ABSTRACT

Human development has a definition as the process of developing human resources of higher quality and quality. The human development perspective is formulated as a process of clarifying the choices of people which is seen as expanding choices and increasing the level of human welfare. This research intends to analyze the influence of realized government spending on human development in the Eastern Region of Indonesia in 2016-2021. The independent variables used in this research are realized education spending, realized health spending, income inequality and GRDP per capita, while the dependent variable used is the human development index (HDI). This research uses panel data with the best selection model, namely the random effect model (REM).

The results show that the variables of realized education expenditure, GDP per capita and income inequality have a significant influence on HDI. Realized education spending and GRDP per capita have a positive relationship with HDI, while the income inequality variable has a negative relationship with HDI. On the other hand, the health expenditure realization variable has a positive and insignificant influence on HDI. The uneven level of human development in Indonesia causes differences in the influence on the quality of human resources in the Eastern Region of Indonesia and the Western Region of Indonesia. This is due to uneven development and adequate infrastructure, which causes inequality in the quality of human resources.

Keywords: Human development index, realization of education spending, realization of health spending, income inequality, GDP per capita