

ANALYSIS , FACTOR , FACTOR , WHICH , MEMIMPRESII , DEVELOPMENT INDEX HUMAN IN INCREASING GROWTH EKONOI INDONESIA IN NORTH SUMATRA

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ABSTRACT

It aims to establish the human development index in North Sumatra based on the facts and assessments conducted. The kind of data utilized in this study is quantitative data and the data delivery is secondary data received from the North Sumatra Province's Central Bureau of Statistics. This research employs panel data which is a combination of Time Series and Cross Section data for the period 2015-2020. According to Capita the factors considered include the rise in Economic Growth Poverty and Direct Expenditure. The Fixed Effect Model (FEM) and Eviews 10 with an estimating tool are used in this study's analytical technique. Which has a regression stop end result showing that Economic Growth has a widespread negative impact on the Human Development Index Poverty has a widespread negative impact on the Human Development Index and Direct Expenditures per Capita has a widespread positive impact on the Human Development Index. Then there's a link between the Human Development Index and Economic Growth Poverty and Direct Expenditure in Line with Capita.

Keywords: *North Sumatra Province, Human Development Index, Economic Growth, Poverty, Direct Expenditure per Capita*

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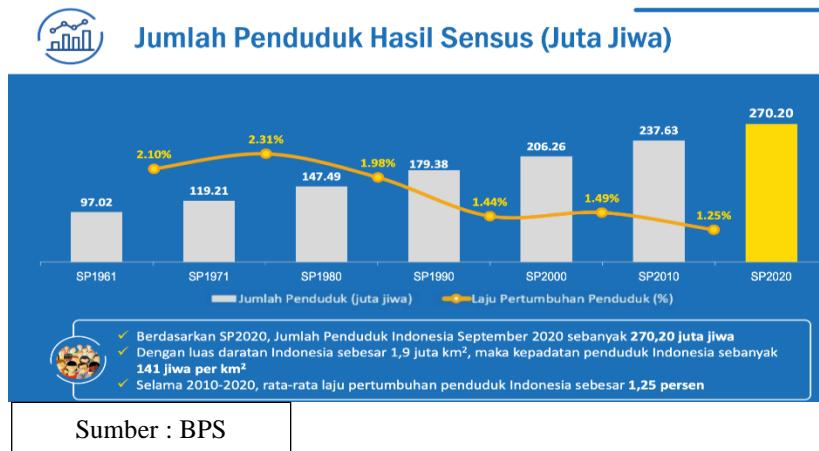
INTRODUCTION

In simple terms, improvement can be interpreted as an effort or procedure that can trigger change. This repair procedure covers all aspects of people's lives, including aspects of finance, politics, social and culture. Economic improvement is the procedure of changing the situation for the better for prosperity and improvement and prosperity for the better. In the discourse of economic improvement, financial improvement is similar to creating, maintaining and growing state revenues in general. The financial boom is an indicator of overall financial capacity both at the national and regional (regional) levels.

According to Todaro (Yunitasari, 2007) financial boom is a procedure in which the level of the financial system will increase from time to time to obtain a better level of income. Indonesia's financial boom fell with 3% use-aid from 6% to 3% between 2010 and 2020.



financial improvement because it measures the level of physical and spiritual satisfaction of the community, especially indicators of educational and financial health levels (Suliswanto M. SW, 2010). As a result, humans are seen as a true source of prosperity and nation building. The ability of society to capture and process the supply of financial growth related to each age and company with the aim of achieving financial growth is mainly determined by the level of human progress that continues to develop.



The economic boom is considered as one of the maximum vital signs in conducting an overall capacity assessment in the monetary system the main problem is to examine the effects of monetary improvement efforts that have been carried out through the countryside or regions. . If the product production and supply will increase from the previous year to the modern year it continues to increase. The economic boom will show how monetary entertainment will generate network profits in a positive period. An economic system is considered to be experiencing a boom if all actual wages for the use of manufactured goods in a given year are more than in the previous year. The indicator used to measure the

monetary boom is the price boom of the Gross Regional Domestic Product (GDP) which is based entirely on regular prices (Dewi & Sutrisna, 2015).

