

Typology of Poverty and Its Implications for Poverty Reduction Policies

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Abstract: Typology of Poverty and Its Implications for Poverty Reduction Policies

The purpose of this study is to identify conditions, characteristics, access, social environment, and opportunities that can be utilized by the poor based on regional typology in Gorontalo Province. From the results of this study, it is hoped that various policies can be formulated to help the poor get out of the poverty trap. Poverty research based on analysis of three regional typologies, namely urban, rural and coastal areas, has never been done before in Gorontalo Province. The method used in this study is descriptive-qualitative method. The types of data used are primary data and secondary data. The study will be carried out in three regional typologies, namely urban, rural and coastal areas, according to the regional characteristics of the Gorontalo Province. The location sampling technique was carried out by taking area samples in stages (multistage area sampling) to determine the research location villages. The population in this study is all poor households living in the six selected sub-districts/villages. Sampling in the six sub-districts/villages surveyed was carried out using a simple random sampling technique. The results of the study show that in general, household vulnerability to poverty seems to be associated with regional aspects, where households living in rural areas have a higher vulnerability than households in urban and coastal areas. From the survey results in three regional typologies (urban, rural, and coastal) in Gorontalo Province, it can be generally concluded that income poverty and nonincome poverty are more dominant in poor households in rural areas compared to urban and coastal areas. In other words, those who live in rural areas live in poorer conditions than those who live in urban and coastal areas. From a policy perspective, this means that efforts to reduce poverty in rural areas will be relatively more difficult than the other two regions. The implication of this research is that efforts to reduce poverty in a sustainable manner need to focus more on aspects of improving the quality of human resources for poor households in all regional typologies. The government needs to design various programs



that aim to: (i) reduce the number of illiterate poor people and improve their skills; (ii) increasing access of the poor to public services (especially education and health) and economic resources (especially business capital); and (iii) intensifying programs to empower the poor, through the provision of micro credit, assistance with business equipment, work-intensive programs, and others.

Keywords: Poverty; Regional Typology; Income Poverty; Non Income Poverty

INTRODUCTION

Poverty reduction efforts in Gorontalo Province face two main challenges, namely the poverty rate which is still high and the decline in the poverty rate which is progressing slowly. This problem is in line with findings that try to trace the problem of poverty in China that the real problem faced by each region is the problem of high poverty rates and the slow handling of poverty, so that poverty reduction is also slowing down (Gong *et al.*, 2022). Data released by the Central Statistics Agency (BPS) show that the poverty rate in Gorontalo Province has reached 15.61 percent (March 2021), which places this province in fifth place with the highest poverty rate nationally, after the provinces of Papua, West Papua, East Nusa Tenggara, and the Moluccas. Although the decline in the poverty rate in Gorontalo Province shows a positive trend, the decline is not accelerating enough, especially in the last five years. During the 2017-2021 period, the decline in the percentage of poor people only moved from 17.65 percent (March 2017) to 15.61 percent (March 2021), which caused their relative position nationally to not change (BPS Gorontalo, 2022).

Even in 2021, as a result of the Covid-19 pandemic, the number and percentage of poor people will increase. The number of poor people increased from 185,020 people to 186,280 people and the percentage of poor people increased from 15.22 percent to 15.61 percent. Of course, this trend has increasingly put pressure on poverty alleviation efforts in this area (BPS Gorontalo, 2022). According to Bayar *et al.*, (2022) that the phenomenon of rising poverty and unemployment rates after the outbreak of Covid-19 is a global phenomenon that has almost occurred in various parts of the world, including what happened in Turkey. Covid 19 has had a negative impact on the economy so that it has also hit growth in various places, for this reason Covid-19 has been transformed into a trigger for the birth of a new poverty rate (Alkire *et al.*, 2020; Gibson-Davis *et al.*, 2020; Han *et al.*, 2020; Morris, 2020; Parolin and Wimer, 2020).

If the distribution of poor people is observed by district/city, Boalemo Regency recorded the relatively highest percentage of poor people, reaching 19.00 percent. However, other districts also still show a fairly high percentage of poor people, namely above 16





Volume 9 Number 2 Ed. December 2022 : page: 128-149 p-ISSN: 2407-6635 e-ISSN : 2580-5570 percent. Meanwhile, Gorontalao City, as in general in urban areas, shows the lowest percentage of poor people, namely only 5.93 percent (BPS Gorontalo, 2022).

