



Typology of Poverty Levels in Riau Province in 2023

Emkhad Arif¹, Aswanto²

Fakultas Ekonomi Universitas Islam Riau, Pekanbaru, Indonesia

emkhadarif@eco.uir.ac.id aswan.economics@gmail.com

Received: 2023-11-19

Revised: 2023-11-25

Accepted: 2023-12-26

Published: 2024-01-02

Corresponding Author:

Author Name*: Emkhad Arif¹

Email*: emkhadarif@eco.uir.ac.id

Abstrak: *The typology in this research is a study of the classification and grouping of poverty levels based on macro poverty indicators, namely the Percentage of Poor Population (P0), Poverty Depth Level (P1), and Poverty Severity Level (P2). The aim of this research is to analyze the level of poverty in Riau Province based on districts/cities by grouping them based on poverty indicators (BPS Riau Province). Using cross section data in 2023. Meanwhile, the analysis methods used are descriptive analysis and cluster analysis. So, based on the results of the analysis, it can be concluded that the poverty of districts/cities in Riau Province is grouped into three groups with four districts/cities. Group 1 with the highest poverty rate is Meranti, Rohul, Pelalawan and Kuantan Singingi Islands. Group 2 with a moderate level of poverty is Indragiri Hulu, Bengkalis, Kampar and Rokan Hilir. Meanwhile, group 3 with a low poverty level is Pekanbaru, Dumai, Siak and Indragiri Hilir.*

Keywords : *Typology, Percentage of poor people, Depth Index and Poverty Severity Index*



INTRODUCTION

Poverty is seen as an economic inability to meet basic food and non-food needs. Poverty is often seen as a symptom of the low level of welfare of the people of a country. Poverty is the condition of a person who is only able to meet his food needs of less than 2100 calories per capita per day. This could be because their income is not enough to meet their needs. Or it could be because they don't have income to spend on their needs.

Poverty is one of the various diseases in an economy, in fact poverty is found in almost every country, especially in developing countries, where it will continue to be a problem from time to time. In fact, we know that poverty has a big impact on a person's life in society. The poorer a person is, the further his reach will be to obtain facilities that can improve the welfare of him and his family. Where there are economic limitations and they still have to fulfill their needs to survive. Meanwhile, on the other hand, poverty alleviation is still a development theme, the main agenda, and sustainable throughout the world, including in Indonesia. In the Outcome Document Transforming Our World: The 2030 Agenda For Sustainable Development, ending poverty is also the first goal of the seventeen goals agreed to in the Sustainable Development Goals (SDGs). Based on the causes, poverty is divided into 2 types (Ferezagia, 2018):

- a. Cultural poverty is poverty caused by the presence of customary or cultural factors in a particular area which shackles a person or a certain group of people so that they remain attached to poverty.
- b. Structural poverty is poverty that occurs as a result of the powerlessness of a person or a certain group of people against an unfair social system or order, therefore they are in a very weak bargaining position and do not have access to develop and free themselves

from the trap of poverty or in other words "a person or group of people is poor because they are poor"

Meanwhile, conceptually, according to the assessment standards, poverty is divided into relative and absolute poverty:

1. The measure of relative poverty is a standard of living that is determined and determined subjectively by the local community and is local in nature and those who fall below this assessment standard are categorized as relatively poor. Relative poverty occurs due to economic policies implemented by the state. The policies implemented by the government are still not evenly distributed across all regions and income inequality still occurs. As a result of this income inequality, a person's income is still relatively low compared to the surrounding community.
2. The absolute poverty assessment standard is the minimum standard of living required to meet the basic needs required, both food and non-food. This minimum standard of living to meet basic needs is called the poverty line. Absolute poverty is the poverty level of people whose income is below the average determined by the government and who are unable to meet their basic needs. (Pramu & Hutajulu, 2023)

Various poverty alleviation policies and programs were developed to reduce poverty rates. However, poverty alleviation is not always overcome by providing goods or money. Poverty alleviation will be more efficient and effective if poor people can be more empowered, of course with the support of government policies. So a program like this will have a long-term impact. (Heriawan, 2007) In efforts to eradicate poverty, there are two strategies that must be pursued. First, protecting families and poor community groups by fulfilling their needs in various

fields. Second, provide training for them so that they have the ability to carry out efforts to prevent new poverty from occurring. Efforts to eradicate poverty are carried out to realize the nation's ideals, namely, the creation of a just and prosperous society. (Ferezagia, 2018)

