Multidimensional Poverty in East Nusa Tenggara: A Structural Equation Modelling Approach

Astrid Bestari

The target of Sustainable Development Goals (SDGs) related to poverty is aimed to end poverty in all its forms everywhere. Based on data from the National Social and Economic Survey (SUSENAS) conducted by the Statistics Indonesia (BPS) in March 2018, 21.35 percent of the population in East Nusa Tenggara Province, Indonesia is classified as poor. Poverty is a complex and multidimensional problem because it is associated with limitations in access to economic, social culture, politics and participation in society. This research aims to analyze multidimensional poverty in East Nusa Tenggara using Structural Equation Modelling (SEM) approach. Data used in this research are the result SUSENAS March 2018. SUSENAS is a routine survey conducted by BPS every year. The results show us that Education dimension influenced Standard of Living dimension of poor people and Standard of Living dimension affected the Health dimension of poor people. Therefore, the government needs to make policies related to these three dimensions in an effort to eradicate poverty. In addition, an existing policy needs to be monitored and evaluated so that it will provide more benefits to the poor.