



The Influence of Unemployment on Poverty in the City of Bandung

Sonia Hapsari Marbun¹, Hilmi 'Aadilah¹, Ahmad Rahman Hamdani Lubis¹, Faisal Rahman Dongoran²

Medan State University, Indonesia¹

Medan State University, Indonesia¹

Medan State University, Indonesia¹

Medan State University, Indonesia¹

soniahapsari0@gmail.com¹

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Abstract

A This study aims to find out whether unemployment affects the condition of poverty in the city of Bandung in 2017-2021 and how does the variable unemployment affect it. The research uses quantitative research methods by processing data using the Eviews application. Research data comes from the Central Bureau of Statistics (BPS). Based on the results of data processing, it is known that unemployment does not have a significant and partial effect on poverty in the city of Bandung in 2017-2021. This is evidenced by the probability value of the t-statistic below 0.05%. In addition, based on the Adjusted R-squared value, it is known that although there is no unemployment, there are other indicators that affect poverty in the city of Bandung.

Keywords: unemployment, poverty, Bandung city

Introduction

Definition development national that is Wrong One objective main countries Not yet advanced, for example Indonesia. Development is not just refers to increase , but to enhancement prosperity , protection as well as reputation factor production , incl source Power man And environment . one _ indicator from facet source Power man his is amount unemployment . Amount unemployment show circumstances something country or area, whether economy grow or weakened even experience decline . Unemployment is variable the

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author 's research take from facet problem economy his Whereas poverty made as variable dependent in research.

Poverty is something circumstances when individual Not yet capable own all option as well as chance For fulfil necessity the main thing is form health , level life deserve , freedom , as well dignity . Poverty is problems that occur in all countries and No Can removed But only Can minimized impact with increase level well-being life society . Poverty is multidimensional in nature Because difference need society . Poverty Also have a number of the primary factor is wealth , group social politics , cognitive as well as psychomotor , as well financing source Power And information .

Not lost necessity that is how to minimize it number unemployment as well as poverty . Based on theory , if individual work , means they have work as well as income Where must life with income from work . at the time necessity life guaranteed poverty will extinct . So from there can disclosed that when minimal unemployment (opportunity Work high), so poverty will low.

Literature Review

Unemployment

Unemployment is a designation for individuals who are unemployed, explore jobs, work no more than 2 days a week, even individuals prove that work is more appropriate. After all, the governments of each country want to keep the number of unemployed in their country as low as possible. If possible, the country can achieve full employment, that is, a fairly low unemployment rate of 4 percent of the total workforce. Indonesia is a country that wants to reduce unemployment to a minimum. However, it should be noted that it is impossible to completely eliminate unemployment because it takes time for job seekers to find new work activities or to leave previous work activities, causing workers to be out of work for some time. Unemployment is usually caused by an imbalance between jobs and job seekers.

According to Raper Brotherhood (2002), unemployment is the most common cause of poverty that must be eliminated. Discussing the poverty of the poor and near-poor are very close to the poverty line. However, on closer inspection There are two causes of unemployment, namely:

1. Slowdown in economic growth due to decreased production and total costs. Reducing the demand for production of citizens' goods and services causes a decrease in the demand for employment which ultimately leads to unemployment. Unemployment caused by the current business cycle recession is called cyclical unemployment.

2. The structure of the economy has changed. Technological developments urge modification of the economic structure. For example, modification of the economic structure starting from agriculture to industrialization. These modifications involve a large number of work activities which used to be done by hand replaced by machines that are more economical. This reduces personal requests. The inability of the workforce to adapt to the process occurs and cause unemployment.

Poverty

Poverty is a condition in which a person cannot have all the options and opportunities to meet his basic needs, for example health, an appropriate standard of living, freedom, self-esteem and a sense of being valued like other people. and not good for the future of the nation and the state. Poverty is an obstacle in all regions, especially in underdeveloped countries, for example Indonesia. Because poverty is multidimensional, namely the result of differences in people's needs, poverty only has several primary factors in the form of wealth, socio-political groups, knowledge and skills of the poor and secondary aspects in the form of social networks of the poor, financing resources. and information. Poverty has long been known as a multidimensional phenomenon. Where, poverty cannot be understood only by poverty or financial inability. Where specifically poverty is defined as a state of financial inability to meet basic needs, in this case it cannot guarantee survival (Suryawati, 2004).