If observed from a regional perspective, it is clear that rural areas are where the majority of the poor live, namely 88.14 percent of the total poor population in Gorontalo Province. This means that about 7 out of 8 poor people in Gorontalo Province live in rural areas. The poverty rate in rural areas is also relatively high, reaching 24.47 percent of the total population in rural areas. In contrast to urban areas which only recorded a rate of 4.23 percent. The decline in the poverty rate in rural areas has also been slower than in urban areas. In the last five years, the poverty rate in urban areas has decreased from 5.64 percent to 4.23 percent. Compare with rate poverty in rural areas only shifted slightly downward from 24.52 percent to 24.47 percent (BPS Gorontalo, 2022). As a result, the proportion of poor people in rural areas, relative to urban areas, tends to increase from year to year. The statistical description above shows that the decline in the poverty rate seems to be associated with regional characteristics. Poverty research based on regional typology has never been done before in Gorontalo Province. For this reason, it becomes a novelty for this research to explore further. Therefore, it is necessary to conduct a poverty study in Gorontalo Province to identify conditions, profiles, access, environment, and causes of poverty in Gorontalo Province based on regional typology, so that in turn more effective poverty alleviation efforts can be formulated in the future.

LITERATURE REVIEW

Poverty typology studies with various characteristics, both based on regional classification and types of poverty, have been carried out a lot. The Central Bureau of Statistics (BPS) in 2007 conducted an analysis of poverty typology studies with the locus of urban areas in North Jakarta. According to BPS, the typology of poverty is divided into three locations, namely slum areas, riverbank areas, and coastal areas. This study uses a survey research method with descriptive, discriminant, and Likert scale analysis techniques. The results of this study indicate that there are three variables that always appear as differentiating variables between regional typologies. These variables are the need for direct assistance, assets/ownership/purchasing power, and education. In general, poor households in urban areas expect cash assistance every month as a top priority, followed by assistance with basic needs (food) every month, assistance with business capital, assistance with educational costs, and assistance with health costs (BPS, 2007). This is in line with Amartya



Sen's theory regarding poverty, which states that a person's low accessibility to education and health is the cause of poverty in an area. For this reason, the government needs to create accessibility so that the poverty rate can be reduced (Basu, 2020a; Nevile, 2007; Rauhut and Hatti, 2021; Wietzke, 2020; Yamamori, 2019).

In contrast to BPS, which takes a locus in urban areas, Harniati (2007) conducting poverty typology studies in rural areas. This study aims to analyze the typology of poverty and vulnerability, the characteristics of poverty and to provide recommendations for reducing poverty using an agro-ecosystem-based approach. The scope of research is rural poverty with an agro-ecosystem approach. The typology of poverty in this study includes poverty indicators, characteristics and vulnerability of poverty. Poverty indicators are calculated using the Foster-Greer-Thorbecke (FGT) Index. Poverty vulnerability is measured by the elasticity of the poverty indicator to the poverty line and the opportunity to get out of poverty. The defining variable of poverty is estimated using logit regression with expenditure as the dependent variable. This study found that poverty is strongly associated with agroecosystems. The typology of poverty is different for each agro-ecosystem. Poverty does not occur randomly, but follows certain patterns. Findings and simulations of poverty indicators show that there are variations in poverty and vulnerability among agroecosystems. In addition, vulnerability to poverty is strongly associated with agroecosystems. Poor households in wetlands are more vulnerable to change, while households in forest areas are relatively the least vulnerable compared to other agro-ecosystems.

Furthermore, this study also found that the characteristics of poverty are closely related to agro-ecosystems. In general, household expenditure factors for food, home ownership as physical capital are other identifying factors in all agro-ecosystems. Specifically, health facility factors and expenditures on health, sanitation and environment are characteristic of wetlands. Sources of income are from livestock and mining, and a large share of expenditure on education occurs on mixed land. The kerosene fuel factor is a characteristic of expenditure on highlands, dry land, forests and beaches. The source of electric lighting is a unique factor on the beach/coastal. The land transportation factor has a significant effect on household expenditure on mixed land.

In general, this study provides recommendations, namely: (1) policies in the field of food for the poor, (2) policies for providing physical capital for poor households, and (3) policies for developing physical infrastructure that are pro-poor households as the main priority policies that must be implemented in all agro-ecosystems and nationally. Furthermore, more specifically, for wetlands, infrastructure development policies and health





facilities are priority needs. For forests and beaches, institutional arrangements, human resource development policies and alternative livelihoods are needed. Furthermore, for coastal/coastal areas, special policies are needed that expand household access to control of physical and financial assets. This is in line with those who found that physical capital is essential and a supporting factor for breaking the chain of poverty for the poor. For this reason, the government needs to encourage the availability of pro-poor infrastructure (Diwakar and Shepherd, 2022; Medeiros *et al.*, 2021; Mhlanga, 2021; Xiao *et al.*, 2022).

At another place, Fauzi *et al.*, (2010) more broadly conducted a study on the vulnerability and determinants of poverty based on regional characteristics in Barru District, South Sulawesi Province. This study aims to: (i) identify the characteristics of poor households based on regional typology; (ii) analyzing the influence of the level of education, health, accessibility, household economic conditions, and community participation in the development process on poverty vulnerability; (iii) analyzing the level of vulnerability of poor households based on regional characteristics; and (iv) analyzing the effect of economic growth, government spending, local revenue, inflation, sector share on GRDP, and the monetary crisis on poverty in Barru District.

