

Analysis of the Influence of Socio-Economic Factors on Poverty and their Impact on Religious Tolerance in Indonesia

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ABSTRACT

This research aims to determine and examine the effects of education, religiosity, economic growth, population density on poverty, and tolerance in Indonesia, and to determine the level of tolerance differences between the two regions. The data used is secondary data with a period of 2019 to 2024. The data is divided into two groups called Region 1 covering provinces in Java and Bali, and Region 2, except provinces on both islands. The method used is a qualitative method, using path analysis.

The results show that poverty in Indonesia, on average, continues to increase from 2019 to 2024, so poverty shows the same positive direction as tolerance. Religiosity causes a decrease in poverty in Region 2, while in Region 1 the opposite occurs, namely a positive relationship between religiosity and poverty. Furthermore, religiosity negatively affects tolerance in both Regions 1 and 2, so an increase in religiosity causes a decrease in tolerance. Education in Java-Bali has a significant effect on tolerance, while in other islands it does not. This study also shows that in Region 1, an increase in education also causes an increase in tolerance, while education in Region 2 does not have a significant effect on tolerance. Economic growth has a negative effect on poverty in Region 1, while in Region 2 it does not show a significant effect. Furthermore, increased economic growth also led to a significant increase in tolerance in Region 1, while in Region 2 it showed no significant effect. Population density had no effect on poverty in either Region 1 or Region 2. In Region 1, this density variable had a weak negative effect, while in Region 2, it showed a strong positive effect. Poverty, measured as a percentage, on average from 2019-2024, continued to increase, so poverty showed the same positive trend as tolerance. Finally, tolerance in Java-Bali was higher than in areas outside the region.

Keywords: Economic Growth, Education, Religiosity, GDP per capita, Poverty, Tolerance, and Population density.

INTRODUCTION

Economic development with growth as a key indicator serves as a primary driver and catalyst for human resource development (Todaro & Smith, 2020). This is because such growth enables public and private spending, particularly through investment to expand production capacity and create employment opportunities, thereby reducing or even eradicating poverty. A central goal of human development is to eliminate poverty through human resource development, specifically via education. Conversely, education is also recognized as a means to break the cycle of poverty; this is crucial for Indonesia, where a portion of the population remains poor—including those living in extreme poverty and where there is a need to uplift living standards to boost productivity, ensure the equitable distribution of development outcomes (both material and moral), and foster inter-group cooperation, including religious tolerance.

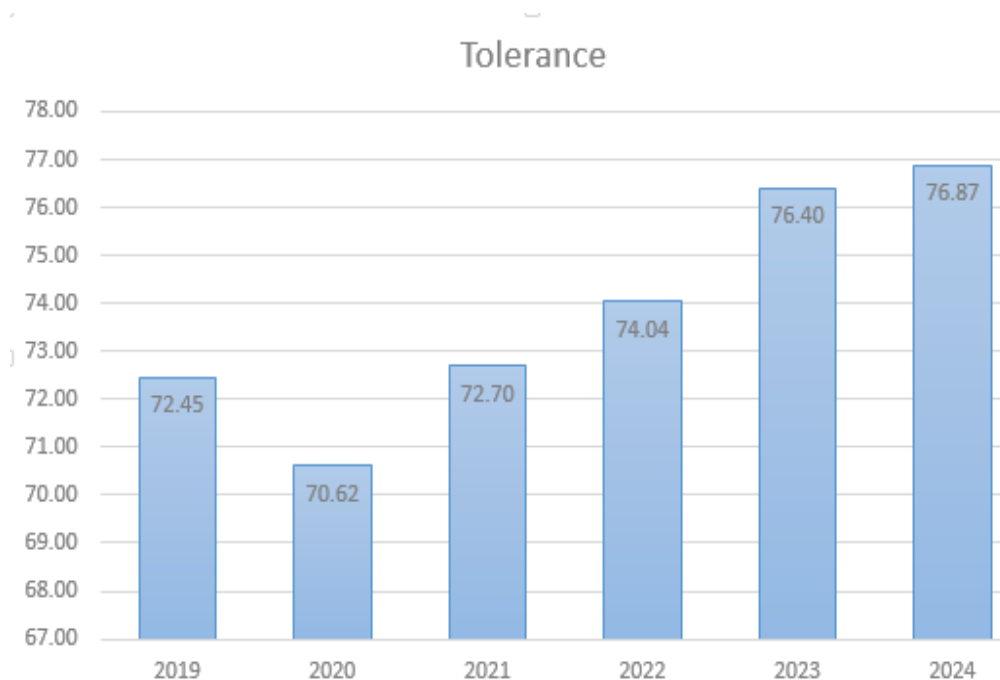
Indonesia is a nation characterized by immense diversity in terms of culture, ethnicity, religion, and language. While this diversity is a national asset, it also presents unique challenges for maintaining social stability. Regarding religious life, Indonesia recognizes six official religions: Islam, Protestant Christianity, Catholicism, Hinduism, Buddhism, and Confucianism; additionally, various local belief systems exist across different regions. Religious tolerance serves as a fundamental principle for upholding harmony within this multicultural society. This concept entails mutual respect and appreciation for differing beliefs without requiring individuals to abandon their religious identities, allowing them instead to coexist harmoniously within a diverse society. In

practice, however, realizing religious tolerance remains challenging; religiously motivated conflicts, discrimination, radicalism, and acts of intolerance frequently arise in various areas.

Indonesian society is united by the principle of Unity in Diversity, which encompasses not only ethnic diversity but also the cultural diversity found among the Indonesian people. Multiculturalism serves as the guiding principle for realizing this diverse society; it is a perspective that acknowledges and embraces differences, whether at the individual or cultural level. Multiculturalism flourishes when supported by tolerance and a willingness to show mutual respect. However, maintaining religious tolerance faces significant challenges, such as radicalism and inequalities between the majority and minorities. Consequently, strong collaboration among the government, the public, and religious leaders is essential to foster a shared awareness regarding the importance of harmony and tolerance. Therefore, to create a just, harmonious, and peaceful environment, society can fully embody the principles of Pancasila, the 1945 Constitution.