The same research was carried out by Debrina Vita Ferezagia with the title Analysis of poverty levels in Indonesia, with the results of her research based on cluster analysis. Provinces with a high poverty index are in group three, moderate poverty is in group two and low is in group one. In another research conducted by Dedi Setiawan, Amalia Zahra with the title Poverty Grouping in Indonesia Using Time Series Based Clustering, the results of her research showed that the grouping was very good. The optimal group resulting from clustering is 3 groups with low, medium and high poverty categories. The provinces of NTT, Papua and West Papua are the provinces with the highest levels of poverty, but have made significant progress in reducing poverty. Various research, studies and programs are always carried out to reduce poverty levels.

So the most important thing to support poverty reduction strategy programs is to provide accurate poverty data, then analyze the problem from three macro indicators, namely the percentage of poor people, the depth index and the severity index. So that existing districts/cities can be grouped (clustered). The next step is to run a program that is appropriate and remains targeted and, most importantly, has a long-term impact with an empowerment program. The data for this research are as follows:

Table 1 Percentage of Poor Population, Depth Index, Severity Index 2023

No	City	(P0)	(P1)	(P2)
1	Kuantan Singingi	8,07	1,17	0,25
2	Indragiri Hulu	6,06	1,14	0,33
3	Indragiri Hilir	5,64	0,68	0,13
4	Pelalawan	8,15	1,05	0,28
5	Siak	5,23	0,66	0,14
6	Kampar	7,04	0,72	0,14
7	Rokan Hulu	9,72	1,54	0,38
8	Bengkalis	6,31	1,03	0,23
9	Rokan Hilir	7,07	1,22	0,29
10	Kepulauan Meranti	22,98	3,86	1,06
11	Kota Pekanbaru	3,16	0,38	0,09
12	Kota Dumai	3,21	0,36	0,06
	RIAU	6,68	1,00	0,24

Source: BPS Riau Province 2023

Based on Table 1 above, it is important to find solutions to poverty problems in the districts/cities of Riau Province. Of course, the main thing is the districts/cities that are grouped with the highest levels of poverty, in this data this is the Meranti Islands Regency as well as other districts/cities. Meanwhile, there are two cities that can be grouped as having the lowest poverty level, namely Pekanbaru City and Dumai City.

In Riau Province, poverty is a very crucial problem, but its consequences do not only cover the economic scope but also social problems and domestic political instability. Therefore, the problem of poverty must be a top priority in economic development, both short and long term. (Pritama, 2019)

METHOD

A research method is a set of rules, activities and procedures used, or also a method or method. Methods in research are scientific methods, steps or procedures in obtaining data for a purpose. (Damayanti, 2013) This research uses secondary data, namely data that is not directly obtained from the main source and has been compiled in the form of written documents, sourced from the Riau Province Central Statistics Agency. (BPS, 2023) Meanwhile, the indicator variables used are the percentage of poor people, depth of poverty and severity of poverty. The analysis used in this research is descriptive analysis, namely, data processing for the purpose of describing or providing an overview of the object being studied. and cluster analysis, namely grouping data that has similarities. (Sujarweni, 2018)

Cluster analysis is an analysis used to classify different objects or observations into groups (clusters) so that the similarity between objects in the group is maximum and the similarity between groups is minimal. The aim of cluster analysis is to create groups (clusters) by maximizing similarities within groups and maximizing differences between groups. So it can be explained in this research, with complete and available data, they are then grouped based on similar levels, namely with three group levels: highest, medium and low levels of poverty.

RESULTS AND DISCUSSION

The problem of poverty is one of the priority problems for local governments to find solutions for. There have been many programs carried out by the government to alleviate poverty, the problem of poverty has always existed and cannot be denied. However, in fact, these programs have not been completely successful and there is still a poverty rate that needs to be resolved. (Aryani & Rachmawati, 2019)

Based on the results of the analysis, it can be seen that the district/city with the lowest percentage of poor population (P0) is Pekanbaru City at 3.16% while the largest is

Meranti Islands Regency at 22.98%. Next, if we look at the depth of poverty index (P1), the lowest is in Dumai City at 0.36%, while the highest is in Meranti Islands Regency at 3.86%. And next, if we look at the poverty severity index (P2), the lowest is Dumai City at 0.06%, while the highest is Meranti Islands Regency at 1.06%.

