The Effect of Special Allocation Fund and General Allocation Fund on Poverty Rate in Cirebon Regency

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KEYWORDS

General Allocation Fund, Poverty Level, Special Allocation Fund

ABSTRACT

National well-being, a cornerstone of nation-building, faces a persistent challenge in Cirebon Regency's high and fluctuating poverty rate. Although the General Allocation Fund (DAU) and Special Allocation Fund (DAK) are intended to promote economic growth, reduce unemployment, and combat poverty, their effectiveness, particularly within a decentralized fiscal framework, warrants investigation. This study analyzes the impact of both DAU and DAK on poverty reduction in Cirebon Regency through quantitative methods and secondary data from library research and government publications. Findings reveal a partial negative and significant impact of DAK on poverty (p < 0.05, t = -3.353), suggesting its effectiveness in poverty reduction. Conversely, DAU shows no statistically significant independent effect (p > 0.05, t = -2.213). However, their combined effect is positive and significant (p < 0.05, F = 5.088), highlighting the potential of synchronized DAU and DAK allocation for enhanced poverty reduction. These findings suggest that while DAU alone may not be statistically significant, comprehensive fiscal decentralization policies incorporating both DAU and DAK hold greater promise for tackling poverty in Cirebon Regency and potentially similar contexts.
INTRODUCTION

The purpose of the establishment of a state is to maximize the well-being of all its people or inhabitants. Although this is a good goal, throughout history, the government will be faced with a fundamental problem in realizing the welfare of its people, namely poverty. Various ways have been tried by the government to reduce the poverty rate in Indonesia, one of which is by laying the foundation for a broader regional autonomy to the Regional Government of Districts/Cities, which are relatively close to the community. Through regional autonomy, local governments are required to be more independent in financial matters. However, the central government still provides assistance funds in the form of General Allocation Funds (DAU) and Special Allocation Funds (DAK) to local governments (Lista, 2021).

The implementation of Law No. 22 of 1999, which was revised into Law No. 32 of 2004 on Regional Government and Law No. 33 of 2004 on Financial Balance between the Central Government and Regional Governments, has already caused fundamental changes in the regulation of relations between the central government and the regions, especially in the field of government administration and in financial relations between the central government and the regions, which is referred to as the era of regional autonomy. Through regional autonomy, local governments are required to be more independent in financial matters. However, the central government still provides assistance funds in the form of General Allocation Funds (DAU) and Special Allocation Funds (DAK) to local governments. In addition to these balancing funds, local governments also have their own income, namely Regional Original Revenue (PAD), financing, and other regional income. The policy of using all of these funds is entrusted to the Local Government in an effective and efficient manner to improve services for the community (Saputri, 2020).

Cirebon is one of the regencies in the West Java Province, Indonesia. This regency is the gateway to the West Java Province from the eastern Java region of Cirebon regency. Cirebon Regency consists of 40 sub-districts, 12 villages, and 412 villages. The Regional Revenue and Expenditure Budget can be used as one of the means to increase economic growth, reduce unemployment, and overcome poverty. In the last two years, the economy in Cirebon Regency has declined drastically, but not only in Cirebon Regency that has experienced economic downturn, but the entire Indonesia and even other countries due to the Covid 19 pandemic. However, the economic recovery is still being pursued by the government until now. To overcome the problem of poverty can be done by fiscal decentralization, where the Special Allocation Fund (DAK) itself plays an important role in this by helping to finance special needs, where the funds come from the APBN and are then given to the regions to be allocated accordingly. One of the reasons for the existence of DAK is due to the high level of poverty in a region (Herlinah, 2017).

