Multidimentional Poverty and Culture of Poverty Impact

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Abstract: *The aims of this research is to analyze the impact of culture of poverty and house hold capacity to poverty in North Aceh. North Aceh is one of the districts with high income income, but at the same time has a high poverty rate, two contradictory conditions. So it is interesting to examine what the main causes of poverty are, so that the government can make and implement policies appropriately. This study used primary data obtained from household surveys, conducted by direct interviews using questioners and deept interviews for key respondents. The population in this study is the Households in 27 sub-districts in North Aceh, then, from the entire population we helds six districts as samples by random sampling, that is a stratified random sampling and purvosive random sampling exactly, with the total number of Households are 548 samples. The Data in this research are Analyzed descriptively and quantitatively. By logistic regression analysis. We find that the culture of poverty, the education of the patriarch, the health and the size of the household have contributed to poverty in northern Aceh. From the four variables tested, education and culture of poverty have the highest contribution to poverty, followed by household size and health. This is the test of Wald test. The implication is that the government needs to raise awareness and empowerment to households to change people's understanding of the poverty to break the poverty chain.*

Keywords: Poverty; Culture of poverty; Education, Patriarch; Household; Contribution

1. Introduction

Population is a potential to support economic growth. A large population but lacking sufficient skills will be a separate issue, weak skills make them unable to access economic resources and thus create poverty. Poverty occurs due to many factors, such as economic, educational, security, political and cultural factors. All these factors are related to each other. Therefore the problem of poverty is not sufficiently analyzed by economic approach alone. Reducing poverty requires a comprehensive policy based on the pattern of causes.

Poverty is a major problem in development and occurs within a country. Poverty is linked to weak human resources, lack of natural and cultural resources that are difficult to change. Poverty is always followed by backwardness, unemployment and economic inequality, (Bayudan, et al, 2013). Poverty is characterized by a material deficiency measured by the needs of living standards.

Poverty that happens is a complex problem in all countries. Poverty is influenced by many factors that interconnect one another. Poverty is not only influenced by economic and natural resources, but is also influenced by human, political, and cultural factors, these factors are mutually reinforcing, so there is a need for appropriate treatment to overcome them (Fiszbein, et al. 2014). Addressing the problem of poverty requires appropriate policies and directed and touch the root of the problem of poverty itself. The construction of relationships between various poverty problems also needs to be understood in depth in order to facilitate the formulation of poverty problem solving and to design appropriate strategies (Santoso, 2008).

In addition to economic factors, natural sumbedaya, cultural factors also affect the problem of poverty. Habit is believed to affect the mindset of the population so that will behave according to the mindset. Culture that is often practiced by the people related to poverty is a poor culture. Habits that affect the worse life that is influenced by bad behavior will give birth to cultural poverty and can even become persistent poverty for a long time, (Suryawati, 2005). The apathetic attitude to the conditions experienced, the attitudes that perceive the conditions experienced as unchangeable destinies affect the mindset, and inadvertently the poor have no attempt to change the conditions experienced.

Research on poverty has attracted the attention of researchers throughout the world, Alkire, and Santos, (2014), Burguignon (2003), Huafeng, Zhang (2014), some researchers also linked a culture with poverty such as Oscar lewis (1966) about culture and social class. But the research that has been done to see the variables affecting poverty from different sides, in this paper, we explore the cultural factors in the context of the value of habits that are believed by the poor in their lives. this study specifically wants to see how the impact of education, poor culture, size of household and health against poverty.

For simplicity, this article is organized in the following order in Section 2 will explain some theories and concepts related to poverty and poor culture. Section 3 will be explained about the data used and the model of analysis to be performed. Furthermore, in sections 4 and 5, we will describe the findings of the study and conclusions in respectively.

2. Theoretical Review

2.1 Causes of Poverty

Poverty is defined as a low standard of living, shortage of basic necessities under the standard needs to be met. Poverty not only related to the lack of food, housing and clothing pe, it relates to quality of life, health, adequate education, a sense of security, injustice and vulnerability in the law, (Suryawati, 2005).

