The Effect Of Health, Education, Capital, Technology, Inflation, And Gross Of Regional Domestic Products On Poverty Level In North Maluku Province

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***Abstract**.*

Poverty is a social problem that occurs due to various factors including economic, social and cultural. This problem continues to occur in almost every developing country and the same case is also found in countries that are already advanced in their economic systems. Currently in Indonesia, especially the problem of poverty is still concentrated in the eastern part of Indonesia, this is caused by uneven human development in terms of education, employment, infrastructure, and the economy. The purpose of this study is to analyze the effect of labor on the poverty level, the effect of capital on the poverty level, the effect of inflation on the poverty level, and the effect of gross regional domestic product on the poverty level. The object of research is the Province North Maluku. The data used in this research is secondary data. The data analysis method uses a panel data regression model with an estimated random effect model and a fixed effect model. Then the analysis technique used is the determination of the panel data estimation model, the classical assumption test, and the significance test. The results of this study indicate that the variable life expectancy which represents overall health has no effect on the level of poor people in North Maluku Province. The variable of Old School Expectation which represents education in general affects the level of poor people in does not affect the poverty level in North Maluku Province. The variable average length of schooling represents education in general that affects the level of the poor in North Maluku Province. Capital is divided into Capital Expenditure variables and KUR represents Capital. Capital Expenditure as a whole has an effect on the poverty level has no effect on the poverty level in North Maluku Province. KUR as a whole does not affect the poverty level does not affect the poverty level in North Maluku Province. The technology variable that represents technology as a whole affects the poverty rate does not affect the poverty rate in North Maluku Province. Inflation variable is inflation as a whole does not affect the poverty level also in North Maluku Province. The Gross Regional Domestic Product (GRDP) variable represents the overall GRDP that affects the poverty level does not affect the poverty level in North Maluku Province.

Keywords: *Poverty Rate, Health, Education, Capital, Life Expectancy, Length of School Expectation, Average Length of Schooling, Capital Expenditure, KUR, Technology, Inflation and Gross Regional Domestic Product*

I.   INTRODUCTION

Poverty is a social problem that occurs due to various factors including economic, social and cultural. This problem continues to occur in every developing country and similar cases can also be found for countries that are already advanced in their economic systems. The problem of poverty is fundamental for a developing country like Indonesia, this happens because of the crisis between social and cultural life and ongoing economic activities. Various efforts have been made to tackle the problem of poverty, but as of 2017 there are still more than 2 billion people in the world who live on an income of less than one dollar per day, this shows that almost 15% of the world's population is classified as poor. The United Nations (UN) since 2001 has had the "Millennium Development Goals (MDGs)" program aimed at eradicating poverty and hunger, the MDGs declaration was set forth in October 2000 and was approved by 189 UN member countries, including Indonesia (Sukidjo 2009) , and the program is sustainable until 2030 under the name Sustainable Development Goals (SDGs).

Poverty has a very large impact on the opportunities for crime or crime, where the poverty level shows difficulties in meeting various aspects of life needs, while on the other hand the means to satisfy needs must be limited. So that it can lead to crises, social reporting that can lead to social jealousy and then proceed to social turmoil which ends in social conflict that occurs as a crime (Prayetno, 2013). In addition, poverty can also be studied further as a multidimensional problem because it is related to the inability to access socially, economically, culturally, politically and community activities. In principle, the standard of living in a society is not only the need for food, but also the need for health and education. Poverty is also a problem as a form of problems from the development of a country caused by the negative impact of a country's economic growth over a certain period of time, this also results in income differences that will widen reports that occur between communities so that it can cause social conflicts that occur. can lead to crime.

II.   LITERATURE REVIEW
Concept of Development and Economic Growth

There are two concepts that do not understand between economic growth and economic development. What is used as a basic guide for a country in development is a theory and model of economic growth, while economic development is an effort resulting from continuous development by using its resources is economic development. In the concept of development and economic growth based on this research is economic development and critical analysis by looking at and adapted to the context of a region in Indonesia. Arsyad (2006) says it is an increase in the ability to process natural resources, the number of workers and their quality, funders, the quality of infrastructure such as development infrastructure and facilities, transportation and communication, industrial progress, technological developments, community economic conditions and trade between regions, regional income in regional development financing, entrepreneurship development and regional institutions are the meanings of economic development.

Definition of Economic Growth

According to Rostow (1960), economic growth can be defined as a process that causes changes in people's lives, namely changes in politics, social structure, and the structure of economic activities. According to Prof. Simon Kuznets (1966), economic growth is defined as a long-term increase in the ability of a country to provide more types of economic goods to its population where this ability grows according to technological, institutional and ideological advances that it requires. Todaro (2016) increases the ability of a country or region to meet the needs of economic goods for its population, and can realize a continuous increase in output nationally in line with technological advances that are owned as well as the existence of institutional arrangements, as well as the ability to understand ideologically the need for a definition of economic growth.