The General Allocation Fund (DAU) also has a very significant role in the development process, the size of the transfer from the central government to the regions through the General Allocation Fund (DAU) is very influential in maintaining and ensuring the achievement of minimum public service standards throughout the country. For regions with higher poverty levels, they will be given more general allocation funds than regions with lower poverty levels (Syahidin & Jalil, M,
2020). Special Allocation Funds (DAK) and General Allocation Funds (DAU) are part of the balancing funds, the problem of the General Allocation Fund lies in the difference of perspective between the central government and the regions. For the central government, the General Allocation Fund is used as a horizontal imbalance instrument, while for the regions, the General Allocation Fund is intended to support the adequacy of regional financing (Perkasa, 2021). One of the policies that can overcome this problem is through fiscal decentralization, where the instruments are namely the Special Allocation Fund and the General Allocation Fund which can increase the economy and have an impact on increasing GDP and can reduce poverty. Therefore, the researcher decided to conduct research on the influence of the Special Allocation Fund (DAK) and the General Allocation Fund (DAU) on the level of poverty.

LITERATURE REVIEW

Special Allocation Funds (DAK)

According to Suparmoko, Special Allocation Funds (DAK) are funds sourced from the APBN and allocated to regencies/cities with the aim of financing certain needs that are specific, in accordance with the availability of funds in the APBN. The needs in this case are those that are difficult to estimate using the general allocation formula, or those that are in the form of commitments or national priorities (Suparmoko, 2002).

According to Government Regulation Number 55 of 2005 that the calculation of the allocation of special allocation funds (DAK) is carried out in two stages (Ayem & Pratama, 2018). These are: Determination of the specific regions that receive DAK and Determination of the amount of DAK allocation for each region. The regions that receive special allocation funds (DAK) must meet several criteria, as set forth in Law Number 33 of 2004 on the balance of finances between central and regional finances, namely general criteria, special criteria, and technical criteria (Tommy, 2021).

In its implementation, there are two types of Special Allocation Funds, that is Physical Special Allocation Funds and Non-Physical Special Allocation Funds. Each has its own scope or sub-field. Here are the types of Special Allocation Funds (Yuliana, 2019). Special Allocation Funds (DAK) for Physical is a fund that is allocated from the APBN to certain regions for the purpose of financing special physical activities that are regional affairs and are in accordance with national priorities. The types of DAK for Physical are divided into three, namely: Regular Physical DAK, Physical Assignment DAK, and Physical Affirmation DAK. In contrast, Special Allocation Funds (DAK) for Non-Physical are not much different from Special Allocation Funds (DAK) for Physical, except that DAK for Non-Physical is operated to finance non-physical special activities. Non-Physical DAK consists of (Riviando et al., 2019): Help Operational School (BOSS), Help Operational Maintenance (BOP), Education Child Age Early (PAUD), Allowance Profession Teacher Employee Country Civil Area (PNSD), Fund Addition Income Teacher PNSD, Allowance Special Teacher PNSD in Area Special, Help Operational Health (BOOK), Help Operational Family Planned (BOKB), Fund Enhancement Capacity Cooperative And SMEs (PK2UKM), Fund Service Administration Population (Admin).
However, in 2019, there were additional types of DAK Non-Physical based on the Minister of Finance Regulation Number 8/PMK.07/2019 on the Management of Non-Physical Special Allocation Funds, (Kusuma & Soeprapto, 2018). These are: (1) Operational Assistance for the Implementation of (BOP) Non-Formal Education. (2) BOP for Museums and Cultural Parks. (3) Tourism Services Fund. (4) Assistance for Waste Management Service Costs (BPLS).

The purpose of this addition is to improve the quality of public services in the region to better meet the learning needs of the community that are not reached or met by formal education channel

**General Allocation Funds (DAU)**

The General Allocation Funds (DAU) is a fund sourced from the State Budget (APBN) that is distributed to equalize financial capabilities between regions for the purpose of regulating regional expenditure needs in the context of implementing decentralization. DAU for regions with large fiscal potential but small fiscal needs will receive relatively small DAU, and vice versa (Halim, 2009).

