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## **The Influence of Government Expenditure and Regional Economic Growth on The Human Development Index in Districts and Cities In Jambi Province 2019-2021**

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### **ABSTRACT**

*This research aims to analyze how much influence regional government spending and economic growth have on the human development index in districts and cities in Jambi Province. The data used is Time Series data for the 2019-2021 period. This research was conducted using quantitative methods using panel data regression analysis. The data came studied from 11 regional governments (districts and cities) located in Jambi Province over a period of 3 years (2019-2021). This data was obtained from the district and city Central Statistics Agency and from several related agencies. The data was then analyzed using the multiple regression method. Data calculations in this research used the SPSS program. The research results show that the regional government expenditure variable (X1) does not have a positive and significant effect on the human development index in districts and cities in Jambi province. Meanwhile, the economic growth variable (X2) also does not have a positive effect on the district and city human development index in Jambi province.*

*Keywords: Regional spending, economic growth, and Human Development Index (HDI)*

### **INTRODUCTION**

Human development is defined as expansion of more choices wide for population, via effort empowerment that focuses on improvement ability basic, so they can fully participate in all field development. In between various choice This is a very important aspect is own age long and healthy, have good knowledge, and have access to source power required for life in a way worthy (Todaro, 2011: 87).

Success development and prosperity humans, UNDP has set A so called indicators Human. Development Index (HDI). HDI is something index combined which is based on three indicators main, namely: Expectation figures live in the moment birth (Life Expectancy At Birth), which measures health society. Literacy rate letters in the population adults (Adult Literacy Rate) and average years of schooling (Mean Years of Schooling), which measure level education. Ability Power purchase (Purchasing Power Parity), which measures standard

life society (BPS, 2017). With using IPM, we can describe and monitor development development man a country or region.

The obligation area in Budget Regional Revenue and Expenditure (APBD) is base management finance area for One year budget, which is ongoing start January 1 to December 31. APBD is document planning and control finance government governing area income will be earned and what to spend done for reach objective development and prosperity society. (BPS, 2017). Law no. 32 of 2004 concerning Regional Government provides authority more to government area for manage finances and resources Power in the region. With exists Good and transparent APBD management will support effort government area in increase quality service public, infrastructure, as well empowerment public for reach objective development more human good (BPS, 2015a).

In priority shopping, increase development man will also increase the level well-being society. Enhancement development man can observe from big, small HDI. If the HDI experiences improvement, then can allegedly that level well-being society will too experience increase. If the level of well-being of the public increases, in turn poor people become the more reduce Good from facet amount nor quality (Widodo et al, 2011: 5). If seen based on achievement of Provincial HDI Jambi, as long as period this time 2007-2018 describes the Provincial HDI jambi Keep going experience enhancement However the numbers Still relatively lower compared to National HDI figures (Provincial BPS Jambi, 2021).

According to studies that have been carried out by Winarti, shopping economy has contributed positive in push development people and growth economy, shopping health contribute to development people, shopping education contribute in push growth economics, however own no impact significant to development human. The research results also show exists a reciprocal relationship between growth economy with development humans (Winarti, 2014: 5). One frequent problem that arises related to quality shopping area is lack of quality planning area. Several influencing factors quality shopping area covers Human Resources (HR), Natural Resources (SDA), factors policies, and commitments from government area That Alone For prioritize interest the public, especially those related with development humans (BPS, 2015c).

Based on condition that, then researcher interested In stage study scientific with title “Influence Shopping Government and growth Regional Economy Against Human Development Index in districts and cities in Jambi Province 2019-2021”.

## **METHOD**

### **Types and Sources of Data**

from the data used in study This is Secondary Data which means the data has There is previously and collected by other parties for objective other. Secondary data used covers information about shopping education, shopping health, shopping economy, growth economy, and the Provincial Human Development Index (HDI) Jambi

Data used in data panel form, which is combined from time series data (a series of data collected from time to time) for the 2019-2021 period and cross section data (collected data from various Regency /City) Jambi Province. In research this, that data was used for seeing relationships and trends along time as well as difference between internal regions matter shopping education, shopping health, shopping economy, growth economics, and HDI.

### **Analysis Method**

In research this, is used method regression multiple for now influence shopping education, shopping health, and shopping economy to Human Development Index (HDI) in the province Jambi. Regression method multiple is method involving statistics One variable response (IPM) and some variable free (shopping education, shopping health, shopping economy and growth economy). Deep data processing equality regression done use Ordinary Least Square (OLS) method or Little Squares Method. This method aims For find the most suitable regression model with data and for test hypothesis about connection because consequence between the variables studied based on the data obtained.

In research this, is used method panel data analysis for analyzing regression data multiple. Panel data is combined from time series data (a series of data from time to time) and cross section data (data from various Regency /City) which combines aspect time and space. Device programs Microsoft Excel and SPSS software are used as tools to help in analyze data and calculate results from equality regression. This panel data analysis method expected can give systematic, current and accurate understanding about the influence of shopping government and growth economy to Human Development Index in Jambi Province. With the use of statistics this, research will look for relationships and patterns that can give relevant implications in overcoming problem development in the region. As for the stages from Multiple linear tests are (1) descriptive data test, (2) validity and reliability test, (3) testing Data normality, (4) data multicollinearity test, (5) data heteroscedasticity test, (6) T test and (7) F test.

