

CHAPTER V. CONCLUSION AND IMPLICATIONS

A. Conclusion

1. The Human Development Index (HDI) has a significant Effect on poverty levels in five lower-middle-income countries in ASEAN from 2018 to 2023. Improvements in HDI, including advancements in education, healthcare, and per capita income, contribute to poverty reduction. However, in some countries, low HDI quality remains a major obstacle in poverty alleviation efforts, particularly in regions with limited access to basic services.
2. Economic growth affects poverty levels, but research findings indicate that its Effect is not always significant. Non-inclusive economic growth, which benefits only certain segments of society, fails to provide direct benefits to impoverished communities. This highlights the importance of policies that ensure equitable economic benefits to reduce social inequality.
3. Corruption negatively Effects poverty alleviation by hindering the fair allocation of resources, undermining the effectiveness of public policies, and worsening social inequality. Countries with high levels of corruption tend to struggle in reducing poverty, as public funds are not optimally utilized for the needs of impoverished populations.

B. Implications

1. Enhancing the Human Development Index (HDI)

Governments in lower-middle-income ASEAN countries need to increase investments in education and healthcare sectors to ensure equitable access for all

social groups. Poverty alleviation programs should focus on skill development, improving workforce quality, and expanding access to quality healthcare services.

2. Inclusive Economic Growth

Economic policies should be directed toward fostering inclusive growth that reduces income inequality and provides direct benefits to impoverished communities. Governments must strengthen the formal sector to create decent employment opportunities, improve access to microfinance, and support the development of small and medium enterprises (SMEs) as key drivers of local economies.

3. Eradicating Corruption

Combating corruption should be a top priority to ensure efficiency in public fund utilization and the effective implementation of poverty alleviation policies. Bureaucratic reforms, the adoption of information technology in governance, and the reinforcement of oversight mechanisms must be implemented to enhance transparency and accountability.

4. Regional Cooperation

ASEAN countries need to strengthen collaboration in tackling poverty by sharing experiences, policy strategies, and resources. Joint initiatives to address cross-border corruption and develop sustainable development policies will contribute to reducing poverty levels across the region.

C. Research Limitations

The limitations of this study include the use of secondary data obtained from various sources, which may affect the quality and availability of data,

potentially influencing the results of the analysis. Additionally, this research employs panel data regression methods, which, while effective in identifying relationships between variables, do not fully capture qualitative factors that may influence poverty, such as social policies and political dynamics in each country. Therefore, future research using qualitative approaches or a combination of quantitative and qualitative methods could provide deeper insights into this issue.