Kuznets describes monetary growth as an increase in the long-term potential in rural areas for various commodities and services (Yunitasari, 2007). Todaro (2003) states that things that can increase monetary growth can be implemented in three basic components. The first is capital accumulation which includes a new type of investment in the field of body electronic land and human capital which is also known as human resources. Second, with the increase in population, the rate of labor will increase. The three technological advances may be able to improve traditional labor techniques (in Pambudi 2013). Long-term increases in rural finance can be supported by an increase in the stock of physical capital and more employees but also by growing the first level of human capital which has a major impact on increasing the first level of employment and using more and more emerging technical developments. . Human development can be achieved by improving many aspects of human life, the most important of which is the development of human resources, especially the range of training and respectable lifestyles. BPS has designed a popular metric to measure the improvement of relevant human resources known as the Human Development Index (HDI) or Human Development Index (HDI) to publish it (HDI).

From the results of the Population Census in September 2020, Indonesia's population is estimated at 270 million people. In 1961 Indonesia conducted its first population census and the population continues to increase every year. From the results of the 2020 Population Census it is known that there may be a further population of around 56 million from these results also obtained within 10 years or an average of 26 million humans every year throughout the year. 2010 to 2020. The price of population growth in Indonesia for 10 years from 2010 to 2020 reached an average of 1 25% according to the year. This percentage decreased compared to the increase in population prices in the previous 10 years from 2000 to 2010 of 1 49%.

The cost of offering the assets needed for human progress will increase as the economy grows. Growing assets with good asset allocation and a much wider distribution of opportunities especially on activity opportunities will encourage people to push higher and better. On the other hand the growth in the number of individuals leads to a twofold increase in the amount of money available. The excessive level of human development has a major impact on the capacity of society to understand and manipulate financial enhancement assets both in the era and in the company as the main technique for promoting financial development.

DKI Jakarta Province got the highest score in the Human Development Index 80 76, while the use of aid from Papua Province got the lowest score 60 84. The completion of the Human Development Index for Papua Province has changed its reputation from bad to light because last year, although it was only kilometers but below. North Sumatra's human development continues to increase from year to year, ranking twelfth with a Human Development Index of 71 74. This number is added with assistance for the use of 0 56 percent which is an increase of 0 79 percent compared to 2018.

North Sumatra has a much higher human population than many other provinces in Indonesia. However, in North Sumatra, it can be seen that every district/city has better human resources. Today's challenge is not only the Human Development Index but also inequality

because the Regency/City Human Development Index in North Sumatra is not light with certain extremes and moderates. Why is it so difficult to improve the standard of living in the Districts/Cities of North Sumatra and does the monetary growth of poverty and direct per capita expenditures have an impact on the human development of each Regency/City Area? The author is interested in seeing how big the impression of monetary growth in poverty and direct expenditure per capita on the human development index based on the description. For this reason, this research takes the title "ANALYSIS OF FACTORS THAT IMPRESSION THE HUMAN DEVELOPMENT INDEX IN INCREASING INDONESIAN ECONOMIC GROWTH IN NORTH SUMATRA PROVINCE".

METHOD

With this, the researcher will analyze the factors that influence the Human Development Index in Improving Indonesia's Economic Growth in North Sumatra Province secondary data was used in this study, as well as panel data analysis. Using panel data has two advantages (Verbeek in Firdaus 2018), namely: The number of observations increases when time series and cross-section data are combined in panel data.

Reduces the possibility of identification errors. Panel data is superior in detecting and assessing impacts that cannot be addressed using time series or cross sections alone. Individual heterogeneity can be controlled using panel data.

The panel data used in this study is a mixture of time series data from 2017 to 2020 and a cross section of 33 districts/cities in North Sumatra collected from the Central Statistics Agency (BPS) of North Sumatra.

RESULTS AND DISCUSSION

Gross Domestic Product (GDP) is a measure of the government's success in utilizing existing resources, and can be used for planning and decision making. The greater the potential source of regional income, the higher the regional GDP will be. Based on GRDP at fixed prices, Indonesia's GRDP fluctuated from 2010 to 2019, and the COVID-19 outbreak drastically reduced Indonesia's GRDP to 2.07% in 2020. Between 2016 and 2020, Central and South Sulawesi contributed the most to GRDP Indonesia. For four consecutive years, these states together with Gorontalo have made the largest contribution to Indonesia's GRDP.