The majority of Indonesia's population is Muslim—adherents of a faith that acknowledges the existence of other beliefs and religions—yet instances of intolerance can still arise at any time or place. Nevertheless, Islam deeply respects the presence of other religions, recognizing them as a force that can bind the nation together (Ministry of Religious Affairs of the Republic of Indonesia). Because intolerant attitudes can emerge at any moment and threaten national unity, the government places great importance on this issue by introducing and teaching tolerance from an early age, spanning from primary school through to higher education. At the primary level, children are taught tolerance through friendships characterized by mutual assistance and the freedom to practice their respective religions and beliefs, regardless of ethnicity, religion, or race. Religious tolerance in Indonesia is not merely a slogan but a form of religious and social conduct that upholds the shared rights and obligations of the country's religious groups, all bound together by unity within the Republic of Indonesia. Adherents of all faiths possess equal rights to practice their religions and beliefs, and to live on an equal, balanced, and mutually supportive footing as citizens of a nation united by Pancasila and the 1945 Constitution. Consequently, every citizen and believer has a duty to maintain interfaith harmony, a moral and constitutional obligation rooted in the first principle of the nation base.

Religious tolerance in Indonesia continues to face challenges, with violations of religious freedom manifesting as discriminatory regulations, the banning and closure of places of worship, and the intimidation—or even persecution—of minority groups across various regions (Setara Institute, 2024). Furthermore, it is noted that in recent decades, religious harmony and freedom of religion in Indonesia have been disrupted by the actions of radical groups that harbor a flawed understanding of religious diversity. Pluralism is often viewed with suspicion by religious fundamentalist groups, while extremists stoke fear to advance their own agendas (Hoon, 2017).



Gambar 1. Perkembangan IKUB di Indonesia

Figure 1 illustrates a positive trend in the development of tolerance in Indonesia. This is supported by data showing the evolution of religious tolerance in the country from 2021 to 2024. Conversely, a sharp decline in tolerance was observed in 2020 compared to the previous year. This decline is linked to the COVID-19 pandemic, which restricted and even reduced population mobility regarding economic and social activities, thereby curtailing all forms of consumption, including digital consumption (Wahid Foundation, 2023).

At a macro level, religious tolerance can be influenced by various economic and non-economic factors. Economic factors specifically economic development, with indicators such as economic growth and per capita income act as driving forces that enhance the quality of human resources (through education). This enhancement can, in turn, eradicate attitudes and activities associated with religious intolerance; higher-quality human resources foster a deeper, comprehensive, and collective understanding of religion rather than a fragmented one thereby realizing peace and tranquility in daily life through cooperation and mutual understanding among individuals and groups within a community. Poverty can also influence tolerance, as it entails deprivation, socio-economic vulnerability, and a lack of capacity to cope with various challenges, all of which can undermine or even diminish levels of tolerance.

Furthermore, religiosity manifested as adherence to and devout practice of one's faith, can foster attitudes of mutual respect, honor, and cooperation in resolving issues, whether within a single religious community or across different faiths. All religions, and Islam in particular, teach adherents to respect one another and to cherish truth and justice; this cultivates a sense of responsibility and shared concern regarding various matters—including individual rights and obligations within society and the nation, while simultaneously upholding the integrity of one's own creed and the purity of worship practices. High levels of religiosity are expected to instill self-confidence and respect for others, serving as a form of social capital that safeguards and nurtures tolerance, a quality that continues to evolve and improve overall, as measured by the Religious Harmony Index (IKUB). The relationships between these concepts, poverty, and tolerance are illustrated in Figure 2.

Conflicts between individuals or groups sparked by religious issues remain inevitable, as religion is considered a matter of great importance in Indonesian society. Although religion does not serve as the basis for state governance, it functions as a guide for daily conduct. Religious conflicts arise from differences in concepts and practices among adherents; for instance, excessive primordialism can trigger interfaith conflict, leading to mutual attacks, killings, and the burning of houses of worship or sites significant to specific religious communities (Setiabudi et al., 2022). Consequently, religion fosters an environment of broad tolerance, giving rise to the concept of religious tolerance—characterized by mutual appreciation, respect, and the acceptance of differing beliefs without imposing the will of one religion upon another.

Religion holds significant importance in Indonesian society. Although religion does not serve as the basis for state governance, it functions as a guide for conduct in daily life. This is reflected in the nation's foundational ideology—specifically the first principle of Pancasila: Belief in the One and Only God. Under Presidential Decree No. 1 of 1965 regarding the prevention of religious abuse and/or blasphemy, the State recognizes six religions: Islam, Protestantism, Catholicism, Hinduism, Buddhism, and Confucianism. Freedom of worship in Indonesia is also guaranteed by Article 28, paragraphs (1) and (2) of the 1945 Constitution, which state that every individual has the right to embrace, hold beliefs in, and worship according to their chosen religion. The right to practice religion is also enshrined as a human right in Article 28, paragraph (1) of the 1945 Constitution.

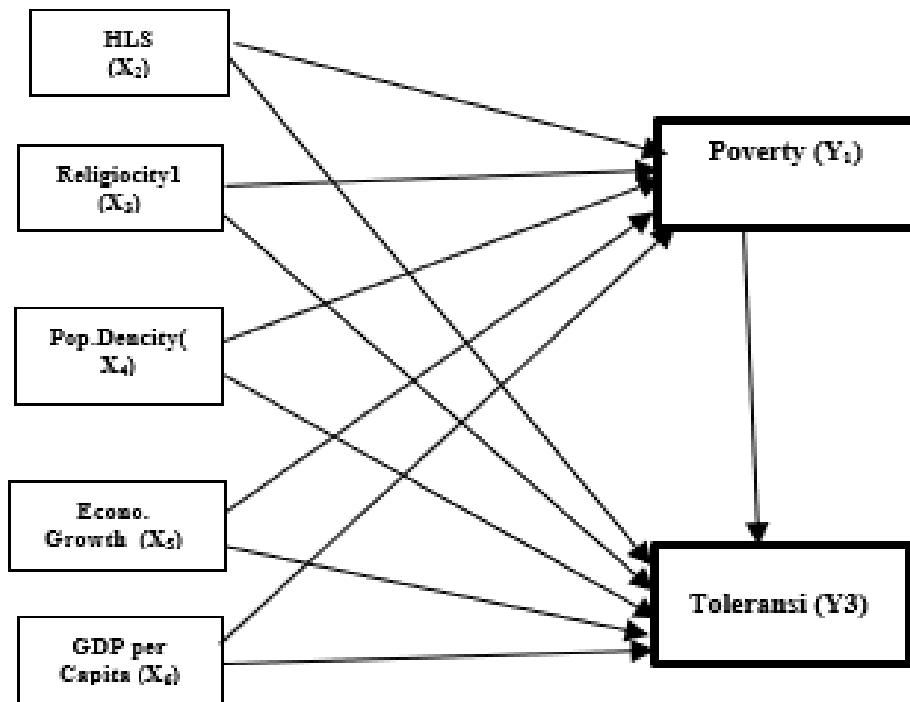


Figure 2. Framework

Based on the information and research gaps that have been stated, the research objective aims to analyze and examine the socioeconomic influences on poverty and its impact on tolerance. Specifically, the aims are:

1. Examining the effect of education on poverty and tolerance in Indonesia.
2. Examining the effect of religiosity on poverty and tolerance.
3. Examining the effect of population, poverty, and tolerance.
4. Examining the influence of education, religiosity, population, economic growth, GDP per capita, and poverty on tolerance simultaneously.
5. Explaining the influence of poverty on tolerance and determining the level of tolerance differences between Java and Bali and other islands.

LITERATURE REVIEW

Religious Tolerance

The concept of tolerance is crucial for building an inclusive and harmonious society. Through respect, freedom, acceptance, understanding, adaptability, and kindness toward differences, an environment can be created that supports personal growth and social and economic cooperation (Permana & Riyani, 2023). Furthermore, this tolerance can be narrowed to religion, giving rise to the concept of religious tolerance. Religious tolerance actually aims to create a harmonious and peaceful existence among diverse religious groups and communities. Such harmony and peace can be achieved when individuals and groups possess a strong awareness of and commitment to respecting differences, avoiding conflict, and upholding the principles of justice and equality before the law. To foster this harmonious and peaceful coexistence among various religious groups and the broader society, the government, religious leaders, and the public share a responsibility to collaborate in realizing peace and justice through such tolerance (Qodarul et al., 2025). Furthermore, it is the government's duty to regulate religious tolerance through fair and humane policies that promote religious tolerance and social harmony within a multicultural society, while also mitigating or even eliminating interfaith conflict. Additionally, religious leaders have the capacity to guide the public on the importance of religious tolerance and to encourage interfaith dialogue to enhance mutual understanding.

In general, tolerance is defined as an attitude of openness, broad-mindedness, readiness, and gentleness. It represents a form of tolerance in social interactions among religious communities that is essential for maintaining

social stability and avoiding intellectual and physical conflict (Casram, 2016). Social tolerance encompasses attitudes and actions that respect the diversity of origins, viewpoints, and beliefs among individuals within a social environment (Japar et al., 2019). It focuses on fostering positive relationships among members of society. In religiously diverse communities, it is encouraged to maintain peace and cooperate with individuals of other faiths in accordance with established norms (Nisvilyah, 2013). Thus, to preserve harmony within a religious culture, tolerance entails a mutual respect for diversity and the granting of freedom regarding beliefs and the practice of religious teachings. From an Islamic perspective, tolerance known as *tasamuh* manifests as kindness, ease, and generosity in social relations. Tolerance encompasses attitudes, held by individuals or society of mutual respect, honor, and understanding; these foster social harmony, enabling people to coexist peacefully, safely, and amicably while accepting human differences. In a religiously diverse society, harmony is a crucial attitude, ensuring that individuals do not impose their will on others, particularly regarding matters of faith.

Tolerance is generally defined as an attitude of willingness to accommodate—meaning to respect, allow, or permit—the stances (opinions, views, beliefs, habits, behaviors, etc.) of others that differ from or conflict with one's own (Saptomo, 2011). Fundamentally, tolerance can also be understood as the ability to respect the inherent nature, beliefs, and behaviors of others. In Islamic religious literature, tolerance is referred to as **tasamuh** understood as the quality or attitude of respecting, allowing, or permitting the stances (views) of others that conflict with our own (Naim, 2008). Tolerance is a valuable moral virtue capable of mitigating hatred, violence, and fanaticism. Thus, a tolerant individual is able to treat others with kindness, respect, and understanding; tolerance also signifies respect for the multicultural nature of society. The character aspect of tolerance is divided into three components: first, peace, comprising care, fearlessness, and love; second, respect for differences and individuals, involving mutual respect, respect for others' differences, and self-respect; and third, awareness, encompassing appreciation for the goodness in others, openness, receptiveness, and a sense of ease in life and in interactions with others. These aspects of tolerance illustrate the behaviors an individual can adopt to embody a tolerant attitude (Supriyanto & Wahyudi, 2017).

Tolerance is a necessity in both the private and public spheres, as the ultimate goal of religious tolerance is to foster peaceful coexistence among diverse societal groups—groups differing in beliefs, historical backgrounds, cultures, languages, and identities (Walzer, 1997). This implies that the various differences present in society require us to maintain an open mind when comprehending existing realities. Creating an atmosphere of comfort, safety, and tranquility calls for a mindset that promotes harmony within the community. Religious communities must strive to cultivate tolerance to maintain social stability and prevent ideological or physical clashes between adherents of different faiths (Casram, 2016). Furthermore, tolerance can be understood through the lens of economic interaction within society; one definition states: “tolerance, defined as a generic ability to accept diversity, is affected by wealth distribution between two economically interacting social regions” (Cerqueti, 2013). Meanwhile, Hadler (2012) defines tolerance as the acceptance of and respect for diverse groups within society; his comparative study of prejudice levels across 32 countries over a specific period revealed varying degrees of tolerance among different nations. He further identified several factors influencing tolerance levels, such as political systems, education levels, and socio-cultural elements.

Based on these perspectives, tolerance entails an awareness and understanding of differences, as well as a commitment to fostering positive attitudes and behaviors, respecting the rights of others, and creating an inclusive and harmonious environment. It encompasses valuing and respecting differences, granting freedom without judgment or restriction, accepting diversity with an open mind, understanding and acknowledging the circumstances and differing opinions of others, and acting fairly and kindly regardless of religion, race, ethnicity, or group affiliation.