This research uses descriptive and quantitative methodologies. Descriptive analysis was conducted to identify the characteristics of poor households by region. Quantitative analysis was carried out using an econometric approach, namely a logit equation to see household vulnerability to poverty from a micro perspective based on region. Meanwhile, to look at the determinants or factors that influence poverty based on the macro aspect, econometrics of the least squares method is used. The data used are secondary data related to the determinants of poverty, and primary data (surveys and interviews) for analysis of the vulnerabilities and characteristics of poor households by region. The sampling technique was carried out by taking area samples in stages (multistage area sampling) to determine the research location villages, including six villages in coastal areas, and three villages each for lowland and mountainous areas. The number of respondents or samples is 480 households, consisting of 240 households in coastal areas and 120 households each in lowland and mountainous areas.

The results of this study indicate that poor households have different characteristics between regions. The characteristics of poor households in mountainous areas are characterized by low levels of education, low levels of health, limited access to health



insurance, limited access to formal financial institutions, limited access to PLN electricity services, limited access to senior secondary education services, and limited access to telecommunications compared to households in coastal and lowland areas. While the level of community participation in the development process is highest in lowland areas, followed by mountainous areas and lowest in coastal areas.

Household vulnerability to poverty based on a micro perspective is influenced by several variables, namely: (i) female head of household; (ii) a large number of family dependents; (iii) low level of education of the head of the household; (iv) low access to formal financial institutions; (v) the poor health of the head of the household; (vi) limited access to PLN electricity services; (vii) low participation in the development process; and (viii) the low value of productive assets owned. In addition, household vulnerability to poverty is associated with regional aspects, where households living in mountainous areas have lower vulnerability than households living in coastal and lowland areas.

The results of a partial analysis of vulnerability by region found that the variable value of productive assets owned by a household has a statistically significant effect on the vulnerability of households to poverty in coastal, lowland and mountainous areas. The variable that influences household vulnerability in coastal and lowland areas is access to formal financial institutions, but has no effect on mountainous areas. Furthermore, the variable number of household dependents has an effect on lowland and mountainous areas, but has no effect on coastal areas. Meanwhile, the education variable of the head of the household has an effect on mountainous areas and coastal areas, but has no effect on lowland areas. Other variables such as household gender (female) and the type of work of the head of the household (farmer) only affects lowland areas, while the variable level of participation in the development process only affects coastal areas, while the variable access to PLN electricity services only affects mountainous areas.

Based on a macro perspective, the determinants or factors that influence the decline in the number of poor people include: (i) government spending directed at spending on education, health, agriculture, and infrastructure; (ii) GRDP per capita; (iii) increasing the contribution of the agricultural and industrial sectors to GRDP; and (iv) fiscal decentralization policy. Meanwhile, the factors that have a positive effect on the increase in the number of poor people include: (i) an increase in local revenue; (ii) increase in the price of goods and services (GDP-Deflator); and (iii) monetary crisis.

Based on the results of the poverty alleviation policy simulation, there are five macro agendas that are considered strategic to accelerate poverty alleviation in Barru District. The





five macro agendas are: (i) increasing public spending which is more directed to the education, health, agriculture and infrastructure sectors; (ii) increasing the productivity of the agricultural sector; (iii) increasing the productivity of the industrial sector; (iv) economic growth accompanied by equity; and (v) controlling the prices of goods and services to maintain people's purchasing power.

Recent research related to the typology of poverty was carried out by Hidayah et al., (2022) which seeks to identify the typology and pattern of distribution of rural poverty in Trenggalek District by using a spatial approach, namely by identifying the impact of distance and regional environment on village poverty. The results of the study show that there is a spatial relationship between poverty in each village in Trenggalek Regency, which is grouped and divided into four categories. Approximately 25 villages fall into the high-high category, 28 villages fall into the low-low category, 5 villages fall into the low-high category, and 9 villages fall into the low-low category. Each cluster has the same characteristics, so that these villages influence each other. The results of further research show that villages with high levels of poverty have low accessibility to various facilities and infrastructure. One of the important factors that enables a rural area to escape poverty even though the surrounding areas experience higher rates is the activation of micro, small and medium enterprises (MSME). Elsewhere, this is in line with these findings which reveal that MSME is an important instrument that has a strategic role in reducing poverty. For this reason, this sector needs to be strengthened by the government so that it can contribute to reducing poverty (Bello, 2022; Ouedraogo and Hill, n.d.; Shelly et al., 2020).

METHODS

The method used in this study is descriptive-qualitative method. Descriptivequalitative analysis is used to dig deeper information that cannot be captured by macro statistical data in quantitative analysis. In general, research and studies on poverty use descriptive-qualitative methods (Creswell, 2007 and Moleong, 2005).