Therefore, if we look at the GRDP of the Indonesian state as a whole at a fixed price in 2000, it can be concluded that the GRDP can increase or the GRDP of each state of Indonesia can decrease. GRDP (Gross Domestic Product) is caused by several factors, including wealth in the form of economic resources (natural wealth) and the population's ability (HR) to use production technology and process regional wealth. The tendency to disperse GRDP control and uneven growth rates lead to uneven development between regions. In 2020 the GRDP of Indonesia and several other states experienced a decline but Central Sulawesi showed positive results.

North Sumatra's GRDP slowed 0.05 percent in the fourth quarter of 2020 compared to the third quarter of 2020. (q-to-q). From the production side, this was caused by the decline in the Agriculture, Forestry and Fisheries Business Fields by 2-10 percent. The export component of goods and services, which slowed by 259 percent, was the cause of the slowdown in spending. North Sumatra and Riau provinces will dominate the economic structure of

Sumatra Island in 2020. North Sumatra Province provides the largest contribution to the Gross Domestic Product of Sumatra Island (24.06 percent) followed by Riau Province (21.62 percent) and South Sumatra Province (13.60 percent).

There are several factors that contribute to the growth of a country. The Human Development Index is one that can be utilized (HDI). This indicator is used by Indonesia to assess the government's capacity and as a target for future national development goals. The HDI consists of three elements: the average age of the population, the average schooling, and per capita expenditure. If all three components have improved, progress has been made; however, it must be determined whether the objectives have been met and how important the development is. The increase in HDI in 2020 in Indonesia is due to an increase in the elements of UHH and aspects of education if one looks at the three aspects that make up the index. This year the UHH of the Indonesian people rose from 0-13 years to 71-47 years, up from last year's 71-34 years. In the last 10 years, the trend continues to increase. Indonesia's UHH figure in 2010 is still below 70 years.

From the analyzed data, we can see that the data can help us identify the impact of the PE variable on per capita income and the poverty level variable on the Human Development Index. Multiple linear regression analysis using views10 program. The results of multiple linear regression analysis and traditional acceptance tests from testing using the eviews10 program are as follows.

The value of the t statistic in the table can be determined by using a partial test (test) which is suitable for a significant level of 5%. It is possible to calculate all PE variables simultaneously using regression analysis. Variable Income per capita and Human Development Index Poverty Level of North Sumatra Province.

a. The results showed that the PE variable t count t table is the t count PE variable. Also, the significance of the t-test, which yielded 0.02 significance with a standard significance of 0.05, was clarified. The significant PE then decreased by 0.05. As a result, H_0 was rejected, while H_a was approved. Consequently, it can be concluded that PE has little impact on HDI in North Sumatra Province.

The t-count value of the poverty level variable is t-count t-table, according to the results of data processing. The significance of the significant t test is 0.0021, and the standard of significance is 0.05. So H_0 is rejected and H_a is accepted if the significance value of the poverty level is less than 0.05. It can be stated that the poverty rate in North Sumatra Province has a considerable impact on the human development index.

CONCLUSION

The Provincial Government of North Sumatra must cooperate with the Regency/City Government to further optimize capacity and realize the education budget in accordance with the provisions, namely 20% for quality improvement in the field of education such as providing adequate educational facilities for various types of educational assistance, both in the form of outstanding scholarships and scholarships for underprivileged communities, able to repair buildings and reorganize education.

Improving the Human Development Index in the districts/cities of North Sumatra through increasing public consumption through the People's Business Credit (KUR), the use of pre-employment cards and convenience for micro and small companies to obtain halal certification (UMK). Economic growth accompanied by equitable development is expected to

encourage equitable development in all districts/cities to achieve economic growth that is in line with human development.

The government should increase the budget content in order to offer more public goods and services in greater quantity and quality in districts/cities in North Sumatra Province in order to increase the Human Development Index.

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