Social tolerance is an attitude and set of actions that respect the diversity of origins, views, and beliefs among individuals within a social environment (Japar et al., 2019). It focuses on fostering positive relationships among members of society. Thus, to maintain harmony within a religious culture, tolerance entails mutual respect for diversity and the granting of freedom regarding beliefs and the practice of religious teachings. Tolerance falls within the scope of pluralism, which refers to conditions enabling diverse religious, ethnic, and cultural groups to coexist within a society. Pluralism seeks to create an inclusive and accommodating society that recognizes diversity and embraces differences. Meanwhile, religious pluralism refers to a normative concept of diversity underpinned by aspirations for tolerance and the acceptance of religious differences (Hoon, 2017). Tolerance

creates the space necessary for the community's socio-economic activities to function; consequently, it is influenced by several factors: 1. Personality Traits and Psychological Maturity, 2. Nature of Religious Orientation, 3. Intergroup Contact, and 4. Sociocultural, Historical, and Situational Factors (Allport, 1954). Individual traits are a primary factor, as tolerance is largely determined by a person's life choices and the orientation of their religious nature elements that can determine whether tolerance thrives or fails within a society. In this sense, tolerance encompasses pluralism which entails freedom and togetherness among all religions whereas Islam places limits upon it.

Islam sets boundaries regarding pluralism; specifically, the notion that all religions are equally true is incompatible with Islamic teachings. However, Islam accepts the reality of a pluralistic society, a fact acknowledged within the faith, while steadfastly upholding the principle of *tawhid* (divine oneness), a core belief that is non-negotiable and beyond debate. Islam strictly forbids disparaging other religions and permits peaceful coexistence and social interaction; yet, it maintains an inviolable space for its own articles of faith, consistent with its commitment to justice, peace, truth, and mutual respect among human beings. Other religions share similar views; for instance, Hindus interpret religious tolerance as the principle that every individual possesses equal rights and deserves equal treatment for the sake of peace, harmony, and collective well-being, free from discrimination (Sujana, 2023).

Poverty

Poverty refers to a standard of living in which an individual or group cannot meet basic needs such as food, clothing, housing, healthcare, and education. Furthermore, poverty is a chronic issue affecting nearly all developing nations (Mandey et al., 2023). It is a multidimensional problem with repercussions extending beyond mere economic aspects to impact education, health, social dynamics, and cultural life within the community (Aprianto, 2018). Poverty is defined as the inability of an individual or group to meet their economic needs—particularly regarding income—thereby limiting their access to economic and social opportunities, such as quality education. Research findings indicate that poverty is significantly negatively influenced by religiosity at the $\alpha = 0.05$ level. This suggests that poverty can be alleviated through the diligent observance of religious precepts by Muslims. This is because a Muslim bears the responsibility of providing for themselves and their family, as well as contributing to the community. There are numerous scriptural references and injunctions regarding the provision of financial support or maintenance for others, such as those found in Surah Al-Baqarah (2:233) and Surah At-Talaq (65:7).

Theories of poverty can be categorized into three types: multidimensional poverty, relative poverty, and absolute poverty. Multidimensional poverty describes a state of deprivation across various socioeconomic aspects such as physical frailty, vulnerability, and social isolation in addition to poverty itself. Relative poverty refers to an inability to meet decent basic needs, a standard that varies between countries. Absolute poverty is a condition measured by fixed metrics or figures, such as the poverty line.

Sida (2024) divides poverty into 4 dimensions, namely: Resources, power and voice, opportunity and choice and human security. So the problem of poverty is not only in the form of material fraud but also other dimensions. Poor people are individuals who do not have sufficient income and consumption to lift them from the minimum adequate level. So in short, poor people are those who live below the poverty line, which is determined by a national or international institution (Haughton, J. & Khandker, S. R., 2009). So understanding of poverty covers not only economics, but has expanded to cover various aspects of life, including other social dimensions, such as health, education and even entering the political dimension, although the definition of poverty is the inability to meet minimum standards of needs, both food and non-food.

This type of poverty is also known as absolute poverty, which stands in contrast to relative poverty. Additionally, Indonesia experiences structural poverty and temporary poverty. Structural poverty occurs when an individual or group faces economic, social, and political injustices that prevent them from adequately accessing necessary resources or opportunities. In contrast, temporary poverty is a condition experienced by individuals or groups due to a lack of livelihood means during specific periods—such as a lean season or a prolonged drought that causes food shortages. Weiss (2005) states that structural poverty is certainly worse than temporary poverty; this is because escaping structural poverty is difficult, as it has become chronic—characterized by deprivation,

discrimination, and residence in areas that do not facilitate the improvement of living standards. In Indonesia, a specific type of poverty frequently comes to the fore: extreme poverty. This condition describes individuals or groups unable to meet their most fundamental needs such as food, clean water, healthcare, education, and expenditure levels falling below a specific extreme threshold, far below the general poverty line (BPS, 2024).

THE METHOD

This type of research is quantitative, taking the type of study of comparative causality that processes numerical data that can be calculated using statistical formulas. The data analysis technique used in this study is path analysis which estimates the direct and indirect influence of exogenous variables on endogenous variables although in this study we only look at and discuss the direct effect, both effects are available in the statistical program used for estimation in this study. The study uses secondary data, namely data that is already available and collected by other parties and it was panel data. The data was taken from the Indonesia Central Statistics Agency (BPS) and the Ministry of Ministry of Religion of the Republic of Indonesia which covers 34 provinces in Indonesia, where since the end of 2022 there have been 38 provinces, but the necessary data is not yet available. The data used is divided into two regions based on population size. Given that more than 50% of Indonesia's population resides on the islands of Java and Bali, the areas located on these two islands are classified as Region 1, comprising seven provinces, while the remaining 27 provinces are classified as Region 2.

The statistical analysis technique used is path analysis using the Amos 18 statistical application program.