The types of data used in this study are primary data and secondary data. Primary data includes characteristics of poor houses (house conditions, number of household members, education, sources of income, expenses, etc.), environment and social participation (sanitation, natural environment, social environment, social activities, etc.), poor people's access to public services and resources (access to electricity, clean water, education, health, capital, etc.), and opportunities that can be exploited by the poor



(condition of human resources, potential, business opportunities, etc.). The primary data was obtained from field surveys and in-depth interviews with all poor household respondents using interview guidelines. In addition, information gathering was also carried out through focus group discussions (FGD) and in-depth interviews with various key stakeholders, such as government officials, community leaders, and NGO activists at the district/city and sub-district/village levels.

Meanwhile, secondary data consists of the number of poor people, the percentage of poor people, the number of poor households, and various relevant poverty data. The secondary data was obtained from various official institutions, especially the Central Bureau of Statistics (BPS). Apart from that, data and information relevant to the problem of poverty in Gorontalo Province were also obtained through media tracking on the internet.

The poverty study will be carried out in three types of regional typologies, namely urban, rural and coastal areas, according to the regional characteristics of the Gorontalo Province. The sampling technique was carried out by taking area samples in stages (multistage area sampling) to determine the research location villages. For urban areas, City of Gorontalo will be selected. For rural areas, Bualemo, Puhuwato, and Gorontalo districts will be selected. As for the coastal area, North Gorontalo Regency and Bone Bolango Regency will be selected. In each of these regencies/cities, a subdistrict with the highest poverty rate will be selected. Furthermore, in each of these sub-districts, a subdistrict/village with the highest poverty rate will be selected. Thus, there were six subdistricts/villages that were the locations for data collection, where one kelurahan represented an urban typology, three villages represented a rural typology, and two villages represented a coastal typology.

Number.	Typology of Area	District/City	Subdistrict	Village
1.	Perkotaan	Kota Gorontalo	Kota Barat	Lekobalo
2.	Perdesaan	Bualemo	Wonosari	Saritani
		Pohuwatu	Pattilanggio	Balayo
		Gorontalo	Pulubala	Toyidito
3.	Pesisir	Gorontalo Utara	Kuandang	Tihengo
		Bone Bolango	Kabila Bone	Huangobotu

Table 1 Location of data and information collection

Source: (BPS Gorontalo, 2022).

The population in this study is all poor households living in the six subdistricts/villages in the survey locations. Data on poor households was obtained from the





Volume 9 Number 2 Ed. December 2022 : page: 128-149 p-ISSN: 2407-6635 e-ISSN : 2580-5570 Gorontalo Province Poverty Integrated Database (BDT). From this population, a number of poor households will be selected as samples to be used as respondents. The basic principle in determining the sample design is that the number of sample units drawn must be able to represent the actual perception of the population to ensure the accuracy of the study.

Furthermore, to ensure the level of accuracy of this study, a margin of error of 5 percent is set, or with a confidence level of 95 percent. With a 5 percent margin of error, the number of poor households is then determined using the following formula:

$$n = \frac{N}{1 + Ne^2}$$

where:

n = Number of poor household samples

N = Total population of poor households in the six selected sub-districts/villages

e = Margin of error, namely the percentage of inaccuracy due to sampling errors that can still be tolerated.

Based on this formula, the variations in the number of samples in each subdistrict/village survey location were obtained as follows:

		•	•		
Number.	Village	Number of Poor Households (Population)	Number of Poor Households (Sample)	Remarks	
1.	Lekobalo	35	35	Population sample	=
2.	Saritani	249	71		
3.	Balayo	23	23	Population sample	=
4.	Toyidito	362	78		
5.	Tihengo	53	26		
6.	Huangobotu	68	34		
	Jumlah	790	267		

Table 2 Number Of Samples At Each Survey Location

Source: Secondary data after processing, 2022; (Agussalim, 2022).

Given that there are several sample villages that have a relatively small number of poor households, such as Balayo Village and Lekobalo Village, the Slovin formula is not fully used in this case. For the two villages, the determination of the sample size did not follow the Slovin formula. All poor households in the two villages were used as samples.

Sampling in the six sub-districts/villages surveyed was carried out using a simple random sampling technique. That is, every member of the population has the same chance and



opportunity to be selected as a sample. With this kind of technique, the selection of individuals to be members of the sample is really based on the factor of chance (chance), in the sense of having the same opportunity, not because of subjective considerations from the researcher. In other words, there is no specific intervention from the researcher. The survey was conducted from house to house which was randomly selected.

It is hoped that information regarding the list of poor households and the address of each poor household can be obtained from the Lurah/Village Head, or the Head of the Rukun Warga (RW), or the Head of the Rukun Tetangga (RT). Furthermore, based on this list, households will be randomly selected as respondents.

