International Journal of Financial, Accounting, and Management (IJFAM)
ISSN: 2656-3355, Vol 7, No 1, 2025, 43-60 https://doi.org/10.35912/ijfam.v7i1.2712

Economic growth dynamics in Kupang City: The role of poverty, human development index, and inflation

Enike Tje Yustin Dima[1], Frederic Winston Nalle[2]
Widya Mandira Catholic University, Kupang, Indonesia[1]
Brawijaya University, Malang, Indonesia[2]
fredericnalle@student.ub.ac.id

Article History
Received on 12 February 2025
1st Revision on 27 February 2025
2nd Revision on 10 March 2025
3rd Revision on 13 March 2025
4th Revision on 18 March 2025
5th Revision on 8 April 2025
6th Revision on 11 April 2025
Accepted on 15 April 2025

Abstract
Purpose: This study analyzes the impact of poverty, the Human Development Index (HDI), and inflation on economic growth in Kupang City from 2014 to 2023.
Method: This study applies a quantitative method using multiple linear regression. Secondary data were obtained from the Central Bureau of Statistics (BPS) of Kupang City. Data analysis was performed using SPSS version 29.00 to examine the relationships between the variables.
Results: Simultaneous poverty, HDI, and inflation have a significant effect on economic growth. However, poverty has a partially negative but insignificant effect, indicating that structural issues, such as access to resources, income inequality, and informal sector dynamics, also shape regional economic performance. HDI has a negative and significant impact, suggesting that improvements in education and health are not yet fully aligned with labor market absorption. Inflation has a positive but statistically insignificant effect, implying that short-term price movements do not directly determine growth in Kupang.
Conclusions: Inclusive and integrated economic strategies are essential for achieving sustainable growth in Kupang City.
Limitations: This study is limited by its use of secondary data and a purely quantitative approach, which may not capture institutional or behavioral nuances. Future studies should consider mixed methods to obtain more comprehensive insights.
Contribution: This study provides empirical evidence to support regional development policies focused on poverty alleviation, better alignment of human capital with economic needs, and inflation management.

Keywords: *Economic Growth, Human Development Index, Inflation, Kupang City, Poverty*

How to Cite: Dima, E. T. Y., & Nalle, F. W. (2025). Economic growth dynamics in Kupang City: The role of poverty, human development index, and inflation. *International Journal of Financial, Accounting, and Management,* 7(1), 43-60.

1. Introduction

Indonesia, as a developing country, continues to strive to encourage sustainable economic development to achieve stability and equitable growth. One of the main indicators of the success of economic development is Gross Domestic Product (GDP), which reflects the total value of goods and services produced in an economy. A stable increase in GDP is often associated with sustainable economic growth, whereby a country can increase its productivity and economic competitiveness (. W. Nalle, Duli, & Mau, 2022).

Economic growth is a process of increasing total income and per capita income in the long term, which depends not only on capital accumulation and population growth, but also on changes in economic structure and more equitable income distribution. According to Ma'Ruf and Wihastuti (2008), a stable economy must be able to maintain a consistent growth trend, so that it can create price stability and expand employment opportunities. Conversely, economic instability can cause uncertainty in purchasing power and decrease domestic investment.

In addition to macroeconomic factors, the quality of human resources (HR) plays a central role in inclusive economic growth. Improving workforce skills, wider access to education, and better work experience are key factors in increasing efficiency and productivity (Dima, 2022). From a macroeconomic perspective, economic growth has broad impacts, including improving living standards, strengthening individual capacities, and expanding economic freedom (. W. Nalle & Pangastuti, 2022). In general, high economic growth allows for a fairer redistribution of income so that economic disparities can be reduced more effectively.

The economic growth of a country is often closely correlated with the dynamics of growth at the regional level. Gross Regional Domestic Product (GRDP) is used as the main indicator in assessing the economic performance of a region, where the GRDP figure reflects the total value of goods and services produced in a region in a certain period. Thus, GRDP not only measures the level of production of a region but also becomes the main indicator in assessing the economic welfare of the local community (Amdan, Laode. Rafi'i, M, 2023).

In practice, economic growth can experience two different directions: expansion or contraction. If a region experiences economic expansion, it indicates an increase in economic activity and higher investment. Conversely, economic contraction can indicate a decrease in business activity, which has the potential to hamper overall economic growth (Syahputra, 2017). Events such as the COVID-19 pandemic that hit the world in 2020 provide clear evidence of how external factors can cause significant economic contractions in various countries, including Indonesia (Karmeli, 2008).

As one of the centers of economic growth in East Nusa Tenggara Province, Kupang City plays a strategic role in supporting regional economic activities. Economic growth in this city is reflected in increasing investment, business sector expansion, job creation, and per capita income of the community. However, despite positive developments in several aspects, there are still challenges in realizing high-quality economic growth.

With an area of 159.33 km² and a population of 466,632, Kupang City has experienced quite significant structural economic changes in the last decade, especially from 2014 to 2023. The increase in Kupang City's GRDP is one of the main indicators for assessing regional economic progress, based on both constant prices and current prices. According to Thesia and Karmini (2022), sustainable per capita income growth reflects an increase in community welfare; therefore, studying the factors that influence economic growth is very important.

To assess the level of economic welfare of a region, one of the main indicators used is Gross Regional Domestic Product (GRDP). The GRDP can be analyzed based on constant prices that show real economic growth without being affected by price changes as well as current prices that reflect the actual economic value in a certain period. In general, an increase in GRDP per capita over time indicates an improvement in the local community's economic welfare (Hidayat & Woyanti, 2021).

In the context of Kupang City, economic development over the last decade can be observed through the trend of GRDP growth. By understanding this economic growth pattern, further analysis can be conducted to explore the main factors contributing to the changes as well as their implications for economic development in Kupang City as a whole.

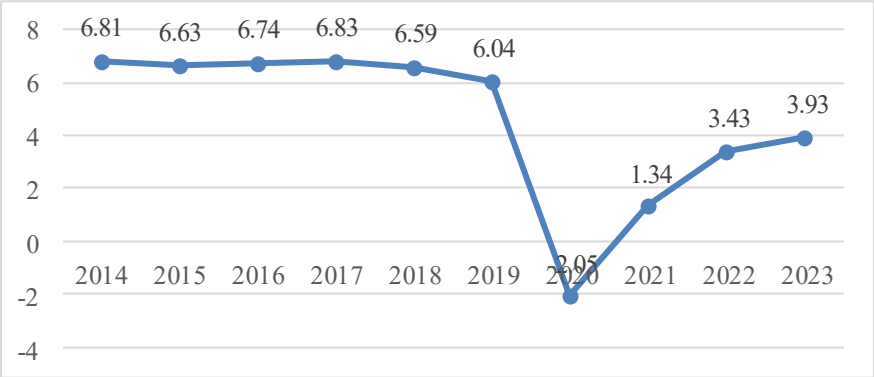

Figure 1. Economic Growth Rate of Kupang City 2014-2023 (percent)
Source: Central Statistics Agency of East Nusa Tenggara, 2025

Based on Figure 1, the economic growth rate of Kupang City fluctuated from 2014 to 2023. In 2014, economic growth was recorded at 6.81%, and then experienced a slight decline to 6.63% in 2015. A positive trend was again seen in 2016 with an increase to 6.74%, which continued until 2017 with a growth of 6.83%. However, in 2018, there was a slowdown to 6.59%, followed by a further decline in 2019 to 6.04%.