Based on the conceptual relationship within the framework of thinking, mathematically functional relationships can be written as

$$Y_1 = f(X_2, X_3, X_4, X_5, X_6) \dots (1)$$

$$Y_2 = f(X_2, X_3, X_4, X_5, X_6, Y_1, D) \dots (2)$$

Whereas:

X_2 = school expectations (the number of years a child at a certain age is expected to live in the future.), X_3 = Religiosity (ability to practice religious teachings for Muslims, number of people performing the Hajj), X_4 = population density (provincial area divided by the population of each province divided by the number of people in a province), X_5 = economic growth (year-to-year change in gross domestic product of a province, percentage), X_6 = GDP per capita (income per person in each province, rupiah), Y_1 = poverty (percentage of poor people in each province), Y_2 = tolerance: the attitude of individuals or communities towards others in terms of mutual respect, appreciation, and understanding to create harmony in society which is expressed by the tolerance index. D represents the Indonesian regions, where $D=1$ indicates provinces located on the islands of Java and Bali, and $D=0$ indicates islands other than Java and Bali (Sumatra, Sulawesi, Kalimantan, and Irian, as well as the archipelagic provinces of Bangka Belitung, Riau, West Nusa Tenggara, East Nusa Tenggara, Maluku, North Maluku, North Sulawesi, and Southeast Sulawesi).

Based on the functional relationship (1) and (2) respectively, a mathematical equation can be made as follows:

$$Y_1 = \alpha_0 + \alpha_1 X_2 + \alpha_2 \ln X_3 + \alpha_3 \ln X_4 + \alpha_4 \ln X_5 + \alpha_1 X_6 + \mu_1 \dots (3)$$

$$\ln Y_2 = \beta_0 + \beta_1 X_2 + \beta_3 \ln X_3 + \beta_4 \ln X_4 + \beta_5 \ln X_5 + \beta_6 \ln X_6 + \beta_7 Y_1 + \beta_8 D \\ + \beta_9 D X_2 + \beta_{10} D \ln X_3 + \beta_{11} D \ln X_4 + \beta_{12} D \ln X_5 + \beta_{13} D \ln X_6 + \beta_{14} D Y_1 + \mu_2 \dots (4)$$

From equation (4), 2 equations can be made by entering the values of D :

For $D=0$, equation (4) can be rewritten as

$$\ln Y_{21} = \beta_0 + \beta_1 X_2 + \beta_3 \ln X_3 + \beta_4 \ln X_4 + \beta_5 \ln X_5 + \beta_6 \ln X_6 + \beta_7 Y_1 + \beta_8 D + \mu_{21}$$

For $D=1$, the same equation can also be written as

$$\ln Y_{33} = (\beta_0 + \beta_8) + (\beta_1 + \beta_9)X_1 + (\beta_2 + \beta_{10})\ln X_2 + (\beta_3 + \beta_{11})\ln X_3 + (\beta_4 + \beta_{12})Y_1 + \dots + (\delta_7 + \delta_{14})Y_2 + \mu_{33}$$

RESULT AND DISCUSSIONS

Model fit test

Chi-square statistic, as stated earlier, is the most fundamental test to measure overall fit, it is very sensitive to the size of the sample used and the relation of exogenous variables, almost the same as the model Regresi Linear Berganda. The model is considered good if the Chi-square value is small. The smaller the value, the more feasible the research, meaning that the more it describes the match between the variance of the sample taken and the research population. The results of data processing that have been carried out using the AMOS 18 program are as shown in Table 1.

Based on the Chi-square test, t-test, and other Goodness of Fit test results obtained using the AMOS statistical program, the Table 1 was generated.

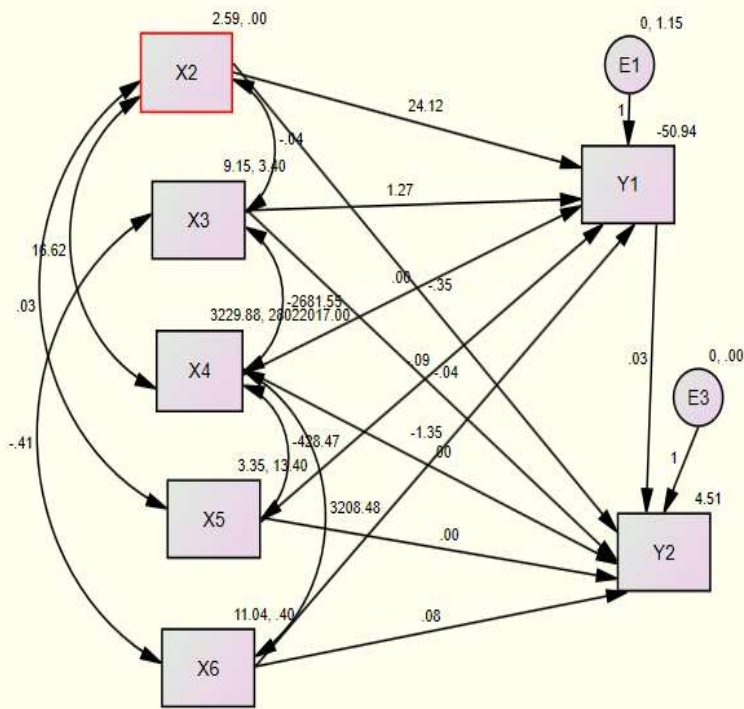
Tabel 1. Goodness of Fit Index S

No.	Goodness of fit Measure	Cut-off Criteria	Estimation (cut off Value)	Fit Situation
1	Chi-Square (χ^2) Significance Probability (p)	smaller the better ≥ 0.05	3.690 0.595	Fit
2	RMSEA (the Root Mean Square Error of Approximation)	≤ 0.05	0.000	Fit
3	NFI (Normed of Fit Index)	≥ 0.95	0.990	Fit
4	IFI (Incremental Fit Indices)	≥ 0.95	1.004	Fit
5	CMIN/DF (the minimum Sample Discrepancy Function)	≤ 2	0.738	Fit
6	TLI (Tuckler Lewis Index)	$\geq 0,95$	1.022	Fit
7	CFI (Comparative Fit Index)	$\geq 0,95$	1.000	Fit
8	Hoelter's Index	≥ 200	609	Fit

Sumber: Malkanthie, 2015; Wan, 2022 and Amos Result

Research Findings

As is known, this research divides regions into two groups, so the estimation results consist of two components. Therefore, the estimation results were obtained using the Amos statistical program. The estimation results for Region 1, which is called the Java-Bali Region, $D=1$, and Region 2, which is called the non-Java-Bali group in Indonesia, $D=0$. Figures 3 and 4 show the estimated regression coefficients and chi-square values for Region 1.