## **RESULT AND DISCUSSION**

### **Normality Test**

Normality test done to use see variables studied in normal condition or not normal. One Sample Kolmogorv Test Sminov Test will find out the data used is normal or not normal. From the processed data carried out, the state that normally distributed is seen from significant residuals that exceed 0.05. So that obtained mark Asymp sig. (2-tailed)  $0.21 > 0.05$ . Based on the results obtained show that study This normally distributed.

**Multiple linear regression**

**Tabel.1 Multiple linear regression**

	Unstandardiz	Std.	Standardize					Collinearity
		Erro	d					
nomi	-	.70	-	-	.73			.98 1.01

**Simultaneous Hypothesis Testing**

From the SPSS output above show so mark significant a number of  $0.794 < 0.05$  and for calculated F value  $4.952 > F$  table 4.12. Show that all over variable free level shopping government and growth economy No influential simultaneous to the dependent variable that is Human Development Index.

**Partial Hypothesis Testing**

The t test was tested to prove exists influence or No influence between variable free level shopping government and growth economy to variable bound Human Development Index in a way partial.

1. Regional Shopping

Based on the SPSS output, the t count is obtained of  $-1.075 < 2.446$  as well mark significant  $0.539 > 0.05$ . Then show shopping area No influential significant and positive to index development human.

2. Growth economy

Based on the SPSS output, the t count is obtained equal to  $0.732 < 2.446$  as well mark significant  $0.772 > 0.05$ . Then show growth economy No influential significant and negative to index development human.

**1. Influence Regional Expenditures towards index development man.**

One component forming the HDI is standard life worthy. Standard life worthy describe prosperity enjoyed by society as impact from getting better economy. Realization shopping area according to function economy felt need in frame increase standard life worthy. Minimal influence Capital Expenditures against HDI in study This show exists possibility implementation Insufficient capital expenditure appropriate target. Therefore, That government should can optimizing Available capital expenditure for development impact positive to public wide like development infrastructure public, no only drained For government internal capital procurement area just.

This result in line with study Komariah et al. (2019) and Prihastuti (2018) are

interesting conclusion that capital expenditure is not own effect significant on HDI and even effect negative and significant towards HDI (Pradana, 2018). Deswanto et al. (2017) researched all over type shopping area, with results shopping employees and shopping grant have effect positive However No significant on well-being society. Temporary shopping goods and services, have effect negative and significant as well as shopping help social own effect negative as well as No significant on well- being society Priambodo & Noor (2016).

There is results of a study stated shop on function education effect positive as well as significant towards HDI proposed by Syamsuri & Bandiyono (2018), Astri et al. (2013), Kahang et al. (2017), Palayukan (2019), and Hadinata et al. (2020). Another study that examines shopping local government according to the type produce conclusion that capital expenditure has effect positive and significant towards HDI as proxy from level well-being community (Sita, 2016; Deswanto et al. 2017; Utami & Indrajaya , 2019; Priambodo & Noor 2016; and Nisa & Handayani , 2021).

## **2. Influence Growth economy to index development human.**

GRDP or growth economy No influential significant to HDI value. Although number growth economy Districts /Cities in Jambi Province increased in a way significant but No influential to index development human Province GRDP Value Jambi continues increase the precisely accompanied with increase amount poor people Connection between growth economy and development man in a way empirical proven No nature automatic . Economic Growth in districts and cities in the province Jambi No influential to HDI, because No There is equality income that causes creation field work new, so Lots communities in villages in the province still jambi unemployed.

This result in line with research by Imelda (2023) growth economy No own influence to ipm and Also supported by international research according to Noor Hashim Khan et al (2018), research title “Impact Modeling economic growth and terrorism on the human development index: Pakistan case study” Results This research shows that economic growth does not contribute to development humans in Pakistan. Strengthened with WW Rostow's theory assumes that growth economy will create as consequence from emergence A fundamental change, isn't it? just in pattern activity economy.

Research results This No in line with base theory put forward by Professor Kuznet where one characteristics growth modern economy is its height per capita output growth (Todaro, 1997). However, results study This different with that done by Patta who shows that influence growth economy on HDI in South Sulawesi, can said influential positive and significant.

## **CONCLUSION**

From the results studies and studies about How influence shopping government and growth economy to the HDI in Jambi Province in the range time 2019 to 2021, then obtained conclusion that shopping government No have influence significant to Human

Development Index in Jambi Province. Whereas growth neither does the economy own influence is significant on the Human Development Index in Jambi Province. In allocation shopping area, expected government area Regency /City Province Jambi can give more allocation big in the field economy for possible activities lower number poverty, Open Unemployment Rate (TPT), as well as enhancement empowerment future economy can increase the HDI in the Province Jambi. Apart from that growth the economy hasn't either give convincing contribution to HDI either. Growth increasing economy Not yet can push increase in HDI causes variable growth economy more Lots explain income national while the IPM explains number hope life, level education and standards life life worthy.

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