In accordance with the purpose of this study, the analysis will be focused on four aspects, namely: 1). Profile and characteristics of poor households. In this aspect, the condition of poor households will be analyzed (number of household members, household income and expenditure, living conditions, etc. 2). Access of the poor to public services and resources. In this aspect, we will analyze how easy it is for the poor to access public services (electricity, clean water, education, health, population, etc.), access to resources (land, capital, etc.), what assistance the poor have received (including coaching, training, etc.), what problems and constraints are faced by the poor in accessing public services and resources, etc. 3). Influential social environment. In this aspect will be analyzed regarding the residential environment, social environment, etc. It will also analyze the participation and social activities of the poor. 4). Potentials and opportunities that can be exploited by the poor to get out of poverty. This aspect will analyze business opportunities that can be run by the poor according to their abilities, potential assistance that can be distributed to the poor, etc. From the results of this analysis, it is hoped that various policies can be formulated aimed at alleviating poverty in Gorontalo Province.

RESULT AND DISCUSSION

In Gorontalo Province, household vulnerability to poverty seems to be associated with regional aspects, where households living in rural areas have a higher vulnerability than households in urban and coastal areas. From the survey results in three regional typologies (urban, rural, and coastal) in Gorontalo Province, it can be generally concluded that income poverty and non-income poverty are more dominant in poor households in rural areas compared to urban and coastal areas. In other words, those who live in rural areas live in poorer conditions than those who live in urban and coastal areas. From a policy perspective,





this means that efforts to reduce poverty in rural areas will be relatively more difficult than the other two regions. However, the locus of poverty alleviation should be directed more towards rural areas, which have been the concentration of the poor. Various studies have shown that rural areas are pockets of poverty with deep poverty conditions. On the other hand, this is in line with Wang *et al.*, (2022) these findings which confirm that poverty in China is spatially unbalanced. Rural areas tend to be centers of poverty compared to urban poverty. Thus rural poverty requires greater efforts to reduce the poverty rate.

Profile and Characteristics of Poor Households

On average, every poor household in Gorontalo Province has a fairly large burden of dependents, namely 5.5 people. Heads of poor households in urban and coastal areas have a slightly larger burden of responsibility than those in rural areas. The heads of poor households in urban and coastal areas have a relatively larger burden of dependents, namely an average of 6 people, while poor households in rural areas have a relatively smaller burden of dependents, namely an average of 5 people. Even some poor households in urban and coastal areas have a very large burden of responsibility. In urban areas, 40 percent of poor households have 7 to 12 household members, while in coastal areas show a relatively lower percentage, namely only around 19 percent of households have 7 to 12 dependents.

The low quality of human resources is both a cause and an obstacle for efforts to reduce poverty in this area. In general, the formal education level of poor household members is very low. About 34 percent of poor household members have never attended school or have not completed elementary school (SD). Nearly half of all poor household members are only able to complete elementary school education. As might be expected, the education level of the poor in urban areas is relatively better than in rural and coastal areas. In addition, among the poor, there are still 9.41 percent who are still illiterate (can't read and write), where rural areas show the highest number, reaching 12.29 percent. This condition has made it difficult for various efforts to reduce poverty in this area. This was also expressed by Westland (2022) that education is a fundamental problem that results in increasing poverty rates. If this cannot be handled, it will result in improved economic growth rates and be able to break the vicious circle of poverty.

Human resource constraints also make it difficult to intervene with the poor. On



average, 79.59 percent of poor household members in all typologies of regions do not have skills. The number of poor household members who do not have skills is much more in coastal and rural areas than in urban areas.

The low quality of human resources for poor households has broad implications for employment conditions. More than half (about 55%) of all poor household members do not work, either because they are housewives, are in school, or are unemployed. There is no significant difference between the three regional typologies. However, the types of work for those who work there are quite striking differences. The poor who work in urban areas generally work as laborers and service workers. In rural areas, they generally work as farmers and farm laborers. Meanwhile, in coastal areas, they work as fishermen and farmers. However, all of these types of work share the same characteristics: they provide relatively low economic benefits, which is reflected in the income they receive. The combination of the high proportion of poor household members who are not working, the low economic benefits received from work, and the large burden of dependents on the heads of poor households explains the occurrence of poverty in this area.

In terms of income poverty, on average, poor households in coastal areas earn a relatively higher income than those in urban and rural areas. Cumulatively, the income received by poor households (the sum of the income of the head of household and income of household members) in coastal areas is 26 percent greater than in rural areas and 11 percent greater than in urban areas. The income of the head of the household is also supported by household members. About 21 percent of poor household members also earn income. The highest proportion is shown in urban areas and the lowest in coastal areas. However, members of poor households in coastal areas earn the largest relative income compared to the other two regions.