Koncoro, 2000) of Ragnar Nurkse (1953). In the theory of vicious circle of poverty the cause of poverty is poverty itself. Poor countries become poor because they are poor. Furthermore, (Kuncoro, 2000) mentions Poverty is caused by, first: Inequality of resource ownership, second: Inequality of resource quality, third: Inequality Access in capital. Poor countries tend to be caught in poverty because of the ignorance of resources, so poor countries become poor because they are poor.

In examining poverty, we can distinguish the types of poverty, first: absolute poverty, that is poverty that occurs because of inability to meet minimum needs. Second, relative poverty, the condition of poverty that arises by comparing with the surrounding conditions. Third, structural poverty, namely poverty that occurs due to unequal policies in the distribution of resources. Fourth, cultural poverty, namely poverty that occurs because of the habit adopted by the community for generations, (Rejekiningsih, 2011). Chambers (in Rohima, et.al, 2013) says that poverty is an integrated concept that has five dimensions: 1) proper, 2 powerless, 3 state of emergency, 4) dependence, and 5. isolation) both geographically and sociological.

Judging from the causal factors, poverty can be caused by many things, as Nasikun (Suryawati 2005), including: Policy induces processes, impoverishment process deliberately maintained through a policy; The marginalization of woman: thinks women as marginal class so they do not need to be involved in decision making; Cultural and ethnic factors: cultural factors that cause poverty, for example, consumptive lifestyles, consumptive customs and international processes: the workings of colonialism and capitalism make many countries even poorer.

Poverty measurement has traditionally used a one dimensional measurement of the monetary dimension, where poverty is measured only by economic deficiencies. But now the measurement of poverty has evolved into multidimensional measurements, Alkire and Seth, (2015); Bourguignon and Chakravarty, (2003); Ravallion (2011). In multidimensional measurement, besides including the economic dimension, poverty is also measured from the dimensions of education, health and living conditions. Many authors have emphasized the need to define poverty as a multidimensional concept rather than relying on income or per capita consumption expenditure (Bourguignon and Chakravarty, 2003).

2.2 Impact of Education on poverty

Education and poverty are currently being discussed, especially in developing countries. Poverty is considered to be closely related to the level of education, Mihai, (2015). Adequate education determines the productivity aspect of human resources, education is highly correlated with development and economic growth.

Poverty makes the People who are born in poor condition will be trapped in a vicious cycle of poverty and very difficult to get out of the condition. They are not ready for education compared to children born in prosperity. Childhood education will affect the chances of success as adults, low education will be socially excluded and become unemployed, (Mihai, 2015).

Good education can improve the skills of workers in various sectors, both industrial and agricultural sectors. Expertise and knowledge in the agricultural sector can increase agricultural productivity. There are at least two things that are influenced by the increasing skills of the agricultural sector, First: the productivity of agricultural crops, the expertise will increase the yield per hectare, and increase income per capita farmers. Second: Increased productivity of livestock products, although probably lower than in the agricultural sector. Gounder and Xing (2012), said education and health have an impact on poverty reduction, education has an impact on both individuals and communities. At the household level, increased productivity and income are two things that enable households to improve the education of household members. Education and prosperity are the things that affect each other. Similarly for the country level, labor force education is a building block for knowledge-based economies, and has a large contribution to economic growth. (Mankiw et al, 1992). Improving education will not only increase the opportunity for greater income, but also increase the public's understanding of rights and opportunities and have an effect on the empowerment of women who can reduce infant and maternal mortality, World Bank, 2005 (Gounder and Xing 2012).

2.3 Culture of Poverty

The cause of poverty that is a lot of academic attention is the cultural factor. The culture of poverty is a theory in social theory that is an extension of the poverty cycle theory. It drew academic and policy attention in the 1970s, having gained many ideas from them, concluded that poverty should be explained based on structural factors in its interactions with the characteristics personal, (Goode and Eames, 1996; bourgois, 2001, Small, Harding DJ, Lamont M., 2010). As given by Small, Harding, and Lamont (2010) ,. Because human actions are influenced by their behavior, these dynamics should be central to our understanding of the emergence of poverty and social imbalances.