The General Allocation Fund (DAU) has an important purpose in the context of equalizing the ability to provide public services among governments in Indonesia. This is because Indonesia is a country that is rich in natural resources, but the allocation of the distribution of natural resources among provinces and regencies/cities throughout Indonesia is not evenly distributed, which can cause an imbalance in the source of financial balancing funds from local governments that are obtained from natural resources wealth. In other words, the General Allocation Fund is intended to improve the balance of the source of these balancing funds, which will be caused by the sharing of natural resources (Ardhani, 2011)

The General Allocation Fund (DAU) is divided into two types (Yawa & Runtu, 2015). They are: (1) The General Allocation Fund for Provincial Regions. This DAU is the total amount of the General Allocation Fund for Provincial Regions and for Regency/City Regions, which are each determined every year in the State Budget. It also includes the General Allocation Fund that is determined at 10%. (2) The General Allocation Fund for Regency/City Regions. This DAU is the total amount of the General Allocation Fund for Provincial Regions and for Regency/City Regions, which may change according to the transfer and delegation of authority from the Central Government to Local Governments in the context of Decentralization. It also includes the General Allocation Fund that is determined at 90%.

**Poverty**

In 1990, the World Bank defined poverty as the inability to meet the minimum living standard. Then in 2004, the World Bank explained the meaning of poverty in more detail as follows: “Poverty is hunger. Poverty is the lack of a place to live. Poverty is not having access to school and not knowing how to read. Poverty is being sick and not being able to go to the doctor for a check-up. Poverty is not having a job and worrying about living in the future. Poverty is losing a child due to unclean water. Poverty is powerlessness, lack of representation, and freedom (Soleh, 2014).
According to Suyanto (2001), based on its causes, poverty can be divided into three types:

1. **Natural poverty** which is poverty caused by low quality natural resources and human resources. Low natural and resource conditions also make production opportunities low. Natural poverty is often found in remote areas with poor natural resources and infrastructure. People living in these areas often have difficulty accessing basic necessities such as food, water, and shelter.

2. **Cultural poverty**, which is poverty that is closely related to the attitude of an individual or group in society who do not want to try to improve their standard of living, even though there are efforts to improve themselves from other parties who help them. Cultural poverty can be caused by a number of factors, including lack of education, lack of access to information, and social norms that discourage people from seeking opportunities to improve their lives.

3. **Structural poverty**, which is poverty that is directly or indirectly caused by institutional or social structural arrangements in society. Structural poverty is often caused by factors such as inequality, discrimination, and lack of access to opportunities. These factors can make it difficult for people to escape poverty, even if they have the skills and motivation to do so.

Poverty is a complex concept that is difficult to measure. However, there are generally several types of poverty measures (Nasution & Tambunan, 2022). They are as follows:

1. **Absolute Poverty.** Basically, the concept of poverty is often associated with the idea of income and needs. Estimates of the level of needs are usually limited to basic needs or minimum basic needs that allow a person to live decently. If income cannot reach the minimum needs, then the person can be said to be poor. The minimum income level is the boundary between the poor and non-poor or is often referred to as the poverty line. This concept is often referred to as absolute poverty (Nizar, 2023). Absolute poverty is measured by comparing a person's income to the cost of meeting basic needs, such as food, shelter, clothing, and healthcare. If a person's income is below the cost of meeting basic needs, then the person is considered to be in absolute poverty.

2. **Relative Poverty.** Some experts argue that even if a person's income has reached the minimum basic needs level, but the person's income is still much lower than that of the people around him, then the person is still in the category of poor. This happens because poverty is more determined by the surrounding conditions, from the environment of the person concerned. This concept of poverty is then known as the concept of relative poverty (Nasution, 2022). Relative poverty is measured by comparing a person's income to the income of other people in the same society. If a person's income is below a certain percentage of the average income in the society, then the person is considered to be in relative poverty.