The expenditure of poor households in all typologies of regions is mostly allocated to buy food. Approximately two-thirds of the total expenditure of poor households is used for food consumption. Rural areas show a relatively higher proportion, even reaching almost three quarters. In contrast, coastal areas show the lowest number, so that the proportion of non-food consumption in coastal areas is relatively the largest. This is easy to understand considering that the income and expenditure levels of poor households in coastal areas are relatively higher compared to the other two regions. The theoretical support is clear, that the higher a person's income, the smaller the proportion of that income allocated for food consumption. However, this is different from Headey *et al.*, (2022) the findings in Myanmar, which shows that the spending of the poor on food in urban areas is actually higher than in





rural areas. This is caused by food prices in rural areas being slightly more affordable in rural areas than urban areas. This condition was exacerbated due to uncertainty after the Covid-19 pandemic.

The proportion of non-food expenditure by poor households in coastal areas is also higher than in urban and rural areas. Poor households in coastal areas spend 25 percent more than urban areas and 46 percent more than rural areas on non-food spending. Overall, poor households in coastal areas spend a larger budget to buy food and non-food items compared to urban and rural areas.

Comparison of expenditure burden which is relatively greater than income, is an indicator of the condition of poverty in poor households in Gorontalo Province. The average expenditure of poor households in Gorontalo Province is relatively higher than their income. This is a common phenomenon, because poor households receive subsidies, donations and assistance. The expenditure burden for poor households is 12 percent higher than the amount of income earned.

From the perspective of non-income poverty, almost 90 percent of the buildings where poor households live are privately owned. The remaining 10 occupy buildings on loan or lease status. However, the condition of the building appears to be inadequate based on the size of the maximum capacity of the building, building materials and other facilities, such as sanitation, cooking fuel, clean water, etc. In general, the condition of residential buildings in urban and coastal areas is relatively better than in rural areas. This is in line with Lu *et al.*, (2022) the finding that rural infrastructure is quite lagging behind urban areas, making rural poverty typologies more likely to require more adequate infrastructure so that rural poverty can be reduced.

Access of the Poor to Public Services and Resources

Regarding public services, most poor households have fairly good access. PLN electricity lighting facilities and clean water sources are quite adequate for the majority of poor households. As it should be, urban areas show relatively better access than rural and coastal areas. PLN's electricity network has been able to reach 96 percent of poor households in urban areas, and around 95 percent and 86 percent respectively in coastal and rural areas. As for clean water sources, more than 50 percent of poor households in urban areas to PDAM clean water sources. Meanwhile, in rural areas, 1.27 percent of poor households use river water. Most poor households in rural and coastal areas



use protected/unprotected wells as a source of clean water.

Some poor households in all typologies of regions still experience quite difficult access to education and health services. Even though they are in urban areas, it turns out that 36 percent of poor households have a considerable distance to school. To go to school, more than 70 percent of poor household members have to travel a considerable distance of between 1 and 5 km, and even more. The distance between home and school is quite far for poor households in rural and coastal areas, each of which is 5 percent. Meanwhile, 18.58 percent of poor households in rural areas and 14.29 percent of poor households in urban areas tend to have relatively remote access to health services such as puskesmas. On average, 11.62 percent of poor household members in coastal and rural areas do not have health insurance/security. This also confirms the assumption that limited accessibility is the root of the problem of poverty itself, as the theory initiated by Amartya Sen (Basu, 2020b; Rauhut and Hatti, 2021).

Documents that can explain identity, such as birth certificates and identity cards, are not owned by some members of poor households. The average number of poor household members who do not have birth certificate documents is 30.29 percent. A very significant percentage is for household members in coastal areas with a figure reaching 41.67 percent. Meanwhile, the percentage of poor household members in rural areas reached 28.30 percent, and in urban areas it reached 13.64 percent. Likewise, poor household members aged over 17 years who do not have an identity card (KTP) account for an average of 24.48 percent. The percentage of household members who do not have a KTP is dominant in urban and rural areas, namely 24 percent and 28 percent, respectively. About 15 percent of poor household members who do not have ID cards live in coastal areas.

In general, poor households in rural areas do not have access to economic resources. The most prominent fact is that 77.42 percent of poor household members in rural areas still rely on middlemen as a source of capital. This is very different from poor households in urban areas who are not connected to middlemen at all, because they have access to financial institutions and cooperatives as a source of capital. Meanwhile, poor households in coastal areas obtain capital from cooperatives and family or relatives.

Regarding assets, most of the poor households in the three typologies of regions have personal assets. Assets owned by poor households include ownership of residential buildings, vehicles, gold jewelry, electronic equipment, livestock, and savings. In general, poor households in urban areas have more assets than the other two areas.

Interestingly, even though they are in a poor condition, a small number of poor





households still have some savings. Approximately 11.98 percent of poor households claim to have savings, even 12.82 percent of poor households in rural areas admit to having savings, even though the nominal amount is relatively small. A very different condition is seen in poor households in urban areas, where all household members admit that they have not been able to set aside a portion of their income for savings. This is in line with the finding Teye and Quarshie (2022) that the rural poor in Ghana still try to save, even if it is in small amounts. This is driven by the goal of their farming needs, as a form of precaution for their needs.