The impact of the COVID-19 pandemic in 2020 caused a significant economic contraction, where the rate of economic growth fell drastically to -2.05 %. Recovery began in 2021 with a growth of 1.34%, followed by an increase to 3.43% in 2022, and reaching 3.93% in 2023. The average economic growth of Kupang City over the past decade was 4.63% (Pangastuti, Nalle, Rado, & Kolo, 2023). The dynamics of economic growth are interesting to study, considering that Kupang City has limited natural resources and infrastructure, which is not as optimal as other regions with higher economic growth. As the largest city in East Nusa Tenggara Province, which is strategically located on the coast of Kupang Bay, the role of Kupang City as a center for regional economic growth is increasingly important.

Fluctuations in economic growth reflect the various structural challenges faced by the region, including limited investment, development inequality, and economic volatility due to external factors, such as the pandemic. Encouraging an increase in per capita income is one of the main strategies for accelerating economic growth (F. W. Nalle, Sengkoen, Seran, & Rahmarini, 2023). When economic growth can exceed population growth, the welfare of society will increase. Thus, a more even distribution of income can be achieved, reducing poverty levels and creating a more inclusive and sustainable economic ecosystem (Karyati, 2021).

Poverty is a condition in which some people in an area do not have sufficient resources to meet basic needs, such as food, clothing, and shelter. In general, poverty is measured by per capita income or the poverty index, which considers various economic and social aspects. In the context of development, stable economic growth is often considered the main solution to overcoming poverty because it can create jobs, increase people's income, and expand access to basic services (Arifin, 2020).

According to Kadji (2012), poverty does not only reflect economic limitations but also social and cultural disadvantages, which result in individuals or groups of people living an inadequate life and far from prosperity. Meanwhile, Ferezagia (2018) defines poverty as a low standard of living for people, both in urban and rural areas, which reflects limitations in morals, materials, and spirituality.

Thus, poverty is not just an economic issue but also a structural problem that requires comprehensive policy intervention, including improving the quality of human resources, strengthening the local economy, and optimizing income distribution to be more equitable.

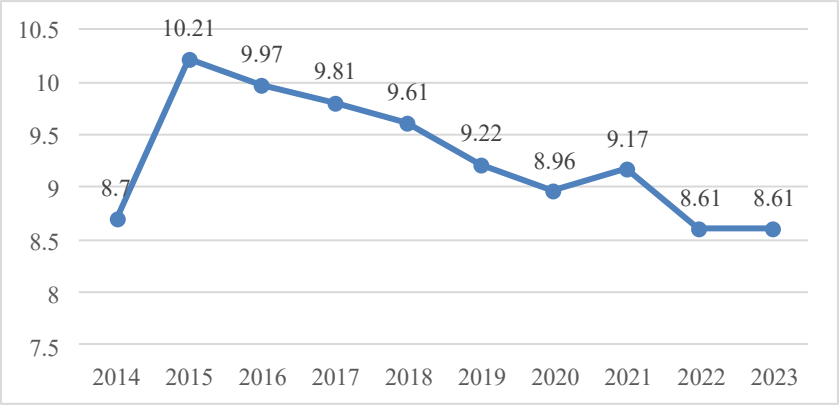

Figure 2. Poverty Rate in Kupang City 2014-2023 (percent)
Source: Central Statistics Agency of East Nusa Tenggara, 2025

Based on data from the Central Statistics Agency of East Nusa Tenggara Province (BPS, 2022), the poverty rate in Kupang City fluctuated during 2014–2023. In 2014, the percentage of poor people was 8.7%, which increased to 10.21% in 2015. However, a downward trend began to be seen in 2016–2020, when the poverty rate fell to 8.96%. In 2021, there was an increase to 9.17%, before finally decreasing to 8.61% in 2022 and 2023.

The fluctuation in poverty levels is influenced by several main factors, including low per capita income, population growth that is not comparable to job creation, and minimal access to education and health services, which are reflected in the Human Development Index (HDI). The following presents data on the development of the HDI of Kupang City as one of the indicators that are closely related to the socioeconomic conditions of the community (F. W. Nalle, Seran, & Bria, 2022).

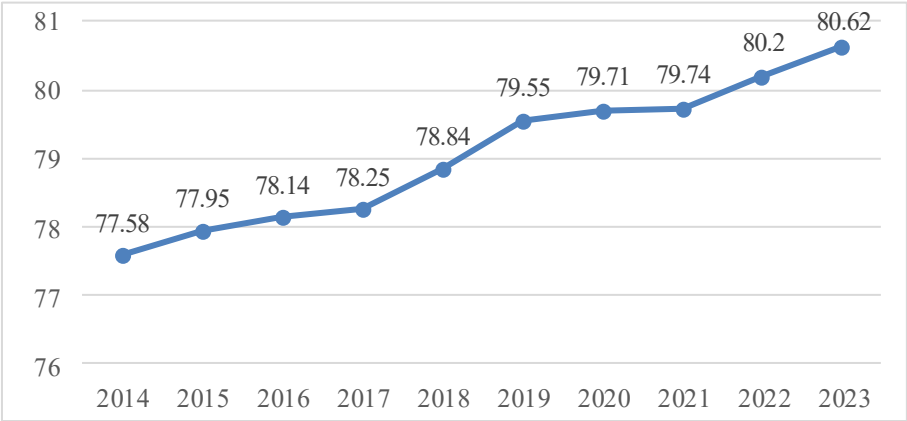

Figure 3. Human Development Index (HDI) Level in Kupang City 2014-2023
Source: Central Statistics Agency of East Nusa Tenggara, 2025

The Human Development Index (HDI)is an indicator used to measure the level of community welfare in a region. The HDI covers three main dimensions: life expectancy, education level, and decent standard of living. In the context of economic growth, HDI provides a broader picture of the progress of a region because it not only considers economic aspects but also social and health factors (Prasetyoningrum & Sukmawati, 2018).

In theory, sustainable economic growth contributes to an increase in HDI through job creation, increased access to education, and improved quality of life. However, if economic growth is uneven, the increase in HDI can be hampered, especially if access to education and health services remains limited (G. K. Sari, 2024).

As shown in Figure 3, the Human Development Index of Kupang City has increased annually, from 77.58% in 2014 to 80.62% in 2023. Although this trend shows an improvement in the community's quality of life, there are still other factors that influence economic growth in this area, one of which is inflation (Rien, 2024).

Inflation plays an important role in regulating the rate of economic growth, as it reflects the general increase in the prices of goods and services in an economy. Controlled inflation is an indicator of economic stability, supports purchasing power, and creates a conducive investment climate. Conversely, high inflation can weaken purchasing power, reduce investment, and hamper overall economic growth (Salim, Fadilla, & Purnamasari, 2021). Therefore, an inflation control policy becomes a crucial aspect in maintaining the economic balance of a region.