According to Kuntjoro (2003), the factors that cause poverty are: (1) Macro-level factors are those that affect the overall economy, such as inequality, economic growth, and government policies. Inequality can lead to poverty by creating a gap between the rich and the poor. Economic growth can help to reduce poverty by creating jobs and increasing incomes. Government policies can also help to reduce poverty by providing social assistance and investing in education and healthcare. (2) Human resource quality is a measure of the skills and knowledge that people have. Low human resource quality can lead to poverty because it makes it difficult
for people to find jobs and earn a decent income. Education and training can help to improve human resource quality and reduce poverty. (3) Access and capital are the resources that people need to start a business or improve their lives. Limited access to these resources can make it difficult for people to escape poverty. Government policies can help to improve access to resources by providing loans, grants, and other forms of assistance.

**General overview of Cirebon Regency**

Cirebon Regency is located at the eastern end of West Java Province and is also the gateway to Central Java Province. It is located on the north coast of Java, and is bordered by the city of Cirebon to the west, the regencies of Indramayu and Majalengka to the north, the regency of Kuningan to the east, and the regency of Brebes to the south. The area of Cirebon Regency is 1,070.28 square kilometers or 2.76% of the area of West Java Province, which is 35,377.76 square kilometers.

1. **Vision and Mission of Cirebon Regency**
   a. Vision
      To realize a culturally rich, prosperous, religious, advanced, and safe Cirebon Regency.
   b. Mission
      “To increase the productivity of the people to be more advanced and superior so as to increase competitiveness in the international, national, and regional markets, supported by the improvement of the capacity of the local government apparatus.”

2. **Potentials of Cirebon Regency**
   a. Natural resources: Food and horticultural crops, Livestock, Fisheries, Forestry Plantations, Irrigation, Water sources, Geothermal potential,
   b. Infrastructure: Road infrastructure, Housing and residential conditions, Terminal facilities, Public transportation, City parks
   c. Economy and industry: Potential for various industries, Agricultural industry potential, Industrial capacity, Investment realization, Trade, Cooperatives
   d. Tourism and culture: Tourism attractions, Hotels and lodging

**RESEARCH METHODS**

In this study, the researcher used a quantitative method with a secondary data analysis approach. Quantitative methods are a way to obtain scientific knowledge or solve problems systematically and carefully, and the data used are in the form of a collection of numbers (Nasehudin, 2012). The type of data used in this study uses secondary data from 2012-2021 sourced from the Cirebon Regency Financial and Asset Agency. And the data collection techniques used in this study are library methods, government publications, and documentation

**RESULTS AND DISCUSSION**

**Data Characteristics**
The characteristics of the data used in this study are secondary data obtained from the Cirebon Regency Financial and Asset Agency with data on Special Allocation Funds and General Allocation Funds. As well as poverty data obtained from the Central Statistics Agency of Cirebon Regency in a time series of 2012-2021. The following is the data on DAK, DAU, and Poverty in Cirebon Regency.

Table 4.1
Target And Realization Fund Allocation Special (DAK) Year 2012-2021

<table>
<thead>
<tr>
<th>No.</th>
<th>Year</th>
<th>Target</th>
<th>Realization</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2012</td>
<td>86,034,470,000</td>
<td>86,034,470,000</td>
<td>100%</td>
</tr>
<tr>
<td>2.</td>
<td>2013</td>
<td>97,245,530,000</td>
<td>97,245,530,000</td>
<td>100%</td>
</tr>
<tr>
<td>3.</td>
<td>2014</td>
<td>101,527,360,000</td>
<td>76,145,520,000</td>
<td>75%</td>
</tr>
<tr>
<td>4.</td>
<td>2015</td>
<td>203,706,720,000</td>
<td>185,706,720,000</td>
<td>91.16%</td>
</tr>
<tr>
<td>5.</td>
<td>2016</td>
<td>608,287,178,200</td>
<td>537,444,777,031</td>
<td>88.35%</td>
</tr>
<tr>
<td>6.</td>
<td>2017</td>
<td>525,360,920,000</td>
<td>481,489,381,512</td>
<td>91.65%</td>
</tr>
<tr>
<td>7.</td>
<td>2018</td>
<td>507,394,108,000</td>
<td>482,734,102,661</td>
<td>95.14%</td>
</tr>
<tr>
<td>8.</td>
<td>2019</td>
<td>579,352,449,586</td>
<td>547,639,574,883</td>
<td>94.52%</td>
</tr>
<tr>
<td>9.</td>
<td>2020</td>
<td>515,345,503,758</td>
<td>496,783,928,401</td>
<td>96.40%</td>
</tr>
<tr>
<td>10.</td>
<td>2021</td>
<td>603,707,465,534</td>
<td>576,731,341,822</td>
<td>95.53%</td>
</tr>
</tbody>
</table>