Assistance Ever Received (Non Capital)

In the past year, assistance programs for the poor have touched around 74 percent of poor households in all typologies of regions. In other words, there are about a quarter of poor households who feel they have not received assistance in the past year. For those who receive, assistance comes from various sources, including the government, the business world, non-governmental organizations, and others. These assistance programs for the poor tend to touch more poor households in urban areas, reaching 88 percent. Meanwhile in coastal areas the average is only around 78 percent and in rural areas it is even lower, namely only 68 percent.

The government is still dominant as the party that provides assistance to poor households in the three regional typologies. Of all the poor households that receive assistance, around 95 percent receive assistance from the government. Although in general the target of the aid program is more for poor households in urban areas, the composition of government aid still predominantly touches poor households in rural areas with a rate of 98 percent and poor households in coastal areas with a rate of 95 percent. In urban areas, government assistance programs are only felt by around 83 percent of poor households. Types of government assistance that poor households have received in all typologies of areas, among others, Rastra assistance, cash, house repairs, education, health, livestock, inputs, and various other types of assistance (electricity/information and business capital).

Rice for Prosperity (Rastra) is the most dominant assistance felt by poor households compared to other types of assistance. More than 80 percent of poor households, especially in rural and coastal areas, receive Rastra assistance. Meanwhile, poor households in urban areas who receive Rastra assistance are at the smallest number, amounting to 56 percent. Other types of assistance that quite a lot of poor households receive are education, health,



cash and home improvement assistance, especially for poor households in coastal areas. For poor households in urban areas, the type of assistance that is quite widely received is assistance for education, health, cash and other assistance in the form of business capital which reaches 20 percent of poor households. Meanwhile in rural areas, other types of assistance that are slightly prominent are received by poor households, namely education assistance.

Non-governmental organizations also play a role in poverty alleviation efforts in Gorontalo Province. On average, 7.47 percent of poor households have received assistance from non-government parties. For poor households in rural areas, the types of assistance that have been received are in the form of cash assistance, home repairs, education, health, production inputs and other assistance (business capital). Poor households in coastal areas tend to receive cash assistance, education and inputs, while poor households in urban areas have received educational assistance. However, the efforts of poor households to get assistance from both the government and non-government are inseparable from problems and obstacles. The most common obstacle experienced by poor households is aid being delayed from the time it should be, as well as procedures that tend to be complicated and convoluted.

Empowerment assistance such as skills training has been received by an average of 17 percent of poor households in Gorontalo Province. This skills training, relatively larger percentage received by poor households in coastal areas with a total of 46 percent compared to poor households in urban areas which is only 12 percent and in rural areas only around 6 percent. The types of training that have been provided are carpentry, workshops, sewing and other types of training such as making food preparations, agricultural and fisheries counseling. However, the impact of the skills training assistance is considered not useful for 21 percent of poor households in coastal areas. On average, 56 percent of poor households in Gorontalo Province tend to need business capital assistance more, and 22 percent of poor households need some type of business equipment assistance.

Influential Social Environment

The social environment in which the poor live is often enough to help the poor survive. Most members of poor households are involved in social organizations and social activities in their neighborhood. On average, 62 percent of the total poor household members have been involved in social organizations in their environment. Dominantly 57.05 percent of poor household members in rural areas are involved in farmer group organizations, while 60.34 percent of poor household members in coastal areas are involved





Volume 9 Number 2 Ed. December 2022 : page: 128-149 p-ISSN: 2407-6635 e-ISSN : 2580-5570 in fisherman group organizations. Meanwhile, poor households in urban areas in general (reaching 53.33 percent) are not involved in social organizations.

The characteristics of poor household members in rural and coastal areas are still very strong with a culture of mutual cooperation compared to urban areas. More than 85 percent of poor household members in rural and coastal areas tend to be involved in mutual cooperation activities in their social environment, while only 25 percent of poor household members in urban areas are involved in mutual cooperation activities. In addition, more than 55 percent of poor households in rural and coastal areas attend village/kelurahan meetings, while in urban areas 54.17 percent of poor households attend RT/RW meetings. This is in line with the notion Cano (2019) that related to the social environment, urban poverty is far more complex than that of rural areas. The urban poor are faced with social and economic fragmentation, they tend to be more individualistic as the conditions of heterogeneous urban communities. In contrast to rural areas, the poor in rural areas tend to have a more homogeneous lifestyle, where social concern for the surrounding environment is much higher than in urban areas. Rural poor people tend to find it easier to get help from the surrounding social environment.

In general, most poor households receive social assistance from their surroundings. The most dominant figure is seen in poor households in rural areas, reaching 79.49 percent. Assistance from the surrounding environment to poor households in rural areas is 22 percent higher than in coastal areas. The opposite situation occurs in urban areas, where 54 percent of poor households do not receive assistance from their surroundings.