According to Rintuh (2003), poverty can be interpreted as an individual's inability to complete basic consumption needs and increase basic consumption needs and quality of life. There are 2 ways to measure poverty, where absolute poverty is relative poverty. Absolute poverty is an individual's inability to trace the poverty line when it is determined. Relative poverty, another factor refers to the difference in the amount of income of one group compared to another group. Poverty is a complex obstacle due to being tied to minimum income, illiteracy, minimal health, gender inequality and a bad environment (World Bank, 2004).

In general it can be said that the cause of poverty lies in uneven improvement, especially in rural areas. Poor people in villages are rated more than poor people in cities. Another reason is that the poor have no access to essential assistance and facilities such as education, health, drinking water and sanitation, and transportation. Malnutrition itself still exists among poor people. This incident was mainly due to the lack of social protection for the poor. The essence of this vicious circle of poverty is that everyone, especially the government, must have a strong will to break this trend. A circle will never be cut unless there is a piece left.

Economic Development and Economic Growth

Economic development is an effort to advance people's living standards, which are often processed according to real per capita income. When carrying out the development process, there are factors that determine the success or failure of development activities carried out by the state. Irawani and M. To achieve success in development efforts, the performance of these determinants must be optimized.

Research Method

Where the research used is quantitative research. Quantitative research is research that uses data in the form of numbers, then it is processed quantitatively and analyzed based on the results of the data processing. The media used to process data is the Eviews application. The eviews application is an application for processing accurate statistical data after SPSS, but this Eviews application is more intended for research in the field of Economics and Business.

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The source in this research is a type of secondary research source. It is a research source which is not obtained instantly, but comes from other sources that can be accessed without having to go directly to the field. This source can be in the form of literature sources such as books, journals, or other scientific writings.

In addition, secondary research sources can also be obtained from official databases. One of the largest data centers in Indonesia is the Central Bureau of Statistics (BPS). The variable data on poverty and unemployment in this study comes from BPS.

Result and Discussion

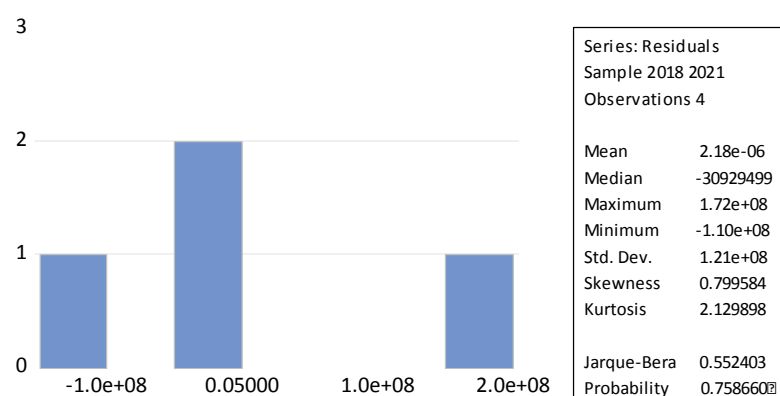
The following is data on unemployment and poverty rates in the city of Bandung in 5 years, namely from 2017-2021:

Year	Unemployment	Poverty
2017	8.44	103.98
2018	8.05	89.38
2019	8.18	84.67
2020	11.19	84.67
2021	11.46	112.5

Source: BPS

Before analyzing the results of data processing on the effect of unemployment on poverty in the city of Bandung (2017-2021), the research data must prove to be accurate and of good quality. The way to prove this is through the Classical Assumption Test. Classical assumptions in simple linear regression research, especially for time series data research, include:

1. NORMALITY TEST



Based on results test normality Where done on research data, it is known that mark probability is amount 0.758660 . Mark the higher than level significance i.e. 0 .05. So it can be said where the results above normally distributed .