Source data: Body Finance And Asset Area Cirebon Regency 2023

Table 4.2
Target And Realization Fund Allocation General (DAU) Year 2012-2021

<table>
<thead>
<tr>
<th>No.</th>
<th>Year</th>
<th>Target</th>
<th>Realization</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2012</td>
<td>1,135,758,785,000</td>
<td>1,135,758,785,000</td>
<td>100%</td>
</tr>
<tr>
<td>2.</td>
<td>2013</td>
<td>1,280,797,128,000</td>
<td>1,280,797,128,000</td>
<td>100%</td>
</tr>
<tr>
<td>3.</td>
<td>2014</td>
<td>1,406,862,523,000</td>
<td>1,406,862,523,000</td>
<td>100%</td>
</tr>
<tr>
<td>4.</td>
<td>2015</td>
<td>1,431,944,562,000</td>
<td>1,431,944,562,000</td>
<td>100%</td>
</tr>
<tr>
<td>5.</td>
<td>2016</td>
<td>1,521,877,112,000</td>
<td>1,521,877,112,000</td>
<td>100%</td>
</tr>
<tr>
<td>6.</td>
<td>2017</td>
<td>1,495,142,625,000</td>
<td>1,495,142,625,000</td>
<td>100%</td>
</tr>
<tr>
<td>7.</td>
<td>2018</td>
<td>1,500,538,688,000</td>
<td>1,500,538,688,000</td>
<td>100%</td>
</tr>
<tr>
<td>8.</td>
<td>2019</td>
<td>1,591,969,932,000</td>
<td>1,591,291,632,000</td>
<td>99.95%</td>
</tr>
<tr>
<td>9.</td>
<td>2020</td>
<td>1,430,715,056,000</td>
<td>1,417,094,602,000</td>
<td>99.05%</td>
</tr>
<tr>
<td>10.</td>
<td>2021</td>
<td>1,406,292,179,000</td>
<td>1,406,292,179,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
Source data: Body Finance And Asset Area Cirebon Regency, 2023

Table 4.3
Amount Resident Poor District Cirebon 2012-2021

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Poor Population (Thousand People)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>311.3</td>
</tr>
<tr>
<td>2013</td>
<td>307.2</td>
</tr>
<tr>
<td>2014</td>
<td>300.5</td>
</tr>
<tr>
<td>2015</td>
<td>313.21</td>
</tr>
<tr>
<td>2016</td>
<td>288.49</td>
</tr>
<tr>
<td>2017</td>
<td>279.6</td>
</tr>
<tr>
<td>2018</td>
<td>232.4</td>
</tr>
<tr>
<td>2019</td>
<td>217.64</td>
</tr>
<tr>
<td>2020</td>
<td>247.94</td>
</tr>
<tr>
<td>2021</td>
<td>271.02</td>
</tr>
</tbody>
</table>