Specifically, concern for and assistance from neighbors to poor households shows a sizable percentage in all regional typologies. Concern for poor households in rural areas is still consistent with the most dominant figure of 96.15 percent, while in coastal areas it is slightly lower at 90 percent, and in urban areas by 88 percent. The assistance most poor households need from their neighbors is in the form of loans. Even so, a small number of poor households still sometimes receive unpleasant treatment from neighbors, especially this happens to poor households in urban areas.

In addition to neighbors, the attention and concern of local officials/government towards poor households in general is also quite large. The attention and concern referred to included the intensity of local government officials (village/kelurahan and sub-district officials) asking about their family's condition and trying to help them get social assistance.



Approximately 92 percent of poor households in urban areas feel cared for and cared for by local officials/government. Meanwhile in rural areas it is 80.52 percent. This condition does not occur in coastal areas, where only 51.57 percent of poor households in coastal areas feel cared for and cared for by local officials/government.

Potential and Opportunities That Can Be Utilized

In general, members of poor households have not been able to read business opportunities that can help them get out of the poverty trap. This can be seen in that the majority of poor household members in all typologies of regions have not been able to identify economic activities in their surroundings that allow them to be involved. Poor households in urban areas who have not been able to read opportunities show an average rate of 52 percent and those who are able to read opportunities are only around 48 percent. The percentage of household members who are able to read opportunities in urban areas has a smaller difference of 6 percent from coastal areas, and 20 percent from rural areas.

The fit between emerging business opportunities and the type of business that members of poor households want to do appears to be contradictory. Like poor households in urban areas, 44 percent of poor households see trading as a growing economic activity. However, the dominant 40 percent of poor household members want to engage in other businesses such as commodity processing. The same thing is seen in poor households in rural areas, where commodity processing is a developing economic activity. However, dominantly 48.13 percent of poor household members only want to engage in trading business which they consider easier to do.

Another indicator that complicates poverty alleviation efforts in all regional typologies is that 85.89 percent of poor household members have no business experience. On average, 14.11 poor household members had a business but failed. Slightly different from general perception, the largest percentage of poor household members who do not have business experience are actually in urban areas with a total of 92 percent. While the largest percentage of poor household members who have business experience are in coastal areas with a total of 25 percent.

CONCLUSION

From the perspective of the sustainability of poverty alleviation, the Gorontalo provincial government seems to need to review the data on poor households receiving aid. Although most poor households have received more than one to four types of assistance from the government, several poor households admit that they have never received





assistance. At the same time, it is also necessary to evaluate the assistance programs that have been provided to poor households, especially the suitability of the assistance to the needs of poor households, as well as the impact of the assistance on improving the living standards of poor households.

From an intervention perspective, efforts to reduce poverty in a sustainable manner need to focus more on aspects of improving the quality of human resources for poor households in all typologies of regions. The government needs to design various programs that aim to: (i) reduce the number of illiterate poor people and improve their skills; (ii) increasing access of the poor to public services (especially education and health) and economic resources (especially business capital assistance); and (iii) intensifying empowerment programs for the poor, through the provision of micro-credit, business equipment assistance, work-intensive programs, and others.

Providing business capital assistance to poor households seems to be carried out in parallel with the provision of skills and business assistance activities. This is important, bearing in mind that the facts on the ground show that most of the poor do not have the skills and also do not have the ability to analyze business/business opportunities. In addition, most of the poor also admit that they have never previously been involved in independent business activities. There are even poor people who claim to have owned a business - although the percentage is relatively small - but then failed.

Considering that the income of poor households is relatively small, the Provincial Government of Gorontalo needs to maximize efforts to reduce the expenditure burden on poor households. Several efforts can be made, among others, to ensure that the price of staple foodstuffs remains stable and remains affordable for poor households, bearing in mind that the largest proportion of poor households' income is allocated to purchase foodstuffs. Food assistance in the form of prosperous rice (Rastra) needs to be continued by ensuring that it is more targeted and actually reaches all poor households. Health insurance (BPJS and KIS) and educational assistance (KIP and scholarships for poor students) must be ensured that they can really reach all members of poor households so that the costs of health and education services no longer need to be borne by poor households.

To overcome non-income poverty, local governments (provinces and districts/cities) need to be actively involved in improving the physical infrastructure of poor households. House renovation programs, sanitation improvements, residential environmental



improvements, increased access to electricity and clean water, and so on, are a number of forms of intervention that are recommended to improve the quality of life of the poor in this area.

In terms of locus, poor households in rural areas should receive first priority when implementing poverty alleviation interventions. Households that live in rural areas have a higher vulnerability than households in urban and coastal areas. From the survey results in three regional typologies in Gorontalo Province, in general, income poverty and non-income poverty are more dominant in poor households in rural areas.

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