Notes for Model (Default model)

Computation of degrees of freedom (Default model)

Number of distinct sample moments: 70

Number of distinct parameters to be estimated: 64

Degrees of freedom (70 - 64): 6

Result (Default model)

Minimum was achieved

Chi-square = 6.239

Degrees of freedom = 6

Probability level = .397

Figure 3. Coefficients Correlation and Chi-square in Region 1.

Resource: Amos 18 data processing results

Estimates (Group number 1 - Default model)

Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
Poverty	<---	Religiosity1	1.270	.107	11.863	***	par_1
Poverty	<---	Eco.Growth	-.092	.046	-2.005	.045	par_2
Poverty	<---	GDPperKapita	-1.354	.959	-1.411	.158	par_3
Poverty	<---	LnEducation2	24.125	2.697	8.946	***	par_8
Poverty	<---	Pop.Density	.000	.000	.107	.915	par_13
Tolerance	<---	Religiosity1	-.044	.008	-5.263	***	par_4
Tolerance	<---	Eco.Growth	.003	.002	1.754	.079	par_5
Tolerance	<---	GDPperKapita	.079	.036	2.171	.030	par_6
Tolerance	<---	Poverty	.029	.006	5.051	***	par_7
Tolerance	<---	LnEducation2	-.347	.170	-2.035	.042	par_9
Tolerance	<---	Pop.Density	.000	.000	-1.514	.130	par_14

Means: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Religiosity1	9.145	.286	32.006	***	par_19
Eco.Growth	3.350	.568	5.903	***	par_20
GDPperKapita	11.044	.098	112.146	***	par_21
LnEducation2	2.590	.011	243.661	***	par_24
Pop.Density	3229.881	820.851	3.935	***	par_25

Intercepts: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Poverty	-50.940	14.397	-3.538	***	par_22
Tolerance	4.508	.607	7.426	***	par_23

Figure 4. Variabel Coefficients in Region 1

Resource: Amos 18 data processing results

Furthermore, Figure 5 and Figure 6 show the estimated regression coefficients for Region 2.

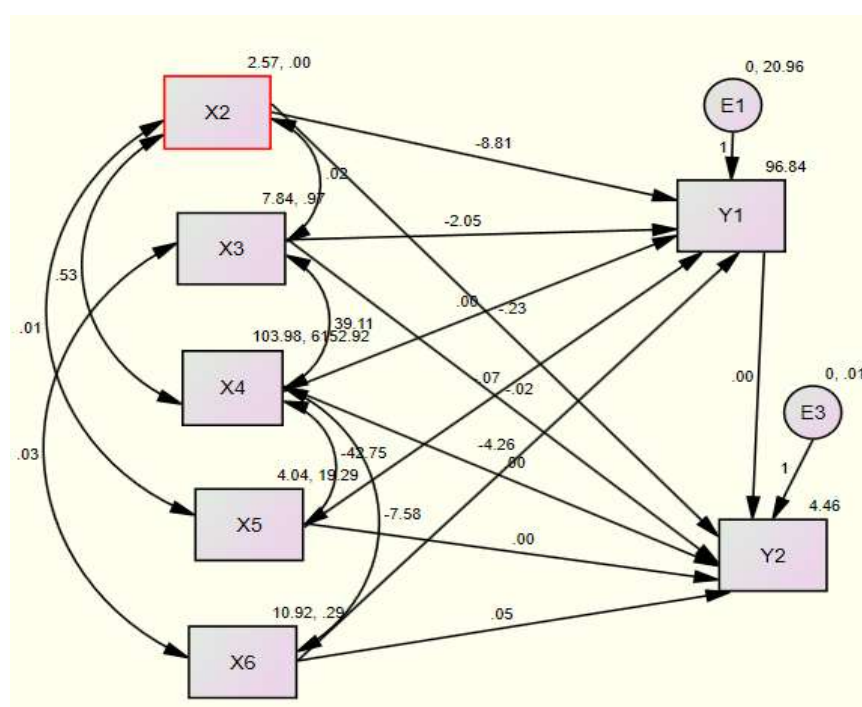


Figure 5. Coefficients Correlation and Chi-Square in Region 2.

Resource: Amos 18 data processing results

Estimates (Group number 2 - Default model)						
Scalar Estimates (Group number 2 - Default model)						
Maximum Likelihood Estimates						
Regression Weights: (Group number 2 - Default model)						
		Estimate	S.E.	C.R.	P	Label
Poverty	<--- Religiosity1	-2.046	.466	-4.386	***	par_26
Poverty	<--- Eco.Growth	-.065	.083	-.783	.434	par_27
Poverty	<--- GDPperKapita	-4.258	.692	-6.152	***	par_28
Poverty	<--- LnEducation2	-8.814	7.441	-1.185	.236	par_33
Poverty	<--- Pop.Density	-.003	.006	-.568	.570	par_38
Tolerance	<--- Religiosity1	-.023	.008	-2.850	.004	par_29
Tolerance	<--- Eco.Growth	.001	.001	.766	.444	par_30
Tolerance	<--- GDPperKapita	.051	.013	4.067	***	par_31
Tolerance	<--- Poverty	.002	.001	1.891	.059	par_32
Tolerance	<--- LnEducation2	-.231	.122	-1.892	.058	par_34
Tolerance	<--- Pop.Density	.000	.000	2.305	.021	par_39
Means: (Group number 2 - Default model)						
		Estimate	S.E.	C.R.	P	Label
Religiosity1		7.838	.078	100.838	***	par_44
Eco.Growth		4.044	.347	11.662	***	par_45
GDPperKapita		10.917	.043	255.941	***	par_46
LnEducation2		2.573	.004	616.776	***	par_49
Pop.Density		103.975	6.193	16.788	***	par_50
Intercepts: (Group number 2 - Default model)						
		Estimate	S.E.	C.R.	P	Label
Poverty		96.838	19.745	4.904	***	par_47
Tolerance		4.462	.346	12.892	***	par_48

Figure 6. Variabel Coefficients in Region 2

Resource: Amos 18 data processing results

RESULT AND DISCUSSIONS

GDP per Capita

GDP per capita is a country's gross domestic product divided by its total population. This concept serves as an indicator of a nation's economic progress and is used to classify countries based on their level of development, reflecting the average welfare and prosperity of the population. Research findings indicate that GDP per capita has a significant negative impact on poverty at the $\alpha=0.05$ confidence level in Region 2, whereas in Group 1, the impact is not statistically significant, despite the regression coefficient having a negative value, Figure 4 and 6. This finding aligns with research by Mahfuzhah et al. (2026), which states that the per capita Gross Regional Domestic Product (GRDP) variable has a significant negative effect on poverty levels in Indragiri Hilir. This is linked to the fact that the poor population on the island of Java exceeds 50%, specifically 52% (according to BPS data). Another study conducted by Shihab et al. (2025) indicates that increased economic growth—resulting in higher per capita income along with improvements in the quality of human resources, are key factors in reducing poverty.

