

ABSTRACT

The Environmental Quality Index (EQI) is a form of instrument to look at environmental quality which consists of aspects on water quality, air quality, and land cover quality issued by the government carried out by the Ministry of Environment and Forestry. The Human Development Index (HDI) is used as an instrument in viewing development in a country or region. environmental management power is seen in five aspects, budget, institutions, human resources, regional regulations, and facilities. Environmental conditions that have decreased in quality have had a negative impact on life, such as climate change, clean water crisis, subsidence of the soil surface, to natural disasters and many other consequences of environmental damage.

Sustainable development initiatives incorporate economic, social, and environmental considerations into development plans. Hence, this study involved the BPS Measurements Indonesia information for dissecting the causality between economy, climate, and human advancement in 33 areas of Indonesia, from 2014 to 2019. The results demonstrate that HDI and EQI have a positive simultaneous relationship when the simultaneous equation of the panel data (2SLS) method is used. The Factors that impact natural quality are financial development, HDI, A majority rules system List, and ecological buget, while in human improvement are monetary development, EQI, and neediness, and schooling. Human improvement has a major commitment to the execution of natural quality in Indonesia.

Key words: HDI, EQI, Simultan Equation, and 2SLS.