The culture of poverty as described by Lewis (Sudana 2010) consists of what is believed (values), responses in action (attitude), and abstractions of behavior (patterns of behavior). This is the reaction and adaptation of the poor to the condition and position of those who are marginalized in a society that has a very individualistic and capitalist level

and strata, Suarta, (2013); (Lamon and Small, 2010) The most dominant lower class society has a poor culture, because this group is usually marginalized. This group has the following characteristics Lewis in (Astika, 2010): Ineffective integration into the institution, resulting in a sense of fear, high suspicion, apathy and disunity; The existence of slums and low levels of organization outside the nuclear family and extended family; Childhood is not well built, Strong feeling of worthlessness, helplessness, high dependence and low self-esteem; The strength of today's orientation.

The culture of poverty also forms the narrow orientation of its group, they only know the difficulties, the local conditions, the neighborhood and their own way of life, the lack of class consciousness even though they are very sensitive to status differences; Culture is a set of values, beliefs, and habits acquired or learned, which are accepted by the community for generations and direct the behavior of its members. (Suarta, 2013)

The culture of poverty is one of the reasons why poverty still persists. Culture of poverty will shape the way of view and mindset of society, which will eventually form the values attached to the individual. In a society, without being aware of this poor culture has affected behavior, skills, habits, and lifestyle is the source of stratification in a family. The culture of poverty refers to the attitude of a person who is influenced by cultural factors, such as unproductive, lazy, low self-esteem, consumptive attitude, many customary events that deplete economic resources

2.4 Household size and poverty

The number of family members determines the extent of the dependency ratio in a family. A large dependency ratio will be a burden for the head of the family.

Population and poverty are not new, but the relationship between the number of family members and poverty remains interesting to be studied by Anjouwa and Ravallion, (1995), Orbeta, Jr. (2005). From several studies, such as Dacuycuy and Lim, (2013) found there is a relationship between the large number of family members living in households with poverty. The number of family members more, then the family tends to be poor. Large families need more spending on consumption and other necessities. With a large average spending makes them remain poor.

Expenses for large consumption expenditures, will reduce the share of income used for education and capacity building of family members. This condition weakens the poor, since access to opportunities for the utilization of productive resources is limited. As a result of the fulfillment of basic needs that are minimal, Santoso (2008) found that in industrial-based cities there is a cause of a person becoming homeless (homeless community).

3. Methodology

Sample and Data
This study is a survey of households. The study location is located in North Aceh district, chosen this location because North Aceh is a district with high enough regional income, but has a large number of poor people as well. The sample of this study was selected households in 6 sub-districts in North Aceh from 27 sub-districts. The number of samples of the study amounted to 548 samples spread across six districts. Sampling was done by sampling random sampling and stratified random sampling and purvosive ramdom sampling. This study uses primary data obtained from questionnaire (quesioner) and in-depth interviews with key respondents. The answers to each of these questions are measured using a Likert scale.

Data Analysis Method
The analysis used in this research consists of qualitative analysis and quantitative analysis. Qualitative analysis describes the characteristics of poverty that occur in Aceh Utara by explaining the various dimensions associated with poverty conditions. Furthermore, quantitative analsis using logistic regression analysis tool. Selection is based on the selected variable is a categorical variable. The variables tested consisted of 1 categorical variable, namely poverty and four continuous variables, namely culture of poverty, education, household size and health. These four variables tested the effect on the chances of a household becoming poor or not poor. The equation model used is

$$Y = f\left(\sum_1^n \beta_n X_{n,}\right) \tag{1}$$

$$Y = \beta_0 + \sum_1^n \beta_n X_n + \epsilon \tag{2}$$

model equation 2 is changed in the form of logistic equations so

$$LnY = \frac{\hat{p}}{1-\hat{p}} = \beta_0 + \sum_1^n \beta_n X_n + \epsilon \tag{3}$$

The magnitude of p^ are

$$\hat{p} = \frac{\exp\left(\beta_0 + \sum_1^n \beta_n X_n + \epsilon\right)}{1 - \exp\left(\beta_0 + \sum_1^n \beta_n X_n + \epsilon\right)} \tag{4}$$

Where is Xn is a continyu variable, that is Culture_Poverty is a culture of poverty, Education is education level, Health_House is a Health variebel. Dependensi_Household is household size. Whereas Y is a Poor Household (1) or Not a Poor Household (0).

