

ABSTRACT

Program Keluarga Harapan (PKH) is a conditional cash transfer program from the government that serves as a human capita investment and provides social protection for poor households. The goal of PKH is to improve the ability of impoverished households to access healthcare, education, and a decent living, thereby contributing to the improvement of household human resources. Improper utilization of the social assistance by households may reduce the expected success of the program's output. Cigarettes as a harmful and non-beneficial item, are closely linked to the consumption patterns of poor households. This study analyzes the impact of PKH on cigarette consumption among poor households receiving PKH. Using the Difference-in-Difference (DiD) and Propensity Score Matching (PSM) methods, the study finds that PKH significantly increases cigarette consumption, as measured by household cigarette expenditures. However, it does not significantly increase the number of cigarette sticks consumed by households.

Keywords: *Cigarette Consumption, Cigarette Expenditure, Program Keluarga Harapan, Conditional Cash Transfer.*

