

ABSTRACT

Human Development Index is an index used to measure success in efforts to build the quality of life of the community. As the center of government and economic activities, human resources in Java Island are required to have good quality in order to have a high level of productivity so that they can make a major contribution to the regional and national economy. In fact, East Java Province has the lowest Human Development Index compared to other provinces in Java Island and even below the National HDI.

This study aims to analyze the effect of government spending on the education sector and health sector; gross regional domestic product, population density, unemployment rate and poverty rate on the Human Development Index (HDI) in the Regency / City of East Java Province. This study uses panel data from 2017 to 2022 in all districts and cities of East Java Province. The analysis method used in this research is panel data regression with random effect model (REM).

The results showed that government expenditure in the education sector, government expenditure in the health sector and population density had a positive and significant effect on HDI achievement. Meanwhile, the unemployment rate and poverty rate have a negative and significant effect on HDI achievement. Gross Regional Domestic Product (GRDP) has no effect on HDI achievement.

Keywords: human development index, government expenditure, GRDP, population conditions