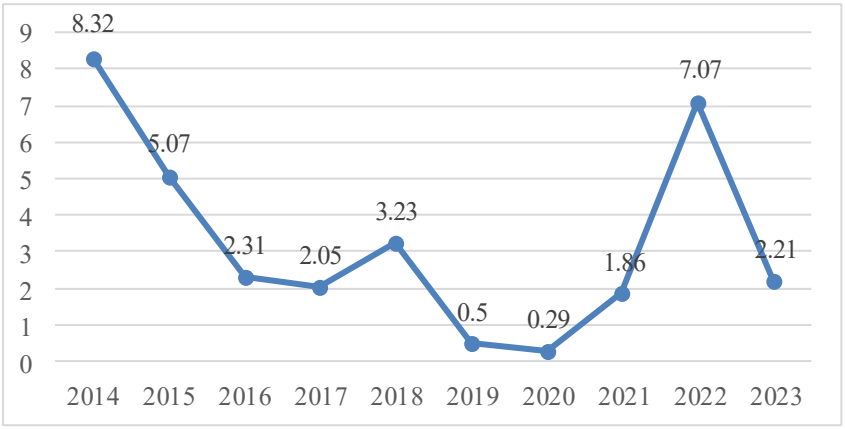

Figure 4. Inflation Rate in Kupang City 2014-2023 (%)
Source: Central Statistics Agency of East Nusa Tenggara, 2025

Based on Figure 4**,** the inflation rate in Kupang City fluctuated during the period 2014–2023. In 2014, inflation was recorded at 8.32% and then decreased significantly to reach its lowest figure of 0.29% in 2020. Subsequently, inflation increased again to 7.07% in 2022 before finally decreasing to 2.21% in 2023.

As a monetary authority**,** the central bank plays a major role in maintaining price stability to ensure inflation remains under control. Low and stable inflation reflects effective economic management, supports purchasing power, and creates a conducive business climate. Conversely, high inflation can suppress purchasing power, reduce investment, and increase economic uncertainty. Therefore, controlling inflation is a crucial factor in economic policy because it directly impacts people's welfare and the sustainability of economic growth (Santosa, 2017) dan Ningsih & Andiny (2018).

Although economic growth is a key indicator of a region's development success, many areas, including Kupang City, continue to face challenges in achieving inclusive growth (. W. Nalle & Pangastuti, 2023). As the capital of the East Nusa Tenggara Province (NTT)**,** Kupang City has significant economic potential, supported by the trade, services, and government investment sectors. However, various socioeconomic factors, such as high poverty levels, disparities in human development, and inflation volatility**,** often hinder efforts to accelerate economic growth.

Persistently high poverty levels in Kupang City remain a major issue that could impede regional economic growth**.** Limited access to economic resources, low labor productivity, and the population's dependence on the informal sector are among the factors that exacerbate this problem. Furthermore, although the Human Development Index (HDI) of Kupang City has shown consistent improvement over the years, the quality of human resources produced has not been fully absorbed into productive sectors. The mismatch between workforce skills and labor market demands has resulted in a high unemployment rate**,** which, in turn, could slow economic growth. Inflation, which occurs annually, is

another factor that has the potential to affect household purchasing power and regional economic stability. Price fluctuations, particularly in essential goods, can directly impact consumption patterns and investment, ultimately influencing the overall dynamics of economic growth.

Based on these challenges, this study aims to analyze the impact of the poverty rate, Human Development Index (HDI), and inflation on economic growth in Kupang City during the period 2014–2023. By employing multiple linear regression analysis, this study seeks to determine the extent to which these socioeconomic factors contribute to regional economic growth and provide policy recommendations that can better support sustainable and inclusive economic development in Kupang City.

2. Literature review and hypothesis

2.1. Economic Growth Theory

Economic growth theories have been developed from various perspectives to explain how an economy expands over time. The Neoclassical Growth Theory, introduced by Solow-Swan (Guerrini, 2006), states that economic growth depends on capital accumulation, labor force expansion, and technological progress. In the long run, technological advancements have become the primary driver of sustainable economic growth.

However, this theory has been criticized for not considering the internal factors that drive growth. The Endogenous Growth Theory by Romer (1986) and Lucas, Morley, and Cole (1988) emphasizes that investment in human capital, research, and innovation plays a crucial role in economic growth. In Kupang City, economic growth depends not only on physical capital and technology, but also on human capital capacity, price stability, and equitable income distribution. Therefore, examining the impact of poverty, HDI, and inflation is highly relevant to understanding a region's economic growth dynamics.

2.2. The Impact of Poverty on Economic Growth

Poverty remains a major challenge for economic development. The Vicious Cycle of Poverty Theory (Nurkse, 2009) explains that poverty is cyclical, where limited access to education, healthcare, and financial capital results in low labor productivity, ultimately hindering economic growth. Under these conditions, poor communities remain trapped in continuous economic stagnation.

Furthermore, the trickle-down effect theory suggests that high economic growth will gradually reduce poverty by creating job opportunities and increasing purchasing power (Todaro & Smith, 2009). However, in reality, economic growth does not always directly reduce poverty, especially when the income distribution remains unequal.

Empirical studies have produced mixed findings on the relationship between poverty and economic growth. Somba, Engka, and Sumual (2021) found that poverty in North Sulawesi did not significantly influence economic growth, indicating that structural factors, such as income redistribution policies and social protection programs, play a crucial role in mitigating poverty's negative impact on the economy. This study hypothesizes that poverty negatively affects economic growth. Thus, the proposed hypothesis is as follows:

H1: Poverty hurts economic growth in Kupang City.

2.3. The Impact of the Human Development Index (HDI) on Economic Growth

The Human Development Index (HDI) measures the quality of life in a society based on three main dimensions: health (life expectancy), education, and standard of living. The Human Capital Theory Reder (1967) argues that investment in education and health enhances labor productivity, which ultimately contributes to economic growth.

According to Todaro and Smith (2009), a high HDI reflects an improvement in labor quality, which should theoretically support increased economic output. However, the relationship between HDI and economic growth is not always positive. Lewis's Dual-Sector Model (Moloi, Marwala, Moloi, &

Marwala, 2020) explains that, in many cases, improving human capital does not automatically accelerate economic growth if the labor market is still dominated by the informal sector or if there is a lack of job opportunities for skilled workers.

Wadana and Prijanto (2021) found that in Bali Province, HDI negatively affected economic growth, primarily due to the mismatch between educational growth and the labor market's ability to absorb skilled workers. In the context of Kupang City, increasing the HDI can be crucial in supporting economic growth, but its effectiveness depends on how well the workforce is absorbed into productive economic sectors.
Based on these theoretical and empirical insights, the following hypothesis is proposed:
H2: The Human Development Index (HDI) positively affects economic growth in Kupang City.

2.4. The Impact of Inflation on Economic Growth

Inflation is a key macroeconomic indicator that affects economic growth through consumption, investment, and purchasing power. Phillips Curve Theory (Desai, 1975) states that there is a trade-off between inflation and unemployment, where moderate inflation can stimulate economic activity by boosting consumption and investment.

However, in the long run, uncontrolled inflation can hinder economic growth by increasing production costs and reducing consumer purchasing power (Riza and Wiriyanata, 2021). Friedman's Monetarist Theory (Nelson, 2013) also suggests that high inflation not only erodes purchasing power but also creates economic instability that can slow long-term growth. Studies by C. N. P. Sari (2019) andfound irifound that indoesation did not significantly affect economic growth, indicating that its impact depends more on monetary stability and government fiscal policies. In Kupang City, where the economy is largely based on trade and services, the relationship between inflation and economic growth requires further examination. Therefore, the following hypothesis is proposed:
H3: Inflation negatively affects economic growth in Kupang

3. Research methodology

This study employs a quantitative approach using the multiple linear regression analysis method to examine the influence of socioeconomic and macroeconomic factors on economic growth in Kupang City during 2014–2023. This timeframe was selected based on theoretical and empirical considerations to capture long-term economic dynamics and identify fluctuations caused by structural changes, economic policies, and external factors.

Historically, this period reflected various shifts in Kupang City's economic structure, including increased investment, changes in the labor market, and the impact of regional development policies. Additionally, this timeframe includes global and regional economic crises, such as the COVID-19 pandemic, which led to an economic contraction in 2020 before a gradual recovery in the following years. Thus, selecting this period ensures a comprehensive analysis that reflects both the short- and long-term economic trends.

