

# Overview of the Development of International Trade Community Welfare in Mataram City (Review of Poverty Levels 2020-2024)

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Article Info	ABSTRACT
<p><b>Article history:</b></p> <p>Received November, 2025 Revised November, 2025 Accepted November, 2025</p>	<p>This study analyzes the relationship between international trade and societal welfare in the Province of Nusa Tenggara Barat (NTB), focusing on poverty levels during the period 2020–2024. Utilizing secondary data from the Central Bureau of Statistics (BPS) and a descriptive quantitative approach, the research describes the trends in exports, imports, and poverty rates, and evaluates their descriptive interrelations. The results indicate that although exports increased significantly—mainly driven by mining commodities—the decline in poverty was largely driven by post-pandemic recovery in local labor-intensive sectors rather than merely increased exports. Therefore, international trade contributes to NTB’s economic growth, but its impact on poverty reduction is limited and indirect. The study recommends economic diversification, strengthening labor-intensive sectors, and empowering the poor to ensure a more equitable distribution of trade benefits.</p>
<p><b>Keywords:</b></p> <p>International Trade Poverty Trade Openness NTB Societal Welfare</p>	

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## 1. INTRODUCTION

International trade is a key driver of economic growth in many countries, including Indonesia. Participation in global trade enables a region to benefit through increased export value, market expansion, and the influx of capital goods that support production processes. Trade openness plays a crucial role in increasing economic activity and expanding employment opportunities by enhancing access to international markets [1].

For regions like West Nusa Tenggara (NTB) Province, international trade is a strategic sector, particularly through the export of mining commodities like copper and gold. NTB's exports have fluctuated over the past few years, influenced by global

commodity price dynamics and international demand. Research by [2] explains that international trade is a significant contributor to Indonesia's economic growth, particularly through increased regional revenue and employment in related sectors. This is relevant to NTB's economic base in agriculture and mining [2].

Although international trade has significant economic potential, not all regions experience the positive impacts equally. One major challenge is poverty. West Nusa Tenggara (NTB) is a province with a relatively high poverty rate compared to the national average. According to data from the Central Statistics Agency (2025), the poverty rate in NTB reached 13.32 percent in 2024, or 715,444

people. This figure indicates improvement compared to the previous year, but the decline tends to be slow. This aligns with the findings of [3], who stated that international trade does not always have a direct impact on poverty reduction, particularly in regions whose economic structures rely on capital-intensive sectors.

The relationship between international trade and poverty is complex because the benefits of increased exports are often felt only by certain sectors. Research by [4] shows that trade liberalization can contribute to poverty reduction, but this influence is influenced by the effectiveness of the distribution of economic benefits and the readiness of the domestic sector to absorb labor. In the context of West Nusa Tenggara (NTB), the dominance of the capital-intensive mining sector means that the impact of global trade on community welfare is not always direct [4].

Therefore, it is important to examine how international trade developments in West Nusa Tenggara Province relate to poverty dynamics in recent years. A quantitative descriptive approach is used to provide a comprehensive overview of exports, imports, and poverty levels in West Nusa Tenggara, based on data from the Central Statistics Agency (BPS) for the 2020–2024 period. This study is expected to provide a better understanding of the region's economic conditions and serve as a basis for local governments in formulating policies that promote equitable distribution of public welfare.

## 2. LITERATURE REVIEW

### 2.1 *International Trade*

International trade is the exchange of goods and services between countries, providing benefits in the form of market expansion, increased regional income, and access to capital goods and technology. According to [2], international trade plays a crucial role in accelerating economic growth by

opening global market access and increasing production capacity. This research shows that international trade has a positive impact on the Indonesian economy, particularly for sectors that are able to compete in the global market. [2]

[5] states that trade openness can increase productivity and expand economic opportunities in a country or region due to the influx of foreign capital and technology. In a regional context, trade openness can be a driving force for growth, especially if supported by a competitive economic structure. This statement is relevant to explaining how international trade can impact the regional economy, such as that of West Nusa Tenggara Province [1].

Research by [2] also explains that international trade is a significant contributor to Indonesia's economic growth by increasing regional revenue and absorbing labor in related sectors. Thus, previous theory and findings provide the basis for the development of a region's exports and imports being closely linked to global market dynamics, production capacity, and the region's ability to capitalize on trade opportunities.

### 2.2 *Community Welfare*

Community welfare is the condition where basic needs such as clothing, food, shelter, education, and health are met. The poverty rate is a common indicator used to assess welfare because it reflects a community's ability to meet basic needs. According to the Central Statistics Agency (BPS) (2024), the level of community capacity to meet minimum living needs is

the basis for measuring welfare using the poverty line.