Analysis of the poverty level of Riau Province based on districts/cities was carried out using three indicators by grouping them at their levels. Cluster analysis is used to group objects in 12 districts/cities in Riau Province based on three macro indicators. So that it can be evenly grouped into 3 groups with 4 regencies/cities. The three groups are the highest, medium and low.

Group 1 consists of districts/cities that have the highest percentage of poor population (P0), depth of poverty index (P1) and poverty severity index (P2) compared to groups 2 and 3. So based on this data the results can be obtained. The average value of the percentage of poor people (P0) is 12.23%, the poverty depth index (P1) is 1.91%, the poverty severity index (P2) is 0.49%.

Table 1. Districts/Cities in Cluster 1 (highest)

District/City	P0	P1	P2
Kepulauan Meranti	22,98	3,86	1,06
Rokan Hulu	9,72	1,54	0,38
Pelalawan	8,15	1,05	0,28
Kuantan Singingi	8,07	1,17	0,25

Group 2 consists of districts/cities that have a poor population percentage (P0), a poverty depth index (P1) and a poverty severity index (P2) with a medium average indicator value. The average value of the percentage of poor people (P0) is 6.62%, the poverty depth index (P1) is 1.03%, the poverty severity index (P2) is 0.25%.

Table 2. Districts/Cities in Cluster 2 (medium)

District/City	P0	P1	P2
Indragiri Hulu	6,06	1,14	0,33
Bengkalis	6,31	1,03	0,23
Kampar	7,04	0,72	0,14
Rokan Hilir	7,07	1,22	0,29

Meanwhile, group 3 consists of districts/cities that have a poor population percentage (P0), poverty depth index (P1) and poverty severity index (P2) with low average indicator values. The average value of the percentage of poor people (P0) is 4.31%, the poverty depth index (P1) is 0.52%, the poverty severity index (P2) is 0.11%.

Table 3. Districts/Cities in Cluster 3 (lowest)

District/City	P0	P1	P2
Kota Pekanbaru	3,16	0,38	0,09
Kota Dumai	3,21	0,36	0,06
Siak	5,23	0,16	0,11
Indragiri Hilir	5,64	0,68	0,13

Based on the results of the analysis above, it is important to prioritize the problem of poverty in Riau province. Poverty data in each region will be different, because it is influenced by various indicators. The government needs to get an overview of poverty in each region by grouping districts/cities based on poverty characteristics so that the government can take appropriate poverty reduction policies. (Afira & Wijayanto, 2021)

According to Haughton & Khandker (2009), there are four reasons for measuring poverty, namely:

1. It is a powerful instrument to focus policymakers on the lives of the poor
2. Identify poor people so they can provide appropriate policy interventions
3. Monitor and evaluate projects and policies used for poor people
4. Evaluate institutions that have the aim of helping poor people

One effort to realize social welfare is through poverty alleviation efforts. According to Law 11 of 2009, it is stated that poverty alleviation is a policy, program and activity carried out against people, families, groups and/or communities who do not have or have a source of livelihood and cannot meet adequate human needs.

There are three strategic programs of the Riau Province government in reducing poverty levels, namely as follows:

1. reducing the burden on society through social assistance and social security
2. increasing community income through social or community empowerment programs
3. and reducing pockets of poverty through livable housing and sanitation programs.

And of course various other programs that can be carried out are: (Ferezagia, 2018)

1. Budgets for programs directly or indirectly related to poverty and unemployment reduction are implemented using a community-based empowerment approach and labor-intensive activities.
2. Encourage provincial, district and city APBDs in subsequent years to increase budgets for poverty alleviation and expanding employment opportunities
3. Other government programs aimed at increasing poor people's access to capital sources for micro and small businesses, rural electricity, land certification, micro credit
4. National Independent Community Empowerment Program (PNPM-Mandiri)
5. Synergy between the community and the government in overcoming poverty
6. Give wider authority to the community in making development decisions
7. Utilize local potential and resources according to regional characteristics
8. Applying a local cultural approach in the development process
9. Priority for the poorest and most vulnerable groups in the poorest villages and villages

10. Family Hope Program (PKH), in the form of special assistance for education and health

11. Enforcement of law and human rights, eradicating corruption and bureaucratic reform

12. Increasing defense capabilities, strengthening security and order, and resolving conflicts

13. Keep old programs such as:

- a) BOS (School Operational Assistance)
- b) RASKIN (Poor Rice)
- c) BLT (Direct Cash Assistance)
- d) Poverty Insurance, etc