Source data: BPS Regency Cirebon

In this study, the researcher used secondary data obtained from the Cirebon Regency Financial and Asset Agency using time series data from 2012 to 2021. The data used for the analysis was DAK (Special Allocation Fund), DAU (General Allocation Fund), and poverty data in Cirebon Regency using the SPSS 23 analysis program. Based on the data obtained and the results of the data testing using IBM SPSS version 23, the following were produced:

**Multiple Linear Regression Analysis**

Table 4.11
Results Test Analysis Regression Linear Multiple

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Std. Error</td>
<td>Beta</td>
<td>t</td>
<td>Sig.</td>
</tr>
<tr>
<td>(Constant)</td>
<td>394.136</td>
<td>116,427</td>
<td>3.385</td>
<td>.012</td>
</tr>
<tr>
<td>DAK</td>
<td>-9.374E-8</td>
<td>- .591</td>
<td>-1.698</td>
<td>.133</td>
</tr>
<tr>
<td>DAU</td>
<td>-5.904E-8</td>
<td>- .646</td>
<td>.539</td>
<td>.480</td>
</tr>
</tbody>
</table>

a. Dependent Variables: Poverty

Source: Results Exercise Data Year 2023

Based on Table 4.11 of the results of the regression analysis that has been carried out using the SPSS Version 23 program, the regression equation that is formed is as follows:

\[ Y = a + b1X1 + b2X2 \]

\[ Y = 394,136 + (-9.374X1) + (-5.904X2) \]

From the following equation, it can be explained that:
1. The constant value of a is 394,136. This means that even if the values of DAK and DAU are zero, the value of Poverty will still be 394,136. This is because the constant value of a represents the value of Poverty when the values of DAK and DAU are zero.

2. The value of the regression coefficient of the DAK variable (b1) is -9,374. This means that for every increase in DAK by 1 unit, Poverty will decrease by 9,374 units. However, the decrease in Poverty is not significant because it is assumed that the values of other variables remain constant.

3. The value of the regression coefficient of the DAU variable (b2) is -5,904. This means that for every increase in DAU by 1 unit, Poverty will decrease by 5,904 units. However, the decrease in Poverty is also not significant because it is assumed that the values of other variables remain constant.

**Hypothesis Testing**

**Partial t-Test**

The partial t-test is a test to determine the influence of the independent variables (DAK and DAU) partially or individually to explain the dependent variable (Poverty). It is used to determine whether the independent variables partially have a significant influence or not on the dependent variable. The significance level used is 0.05. If the significance value is less than the confidence level, then we accept the alternative hypothesis, which states that a certain independent variable partially influences the dependent variable.

**The influence of the Special Allocation Fund (X1) variable on poverty (Y)**

According to table 4.12 shows that the significance value is 0.010 < 0.05 and the t-test value of -3.353 is greater than the t-table value of 2.364. The calculation of the t-table value is obtained from:

\[ T_{table} = t \left( \frac{a/2}{nk-1} \right) \]

\[ a = 5\% = \left( \frac{0.05/2}{10-2-1} \right) = 0.025 : 7 \]

\[ T_{table} = 2.364 \]

Therefore, Ha is accepted and Ho is rejected. This means that there is and Poverty (Y) in a partial or separate manner because t-test > than t-table. the results of the partial t-test show that there is a significant negative relationship between the Dana Alokasi Khusus (DAK) variable and
the poverty variable. This means that an increase in DAK is associated with a decrease in poverty.

The significance value of 0.010 is less than the significance level of 0.05. This means that there is a 1% chance that the results of the t-test are due to chance. Therefore, it can be concluded that the relationship between DAK and poverty is real and not due to chance. The t-test value of -3.353 is greater than the t-table value of 2.364. This means that the relationship between DAK and poverty is statistically significant.

The conclusion of this study is that DAK has a negative and significant influence on poverty in Cirebon Regency. This means that an increase in DAK can help to reduce poverty in the regency.

