

ABSTRACT

According to the UNDP Human Development (United Nations Development Programme) is a process to expand the choices for the residents. When referring to these terms, then the population has become the ultimate goal of development, while development efforts are the means (principal means) for the purpose. The growth rate Human Development in Central Java are relatively low when compared with other regions of Java island, but when seen from the number of allocations issued by the regional government of Central Java, particularly in education and health sectors year to year showed an increasing trend. Low Human Development in Central Java this is caused by the high number of poor people in Central Java .

The objectives of this study was to determine the influence of factors of government spending in education and health sectors as well as the number of poor on the Human Development Index in Central Java. The method used in this study is panel data with fixed effects approach (fixed effect model), and using secondary data types. The use of dummy regions in this study was to see variations in the level of poverty in 35 districts / cities in Central Java.

Adjusted R^2 is high at 0.983469. While the results of this study is that a variable number of poor people, government spending on education significantly influence human development variables, while the health sector expenditure variable does not significantly influence human development.

Keywords: Number of Poor People, Education Sector Public Expenditure, Government Sector Health Expenditure, Human Development Index