Poverty reduction aims to: (Adawiyah, 2020)

- a. increasing capacity and developing basic abilities and business capabilities of poor communities
- b. strengthening the role of poor communities in making public policy decisions that guarantee respect, protection and fulfillment of basic rights
- c. creating economic, political and social conditions and environments that enable poor people to obtain the widest opportunities to fulfill their basic rights and improve their standard of living in a sustainable manner
- d. provide a sense of security for poor and vulnerable groups

CONCLUSIONS

Various poverty alleviation policies and programs have been developed to reduce poverty levels, but poverty in the districts/cities of Riau Province is still a policy priority. Based on the results of the analysis, it can be concluded that there are still districts/cities that have a high percentage of poor people, depth index and poverty severity index. So it has been grouped based on macro indicators into three groups, namely the highest, medium and low levels of poverty.

It is hoped that the results of this research will be able to provide references in policy making in Riau Province. That the government should pay attention to areas where poverty levels are still high and review more equitable economic distribution.

REFERENCES

Book

- Damayanti, D. 2013. *Complete guide to preparing Proposals, Theses, Theses, Dissertations for all Study Programs*. Arasca.
- Subandi. (2014). *Economic development*. ALPHABET.
- Sujarweni, V. W. 2018. *Statistics for Business and Economics*. New Library Press.

Journal Article

- Adawiyah, E. 2020. *Poverty and its Causes*. *SOCIAL KHIDMAT, Journal of Social Work and Social Service e-ISSN: 2721-6918, 1(April), 43–50*.
- Afira, N., & Wijayanto, A. W. 2021. *Cluster Analysis with Partitioning and Hierarchy Methods on Provincial Poverty Information Data in Indonesia in 2019*. *Komputika: Journal of Computer Systems, 10(2), 101–109*. <https://doi.org/10.34010/komputika.v10i2.4317>
- Aryani, D. S., & Rachmawati, Y. 2019. *Typology of Poverty in Palembang City Using the Cibest Model*. *Scientific Journal of Current Global Economics, 10(2), 93–98*. <https://doi.org/10.36982/jiegm.v10i2.844>
- Ferezagia, D. V. 2018. *Analysis of Poverty Levels in Indonesia*. *Journal of Applied Social Humanities, 1(1)*. <https://doi.org/10.7454/jsht.v1i1.6>
- Herdiana, D. 2022. *Poverty, Social Inequality and Village Development*. *Journal of Community Innovation, 2(3), 172–180*. <https://doi.org/10.33197/jim.vol2.iss3.2022.985>
- Heriawan, R. 2007. *Analysis of Urban Poverty Typology Case Study in North Jakarta*. Central Statistics Agency (BPS) Catalog: 3205012.
- Pramu, S., & Hutajulu, D. M. 2023. *Analysis of Factors Affecting Poverty in Indonesia 1999 – 2020*. *Transeconomics: Accounting, Business and Finance, 3(2), 379–390*. <https://doi.org/10.55047/transeconomica.v3i2.393>

P-ISSN

: 0000-0000

Vol. X. No. X, Bulan Tahun

E-ISSN

: 0000-0000

Available

: <https://jurnalhafasy.com/index.php/oikonomia>

Pratama, Y. C. 2019. Analysis of Factors That Influence Poverty in Indonesia. *Journal of Public and Business Administration*, 1(2), 1–15.

Priseptian, L., & Primandhana, W. P. 2022. Analysis of factors that influence poverty. *Economic Forum*, 24(1), 45–53.

<https://doi.org/10.30872/jfor.v24i1.10362>

Setiawan, D., & Zahra, A. 2023. Grouping Poverty in Indonesia Using Time Series Based Clustering. *Inference*, 6(1), 83. <https://doi.org/10.12962/j27213862.v6i1.14969>

Taufiq, N., Prasetya, A. A., & Mumtaz, T. 2020. *Regency/City Poverty Data and Information 2020*. 15, viii + 175. <https://www.bps.go.id/publication/2020/11/30/337a88d303fca9911cb7b0a8/data-dan-informasi-kemiskinan-kabupaten-kota-tahun-2020.html>

Legal Documents

BPS. 2023. Data on the percentage of poor people, poverty depth index and poverty severity index for districts/cities in Riau Province.