

## **ABSTRACT**

*The low quality of human resources is a major problem in Indonesia. The quality of human resources in Indonesia is still low, as indicated by Human Development Index (HDI) which ranks 113st out of 188 countries and in position 5 th of the 11 ASEAN countries. When seen from the number of allocations issued by the government of Indonesia, particularly in education and health sectors year to year showed anincreasing trend. Low Human Development in Indonesia may caused by the high number of poor people in Indonesia .*

*The purpose of this research is to analyze the factors that influence to HDI in Indonesia. In analyzing this research, the writer used is multiple linear regression analysis using the simplest least square method (Ordinary Least Square (OLS) with a fixed effect model. The data used is panel data for 2010-2018.*

*The results of this study are that the variable government expenditure on education and health has a positive and significant effect on the variable Human Development Index in Indonesia. The level of poverty also has a positive and significant effect on the Human Development Index. This shows a decrease in the number of poor people increased the Human Development Index in Indonesia in the period 1998-2018.*

***Keywords: Human Development Index (HDI), government expenditure on education, government expenditure on health, and poverty.***