This study relies on secondary data obtained from the Central Statistics Agency (BPS) of East Nusa Tenggara, regional economic reports, and other relevant official sources. The dependent variable in this study is economic growth, measured using Gross Regional Domestic Product (GRDP) at constant prices, which accurately reflects real economic performance by eliminating the effects of inflation. Meanwhile, the independent variables consist of the poverty rate, Human Development Index (HDI), and inflation rate, which are key determinants influencing regional economic dynamics. The selection of these variables aligns with economic growth theories that emphasize the roles of human capital, income distribution, and price stability in shaping regional development patterns.

To ensure the validity of the analytical model, this study begins with a series of classical assumption tests, including a normality test to confirm that the residuals in the regression model follow a normal distribution, a multicollinearity test to detect excessive correlations among independent variables, a

heteroscedasticity test to ensure that the residual variance remains constant, and an autocorrelation test to evaluate whether there are patterns in model errors over time. These tests are crucial in ensuring that the regression model meets the Best Linear Unbiased Estimator (BLUE) criteria**,** allowing for valid and reliable interpretation of results (F. W. Nalle, Kadir, & Masniadi, 2024).

After confirming that the regression model satisfied the required statistical assumptions, multiple linear regression analysis was conducted to assess both the simultaneous and partial effects of the independent variables on economic growth. The regression model is formulated as follows:

$$Y = a + b1X_1 + b2X_2 + b2X_3 + e$$

Where:

Y	: Dependent Variable of Economic Growth
a	: Constant
b1,b2,b3	:Regression Coefficient of Independent Variables
X1	: Poverty
X2	: Human Development Index
X3	: Inflation Rate
e	: Standard Error

This regression analysis aims to determine the extent to which socioeconomic factors influence economic growth in Kupang City over the specified period. The t-test was used to assess the significance of each independent variable, while the F-test was conducted to evaluate the overall model fit. Additionally, the coefficient of determination (R^2) measures the proportion of economic growth variation explained by the independent variables included in this study.

The multiple linear regression method was chosen due to its suitability for the study's objective of identifying the relationship between economic growth and multiple interrelated socio-economic factors. This method enables the estimation of the relative impact of each independent variable on economic growth, ensuring that the analysis provides insights that can inform evidence-based policymaking (Pangastuti and Nalle, 2023).

Although more advanced econometric techniques, such as panel data regression or non-linear models**,** could be employed, they are more appropriate for studies with a broader regional scope or larger dataset. In the context of this study, multiple linear regression remains the most relevant approach because

1. The dataset consists of single time-series observations for a specific region, making complex econometric methods unnecessary.
2. This study focuses on the causal relationship between socioeconomic factors and economic growth within a single locality without considering interregional effects.
3. The primary goal of this study is to generate findings that can be applied in regional policymaking**,** making a more straightforward yet methodologically robust approach preferable.

For data processing and statistical analysis, this study employs SPSS (Statistical Package for the Social Sciences) version 29.00**.** The selection of SPSS was based on several key considerations. *First*, SPSS offers a range of statistical tools that enable highly accurate and efficient regression analyses, including model diagnostics. *Second*, its structured output format allows for easy interpretation and presentation of results in intuitive tables and graphs, facilitating data analysis and communication of findings. *Third*, SPSS is widely used in empirical studies in development and regional economics**,** ensuring that the analytical methods used in this study align with established academic research practices (Čižiks and Grabusts 2019).

While alternative statistical software such as Stata or EViews could also be utilized for regression analysis, SPSS was chosen because of its ease of use in data processing and its ability to present analytical results in a format that is accessible to both academics and policymakers. Furthermore, SPSS

allows the integration of various statistical methods within a single platform, expediting the data analysis and validation processes.

The findings of this study are expected to provide in-depth insights into the determinants of economic growth in Kupang City and serve as empirical evidence for policymakers to formulate more effective strategies to reduce poverty**,** enhance human capital development, and maintain price stability**.** Moreover, this research contributes to academic discussions on regional economic development**,** highlighting the interplay between socioeconomic and macroeconomic factors in shaping local economic growth patterns.

4. Results and discussions

4.1. Classical Assumption Test

Before conducting multiple linear regression analysis, a classical assumption test is conducted to ensure that the regression model used meets the Best Linear Unbiased Estimator (BLUE) criteria. This test includes normality, multicollinearity, autocorrelation, and heteroscedasticity.

4.1.1. Normality Test

The normality test determines whether the residual distribution in the regression model follows a normal distribution. The results of the normal probability plot test show that the data points follow a diagonal line, indicating that the residuals in this model are normally distributed. In addition, the Kolmogorov-Smirnov test produces a significance value of 0.138 (greater than 0.05), so it can be concluded that the residuals in this model are normally distributed (Pangastuti, 2019)**.**

Table 1. Kolmogorov-Smirnov Test Results

One-Sample Kolmogorov-Smirnov Test

			Unstandardized Residual
N			17
Normal Parameters,b	Mean		.0000000
	Std. Deviation		1.93426157
Most Extreme Differences	Absolute		.182
	Positive		.136
	Negative		-.182
Test Statistics			.182
Asymp. Sig. (2-tailed)c			.138
Monte Carlo Sig. (2-tailed)d	Sig.		.132
	99% Confidence Interval	Lower Bound	.123
		Upper Bound	.141

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. Lilliefors' method is based on 10000 Monte Carlo samples with a starting seed of 2000000.

Source: Data processing results on IBM SPSS Statistics version 29.00

4.1.2. Multicollinearity Test

A multicollinearity test was conducted to ensure that there was no strong linear relationship between the independent variables. The results of the analysis show that the tolerance value for all variables is greater than 0.10, and the Variance Inflation Factor (VIF) value is below 10.00. Thus, it can be concluded that there is no multicollinearity in the regression model (Tay, 2017).

Table 2. Multicollinearity Test Results

Coefficients								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	111,008	45,524		2,438	.030		
	Poverty	-.221	.366	-.129	-.604	.556	.801	1,249
	IPM	-1.325	.559	-.620	-2.371	.034	.537	1,864
	Inflation	.172	.210	.208	.822	.426	.572	1,748

a. Dependent Variable: Economic Growth

Source: Data processing results on IBM SPSS Statistics version 29.00

4.1.3. Autocorrelation Test

The autocorrelation test determines whether there is a correlation between the residuals in the regression model. Based on the Durbin-Watson (DW) test, a value of 1.535 was obtained, which is between the limits of dU and (4 - dL); therefore, it can be concluded that there is no autocorrelation in the model (Uyanto, 2020).

Table 3. Autocorrelation Test Results

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.723a	.523	.413	2.14587	1,535

a. Predictors: (Constant), Inflation, Poverty, HDI

b. Dependent Variable: Economic Growth

Source: Data processing results on IBM up statistics version 29.00

4.1.4. Heteroscedasticity Test

A heteroscedasticity test was conducted to test whether there was an inequality of variance in the residuals of the regression model. The scatterplot results show that the points were randomly distributed around the horizontal line without forming a particular pattern, indicating that the model was free from heteroscedasticity. In addition, the results of the Glejser test show that all variables have a significance value greater than 0.05; therefore, the regression model used meets the assumption of homoscedasticity (Pangastuti, 2019).