4. Results and Discussions

A. Macro Economic Condition
North Aceh is geographically composed of 27 sub-districts consisting of coastal and inland areas. In an effort to accelerate the development of the North Aceh region is divided into three zones namely the coastal zone as a center of fishing business, industrial zone and agricultural zone in the interior. From macroeconomic indicators, economic growth has slowed for the last 5 years, especially after the oil and gas industry began to shrink its production. From the data of regional gross revenues from 2012 to 2016 brutto revenues continue to decline, even in 2016 its value is much smaller than in 2013.
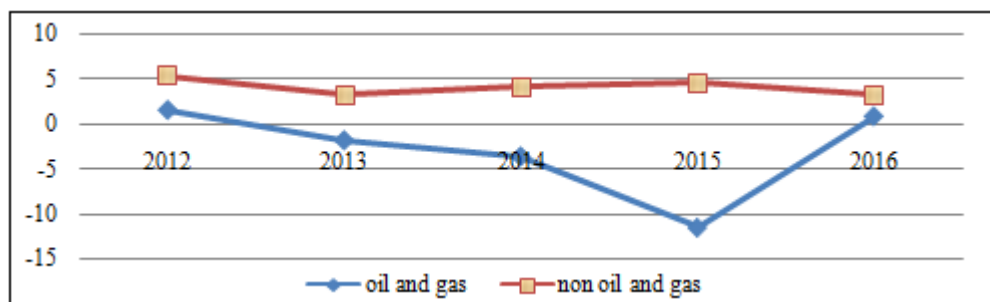
Figure 1: The economics growth of the North Aceh's 2012-2016 (%)

As a result of the decline in regional income, economic growth also declined. If we look at the data, economic growth is at a negative value or the economy does not even grow contraction. Economic growth without oil and gas also fluctuated although it remains in positive growth, but the growth is also relatively small compared to the national economic growth. Due to fluctuating growth and slow growth, per capita income also experiences slow growth.

B. Characteristics of Poverty

Poverty is influenced by many dimensions such as economic, social, cultural, security and natural resources. The dimensions of the causes of poverty will determine the characteristics of poverty. The poverty indicators used as described by Baharoglu and Kessides (2001); The World Bank, (2013) can be used to determine the poverty characteristics of a region. Characteristics of poverty will be outlined based on several indicators such as employment, education, health, income and security.

From the data obtained that most of the population working in the agricultural sector. In addition to the agricultural sector, as many as 17 percent of them work as laborers both as farm laborers and construction workers. Only a small proportion of the population work as traders. work in general can not generate high income, so it is not sufficient to finance family needs, such as consumption and education needs.
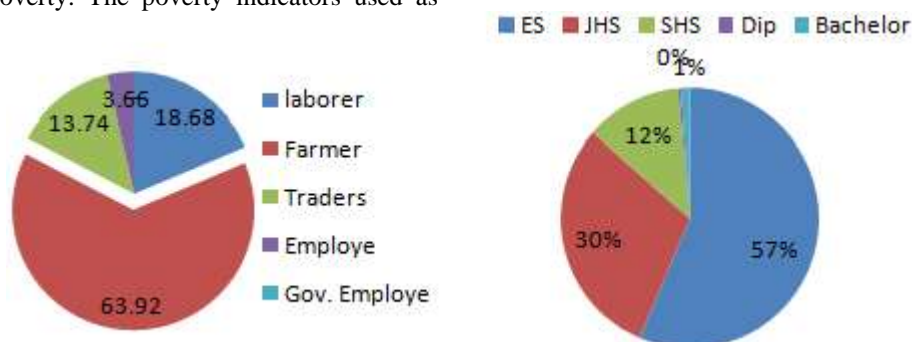

