# **Does Poverty Affect High School Completion Rates in South Kalimantan?**

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## ABSTRAK

Education is the main capital of the nation's progress, but the completion rate of high school / equivalent education in South Kalimantan is still lower than elementary and junior high school. One factor that affects school completion rates is economic factors, for example, poverty can reduce access and quality of education. Therefore, this study aims to analyze the effect of poverty on the high school completion rate in South Kalimantan in 2018 - 2023. This study used quantitative methods, secondary data, and simple linear regression analysis. This study found that poverty did not significantly affect the high school completion rate in South Kalimantan, but was influenced by other factors outside the study. However, poverty still needs to be reduced and education assistance from the government is still needed to increase participation and completion of high school education in South Kalimantan.

Keywords: Education, High School Completion Rate, Poverty.

#### **INTRODUCTION**

Education and poverty have a very close and complex relationship. Education affects poverty because education is considered one way to reduce poverty (Safitri & Effendi, 2019). Conversely, poverty also affects access and quality of education (Dueramae, 2017). One of the problems of education in Indonesia is the level of completion of education at the high school / equivalent level which is still low compared to other levels. The low completion rate at the high school level occurs in South Kalimantan Province (Figure 1).



Figure 1. Education Completion Rate in South Kalimantan Source: Central Bureau of Statistics (2024b)

In the picture above, it is clearly shown the low level of completion of education at the high school / equivalent level compared to elementary and junior high/equivalent in South Kalimantan. In



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connection with the importance of formal education, every child needs to complete education until declared graduated by the specified period. In addition, the level of completion of education is an indicator that shows how far a person has achieved the educational goals that have been set (Junita & Mukmin, 2022). The main factor affecting the completion of formal education is economic factors (Alifa, 2023). Economic factors related to the cost of education that is not affordable by the poor make children from poor families unable to finish school until graduation. Children who drop out of school are at risk of becoming unemployed and continue to be trapped in poverty (Dueramae, 2017). The financial ability of rich families can encourage children's educational attainment, while poor families experience financial obstacles to sending children to school to completion. However, there are cases where children from poor families are also able to complete education to a high level, and there are children from rich families who drop out of school (Gooptu & Mukherjee, 2023). Therefore the economy is not the only factor. There are also other factors, namely parental attention, children's interest in going to school, culture, and school location factors (Gooptu & Mukherjee, 2023; Maghfirah, 2019).

Some research results say that economic factors are the main factors that affect the completion rate of education or school (Alifa, 2023; Gooptu & Mukherjee, 2023; Kharisma, 2013; Maghfirah, 2019). Poor families are more prone to dropping out of school or not being able to finish school until graduation (Rahmawati, 2020) Poverty is a condition that is below the poverty line. The poverty line is the number of rupiahs needed by each individual to be able to pay for food needs equivalent to 2100 kilo calories per person per day and non-food needs consisting of housing, clothing, health, education, transportation, and various other goods and services. Meanwhile, poverty is the percentage of the population below the poverty line, which is the minimum to obtain an adequate standard of living in a country (BPS, 2022). High poverty, among others, has an impact on increasing crime, increasing mortality, high unemployment, closed access to education, poor access to health services, low economic growth, and decreased quality of human resources (Bahariansyah, 2019; Hadi, 2021; Ramadhani & Dahliana, 2022). Poverty can be reduced by improving the quality of education, community empowerment, productive zakat, providing employment, and equitable development (Hadi, 2021; Rizal & Mukaromah, 2021; Samsidar, 2021).

Then what about poverty in South Kalimantan? The condition of poverty in South Kalimantan in 2018 – 2023 can be seen in the picture below:



Figure 1. Percentage of Poor People in South Kalimantan Source: Central Bureau of Statistics (2024a)

Based on BPS data (figure 1), the completion rate of high school education in South Kalimantan shows conditions that tend to improve or improve in recent years. Likewise, the percentage of poverty in South Kalimantan (figure 2) has tended to decrease in recent years. These



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data show that school completion rates (Figure 1) increase at a time when poverty (Figure 2) is declining. Leli, et al., (2019) have researched the effect of education on poverty in South Kalimantan in 2013 - 2017. However, the effect of poverty on high school completion rates in South Kalimantan has never been studied or tested. Therefore, the author is interested in conducting a study that aims to analyze whether poverty affects the completion rate of high school / equivalent education in South Kalimantan in 2018 - 2023.

## **RESEARCH METHODS**

This study uses a quantitative method. There are two research variables, namely poverty (X) and the level of completion of education at the high school level (Y). This study uses secondary data from the Central Statistics Agency (BPS). Hypothesis testing in this study uses partial test analysis (T-Test) with the application of EViews12.

Table 1. Research Data							
Year	High School Completion Rate in South Kalimantan	Percentage of Poor People in South Kalimantan					
2018	4,54	61,09					
2019	4,55	59,52					
2020	4,38	63,05					
2021	4,83	63,59					
2022	4,49	67,81					
2023	4,29	68,35					

Table 1 Research Data

Source: Central Bureau of Statistics (2024)

# **RESULTS AND DISCUSSION**

### **Results of the Classic Assumption Test**

The results of the classical assumption test consist of a normality test, linearity test, heteroscedasticity test, and autocorrelation test. The results of the classical assumption test have been summarized in the table below:

No	Types of analysis	Persyaratan	Prob	Keterangan			
1	Normality Test	Prob. Jarque-Bera > 0,05	0,696	Requirements met			
2	Linearity Test	Prob. F-Statistic > 0,05	0,339	Requirements met			
3	Heteroscedasticity Test	Prob. Chi-Square > 0,05	0,898	Requirements met			
4	Autocorrelation test	Prob. Chi-Square > 0,05	0,764	Requirements met			
	Source: Data processed (2023)						

 Table 2. Summary of Classic Assumption Results

Table 2 explains that the data of this study meet the requirements of the classical assumption test. Data that pass the classical assumption test have met the statistical requirements necessary for a valid and accurate regression model.