[6] explains that the level of public welfare in several regions of Indonesia still fluctuates, influenced by factors such as job opportunities, inflation, and access to productive sectors. In the regional context, improvements in welfare are heavily influenced by trade-based economic growth and the community's ability to access economic opportunities.

Furthermore, [7] emphasized that trade-based economic development will only significantly impact welfare if accompanied by policies promoting income equality and community empowerment. Therefore, the literature on community welfare is highly relevant in understanding how socioeconomic conditions in NTB may change in line with international trade activities.

### 2.3 Poverty

Poverty is a complex socioeconomic phenomenon influenced by various factors such as income, employment opportunities, education, and macroeconomic conditions. According to [8], poverty reduction can only be achieved through improvements in bureaucracy, increased labor productivity, and more equitable income distribution.

[9] stated that poverty stems not only from low income, but also from social, institutional, and natural factors that influence a person's ability to access economic resources. These three factors are interrelated and determine a society's level of well-being.

In a regional context like West Nusa Tenggara (NTB), the

economic structure, which still relies on the agricultural and mining sectors, also influences poverty dynamics. The mining sector, for example, is capital-intensive and therefore unable to absorb a large workforce. This means that the impact of economic activity is not always directly felt by the poor. Therefore, poverty theory is crucial for understanding the poverty conditions in NTB during the study period.

## 3. METHODS

This study uses a quantitative descriptive approach that aims to provide a factual picture of the development of international trade and poverty levels in West Nusa Tenggara Province based on available statistical data. This approach was chosen because the quantitative descriptive method is able to systematically explain patterns, trends, and developments of a phenomenon without conducting causality tests, as explained by [2] who stated that descriptive research is used to provide a clear and accurate description of the variables studied based on numerical data.

This research was conducted in the administrative area of West Nusa Tenggara Province, which includes all regencies and cities within it. The data used are **secondary data** obtained from various official publications of the Central Statistics Agency (BPS) of NTB Province, including *West Nusa Tenggara in Figures 2025*, as well as other BPS publications related to poverty and socioeconomic indicators. Furthermore, this research also utilizes scientific references in the form of relevant journals to strengthen the theoretical foundation, such as research by [1], [4] which discusses trade openness, economic growth, and poverty.

Data collection techniques are carried out through **documentation**, namely collecting, reading, and processing data obtained from official sources and scientific journals. The documentation method is a

technique commonly used in quantitative research based on secondary data because it allows researchers to systematically access historical data and statistical information.

The data analysis in this study employed quantitative descriptive analysis, compiling the data into tables and explaining the development of export and import values in West Nusa Tenggara (NTB) during the study period. The presented data were then analyzed to examine year-to-year changes, fluctuation patterns, and the descriptive relationship between international trade developments and public welfare. This descriptive analysis focused not on hypothesis testing or causal relationships, but rather on interpreting data trends and dynamics, as recommended for descriptive research.

## 4. RESULTS AND DISCUSSION

### 4.1 Overview of International Trade Development in West Nusa Tenggara Province

International trade in West Nusa Tenggara (NTB) Province during the 2020–2024 period showed significant fluctuations. Export and import activities were heavily influenced by developments in the mining sector, particularly copper and gold. This condition made NTB's export value highly sensitive to global commodity price dynamics. According to Sukoco and Hartono (2020), international trade is one of the factors driving regional economic growth, particularly for regions with superior commodity-based products. [2]

Based on Table 1, the data shows that NTB's export value increased from 2020 to peak in 2022. The increase in exports from USD 8,954.78 million (2020) to USD 43,537.92 million (2022) indicates increased export activity, particularly from the mining sector. However, in 2023 and 2024, the export value decreased to USD 34,703.54 million and USD 30,880.17 million, respectively. This decline was influenced by the decline in global mining commodity prices. Descriptively, it can be concluded that NTB's exports are fluctuating and heavily influenced by external

conditions. Descriptively, it can be concluded that NTB's exports are fluctuating and heavily influenced by external conditions.

NTB's import value shows a different pattern. From 2020 to 2022, imports were relatively stable at around USD 2 to 4 billion. However, imports rose sharply in 2023 to USD 9,133.31 million and only slightly decreased in 2024 to USD 8,754.25 million. The increase in imports in the past two years indicates a growing demand for capital goods and industrial raw materials, particularly in the mining and construction sectors. [3] show that imports of capital goods often increase during periods of economic recovery as companies increase production capacity.