Figure 4: Respondent's Type of Resource and Education

The occupation is related to the education that has been successfully rescued. The type of work in general does not require high skill and does not require specific educational qualifications. The poor generally work in the informal sector. The type of work involved is also related to the level of education. From the data below, as many as 57 percent of the population only finish primary school, and 30 percent succeeded in finishing their first middle school. Low education does not allow them to get better jobs with high skills. Seen from the health characteristics, which stand out from the poor in North Aceh are the conditions of poor living and poor sanitation. The poor occupy a small size house with a large number of family members. The income factor is small, so the needs of drinking water and washing are filled from the well water. Judging from the health dimensions and availability of infrastructure, even though the whole community has been provided with health insurance, it is not supported by the availability of health infrastructure that is close to where they live. Generally health facilities are far from where they live, so to reach health facilities takes a long time and cost, this makes some residents can not utilize health facilities to the maximum.

C. Quantitative Data Analysis
The equation model of research that has been made on equations 1 to 4 before, then tested the hypothesis to answer the research problem. Test results are shown in table 1. belowTable 1.

Results of hypothesis testing

Variables	Coefficient	Significancy . (5%, 10%)	EXP (Coeficien)	95% CIfor EXP (B)	
				Lower	Upper
Constant	2,408	, 003	11,109		
Educt_RT	-, 870	, 000	, 419	, 332	, 529
Healt_RT	-, 515	, 028	, 598	, 377	, 947
Dep_RT	, 606	, 007	1,832	1,176	2,855
Cult_Poverty	, 514	, 001	1.672	1,222	2,287

source: processed

Based on the above equation model test, all variables have a significant effect on poverty, meaning that all variables contribute to poverty in North Aceh. However, to determine which variables have a dominant contribution to poverty can be used wald values, (Pramono, 2012). Of the four variables tested, education and culture of poverty have the greatest value of wald, this indicates that these variables have a large contribution to poverty. The overall variables have significant values at a significant level of 5 percent. This is in line with previous research. Cultural of poverty variables and household size has positive coefficient value. The stronger the value of culture of poverty is embedded in the family, the desire to get out of poverty is lower so the chances of becoming poor will be even greater. This result is in line with Suarta's (2013) "Lewis (1966) study. Resignation and acceptance of conditions as a destiny weakens the attitude of getting out of poverty. Likewise with the size of the household, the greater the number of family members then the necessities of life will be higher. the opportunity to meet the needs will be sufficiently smaller so the chances of becoming poor is getting bigger.

The coefficient of education and health is negative. It can be state that education and health have a positive contribution to poverty, from the test results found that the better education and health, the chances of getting out of poverty will be greater. Both education and health become one of the variables that can be intervened to improve the living standard of the poor. This result is in line with several other studies, such as Mihai, (2015), which found that education increased productivity, even the level of education for the community strongly correlated with economic development. Furthermore, Gounder and Xing (2012), said education and health have an impact on poverty reduction at the household level. Similarly for the country level, labor force education is a building block for knowledge-based economies, and has a large contribution to economic growth. (Mankiw *et al*, 1992).

The contribution of education and health to poverty reduction occurs in the form of increased household productivity, higher productivity can increase per capita income to be higher. Similarly, health in addition to increased productivity, reduced living costs for health make household spending less, and savings opportunities become greater.

5. Conclusion

The results of the discussion in the previous section can be drawn some conclusions, related to the characteristics of poverty, that dimensions such as income, education, health and employment will determine the characteristics of poverty. income received related to education and the type of work occupied.

Quantitative analysis using logistic regression analysis found that the culture of poverty represented as apathetic, accepting, lazy, and consumptive has contributed to poverty, the stronger the impoverished culture is imprinted in individuals and families, the chances of becoming poor are greater. Education and health and household size also have an impact on poverty. Improper education and health will decrease productivity so that the resulting output will decrease. To reduce poverty caused by embedded culture in society, it is necessary to strengthen and change mindsets. for it needs to be done continuous empowerment by government to break the chain and the traditional mindset. this study was conducted North Aceh and the number of respondents is limited, for further research, other researchers can use other analytical methods such as structural equation modeling to predict in more detail indicators affecting poverty.

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