Table 3. Results of the Influence of Poverty on High School Completion Rate in South Kalimantan 2018 - 2023

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Variable	Coefficient	Std. Error	t-Statistic	Prob.
C Poverty	98.45125 -7.655004	39.80975 8.814330	2.473043 - <b>0.868473</b>	0.0687 <b>0.4341</b>
R-squared Adjusted R-squared S.E. of regression Sum squared resid Log-likelihood F-statistic Prob(F-statistic)	0.158647 -0.051692 3.639938 52.99659 -15.04904 0.754245 0.434138	Mean dependent var S.D. dependent var Akaike info criterion Schwarz criterion Hannan-Quinn criteria Durbin-Watson stat		63.90167 3.549357 5.683012 5.613598 5.405144 0.503301

Source: Data processed (2024)

Hypothesis testing is carried out by t-test or partial test. Based on Table 3, the t-statistics is 0.868473 with a probability value of 0.4341. T-table at a 5% error rate with a degree of freedom (df) 6-2=4 adalah 2.776. T-Statistic of -0.868 < 2.776 and value of Probability 0.4341 > 0.05 shows that the poverty variable (X) does not have a significant effect on the completion rate of high school (Y) in South Kalimantan Province in 2018-2023.

The determination coefficient was carried out to see how much influence the independent variable was able to explain the dependent variable. The value of R2 ranges from 0-1 ( $0 \le R2 \le 1$ ), if R2 is closer to the number 1, it means that the variable variation model is said to be good. Based on the results of the analysis presented in Table 3, it is known that the value of the coefficient of determination of 0.1586 (15.86%) shows the influence of variable X on variable Y is 15.86%. Sedangkan sisanya (84.14%) dijelaskan oleh variabel lain di luar penelitian ini.

### Discussion

This study aims to analyze the effect of poverty on the completion rate of high school education in South Kalimantan Province (South Kalimantan) in 2018 - 2024. A simple linear regression analysis yields a negative constant value of -7.65, which can be interpreted as a negative functional relationship. A negative relationship means that if poverty does not exist, then the high school completion rate is 98.45%. However, if poverty increases by 1%, then the completion rate of education in South Kalimantan will decrease by 7.65%. Hypothesis testing resulted in a probability value of 0.434 greater than 0.05 and an F-count of 0.754 smaller than the F-table of 4.96 which means that poverty has a significant effect on the completion rate of high school education/equivalent (Y) in South Kalimantan. This finding is not in line with Alifa (2023) This finding reinforces Dueramae (2017) who argues that poverty does not have a direct impact on people's education levels because poor people have the potential to complete education like others.

The resulting coefficient of determination value of 0.1586 (15.86%) shows the influence of poverty on the completion rate of high school / equivalent education in South Kalimantan is only 15.86%, while the remaining 84.14% is influenced by other variables that were not studied in this study. This finding agrees with Gooptu (2023) in some cases, children from poor families complete education to a high level, and some children from rich families drop out of school. Gooptu explained that economic factors are not the only influential factors because there are other factors such as parental attention, children's interest in going to school, culture, and school location (Gooptu & Mukherjee, 2023). Khairunnisa et al. mentioned that other factors are the situation in schools such as facilities, friends, and teachers (Khairunnisa dkk., 2014). Government efforts through the BOS and







KIP programs can increase school participation and prevent school dropouts (Nurokhmah, 2021; Rahmawati, 2020).

Statistically, the effect is so small that it cannot be said to be significant. However, attending school until the end of high school is very important. Formal education must be pursued by children in Indonesia so that they obtain a diploma from an official government institution. Children must take part in the 12-year Compulsory Learning Program as mandated by UU No. 20 of 2003. For this reason, the government has run the BOS and PIP Fund Programs to help poor students (Hadna, 2022; Nurokhmah, 2021). By taking formal education at school, children will have the ability to think scientifically and solve problems in life, compared to children who do not receive education at school (Huda, Dahliana, and Aseri, 2023).

## CONCLUSIONS

Education at the high school level is included in the twelve-year compulsory education program launched by the Indonesian government with the hope that children will be provided with enough knowledge and diplomas to get a decent job. The completion rate of high school in South Kalimantan is still low compared to the elementary and junior high school levels. This study found that poverty did not have a significant effect on the level of completeness of high school education in South Kalimantan Province, so it can be said to be insignificant according to statistics. This can happen because the government provides educational assistance such as the BOS Fund Program and the PIP Fund to support compulsory education up to high school. So poverty should not be a barrier to completing education until high school. However, to be sure, more research is needed on the influence of the program on educational completion rates.

This finding is expected to contribute as a contribution of thought for policymakers related to education in South Kalimantan. Optimization of cooperation between parents, schools, and the government is needed to increase the completion rate of high school / equivalent in South Kalimantan.

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