

CHAPTER V

SUMMARY AND CONCLUSION

5.1 Conclusion

It is possible to draw the following conclusions from the analysis and discussion findings in this study:

Natural disasters that occurred in Indonesia, consisting of 34 provinces during the period 2008 to 2023, are classified into several types where each natural disaster has a different coefficient value. When it is explained that there is a positive and significant correlation between the rise in the proportion of the population living in poverty and the flood natural disaster in Indonesia. However, adjustment has a major and favorable impact on economic growth as determined by the gross regional product per capita. In addition, forest fires, which occur frequently in Indonesia, also have a positive and significant effect on the number and percentage of poverty in Indonesia.

The intensity of forest fires has a higher impact than other natural disasters on poverty because forest fires are a natural disaster that often occurs repeatedly in many provinces in Indonesia such as Kalimantan, Riau and Jambi. Forest fires have a direct and indirect correlation with poverty in Indonesia, especially through their impact on vital sectors that support the economy of local communities as well as long-term effects on national economic stability. Forest fires cause damage to forest and land ecosystems that are a source of livelihood for local communities, especially in the agricultural and plantation sectors. With the destruction of land, small farmers and plantation laborers lose their livelihoods and unemployment increases, especially among plantation laborers, farmers, and informal workers who depend on natural products. As jobs become scarcer, rural-to-urban migration increased, putting pressure on big cities that were already facing unemployment and urbanization problems. These conditions have an impact on the distribution of poverty in Indonesia

In addition to landslides, which also only have a positive and substantial impact on the number of poverty rates, other natural catastrophes like floods also have a positive and significant impact on the number of impoverished individuals in Indonesia. The frequency of natural disasters, such as the tsunami, has a positive and large impact on the percentage of people living in poverty. The frequency of other natural disasters including earthquakes, volcanic eruptions, extreme weather, droughts, and abrasions has no discernible positive impact on the proportion of the population living in poverty in Indonesia.

There is little doubt that natural disasters affect many different sectors, including infrastructure and people. This study investigates the effects of natural disasters using data from Indonesia's national disaster management agency. The data covers both facility factors, such as public, health, and educational facilities, as well as individual sector factors, such as death, loss, and home damage. The study's findings demonstrate that severe property damage has a positive and considerable impact on poverty, both in terms of the total number of impoverished individuals and their share of the total population.

While other variables such as death only affect the number of poor people, not the percentage. The same as medium house damage, health facilities, worship facilities and public facilities also only have a positive and significant effect on the total poverty rate in Indonesia but not with the percentage. While health facilities have a positive and significant effect on the percentage of poverty but not with the number of poor people in Indonesia. Other variables such as loss, injury, suffering, evacuation, and submersion have no significant effect on the number of poor people or the percentage of poor people.

Unemployment serves as a control variable in this study and has a positive and significant effect on poverty, both for the number of poor people and the percentage of poverty in Indonesia. This variable was chosen because when natural disasters occur many people lose their jobs besides that unemployment is also related to poverty where the higher the unemployment rate will usually have an impact on the economic rate which will eventually lead to poverty. This study

proves that the high unemployment rate in Indonesia during 2008-2023 has a positive and significant effect on the poverty rate in Indonesia both based on the number of poor people and the percentage of poor people in Indonesia.

5.2 Recommendation

Based on the conclusion that has been described, the following suggestion can be made.

To the Government:

- 1) The government needs to carry out spatial planning that considers disaster risk, by avoiding development in disaster-prone areas. It also seeks to build and strengthen infrastructure that is resistant to natural disasters, such as floods and earthquakes, especially in disaster-prone areas. The government also needs to increase emergency response capacity, by providing adequate training and equipment for disaster management teams.
- 2) The government needs to strengthen income source diversification programs for communities in disaster-prone areas to reduce dependence on one vulnerable economic sector by providing training and capital assistance for micro, small, and medium enterprises (MSMEs) that can become alternative sources of livelihood post-disaster.
- 3) The government should design and implement a comprehensive economic recovery strategy after natural disasters, which includes not only the restoration of physical infrastructure, but also the revitalization of the local economy, protection of vulnerable groups, and community empowerment through training and capital support, so that the long-term impact on poverty can be minimized and community resilience to future disasters can be significantly improved.

To local community:

local residents need to be wiser in managing the natural resources around them by preventing deforestation that can increase the risk of landslides and floods, and reforesting in critical areas. In agriculture, the community is expected to use environmentally friendly and sustainable agricultural techniques to keep the land productive despite weather changes due to natural disasters.

In addition, people living in disaster-prone areas are also expected to take part in new skills training that can open alternative business opportunities, so that they are not dependent on one source of income that is vulnerable to disasters. Given the current development of information and digitalization, local communities are also expected to be able to utilize digital platforms to get the latest information on disaster early warnings and weather conditions so that later they can understand evacuation procedures, first aid, and how to deal with emergency situations.