Economic Growth Theory Economic

Progress of a region shows a belief in development although it is not the only indicator of development (Todaro: 2006). There are three kinds of measures to assess economic growth, output growth, output growth per worker, and output growth per capita. Output growth is used to assess the growth in production capacity built by increases in labor and capital in the region. Output growth per worker is often used as an indicator of a change in power in the region (productivity productivity). Meanwhile, per capita output growth is used as an indicator of changes in economic welfare (Bhinadi: 2003).

There are several theories about growth as described below:

Rostow and Harrord-Domar

Theory Rostow theory explains that there are stages that a country goes through in economic growth. One way to accelerate economic growth is with national savings. This theory is further clarified by the Harord-Domar theory which states that the more portion of GDP saved will increase the capital stock thereby increasing economic growth. Both theories explain that a high level of savings and capital stock will increase economic growth. However, some studies show different results between countries in Eastern Europe and in Africa. This shows that there are other factors that affect economic growth, such as the quality of human resources and supporting infrastructure (Todaro: 2016).

Structural Transformation

Theory This theory focuses on what makes poor countries and can increase economic growth by transforming the structure of the economy from the original traditional sector to become dominant to a more modern manufacturing industry sector and the services sector. This theory was pioneered by W. Arthur Lewis.

According to Lewis, in an underdeveloped economy there are 2 sectors, namely the agricultural sector and the manufacturing industry sector. The agricultural sector is a traditional sector with zero labor productivity. In other words, labor reduction will not reduce the output of the agricultural sector. The modern industrial sector is a modern sector and the output of this sector will increase if the workforce from the agricultural sector moves to this modern sector. This occurs shifting labor, increasing output and expanding job opportunities. The entry of labor into the modern sector will increase productivity and increase output.

Solow

Theory This theory explains how the level of savings and investment, population growth and technological progress affect the level of output of the economy and its growth over time (Mankiw: 2010). In the theory of technological development, it is assumed as an exogenous variable. The relationship between output, capital and labor can be written in the form of a function as follows.

III. RESEARCH METHODOLOGY

The object of research

North Maluku Province North

Maluku (abbreviated Malut) is one of the provinces in Indonesia. North Maluku was officially formed on October 4, 1999, through Law Number 46 of 1999 and Law Number 6 of 2003. Before officially becoming a

province, North Maluku was part of Maluku Province, namely North Maluku Regency and Central Halmahera Regency. At the beginning of its establishment, North Maluku Province was the capital city of Ternate, which was located at the foot of Mount Gamalama, for 11 years. To be precise, until August 4, 2010, after 11 years of transition and infrastructure preparation, the capital city of North Maluku Province was moved to Sofifi City, located on Halmahera Island, which is the largest island.

Types of Data

This study uses ratio-scale secondary data sourced from:obtained

1.Life Expectancy Data (AHH), in the Provinces of Papua and North Maluku (2014-2018) can befrom the Central Bureau of Statistics (BPS) both central and regional as well as data from the population Papua and North Maluku Provinces,

2.Expected Years of Schooling (HLS), Average Length of Schooling (RLS) in Papua and North Maluku Provinces (2014-2018) obtained from the Central Bureau of Statistics (BPS) both central and regional as well as data from population of Papua and North Maluku Provinces,

3.Capital Expenditure data (B. Capital) of district / city governments in the provinces of Papua and North Maluku for the year (2014-2018) obtained through the District / City APBD reports borne by BPKP at the Provincial Development Planning Agency Papua and North Maluku,

4.Data on People's Business Credit (KUR) for Papua and North Maluku Provinces (2014-2018) obtained from the Indonesian Financial Economic Statistics Report (SEKDA) Bank Indonesia Papua and North Maluku Province Branches,

5.Data Technology from Electricity Customers and Cellular Operator Users from each district/city of Papua and North Maluku Provinces. So in this case the author is looking for the presentation of electricity customers and cellular operator users in districts / cities multiplied by a lot of used electricity and used quotas,

6.Data on Gross Regional Domestic Product (GDP) of Regency / City Governments in Papua and North Maluku Provinces in (2014) -2018) obtained from the annual routine reports published by the Central Bureau of Statistics for Districts/Cities in the Provinces of Papua and North Maluku,obtained from

7.Inflation datathe Central Bureau of Statistics (BPS) or BPS for the Provinces of Papua and North Maluku.

