

ABSTRACT

Development is a multi-dimensional process that encompasses a variety of changes in social order, societal attitudes, and national institutions. Development also aims to accelerate economic growth, address income inequality, and eradicate poverty. Human capital is a key measure of successful economic development. United Nations Development Programme (UNDP) has released an indicator, the “Human Development Index”, to assess the achievements of a country or region in terms of development and human welfare. There are many variables that can affect an individual's capacity to achieve a more prosperous life, including financial, social, and ecological elements. This study aims to analyze the effect of poverty rate, economic growth and stunting cases on the Human Development Index in Indonesia.

This study uses cross section data on 34 provinces in Indonesia and annual time series data during 2020-2022. The data used is secondary data taken from the Central Bureau of Statistics and the Ministry of Health of the Republic of Indonesia. The analysis method used is panel data regression analysis with the best model is random effect model.

The results showed that together the variables of poverty rate, economic growth and stunting cases affect the human development index in Indonesia. Partially, the variables of poverty rate and stunting cases contribute significantly negatively to HDI, while economic growth, on the other hand, has a significantly positive effect in increasing HDI.

Keywords: Poverty, Economic Growth, Stunting, Human Development Index