Furthermore, GDP per capita exerts a significant positive influence on tolerance—at a confidence level of $\alpha = 0.05$ —in both Region 1 and Region 2. This positive influence indicates that rising per capita income fosters greater openness and tolerance among the population of a given area; higher income enables individuals or communities to act responsibly once basic needs are met, allowing them to shift their focus beyond mere economic concerns toward social matters—such as civic engagement—thereby strengthening community bonds and fostering peace through enhanced self-expression and self-confidence. Moreover, populations with higher incomes tend to develop a constructive mindset that values individual freedom, human rights, gender equality,

and diversity (Inglehart, 1977). Thus, it is entirely logical that an increase in GDP per capita is accompanied by rising tolerance—including religious tolerance—driven by a shift from materialist to post-materialist priorities.

Education

Education is a conscious and planned effort to facilitate learning, enabling students to develop their inherent intellectual and moral potential. According to Law Number 20 of 2003 concerning the National Education System, the goal of education is to develop students' potential so that they possess intelligence, noble character, a strong personality, and skills beneficial to both themselves and society. In this context, research findings indicate that education has a highly significant positive impact on poverty levels ($p = 0.000$) in Region 1, whereas in Region 2, it shows no significant impact at the $\alpha = 0.05$ confidence level. This fact suggests that education has not yet succeeded in significantly reducing poverty in Indonesia during the study period (2019–2024). This is closely linked to the lingering impact of the COVID-19 pandemic in 2020 and 2021, which drastically reduced the socioeconomic capacity of the population; consequently, economic growth normally a driver for poverty reduction failed to alleviate poverty. Subsequently, while education began to exert a negative influence (associated with poverty reduction), the magnitude of this reduction remained limited, resulting in findings that show a positive relationship between education and poverty in both regions. Thus, these results contradict the majority of existing studies such as research conducted in Indonesia which demonstrate a negative relationship between education and poverty (Sugiharti et al., 2023).

Furthermore, regarding the relationship with tolerance, education is closely linked to it. This finding is fully supported by the study's results, which show that in Region 1, an increase in education leads to a corresponding rise in tolerance, a highly significant effect ($p = 0.000$), whereas in Group 2, education does not exert a significant influence on tolerance at the $\alpha = 0.05$ confidence level. This fact is closely tied to the state of education and educational progress on the islands of Java and Bali; notably, the majority of the top ten universities are located there, and the region serves as a major population hub, housing over 50% of the total population. The positive impact of education observed in Region 1 aligns with research by (Qoyum, 2024), which indicates that education influences moderate religious attitudes. Education fosters a resilient personality and holistic well-being, encompassing both physical and mental health, thereby enabling individuals to understand the interests of both themselves and others, and to empathize with the well-being or suffering experienced by their fellow citizens.

Economic Growth

Economic growth is determined by socioeconomic factors—such as the utilization of factors of production through capital formation (physical investment) and human capital development (education and training)—as established in previous theories. Furthermore, economic growth exerts a negative influence on poverty in both regions. In Region 1, this effect is statistically significant at the $\alpha = 0.05$ confidence level, with a regression coefficient of -0.09; this implies that a 1% increase in economic growth leads to a 0.09% decrease in poverty, assuming other variables in the model remain constant. This finding is supported by various studies, including those by (Huang & Rozelle 2008); Škare & Družeta 2016; Mire & Sofyan (2026). Thus, poverty can be alleviated by fostering sufficiently high economic growth, given that poverty largely stems from a lack of access to employment opportunities resulting from a deficiency in the necessary economic and social assets.

Thus, economic growth influences poverty, which in turn impacts tolerance—a social attribute that fosters togetherness, rights, justice, and cooperation. Estimation results indicate that economic growth has a positive influence on tolerance (significant at $\alpha = 0.10$) in Region 1, whereas no significant influence is observed in Region 2. Economic growth can influence tolerance because it generates higher incomes driven by increased investment, population mobility, and industrial development, thereby enabling society to achieve greater prosperity. Furthermore, rising prosperity strengthens socio-economic security, which in turn fosters cooperation and tolerance within the community. It is also noted that the hub of economic activity is located on the island of Java; the island possesses economic assets—particularly in the industrial sector that far exceed those of other islands, allowing its economic growth to exert a stronger influence on tolerance.

Poverty

Poverty is a state of economic and social incapacity experienced by an individual or group, preventing them from adequately accessing or seizing opportunities regarding socio-economic and even political facilities, thereby keeping them within the lower socio-economic stratum. Research findings indicate that rising poverty levels correlate with rising tolerance—specifically in Region 1 (significant at $\alpha = 0.05$) and Region 2 (significant at $\alpha = 0.10$, though not at $\alpha = 0.05$). Data from the 2019–2024 period regarding the "Group 1" islands in Indonesia show that poverty levels continued to rise alongside tolerance levels; thus, a positive relationship exists between poverty trends and increasing tolerance (or, conversely, a link between poverty reduction and rising intolerance). This contradicts the character of Indonesian citizens and the nation's culture, which traditionally uphold brotherhood, equal rights, and justice. Qoyum et al. (2024) concluded that poverty significantly influences an individual's attitude toward religious moderation, specifically showing a negative correlation noting that religious moderation is a key indicator of the religious tolerance that forms the primary focus of this study. Furthermore, periodic data indicate that regions with good education levels and stable economies (i.e., low poverty), such as Bali or North Sulawesi, consistently rank highest in tolerance scores; this aligns with the findings for Region 2, where poverty was shown to have no significant impact on tolerance at the $\alpha = 0.05$ confidence level.