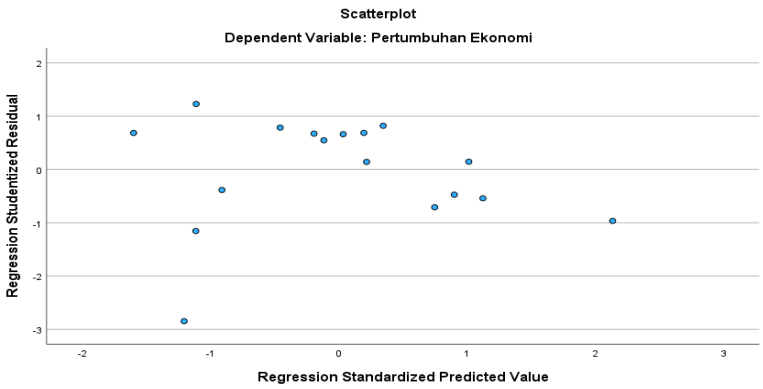

Figure 4. Results of the Heteroscedasticity Test

Source: Results of data processing images on IBM SPSS Statistics version 29.00

4.2. Multiple Linear Regression Analysis

To determine the influence of poverty rate variables, the Human Development Index (HDI), and inflation on economic growth, a multiple linear regression analysis was conducted. The results of the regression estimation are as follows:

Table 4. Multiple Linear Regression Test Results

Variables	Coefficient B	Std. Error	t-count	Sig.
(Constant)	111,008	45,524	2,438	0.030
Poverty	-0.221	0.366	-0.604	0.556
IPM	-1,325	0.559	-2,371	0.034
Inflation	0.172	0.210	0.822	0.426

Source: Data processing results with SPSS version 29.00

Based on the regression results, the following equation was obtained:

$$Y = 111.008 - 0.221X1 - 1.325X2 + 0.172X3 + \varepsilon$$

4.3. Discussion

4.3.1. The Impact of Poverty on Economic Growth

The results of this study indicate that the poverty rate hurts economic growth, as indicated by the regression coefficient of -0.221. However, the relationship is not statistically significant with a significance value of 0.556 (p> 0.05), which means that the poverty rate does not have a significant direct impact on the economic growth rate in Kupang City. Thus, the initial hypothesis that poverty has a significant effect on economic growth cannot be accepted.

In theory, sustainable economic growth is expected to create wider employment opportunities, increase purchasing power, and gradually reduce poverty (Anggoro, 2015). However, the results of this study indicate that the dynamics of poverty in Kupang City may be influenced by other structural factors, such as limited access to productive resources, low workforce skills, and the dominance of the informal economic sector, which has low productivity (F. W. Nalle, Seran, et al., 2022).

This finding is in line with research by Somba et al. (2021), who found that the poverty rate in North Sulawesi did not have a significant effect on economic growth, indicating that income equalization policies and social interventions from the government play a role in reducing the negative impact of poverty on the economy. However, the results of this study are not entirely in line with the Poverty Circle Theory of Bauer (2019), which states that poverty is cyclical, where limitations in access to education, health, and business capital lead to low productivity, which ultimately worsens poverty conditions and slows economic growth (Parker & Van Praag, 2006).

In the context of Kupang City, structural factors such as limited formal employment opportunities, low investment in the industrial sector, and dependence on social assistance can explain why the relationship between poverty and economic growth is not statistically significant. In addition, the geographical conditions of Kupang City, which is a coastal area with high dependence on the trade and service sectors, also affect the economic resilience of the poor (F. W. Nalle, Pangastuti, & Utami, 2022).

Although the results of this study indicate that poverty does not have a significant effect on economic growth, this problem cannot be ignored. Local governments need to develop policies that are more oriented towards empowering the economy of the poor so that they can actively participate in productive economic activities. Increasing the capacity of the workforce through skills training and certification based on local industry needs is necessary to increase the competitiveness of the workforce in Kupang City, especially in the tourism, fisheries, and digital-based creative industry sectors. In addition, access to business capital for small and medium enterprises (MSMEs) must be expanded through more inclusive financing schemes, such as low-interest microcredit or community-based business incubation programs (Pangastuti, 2023).

To reduce poverty more effectively, the government must optimize productive social protection programs. Social assistance provided to the poor should not only be in the form of consumer benefits but also be directed at programs that can increase economic independence, such as incentive schemes for recipients of assistance who participate in skills training or entrepreneurship programs. In addition, the development of economic infrastructure and connectivity between regions also needs to be

strengthened to create new economic centers outside the city center to encourage investment and open up more job opportunities for the community (Tekgüç, 2018).

With policies that are more focused on economic empowerment, increasing workforce capacity, and creating wider employment opportunities, it is hoped that economic growth in Kupang City will be more inclusive and able to provide a more realistic impact in reducing poverty rates. Therefore, government intervention must focus not only on aggregate economic growth but also on efforts to improve people's welfare more evenly and sustainably.

4.3.2. The Influence of the Human Development Index (HDI) on Economic Growth in Kupang City

The results of this study indicate that the Human Development Index (HDI) has a negative and significant effect on economic growth, with a regression coefficient of -1.325 and a significance value of 0.034 ($p < 0.05$). This indicates that an increase in HDI contributes to a slowdown in the rate of economic growth in Kupang City, which is contrary to the expectation that human development will have a positive impact on regional economic dynamics.

In theory, IPM reflects the quality of human resources (HR), which is measured through three main indicators**:** life expectancy, education level, and a decent standard of living (McGillivray, 1991)**.** Improvements in these aspects should contribute to increased labor productivity and economic competitiveness. However, the results of this study indicate that the increase in HDI in Kupang City has not been fully converted to higher economic growth.

This finding is in line with research by Arka and Yasa (2015), who found that HDI has a negative and significant relationship with economic growth, especially in conditions where improvements in the quality of human resources are not accompanied by adequate job availability or a mismatch between workforce skills and local industry needs. In the context of Kupang City, the increase in HDI reflected in better education levels and life expectancy rates does not seem to have an impact on increasing economic productivity because there are still limitations in access to formal employment and the development of the productive industrial sector.

These results also support the concept of Causality in Economic Growth and Human Development (Chikalipah & Makina, 2019)**,** which states that the relationship between economic growth and increasing HDI is not always linear. In some cases, increasing HDI can drive economic growth by increasing labor productivity. However, in areas with an economic structure that is still dominated by the informal sector and a lack of investment in high-value-added sectors, increasing HDI can contribute to increased labor migration outside the region due to the lack of job opportunities available in the region.

This condition can also be explained through the Theory of Surplus Labor (Reynolds, 1965)**,** which states that economic growth requires a transition of the workforce from the traditional sector to the more productive modern sector. However, if the increase in the quality of human resources is not balanced by the growth of the industrial and service sectors that can absorb workers with higher skills, then the positive impact of increasing HDI on the economy will be limited. In the context of Kupang City, the limited industrial sector and minimal investment in the knowledge-based economy sector could be the reason why the increase in HDI has not had a significant impact on economic growth.

However, the significant decline in HDI figures in several aspects also indicates broader challenges for the economic and social conditions in Kupang City. Low quality of education, limited access to healthcare, and suboptimal living standards can hinder workforce productivity. Ultimately, this slows regional economic growth. In such conditions, efforts to improve the HDI must be focused not only on education and health aspects but also on the integration of improving human resources with a more targeted economic development strategy (Biggeri & Mauro, 2018).

