



UNIVERSITAS ANDALAS

**THE EFFECT OF NATURAL DISASTERS ON
POVERTY IN INDONESIA**



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PADANG

2024

The Effect of Natural Disasters on Poverty in Indonesia

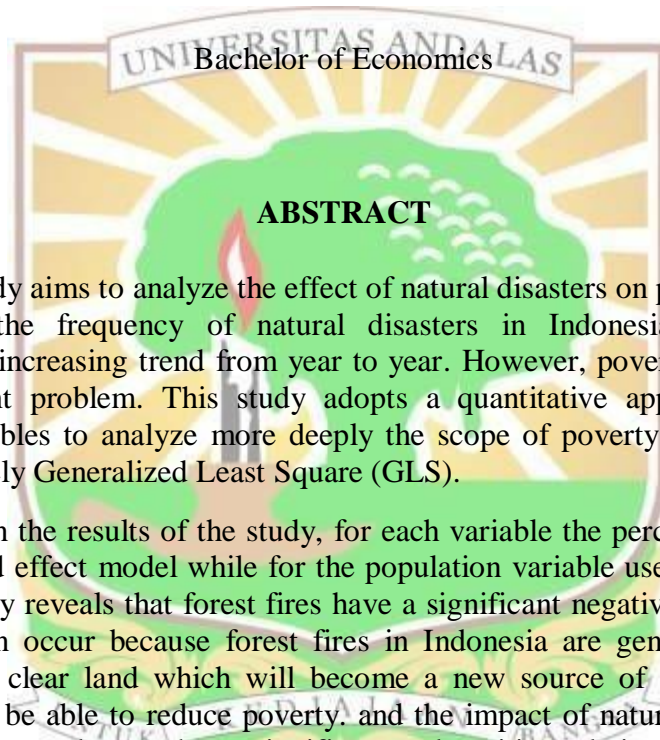
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Submitted to the Department of Economics,

on October 11, 2024, in partial fulfillment of the requirements for the degree of



ABSTRACT

This study aims to analyze the effect of natural disasters on poverty conditions in Indonesia. the frequency of natural disasters in Indonesia has generally experienced an increasing trend from year to year. However, poverty in Indonesia is still a persistent problem. This study adopts a quantitative approach using two dependent variables to analyze more deeply the scope of poverty with the analysis technique, namely Generalized Least Square (GLS).

Based on the results of the study, for each variable the percentage of poverty rate uses a fixed effect model while for the population variable uses a random effect model, this study reveals that forest fires have a significant negative correlation with poverty this can occur because forest fires in Indonesia are generally carried out intentionally to clear land which will become a new source of livelihood for the community and be able to reduce poverty. and the impact of natural disasters in the form of heavy house damage has a significant and positive relationship with poverty. while several other variables have an insignificant relationship with poverty in Indonesia.

Keywords: Natural Disasters, Poverty, Direct and Indirect Impact, Indonesia

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