**The influence of the General Allocation Fund (X2) variable on Poverty (Y)**

According to the table above, shows that the significance value of the General Allocation Fund (X2) on Poverty (Y) is significant 0.058 > 0.05 and the t-test value -2.213 < the value of ttable 2.364. Therefore, Ho is accepted and Ha is rejected. This means that there is no significant influence between the General Allocation Fund variable and Poverty in a partial or separate manner. This means that an increase in General Allocation Funds does not affect poverty levels.

**Simultaneous F-Test**

The F statistic test basically shows whether all independent variables included in the model have a joint influence on the dependent variable.
Based on table 4.15, the results of the anova f test obtained \( f_{hitung} \) (5.088) with a significance level of 0.043. Based on these results, the value of \( f_{hitung} \) (5.088) > the value of \( f_{table} \) (4.737) with the calculation of \( F \) table as follows: It can be known from the df1 (numerator) column which is the number of independent variables while df2 (cause) is obtained from \( (a-k-1 = 10-2-1) \) which is: 7. So the value of df1 = 2 and df2 = 7 with a two-way significance of 0.05, then the value of \( f_{table} \) is 4.737. Therefore, \( H_0 \) is rejected and \( H_a \) is accepted, thus it can be stated that the variables of Special Allocation Funds and General Allocation Funds have a positive and significant influence on poverty together.

In conclusion, the partial t-test results show that there is no significant relationship between the General Allocation Fund (DAU) variable and the poverty variable. However, the simultaneous F test results show that the General Allocation Fund (DAU) and Special Allocation Funds variables have a positive and significant influence on poverty together. This means that an increase in both DAU and DAK can help to reduce poverty in Cirebon Regency.

**Coefficient of Determination (R2) Test**

The coefficient of determination test is used to determine how well the independent variables can explain the dependent variable. In relation to correlation, \( R^2 \) is the square of the correlation coefficient associated with the independent and dependent variables.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.770a</td>
<td>.592</td>
<td>.476</td>
<td>24.70599</td>
<td>1.027</td>
</tr>
</tbody>
</table>

Based on the results of the coefficient of determination (R2) test using SPSS version 23 in table 4.15, it shows that the value of the coefficient of determination based on the Adjusted R Square value of 0.770 means that the DAK and DAU variables affect poverty by 77.0% (0.770 x 100%). The results of the coefficient of determination test give meaning that there are still other variables that affect poverty in Cirebon Regency by 23.0%.

The results of the coefficient of determination test show that the DAK and DAU variables have a significant influence on poverty in Cirebon Regency. This means that an increase in DAK and DAU can help to reduce poverty in the regency. However, the results of the coefficient of determination test also show that there are other factors that also influence poverty in Cirebon Regency. These factors could include education, employment, access to healthcare, and other socio-economic factors.
Discussion
The major problem in development faced by many developing countries, including Indonesia, is poverty, or the number of people living below the poverty line. Poverty is a condition in which a person or family is unable to meet their basic needs. Humans are one of the determining factors in the direction of development in a region. For this reason, it is important to have a quality workforce that can compete in the present and future. Human development is an important issue to be improved because human capital is a determining factor in the well-being of life and the acceleration of regional development.

The quality of human resources can also be a factor that contributes to poverty. The quality of human resources can be seen from the quality of life index or human development index. A low Human Development Index (HDI) will result in low labor productivity of the population. Low productivity leads to low income. Therefore, low income can lead to a high number of poor people.
Efforts to reduce the unemployment rate and reduce the poverty rate are equally important. If the community is employed, they will have a job and income. With the income they have from working, it is expected that they will be able to meet their living needs. If their basic needs are met, then they will not be poor. Therefore, it can be said that a low unemployment rate (high employment opportunities) will lead to a low poverty rate.

To improve the Human Development Index (HDI), it is necessary to improve in three important aspects: the level of education, the level of health, and the income of the population. This is in line with the World Bank's statement that the strategy for poverty alleviation has been evolving every decade, starting from job creation, income improvement, health and education development, protection, to empowerment of the poor.