Therefore, local governments must adopt a more holistic approach to link investments in human development with regional economic development**.** One step that can be taken is to strengthen vocational education programs and industry-based training to meet the needs of the labor market in Kupang City. This training program must be developed in collaboration with the private sector and local industries so that the workforce produced can be directly absorbed in the formal labor market. In addition, more aggressive policies are needed to attract investment in the light manufacturing industry sector, digital-based services, and creative economy, which have great potential to absorb skilled workers in this area.

In addition, the government needs to develop policies that encourage innovation-based entrepreneurship**,** especially in the creative and digital-based economy sector, which can be a solution for higher education graduates who have difficulty obtaining jobs in the formal sector. Incentive programs for digital-based startups and MSMEs can be a long-term strategy for integrating HDI improvements with more inclusive and sustainable economic growth.

With a more targeted policy synchronization between increasing the HDI and strengthening the economic sector**,** it is expected that the economic growth of Kupang City can run more optimally and provide direct benefits for the welfare of the community. Human development should not stop at increasing the HDI statistics alone, but must be integrated with economic development strategies that can create quality jobs, increase the competitiveness of the workforce, and accelerate economic growth sustainably.

4.3.3. The Effect of Inflation on Economic Growth in Kupang City

The results of this study indicate that inflation has a positive relationship with economic growth, as indicated by the regression coefficient of 0.172. However, the relationship was not statistically significant, with a significance value of 0.426 ($p > 0.05$). This means that inflation does not have a significant impact on economic growth in Kupang City, and the initial hypothesis that inflation hurts economic growth cannot be accepted.

In classical economic theory, inflation is often associated with negative effects on economic growth because increasing the prices of goods and services can reduce people's purchasing power and increase production costs for the business world (Bonab, 2019). However, in macroeconomics, the relationship between inflation and economic growth is not always linear. Phillips Curve Theory (Lawler & Pavlenko, 2020) explains that in the short term, there is a trade-off between inflation and unemployment, where moderate inflation can encourage economic expansion through increased consumption and investment.

In addition, Hasdiana, Iswanto, Laming, and Lenas (2023) also found that inflation does not have a direct impact on economic growth in Indonesia, which indicates that other factors such as investment, labor, and regional economic policies have a more dominant role in determining the rate of economic growth.

In Kupang City, the positive but insignificant relationship between inflation and economic growth can be explained by several structural factors. First, the economic structure of Kupang City, which is still dominated by the service and trade sectors, causes fluctuations in the prices of goods and services that do not always have a direct impact on overall economic output (Ledo, 2022). Second, dependence on imports of necessities from outside the region makes inflation more cost-push than demand-pull; thus, its impact on economic growth is relatively limited (Dewi, 2014). Third, government intervention in price stabilization through subsidies and inter-regional trade policies also plays a role in reducing the impact of inflation on regional economic growth (Yusiana & Nur'azkiya, 2021).

This view is also supported by the Behavioral Economics theory of F. Nalle and Ismail (2024), which states that people's consumption decisions are not always economically rational, but are influenced by psychological factors and inflation expectations. In this context, even though the inflation rate increases,

people can still maintain their consumption patterns if there are supporting factors, such as income stability and access to credit or social assistance.

Although inflation does not have a significant impact on economic growth, controlling it remains an important factor in maintaining regional economic stability. Regional governments need to develop more proactive policies to maintain the stability of prices of goods and services, especially for necessities that are highly sensitive to people's purchasing power. One step that can be taken is to increase the efficiency of distribution and logistics of necessities so that price fluctuations can be better controlled (Tahir, Sukoco, Suryanto, & Rivani, 2024). In addition, there needs to be a strategy to reduce dependence on imports by strengthening the local production sector, especially in the agriculture and fisheries sectors, which are the main commodities in Kupang City.

On the other hand, regional economic policies also need to be directed to increase investment in the real sector so that economic growth does not only depend on domestic consumption but also on a more sustainable expansion of the productive sector. Increasing access to business capital for MSMEs and the informal sector can also strengthen the economic resilience of the community against the impact of inflation. With a more focused strategy for managing inflation and encouraging productive investment, it is hoped that economic growth in Kupang City will be more stable and inclusive in the long term.

5. Conclusion

5.1 Conclusion

This study aims to analyze the influence of the poverty rate, Human Development Index (HDI), and inflation on economic growth in Kupang City during the period 2014–2023**.** The results of the multiple linear regression analysis indicate that these three variables simultaneously have a significant impact on economic growth. However, when analyzed individually, each variable shows different effects, reflecting the complexity of the relationship between socioeconomic and macroeconomic factors in shaping regional economic dynamics.

The findings suggest that the poverty rate negatively, although not significantly, affects economic growth**.** This indicates that, while an increase in poverty can slow economic growth, other structural factors such as income distribution, government social policies, and the resilience of the informal sector also play a crucial role in moderating this relationship. Therefore, poverty reduction strategies in Kupang City should focus on community-based economic empowerment, workforce skill enhancement, and broader access to financial and productive resources for vulnerable groups. Strengthening human capital and promoting micro and small enterprises can more effectively mitigate the negative impact of poverty on economic growth.

Conversely, HDI has a significantly negative effect on economic growth, suggesting that improvements in human development indicators have not yet fully contributed to economic expansion. This may be due to the mismatch between education and workforce skills and the needs of the local industrial sector, as well as the limited availability of formal employment opportunities for skilled labor. The high levels of unemployment and dominance of the informal sector indicate the need for better alignment between education policies, vocational training programs, and local industry demands to ensure that improvements in human capital translate into productive economic activities. Furthermore, the development of innovation-driven and digital-based economic sectors could serve as an alternative means to create employment opportunities for skilled workers and reduce labor migration to other regions.

Meanwhile, inflation has a positive but statistically insignificant effect on economic growth**,** indicating that rising inflation does not directly drive economic expansion in Kupang. This could be attributed to reliance on imported essential goods, government interventions in price stabilization, and local consumption patterns that are influenced by external factors. Therefore, inflation control strategies should focus on stabilizing the prices of essential commodities, improving supply chain efficiency, and

strengthening local production to reduce dependence on external supply. This approach could help maintain economic stability while preserving household purchasing power and investment confidence.

5.2. Limitation

Although this study contributes to the understanding of the factors influencing economic growth in Kupang City, several limitations should be considered in future research. This study relies primarily on quantitative analysis using secondary data, which limits its ability to explore institutional**,** cultural**,** and behavioral aspects that may also affect economic dynamics. Future research could incorporate qualitative approaches, such as interviews with policymakers, business actors, and workers, to provide a more comprehensive perspective on regional economic trends.

Additionally, this study focuses solely on the poverty rate, HDI, and inflation, while other potential determinants of economic growth, such as investment levels, infrastructure development, trade openness, and technological innovation, are not included in the analysis. Expanding the scope of the variables in future studies could provide a more holistic understanding of the key drivers of regional economic performance.

The negative relationship between HDI and economic growth also requires further investigation to explore the underlying mechanisms. A more in-depth analysis of labor market absorption patterns, wage disparities, and employment dynamics in Kupang City could help policymakers design more effective labor policies to maximize the benefits of human capital development.

5.3. Suggestion

These findings confirm that economic growth in Kupang City is influenced not only by macroeconomic factors but also by broader social and structural dynamics**.** Therefore, regional economic policies must adopt a comprehensive approach that integrates poverty reduction strategies, more targeted human capital development, and inflation stabilization efforts to support consumer purchasing power and a favorable investment climate. With a more inclusive development approach, economic growth is expected to become more sustainable and have a tangible impact on community welfare.