According to [5], trade openness can provide opportunities for economic growth when a region possesses superior commodities, but high dependence on a single sector causes export values to become unstable from year to year [1].

As seen in Graph 1, the export trend line shows a sharp increase in the 2020–2022 period and then experiences a gradual decline until 2024. Meanwhile, the import trend line has moved more flat with a slight increase since 2022. This condition indicates that despite fluctuations in export values, NTB still maintains a significant trade surplus.

Overall, the development of NTB's international trade during the study period shows that export and import values are heavily influenced by global economic conditions and the regional economic structure, which is dominated by the mining sector. Dependence on mining commodities has resulted in unstable international trade values, but it remains a key indicator in understanding the economic dynamics of NTB Province.

### 4.2 The Welfare Condition of NTB Province (Viewed from The Poverty Level)

The poverty rate in West Nusa Tenggara (NTB) Province during the 2020–2024 period experienced dynamics influenced by national and global economic conditions. According to data from the Central Statistics Agency (BPS), the percentage of the poor in

NTB increased in 2021 due to the impact of the COVID-19 pandemic, but has since shown a gradual downward trend. [3] explain that the increase in poverty during the pandemic occurred due to weakened economic activity, decreased income, and limited production activities. After the economic recovery phase began, regions with productive sectors capable of absorbing labor tended to experience a gradual decline in poverty [3].

Table 2 data shows that in 2020, the poverty rate in West Nusa Tenggara (NTB) was 13.82 percent, or approximately 730,420 people. In 2021, the figure increased to 14.14 percent (747,120 people), due to the impact of the pandemic. However, from 2022 to 2024, the poverty rate showed a downward trend, to 13.94 percent, 13.53 percent, and 13.32 percent, respectively. This decline indicates economic recovery and increased activity in productive sectors such as agriculture, trade, and services.

According to [10], post-pandemic poverty reduction is heavily influenced by a region's ability to stimulate labor-intensive local economic sectors. Therefore, although the mining sector dominates NTB's economic structure, other local sectors, such as agriculture and MSMEs, still play a significant role in reducing poverty.

Figure 2 based on the number of poor people, the decline from 2022 to 2024 was quite consistent, although not significant. This could be due to limited employment opportunities in capital-intensive sectors such as mining, which dominate the NTB economy. [1] stated that while trade openness can provide economic benefits, its impact on poverty reduction is highly dependent on the domestic sector's ability to create jobs. Therefore, poverty reduction in NTB is more influenced by improvements in the local economy in labor-intensive sectors than by key export sectors.

Figure 3 From the perspective of **the number of poor people**, the poverty dynamics in West Nusa Tenggara Province during the 2020–2024 period show a pattern relatively similar to the trend in poverty percentages, but more clearly illustrate changes in the number of affected residents.

In 2020, the number of poor people reached 730,420 people. This figure increased in 2021 to 747,120 people, in line with the weakening of economic activity due to the COVID-19 pandemic, which resulted in decreased household incomes and reduced employment opportunities.

In 2022, the number of poor people began to decline to 737,000, indicating an economic recovery in several labor-intensive sectors such as agriculture, trade, and MSMEs. The downward trend in the number of poor people continued in 2023 to around 725,000, and then declined again to 715,440 in 2024. This decline demonstrates that post-pandemic economic recovery has had a direct impact on community well-being, particularly among low-income households dependent on the informal sector and local productive sectors.

In line with the findings of [10], the decline in poverty is usually more rapid when labor-intensive sectors experience increased activity, as these sectors absorb a wider workforce than capital-intensive sectors such as mining. This pattern is also reflected in NTB, where employment in the local sector contributed more to poverty reduction than growth in the mining sector, despite the mining sector's significant contribution to export value.

Overall, the trend in the number of poor people in NTB indicates that **local economic recovery** is the primary factor driving the decline, not increased exports from the mining sector. This reinforces the conclusion that regional economic structure significantly determines how much the poor benefit from economic growth.

#### 4.3 The Relationship Between International Trade Development and Poverty in West Nusa Tenggara Province

International trade developments in West Nusa Tenggara Province indicate that export values experienced significant fluctuations during the study period. However, these changes in export values did not directly impact poverty reduction. This is primarily because NTB's primary export

commodities are dominated by the capital-intensive mining sector, which does not absorb much of the local workforce. This situation suggests that despite the increase in export values, their impact on community welfare, particularly for low-income households, is very limited.

