

ABSTRACT

This study investigates whether financial inclusion reduces energy poverty in Indonesia, using 2021 National Socioeconomic Survey (Susenas) and the Village Potential Survey (Podes) data aggregated at district (kabupaten) level. By combining household- and village-level data, the analysis captures both socioeconomic characteristics and contextual factors. A probit regression model with marginal odds ratios is applied to estimate the strength and direction of the associations. Although the analysis is observational and does not imply causality, the results indicate that financial inclusion significantly reduces the likelihood of households experiencing energy poverty. Heterogeneity analysis shows that the effect is more pronounced among rural households, female-headed households, those with lower educational attainment, and particularly among self-employed households. These findings suggest that financial inclusion can be an important policy tool to improve energy access, particularly when tailored to demographic, occupational, and regional differences.

Keywords: financial inclusion, energy poverty, probit model, Indonesia, Susenas, Podes, district-level analysis.