IV. RESEARCH RESULTS AND DISCUSSION

Result Analysis North Maluku Province Regression

Rang germs Research Results North Maluku Province

Hypothesis	Results	Meaning
H1: Health (Numbers expected living	**AHH:** **P: 0.9264> 0.05level** **(No Influence)**	This does not affect the rise / fall of povertybecause even though they live but if they do not do theactivities that generates money , thecommunity cannot fulfill their daily needs and is released from the trap of poverty.
H2: education (hope length of schools , it On average length of time the Schooling)	**HLS:** **P: 0.9873> 0.05** **(no effect) is**	BECAUSE the reason main is the level of Poverty in North Maluku itself is very low small, namely below 10% and the old expectation of the school initiated by the local government is quite high so that the people there are very educated and of course 90% The community can meet their needs.
	RLS: **P: 0.0202 <0.05,** **(Impact)**	The higher the average number of years of schooling, which is is in Maluku province The big north anyway 'The free society From Poverty BECAUSE

		IF they do NOT settle old Hope school BUT NOT fence they Graduated One level school OR even MORE THAT widen opportunity their to review qualified WORK OR got science to review entrepreneurship.

Summary of Research Results of North Maluku Province (Continued)

Hypothesis	Results	Meaning
H3: Capital (Capital Spending, People's Business Credit)	**Capital Expenditure: P: 0.8482> 0.05Effect (No)**	Capital expenditure does not affect the level of poor people in North Maluku province because The poverty rate in the province of North Maluku is already very low below 10% so that the APBD does not focus on reducing poverty anymore but is used for the benefit of other local governments.
	People's Business Credit : P: 0.1750> 0.05Effect (No)	People's Business Credit does not affect the level of poor people in North Maluku province because if the people of North Maluku Province enter into credit agreements for business, they are often misused by the local community instead of being allocated To run a business, it is even used to buy daily necessities, which causes the people of Papua Province to fall into poverty because they have to pay KUR installments and buy daily necessitie
H4: Technology	**Technology: P: 0.7429> 0.05Affected (Not) the**	number of indigenous people of northern Maluku who work or do entrepreneurship outside the northern Maluku region so that the use of electricity is mostly only for the needs of daily life, not for entrepreneurship or work.
H5: Inflation	**Inflation: P: 0.4417> 0.05Effect (NO)**	Fluctuations in Inflation Value DO NOT MAKE 'the people of North Maluku province out of the Poverty zone even though the value of the inflation is light IF the purchasing power of people who have NO income thenNOT canhave any impact.
H6: Gross Domestic Product	**Product Gross Domestic P: 0.1435> 0.05 (no effect)**	the amount of the GDP in North Maluku is not great face caused by a number of indigenous people of North Maluku go find a job outside of the territory of the province.

Source: Processed Data, 2020

V.   CONCLUSIONS AND RECOMMENDATIONS

Conclusion

Based on the results and discussion, the researcher can draw the following conclusions:

1. Health effects to the poverty level whose variable is divided into: Life expectancy in total does not affect the level of poor population in as well as in North Maluku Province.
2. effect of education on poverty levels whose variables are divided into:
   a. Longevity Expectations Public schools affect the level of poor people do not affect poverty level in North Maluku Province
   b. Average Length of Schooling in general affects the poor population in North Maluku Province the general.

3. effect of Capital on poverty levels whose variables are divided into:
    a. Capital Expenditures Inaffect the poverty level do not affect the poverty level in North Maluku Province.
    b. KUR in total does not affect the poverty level does not affect the poverty level in North Maluku Province.
4. the influence of technology on the level of poverty whose variables are represented by: Technology affects the level of poverty does not affect the level of poverty in the province of North Maluku.
5. The effect of Inflation on the poverty level whose variables are represented by: Overall inflation does not affect the poverty level also in North Maluku Province.
6. the effect of Gross Regional Domestic Product (GDP) on poverty levels: GRDP in total affects the poverty level does not affect the poverty level in North Maluku Province.

Suggestions and Implications for Research

After seeing the results of the discussion, the author can provide input to:

1. Officials in Papua province can study the economic conditions that occur in districts / cities in North Maluku Province, among others:
    a. Increasing the Human Development Index that is evenly distributed not only in cities or in large districts but all districts and cities in Papua province, especially from the education sector which is still very minimal and infrastructure to make it easier for them to go to school and economic activities.
    b. Increase investment by forming industrial centers that manage natural resources owned by the Papua province, because there are a lot of natural resources in the Papua province that can be done by ourselves, the Indonesian people are not assisted by parties so that the results obtained are more optimal for the progress of the community, an example is

The results of Freeport which is the largest gold mine in Indonesia that can be sold not only for gold, but also for the mining of Bekasi rocks can be made into handicrafts and marine products from Papua are very rich and varied.

    a. Create a business entity at the village level or at least by the district that can employ the people there to market natural products there.
    b. Expanding the coverage area of electricity and signals for the people of the province of Papua so that information is more evenly distributed and business opportunities in this era of globalization.

3. The next researchers to learn more about poverty in the Covid-19 era, of course with more diverse variables, for example "Health Insurance Program", "Covid-19", with a more diverse period of time and research locations, of course, eastern Indonesia is very interesting.

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