References

Anggoro, M. H. (2015). Pengaruh pertumbuhan ekonomi dan pertumbuhan angkatan kerja terhadap tingkat pengangguran di kota Surabaya. *Jurnal Pendidikan Ekonomi (JUPE),* 3(3). doi:https://doi.org/10.26740/jupe.v3n3.p%25p

Arifin, J. (2020). Budaya kemiskinan dalam penanggulangan kemiskinan di Indonesia. *Sosio Informa,* 6(2), 114-132. doi:https://doi.org/10.33007/inf.v6i2.2372

Arka, S., & Yasa, I. K. O. A. (2015). Pengaruh pertumbuhan ekonomi dan disparitas pendapatan antardaerah terhadap kesejahteraan masyarakat Provinsi Bali. *Jurnal ekonomi kuantitatif terapan,* 8(1), 44328.

Bauer, P. T. (2019). The vicious circle of poverty *The gap between rich and poor* (pp. 321-337): Routledge.

Biggeri, M., & Mauro, V. (2018). Towards a more 'sustainable'human development index: Integrating the environment and freedom. *Ecological indicators,* 91, 220-231. doi:https://doi.org/10.1016/j.ecolind.2018.03.045

Bonab, A. F. (2019). A review of inflation and economic growth. *Journal of Management and Accounting Studies,* 5(02), 1-4. doi:https://doi.org/10.24200/jmas.vol5iss02pp1-4

BPS. (2022). Agustus 2022: Tingkat Pengangguran Terbuka (TPT) sebesar 5,86 persen dan Rata-rata upah buruh sebesar 3,07 juta rupiah per bulan. Retrieved from https://www.bps.go.id/id/pressrelease/2022/11/07/1916/agustus-2022--tingkat-pengangguran-

Chikalipah, S., & Makina, D. (2019). Economic growth and human development: Evidence from Zambia. *Sustainable Development,* 27(6), 1023-1033. doi:https://doi.org/10.1002/sd.1953

Čižiks, J., & Grabusts, P. (2019). *Data Processing Using The Ibm Spss Modeler Tool.* Paper presented at the HUMAN. ENVIRONMENT. TECHNOLOGIES. Proceedings of the Students International Scientific and Practical Conference.

Desai, M. (1975). The Phillips curve: A revisionist interpretation. *Economica, 42*(165), 1-19. doi:https://doi.org/10.2307/2552982
Dewi, D. C. (2014). Kebijakan Pertanian Yang Memarjinalkan Petani Dan Meruntuhkan Kedaulatan Pangan. *Publisia: Jurnal Ilmu Administrasi Publik,* 18(1), 44-58.
Dima, E. T. Y. (2022). Analisis Struktur Sektor Unggulan Dan Perekonomian. *Jurnal Akuntansi, Manajemen dan Ekonomi,* 1(2), 233-243. doi:https://doi.org/10.56248/jamane.v1i2.33
Guerrini, L. (2006). The Solow–Swan model with a bounded population growth rate. *Journal of Mathematical Economics,* 42(1), 14-21. doi:https://doi.org/10.1016/j.jmateco.2005.05.001
Hasdiana, S., Iswanto, A., Laming, R. F., & Lenas, M. J. (2023). Analisis tingkat inflasi terhadap pertumbuhan ekonomi di Indonesia. *POINT: Jurnal Ekonomi dan Manajemen,* 5(2), 200-211. doi:https://doi.org/10.46918/point.v5i2.2090
Hidayat, S., & Woyanti, N. (2021). Pengaruh PDRB per kapita, belanja daerah, rasio ketergantungan, kemiskinan, dan teknologi terhadap ipm di Indonesia. *Jurnal Ekonomi, Bisnis, Dan Akuntansi,* 23(4), 122-137.
Kadji, Y. (2012). Kemiskinan dan Konsep teoritisnya. *Guru Besar Kebijakan Publik Fakultas Ekonmi Dan Bisnis UNG,* 17.
Karmeli, E. (2008). Krisis Ekonomi Indonesia. *Journal of Indonesian Applied Economics,* 2(2).
Karyati, Y. (2021). Pengaruh Jumlah Penduduk Miskin, Laju Pertumbuhan Ekonomi, dan Tingkat Pendidikan terhadap Jumlah Stunting di 10 Wilayah Tertinggi Indonesia Tahun 2010-2019. *Jurnal Riset Ilmu Ekonomi Dan Bisnis*, 101-108. doi:https://doi.org/10.29313/jrieb.v1i2.401
Lawler, K., & Pavlenko, I. (2020). The Phillips curve: A case study of theory and practice. *Вісник Київського національного університету ім. Тараса Шевченка. Серія: Економіка*(4 (211)), 28-38.
Ledo, D. (2022). Pengembangan Industri Kecil untuk Pemberdayaan Ekonomi Rakyat. *Rubinstein,* 1(1), 19-33. doi:https://doi.org/10.31253/rubin.v1i1.1759
Lucas, A., Morley, R., & Cole, T. (1988). Adverse neurodevelopmental outcome of moderate neonatal hypoglycaemia. *British medical journal,* 297(6659), 1304-1308. doi:https://doi.org/10.1136/bmj.297.6659.1304
Ma'Ruf, A., & Wihastuti, L. (2008). Pertumbuhan ekonomi indonesia: determinan dan prospeknya. *Jurnal Ekonomi & Studi Pembangunan*, 44-55.
McGillivray, M. (1991). The human development index: Yet another redundant composite development indicator? *World Development,* 19(10), 1461-1468. doi:https://doi.org/10.1016/0305-750X(91)90088-Y
Moloi, T., Marwala, T., Moloi, T., & Marwala, T. (2020). The Dual-Sector Model. *Artificial Intelligence in Economics and Finance Theories*, 33-41. doi:https://doi.org/10.1007/978-3-030-42962-1_4
Nairizi, M. A. (2023). Analisis Pengaruh Kemiskinan, Pengangguran, Dan Inflasi Terhadap Pertumbuhan Ekonomi Indonesia. *Jurnal Jendela Inovasi Daerah,* 6(1), 38-58. doi:https://doi.org/10.56354/jendelainovasi.v6i1.131
Nalle, F., & Ismail, M. (2024). Epistemological criticism of the concept of individualism in conventional economies. *Jurnal Perspektif Pembiayaan dan Pembangunan Daerah,* 12(1), 67-90. doi:https://doi.org/10.22437/ppd.v12i1.30759
Nalle, F. W., Duli, D. K., & Mau, M. (2022). Peran Sektor Unggulan dalam Mewujudkan Pembangunan Ekonomi Inklusif di Kabupaten Timor Tengah Utara. *Jurnal Ilmiah Membangun Desa Dan Pertanian,* 7(3), 71. doi:https://doi.org/10.37149/jimdp.v7i3.23764
Nalle, F. W., Kadir, R. D., & Masniadi, R. (2024). Dynamics of the Agricultural Sector and Food Security in the Border Areas East Nusa Tenggara Province–Timor Leste. *Eko-Regional: Jurnal Pembangunan Ekonomi Wilayah,* 19(2). doi:https://doi.org/10.32424/1.erjpe.2024.19.2.4000
Nalle, F. W., & Pangastuti, M. D. (2022). Poverty level analysis in East Nusa Tenggara Province. *Inovasi: Jurnal Ekonomi, Keuangan, Dan Manajemen,* 18(4).
Nalle, F. W., & Pangastuti, M. D. (2023). Determinants of Regional Financial Performance and Poverty Level In North Central Timor Regency. *Eko-Regional: Jurnal Pembangunan Ekonomi Wilayah,* 18(2). doi:https://doi.org/10.32424/1.erjpe.2023.18.2.3466