Therefore, before the problem of poverty can be overcome, the income of the population must first be improved. In order for the income of the population to increase, health is needed for humans so that they can carry out activities, one of which is working. And to support the implementation of good education so that humans have the intelligence and abilities that are appropriate, the government provides a budget allocation for education.

From the research that was conducted, there was a variable that turned out to be inconsistent with the hypothesis in this study. The variable is the General Allocation Funds (DAU), which does not have an effect on the level of poverty in Cirebon Regency. This could be caused by the data that was used as data in this study did not succeed in proving the relationship between the X variable and the Y variable.

DAU does not affect the level of poverty also because it is the main component of the balancing funds sourced from the APBN. Many governments rely on DAU as funds to support regional income, not to overcome poverty. However, this does not mean that DAU does not have a role in overcoming poverty. DAU contributes even if not directly, namely through the APBN. General Allocation Funds can increase income and affect the economy. If the economy improves or increases, then poverty will also improve.
In overcoming poverty, the Qur’an and hadith convey that many parties must be involved, both individuals, society, and the state. Wealth should be distributed to all layers of society so that it is not enjoyed by only a few people. In the passage of the Qur’an verse Al-Hasyr verse 7, it is stated that wealth should not only circulate among the rich people. There are two important things that can be taken from this verse, including; first, to achieve long-term public welfare, attention, strategies and policies that provide balanced attention between growth and equity are needed. Second, to create these policies and strategies, there needs to be a just, wise, honest and consistent government (Abdul Mu’is, 2021)

CONCLUSION

Based on the results of the research conducted by the author on the Effect of Special Allocation Funds (DAK) and General Allocation Funds (DAU) on the Level of Poverty in Cirebon Regency, which have been explained and the data processing has been carried out above, the following conclusions can be drawn:

1. Based on the results of the research that has been conducted, it is known that the significance value of Special Allocation Funds (DAK) is 0.010 < 0.05 and the t-value -3.353 < the table value of 2.364. Therefore, the hypothesis is rejected and the alternative hypothesis is accepted. This means that there is a negative and significant influence between the variable Special Allocation Funds (X1) and the Level of Poverty (Y) in Cirebon Regency. Special Allocation Funds (DAK) has a negative and significant effect on the level of poverty in Cirebon Regency. This means that an increase in DAK will lead to a decrease in the level of poverty

2. Based on the results of the research on the t-test, it also shows that the significance value of General Allocation Funds (X2) is 0.058 > 0.05. The t-value -2.213 < the table value of 2.364. Therefore, the null hypothesis is accepted and the alternative hypothesis is rejected. This means that there is no significant influence between the variable General Allocation Funds and the Level of Poverty in Cirebon Regency. General Allocation Funds (DAU) does not have a significant effect on the level of poverty in Cirebon Regency.

3. Based on the results of the F test (simultaneously), the calculated F-value (5.088) was obtained with a significance level of 0.043 and the calculated F-value (5.088) > the table value of F (4.737). Therefore, it can be stated that the variables of Special Allocation Funds and General Allocation Funds have a positive and significant influence on poverty together.

The researcher suggests that the Cirebon Regency government use the results of this research as a basis for formulating policies to reduce poverty. The government can improve the system of growth and development, and allocate funds more effectively to target areas with high poverty rates. The researcher also suggests that the government and the community work together to reduce poverty. The government can provide opportunities for education and employment, while the community can support these efforts by participating in community-based organizations and other initiatives. Finally, the researcher suggests that future researchers use this research as a reference. Future researchers can use the methods and findings of this research to conduct their own research on poverty.
REFERENCE


Saputri, HM, & Pandoyo, P. (2020). Analysis of the Influence of Original Regional Income (Pad) and General Allocation Funds (Dau) on Regional Expenditure Allocations for Regency/City Regional Governments in West Java. Ekbank Scientific Journal, 3(2).