However, from a perspective where poverty or a state of economic hardship appears to foster social tolerance, this phenomenon typically arises from mechanisms of collective survival. In this context, lower-class communities are compelled to set aside their differences to meet basic needs. Thus, under specific circumstances, a positive relationship between poverty and religious tolerance can emerge, as social interactions, characterized by mutual cooperation, social capital, and interdependence centered on meeting basic needs for serving to maintain religious harmony.

Based on the analysis presented in Figures 5 and 6, it is evident that tolerance levels in the Java-Bali region are higher than in areas outside this region; this is indicated by the higher intercept value for Java-Bali compared to the other areas. Furthermore, the figures show that tolerance is not significantly influenced by population density at a confidence level of $\alpha = 0.05$, despite the fact that these islands, including DKI Jakarta, the capital of the Republic of Indonesia, have much higher population densities than other regions. The data indicates that population density does not necessarily lead to increased tolerance; in fact, it can result in a decrease in tolerance ($CR = -1.514$).

Religiosity

Religiosity refers to an individual's level of observance, internalization, and commitment regarding their religious teachings, as reflected in their mindset, attitudes, and daily behavior. Regression parameter estimates indicate that this variable has a highly significant positive influence on poverty at a confidence level of $\alpha = 0.05$, revealing a direct relationship between religiosity and poverty. In Group 2, the regression coefficient is -2.05, meaning that a 1 percent increase in religiosity leads to a 2.05% decrease in poverty. Conversely, in Region 1, the coefficient is 1.27, indicating the opposite effect: an increase in religiosity leads to an increase in poverty. One contributing factor is that Group 1 includes the island of Bali, where the majority of the population is non-Muslim; however, religiosity in this study was measured based on religious observance among Muslims, even though non-Muslims are also present in Group 1. Furthermore, the island of Java is home to the largest number of poor people—specifically in East Java, West Java, and Central Java, which account for 10.90 million of the 23.36 million poor people in Indonesia. Although this study measures poverty as a percentage (46.66%) rather than an absolute number of individuals, these three provinces alone—out of Indonesia's 34 provinces—house nearly half of the country's poor population.

Additionally, religiosity has a significant negative impact on tolerance at a confidence level of $\alpha = 0.05$ in both Region 1 and Region 2; thus, an increase in religiosity leads to a decrease in tolerance. This finding generally contradicts public expectations, partly because the researchers measured religiosity based on the number of people performing the Hajj pilgrimage. This figure is highly volatile, as it depends on quotas set by the Saudi Arabian government; indeed, at the peak of the COVID-19 pandemic, not a single person—zero individuals—traveled to the Holy Land. However, this negative influence points to a paradox resulting from a shift toward exclusive religiosity—a state where religion is no longer practiced according to its pure teachings but is instead tainted by purely political agendas, the influence and pressure of the majority group, and clashes between

religious formalism and local traditions (Yosarie, 2026; Wahid Foundation, 2025). Consequently, it is recommended that future researchers employ religiosity indicators that encompass several dimensions: belief, ritual practice, inner experience, knowledge, and actual application.

Density Population

Population density defined as the total population divided by the land area, indicates the number of people inhabiting a specific region; higher density means a greater number of people occupying each square kilometer of that area. Densely populated regions are often home to individuals with low incomes, a situation that can give rise to stark disparities and even moderate conflicts over resources, thereby significantly influencing the level of tolerance within the area.

Regression parameter estimates indicate that population density does not influence poverty in either Region 1 or Region 2. Furthermore, while a negative effect on tolerance is observed in Region 1, albeit one that is not statistically significant at the $\alpha = 0.05$ level. Region 2 exhibits a positive effect on tolerance at that same level of significance. This positive relationship suggests the existence of community cooperation that yields economic and social benefits, fostering harmonious, trusting relationships that directly support tolerance. Additionally, higher population density facilitates more frequent social interactions, allowing the community to align its social space with vibrant norms and ethics, thereby positively influencing religious tolerance.

CONCLUSION AND RECOMMENDATION

Conclusion

Based on the analysis and the results of the previous discussion, the following conclusions are drawn:

Education in Java-Bali significantly impacts tolerance, while it has no effect on the other islands. Furthermore, it is shown that in Region 1, an increase in education leads to an increase in tolerance, while in Region 2, education does not. Religiosity leads to a decrease in poverty in Region 2, while in Region 1, the opposite occurs, with a positive relationship between religiosity and poverty. Furthermore, religiosity negatively impacts tolerance in both Regions 1 and 2, indicating that an increase in religiosity leads to a decrease in tolerance. Furthermore,

economic growth negatively impacts poverty in Region 1, while it does not show a significant effect in Region 2. Increased economic growth significantly increases tolerance in Region 1, while it does not show a significant effect in Region 2. Population density does not affect poverty in either Region 1 or 2. Furthermore, density has a weak negative effect in Region 1, while in Region 2, it shows a strong positive effect. Finally, tolerance in Java and Bali is higher than in areas outside of that region. Poverty, as measured by percentage, continued to increase on average from 2019 to 2024, indicating that poverty is trending in the same positive direction as tolerance.

Recommendation

The following suggestions are based on the discussion and conclusions that have been stated, among others:

1. Although tolerance shows an upward trend, the government should be more vigilant about intolerance that can emerge regardless of place and time. Furthermore, tolerance can be maintained and nurtured by considering the socioeconomic conditions and religiosity of the community, which can give rise to intolerance.
2. Poverty in Indonesia continues to increase from the 2019-2024 budget, so the government is still expected to implement policies aimed at reducing poverty, as poverty still has a positive relationship with tolerance. Therefore, the most important thing to address poverty is the provision of wider employment opportunities by strengthening downstream agriculture, particularly palm oil, and the industrial sector, particularly through the development of both small and large industries, such as the machinery industry, both on land and offshore.
3. It is hoped that with further research, researchers can expand the scope by adding variables, but the most

important thing is measuring religiosity with more comprehensive indicators. Furthermore, this study relies on the assumption of a Common Effect Model (CEM), albeit with a partial adjustment made by dividing the regions into two groups, leaving scope for future researchers to expand upon this work by providing a detailed analysis of the 34 provinces, should a different model be required.

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