Nalle, F. W., Pangastuti, M. D., & Utami, Y. R. S. S. S. B. (2022). Analisis determinan faktor penentu usia harapan hidup di Provinsi Nusa Tenggara Timur. *INOVASI: Jurnal Ekonomi, Keuangan dan Manajemen,* 18(3), 459-472.
Nalle, F. W., Sengkoen, Y., Seran, R. B., & Rahmarini, W. A. (2023). Regional development disparity and mapping of economic potential in East Nusa Tenggara province. *JPPI (Jurnal Penelitian Pendidikan Indonesia),* 9(2), 669-688. doi:https://doi.org/10.29210/020232354
Nalle, F. W., Seran, S., & Bria, F. (2022). Analisis Determinan Kemiskinan Propinsi Nusa Tenggara Timur. *Jurnal Samudra Ekonomi dan Bisnis,* 13(2), 206-220. doi:https://doi.org/10.33059/jseb.v13i2.4962
Nelson, E. (2013). Friedman's monetary economics in practice. *Journal of International Money and Finance,* 38, 59-83. doi:https://doi.org/10.1016/j.jimonfin.2013.05.005
Nurkse, R. (2009). *Ragnar Nurkse: Trade and Development* (Vol. 1): Anthem Press.
Pangastuti, M. D. (2019). Partisipasi Anggaran, Prestasi Manajer Dan Pengaruh Komitmen Organisasi Sebagai Variabel Intervening Terhadap Kinerja Perusahaan Manufaktur Di Indonesia. *Ekopem: Jurnal Ekonomi Pembangunan,* 1(02), 11-19.
Pangastuti, M. D. (2023). Pelatihan pembukuan akuntansi bagi usaha mikro kecil menengah (UMKM) untuk meningkatkan kinerja keuangan di kabupaten Timor Tengah Utara. *Bakti Cendana,* 6(1), 1-11. doi:https://doi.org/10.32938/bc.6.1.2023.1-11
Pangastuti, M. D., & Nalle, F. W. (2023). Strategi Peningkatan Kepatuhan Wajib Pajak Kendaraan Bermotor di Kabupaten Timor Tengah Utara. *Jurnal Akuntansi Dan Pajak,* 23(2). doi:https://doi.org/10.29040/jap.v23i2.5886
Pangastuti, M. D., Nalle, F. W., Rado, B. G., & Kolo, A. (2023). Determinants of performance improvement of Micro, Small, and Medium Enterprises (MSME) in the border market of North Timor Central District â€“Timor Leste. *Jurnal Perspektif Pembiayaan dan Pembangunan Daerah,* 11(1), 45-64. doi:https://doi.org/10.22437/ppd.v11i1.23538
Parker, S. C., & Van Praag, C. M. (2006). Schooling, capital constraints, and entrepreneurial performance: The endogenous triangle. *Journal of Business & Economic Statistics,* 24(4), 416-431. doi:https://doi.org/10.1198/073500106000000215
Reder, M. W. (1967). Gary Becker's Human Capital: A Review Article. 2(1). doi:https://doi.org/10.2307/144593
Reynolds, L. G. (1965). Wages and employment in a labor-surplus economy. *The American economic review,* 55(1/2), 19-39.
Rien, J. A. J. (2024). Analisa Daya Beli Masyarakat Terhadap Tingkat Inflasi Barang dan Pertumbuhan Ekonomo Mikro. *Emanasi: Jurnal Ilmu Keislaman dan Sosial,* 7(2), 27-40.
Riza, F., & Wiriyanata, W. (2021). Analysis of the viability of fiscal and monetary policies on the recovery of household Consumption expenditures because of the Covid-19 pandemic. *Jambura Equilibrium Journal,* 3(1). doi:https://doi.org/10.37479/jej.v3i1.10166
Romer, P. M. (1986). Increasing returns and long-run growth. *Journal of political Economy,* 94(5), 1002-1037.
Salim, A., Fadilla, F., & Purnamasari, A. (2021). Pengaruh inflasi terhadap pertumbuhan ekonomi indonesia. *Ekonomica Sharia: Jurnal Pemikiran dan Pengembangan Ekonomi Syariah,* 7(1), 17-28. doi:https://doi.org/10.36908/esha.v7i1.268
Santosa, A. B. (2017). Analisis inflasi di Indonesia.
Sari, C. N. P. (2019). Analisis pengaruh inflasi dan investasi terhadap pertumbuhan ekonomi dan kesejahteraan masyarakat di pulau jawa tahun 2006-2016.
Sari, G. K. (2024). Peran PBB Melalui MDGs Dalam Peningkatan Indeks Pembangunan Manusia di Indonesia. *Journal of Multidisciplinary Research and Development,* 1(2), 102-107. doi:https://doi.org/10.56916/jmrd.v1i2.727
Somba, A., Engka, D. S., & Sumual, J. I. (2021). Analisis Pengaruh Pengangguran Dan Kemiskinan Terhadap Pertumbuhan Ekonomi Di Sulawesi Utara. *Jurnal Berkala Ilmiah Efisiensi,* 21(5).
Syahputra, R. (2017). Analisis faktor-faktor yang mempengaruhi pertumbuhan ekonomi di Indonesia. *Jurnal samudra ekonomika,* 1(2), 183-191. doi:https://doi.org/10.1234/jse.v1i2.334
Tahir, R., Sukoco, I., Suryanto, S., & Rivani, R. (2024). Study of Trade and Distribution of Basic Needs in Bandung City. *Sosiohumaniora: Jurnal Ilmu-ilmu Sosial dan Humaniora,* 26(3).

Tay, R. (2017). Correlation, variance inflation and multicollinearity in regression model. *Journal of the Eastern Asia Society for Transportation Studies,* 12, 2006-2015. doi:https://doi.org/10.11175/easts.12.2006

Tekgüç, H. (2018). Declining poverty and inequality in Turkey: The effect of social assistance and home ownership. *South European Society and Politics,* 23(4), 547-570. doi:https://doi.org/10.1080/13608746.2018.1548120

Thesia, D. Y., & Karmini, N. L. (2022). Pengaruh Pendapatan Per Kapita, Pertumbuhan UMKM Dan Tingkat Pengangguran Terhadap Tingkat Kemiskinan Di Provinsi Bali. *E-Jurnal Ekonomi dan Bisnis Universitas Udayana,* 11(03), 271. doi:https://doi.org/10.24843/EEB.2022.v11.i03.p03

Todaro, M. P., & Smith, S. C. (2009). *Economic development*: Pearson education.

Uyanto, S. S. (2020). Power comparisons of five most commonly used autocorrelation tests. *Pakistan Journal of Statistics and Operation Research*, 119-130. doi:https://doi.org/10.18187/pjsor.v16i1.2691

Wadana, R. K., & Prijanto, W. J. (2021). Analisis pengaruh infrastruktur, tingkat kemiskinan dan indeks pembangunan manusia terhadap pertumbuhan ekonomi Provinsi Bali 2015-2020. *Jurnal Syntax Transformation,* 2(06), 875-885. doi:https://doi.org/10.46799/jst.v2i6.303

Yusiana, E., & Nur'azkiya, L. (2021). Dampak Kebijakan Harga dan Impor Beras terhadap Pengentasan Kemiskinan di Indonesia. *Jurnal Agrimanex: Agribusiness, Rural Management, and Development Extension,* 2(1), 59-75. doi:https://doi.org/10.35706/agrimanex.v2i1.5566