According to [4], trade liberalization and increased exports can only contribute to poverty reduction if accompanied by growth in sectors capable of absorbing a broad workforce. This finding is relevant to the situation in West Nusa Tenggara (NTB), where high export values are not in line with improvements in community welfare due to the minimal linkage between the mining sector and local economic activity [4].

Furthermore, the decline in NTB's poverty rate in 2022–2024 was largely influenced by the recovery of activity in labor-intensive sectors such as agriculture, trade, and MSMEs. These sectors provide greater job opportunities and directly increase community income. This condition reinforces [1] finding that trade openness will only impact poverty reduction if economic growth flows to sectors directly related to the local workforce [1].

This section aligns with the general discussion that NTB's economic structure, which relies on mining commodities, means that high export values do not automatically translate into increased incomes. Therefore, the relationship between international trade and poverty in NTB can be categorized as indirect. Increased exports contribute to regional economic growth, but their impact on poverty reduction only emerges when that growth creates new jobs in sectors familiar to the local workforce.

Overall, it can be concluded that international trade plays a role in the NTB economy, but its impact on poverty reduction is limited without the support of productive sectors that absorb significant labor. Therefore, strengthening the linkages between the dominant export sector and labor-intensive sectors is necessary to ensure that the benefits of international trade can be felt more widely by the NTB community.

Table 1. Export and Import Levels of West Nusa Tenggara Province in 2020–2024  
(in USD)

Year	Export of goods and services abroad	Import of foreign goods and services
2020	8,954.78	4,106.17
2021	16,723.85	2,245.99
2022	43,537.92	3,272.33
2023	34,703.54	9,133.31
2024	30,880.17	8,754.25

Source: Badan Pusat Statistik NTB

Table 2. Development of the Poverty Level in West Nusa Tenggara Province 2020–2024

Year	Percentage of Poor Population (%)	Number of Poor People (Thousand People)
2020	13.82	730.42
2021	14.14	747.12
2022	13.94	737.00
2023	13.53	725.00
2024	13.32	715.44

