variable free . Secondary data collection on variables sourced from official data from the Central Statistics Agency (BPS) for Research this conducted for knowing how many big influence variable independent consisting _ of Growth Rate Economy and Unemployment Rate to variable dependent , that is Number Poverty in the Province West Java .

Quantitative data analysis techniques covers data presentation , data analysis using *E-Views 9* and withdrawals conclusion . Study use method analysis multiple linear regression . In multiple linear regression here , the data used i.e. inner panel data period time from 2014-2019 with data in the Province West Java . For prove truth from hypothesis so needed tool data analysis , then econometric model is used .

4. DISCUSSION RESULT

4.1 Discussion

CEM Using Logs

Variables	coefficient	std. Error	t-Statistics	Prob.
C	-0.007480	0.066128	-0.113116	0.9114
X1	1.111641	0.528521	2.103303	0.0527
X2	0.034689	0.490735	0.070688	0.9446

Source : Processing Results Eviews 9 (2022)

Table show CEM results are positive and no significant means Growth Rate Economy take effect positive no significant to poverty as big 1.111641 on a regular basis no significant . Relationships that don't significant proven with score *probability* above 0.05. this _ means Growth Rate Economy take effect no significant toward positive to poverty . Whereas for the Unemployment Rate also has an effect positive and no significant to poverty , meaning the Unemployment Rate take effect positive to poverty as big 0.034689 on a regular basis no significant . This showing Unemployment Rate take effect positive in a manner no significant with poverty .

FEM Using Logs

Variables	coefficient	std. Error	t-Statistics	Prob.
C	0.081789	0.018064	4.527734	0.0019
X1	0.050392	0.304838	0.165307	0.8728
X2	-0.198962	0.098697	-2.015893	0.0786

Source : Processing Results Eviews 9 (2022)

Whereas FEM results show positive and no significant means Growth Rate Economy take effect positive no significant to poverty as big 0.050392 on a regular basis no significant . Relationships that don't significant proven with score *probability* above 0.05. this _ means Growth Rate Economy take effect no significant toward positive to poverty . Whereas for Unemployment Rate take effect negative and no significant to poverty , meaning the Unemployment Rate take effect negative to poverty as big 0.198962 on a regular basis no significant . This show Unemployment Rate take effect negative in a manner no significant with poverty .

REM Using Log

Variables	coefficient	std. Error	t-Statistics	Prob.
C	0.035938	0.080798	0.444795	0.6628
X1	0.856038	0.544240	1.572904	0.1366
X2	-0.264684	0.587847	-0.450260	0.6590

Source : Processing Results Eviews 9 (2022)

Whereas REM results show positive and no significant means Growth Rate Economy take effect positive no significant to poverty as big 0.856038 in a manner no significant . Relationships that don't significant proven with score *probability* above 0.05. this _ means Growth Rate Economy take effect no significant toward positive to poverty . Whereas for Unemployment Rate take effect negative and no significant to poverty , that is number hope life take effect negative to poverty as big 0.264684 in a manner no significant . This shows the Unemployment Rate negative effect _ no significant with poverty .

However for choose an estimation model best must he did several tests , namely the *Chow* test and the *Hausman* test as following :

Testing Chow**F Test Results (Chow Test)**

Effect Test	Statistics	df	Prob.
Cross-section F	24.244296	(2,13)	0.0000
Chi-square cross-sections	27.970242	2	0.0000

Source : Processing Results Eviews 9 (2022)

Based on test results in the table obtained F-test results of 24.244296 and Chi-squares of 27.970242 with p(0.0000). Probability value less chow test results from 0.05 up selected the FEM model. Because of the results testing selected FEM, then next with the Hausmann test for see what model is selected between FEM and REM.

Hausman test**Hausman Test Results**

Test Summary	Chi-Sq. Statistics	Chi-Sq. df	Prob.
Random cross-sections	48.488592	2	0.0000

Source : Processing Results Eviews 9 (2022)

Based on table show chi-squares prob values for results hausman test estimate is 0.0000 . Because of value not enough than 0.05 then H1 is accepted ..

4.2 Contents of Discussion Results

Variables	coefficient	std. Error	t-Statistics	Prob.
C	-0.007480	0.066128	-0.113116	0.9114
X1	1.111641	0.528521	2.103303	0.0527
X2	0.034689	0.490735	0.070688	0.9446

Source : Processing Results Eviews 9 (2022)

1) Effect of Growth Rate Economy to Poverty

Based on results panel data analysis shows Growth Rate value Economy affect Poverty Rate . Calculated prob value of Growth Rate Economy as big 0.0527 means score the more big from level significant so this variable said no significant to level poverty .

Growth Rate Value Economy take effect no significant on the Poverty Level in the Province West Java Year 2014-2019 happy coefficient 1.111641 . coefficient regression worth positive it means if Growth Rate Economy experience increase so level poverty experience increase . Ascension score Growth Rate Economy by 1% will reduce the poverty rate as big 1.111641 .

2) Influence Number Hope Life to Poverty

Based on results panel data analysis shows the value of the Unemployment Rate affect Poverty Rate . Calculated prob value of the Unemployment Rate as big 0.9446 means score the more big from level significant so this variable said no significant to level poverty .

Unemployment Rate Value take effect no significant on the Poverty Level in the Province West Java in 2014-2019 with coefficient 0.034689 . coefficient regression worth positive it means if Unemployment Rate experience increase so level poverty experience increase . Ascension score Unemployment Rate by 1% will

raise the poverty rate as big 0.034689 .

5. CONCLUSION

Based on results research and discussion on research this , then could pulled conclusion as following

:

1. Study this conducted for see how much big Effect of Growth Rate Economy and Unemployment Rate on the Poverty Level in the Province West Java in 2014-2019 .
2. With use method regression simple for panel data and choose effects modeling approach permanent concluded that variable Growth Rate Economy have influence no significant on the Poverty Level in the Province West Java . When Growth Rate Economy experience increase hence the poverty rate will experience increase . While the Unemployment Rate also has influence positive and no significant to on the Poverty Level in the Province West Java in 2014-2019 . When the Unemployment Rate experience increase hence the Poverty Rate will experience increase .
3. Results for the R-squared number is as big 0.257541 which means variables free could explain the dependent variable by 2.257% in the whereas model the rest explained by other variables outside the regression model .

THANK-YOU NOTE

Alhamdulillah praise gratitude on all grace , grace as well as favors that have given by Allah SWT so could resolved study this with appropriate time . We as writer say thanks to lecturers , family and friends who are determined give Support in processing study this .

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