1. HETEROSCEDASTICITY TEST

Heteroskedasticity Test: Glejser
Null hypothesis: Homoskedasticity

F-statistic	0.840251	Prob. F(1,2)	0.4561
Obs*R-squared	1.183347	Prob. Chi-Square(1)	0.2767
Scaled explained SS	0.530281	Prob. Chi-Square(1)	0.4665

Test Equation:
Dependent Variable: ARESID
Method: Least Squares
Date: 04/15/23 Time: 12:56
Sample: 2018 2021
Included observations: 4

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	6.12E+08	5.75E+08	1.064047	0.3988
NLOGPENGANGGURAN	-0.181864	0.198400	-0.916652	0.4561
R-squared	0.295837	Mean dependent var		85753067
Adjusted R-squared	-0.056245	S.D. dependent var		68814023
S.E. of regression	70722766	Akaike info criterion		39.29329
Sum squared resid	1.00E+16	Schwarz criterion		38.98643
Log likelihood	-76.58657	Hannan-Quinn criter.		38.61992
F-statistic	0.840251	Durbin-Watson stat		2.494373
Prob(F-statistic)	0.456091			

Based on results test heteroscedasticity , is known then the number of Prob. The Chi-Square number is 0.2767 . Mark This more high from 0 .05 . So it can be said that the data is free from heteroscedasticity or data included homogeneous

2. AUTOCORELATION TEST

Dependent Variable: NLOGKEMISKINAN

Method: Least Squares

Date: 04/13/23 Time: 17:32

Sample (adjusted): 2018 2021

Included observations: 4 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	12695646	1200761.	10.57300	0.0088
NLOGPENGANGGURAN	-0.217676	0.414299	-0.525409	0.6517
R-squared	0.121286	Mean dependent var		12065949
Adjusted R-squared	-0.318070	S.D. dependent var		128635.5
S.E. of regression	147682.9	Akaike info criterion		26.95038
Sum squared resid	4.36E+10	Schwarz criterion		26.64352
Log likelihood	-51.90075	Hannan-Quinn criter.		26.27701
F-statistic	0.276055	Durbin-Watson stat		1.340790
Prob(F-statistic)	0.651738			

From the amount test autocorrelation, it is known that the Durbin-Watson (DW) number is a number of 1.340790. Where amount This located between -2 and +2, so got is said to be free data from autocorrelation or time series data used Already logical.

Of the three tests, it is evident that the research data has passed the classical assumption test. So that if the data can be continued by doing data regression. The results of the data regression of the dependent variable poverty and the independent variable unemployment are as follows.

Dependent Variable: NLOGKEMISKINAN

Method: Least Squares

Date: 04/13/23 Time: 17:40

Sample (adjusted): 2018 2021

Included observations: 4 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	12695646	1200761.	10.57300	0.0088
NLOGPENGANGGURAN	-0.217676	0.414299	-0.525409	0.6517
R-squared	0.121286	Mean dependent var		12065949
Adjusted R-squared	-0.318070	S.D. dependent var		128635.5
S.E. of regression	147682.9	Akaike info criterion		26.95038
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Log likelihood	-51.90075	Hannan-Quinn criter.		26.27701
F-statistic	0.276055	Durbin-Watson stat		1.340790
Prob(F-statistic)	0.651738			

- Is known mark variable t-statistic probability unemployment is amounted to 0.6517. This amount more tall from level significance 0.05. So that can concluded then unemployment in the city of Bandung is not influential in a manner Partial to poverty city of Bandung.

It is known that the Adjusted R-squared value is -0.318070 which, if converted to -31.8070%. That is, the unemployment variable in the city of Bandung cannot explain the poverty variable in the city of Bandung. There are still -68.193% different variables which are not described in this study.

Conclusion

Based on the results of the simple linear regression test, it is concluded that in 2017 to 2021 it turns out that unemployment has no effect on poverty in the city of Bandung. This research is proven by the probability value of the t-statistic is not more than 0.05 or even minus. In addition, from the results of the Adjusted R-squared value, which also has a minus sign, it can be concluded that there are other indicators that have an impact on poverty in that year, not the unemployment indicator.

Suggestions

Researchers hope that in further studies by other researchers can find other indicators that really affect the poverty of the city of Bandung. So that these indicators can later be used as an assessment material to determine strategies or solutions to overcome the problem of poverty in the city of Bandung.

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