Source: Badan Pusat Statistik NTB

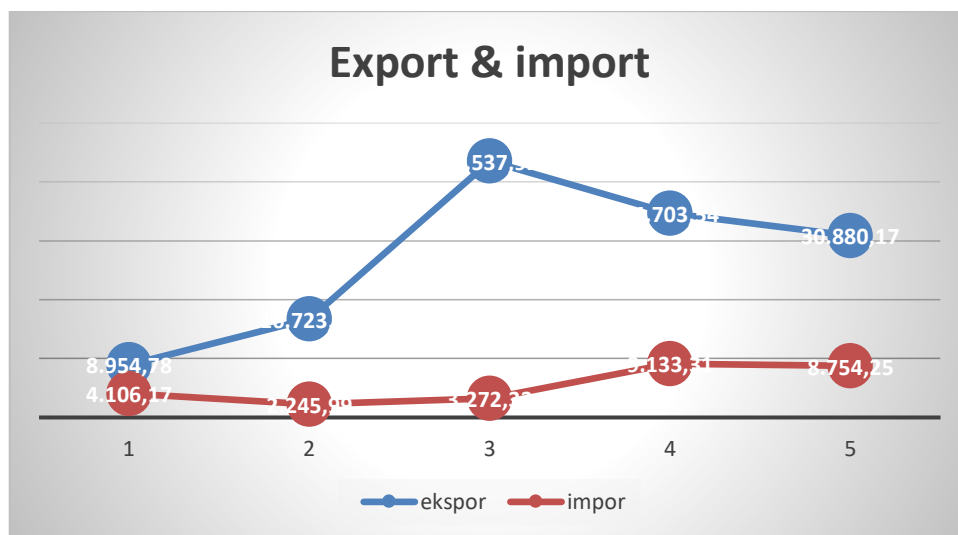


Figure 1. Export and import trends of NTB province

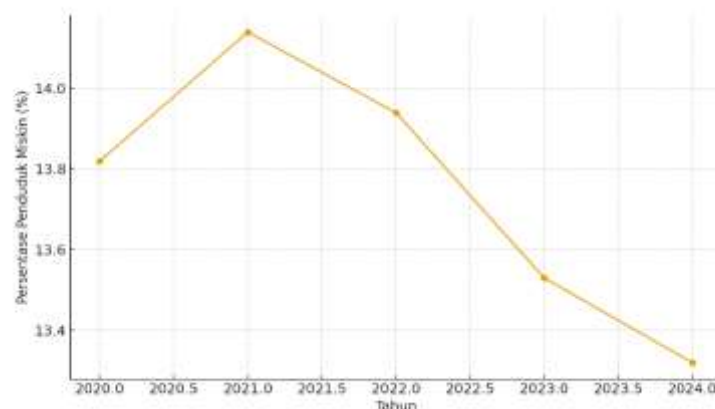


Figure 2. Trends in the Presentation of Poor Population in NTB Province

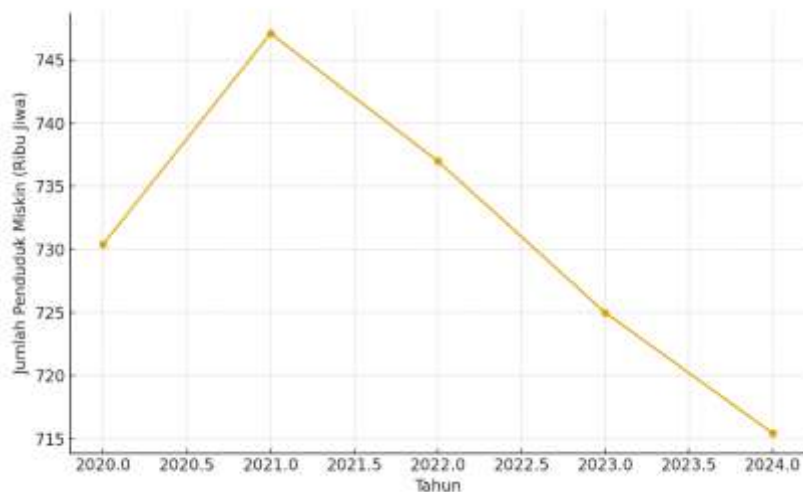


Figure 3. Trend in the Number of Poor People in NTB Province

## 5. CONCLUSION

The results of this study indicate that international trade in West Nusa Tenggara Province experienced significant fluctuations during the 2020–2024 period. The increase in export value in 2021–2022 was primarily influenced by capital-intensive mining commodities, making NTB's export movements highly sensitive to changes in global prices. Despite a decline in 2023–2024, NTB still recorded a trade surplus overall.

The welfare of the people of West Nusa Tenggara (NTB), as measured by the poverty rate, showed a downward trend after 2021. This decline is closely linked to the post-pandemic economic recovery process, particularly through the strengthening of labor-intensive sectors such as agriculture, trade, and MSMEs, which absorb a large local workforce. Therefore, improvements in the welfare of the people of West Nusa Tenggara are driven more by domestic economic activity than by the mining sector, which dominates exports.

The relationship between international trade and the well-being of the people of West Nusa Tenggara (NTB) is indirect. High export values from the mining sector cannot automatically reduce poverty levels due to the sector's minimal contribution to employment. The impact of international trade will only be felt by the community if the

resulting growth flows to labor-intensive sectors directly related to the community's economic life.

Overall, this study confirms that the role of international trade in improving the welfare of the people of West Nusa Tenggara (NTB) remains crucial, but requires support in the form of strengthening productive sectors capable of creating jobs. The local government needs to strengthen the linkages between the mining sector and other economic sectors so that the positive impacts of international trade can be felt more widely by the community.

## ACKNOWLEDGEMENTS

Based on the results of research on the development of international trade and the dynamics of poverty in West Nusa Tenggara Province, several suggestions that can be given include:

1. **Regional governments need to strengthen labor-intensive sectors** such as agriculture, trade, tourism, and MSMEs. These sectors have proven to have a more direct impact on increasing community incomes, so they need to be encouraged through training, access to capital, and market expansion.
2. **Economic and export commodity diversification is**



**necessary** to reduce dependence on the mining sector. Dependence on a single, capital-intensive commodity means the impact of international trade is not felt equally by society. Diversification will open up new export opportunities in the agriculture, fisheries, and creative industries sectors.

3. **The government and businesses need to build stronger links between the mining sector and the local economy**, for example through increased use of local labor, collaboration with MSMEs, or the development of downstream industries. This linkage is crucial to ensure the added value of

**international** trade flows more widely to the community.

4. **Empowerment programs for the poor need to be expanded and more precisely targeted**, especially in areas with high poverty rates. Empowerment can be achieved through improving job skills, strengthening financial literacy, and providing access to productive business opportunities.

**Regional governments need to improve the quality of data and monitoring of the regional economy**, particularly regarding export performance, MSME development, and labor market conditions. Accurate data will help formulate more effective policies to reduce poverty.

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