



Government Investment in The Education Sector for Human Capital Development

Submitted: 7 January 2020

Accepted: 7 October 2020

Available Online: 30 October 2020

Muhammad Suhaili¹, Ani Widayati², Abdul Fatah³

^{1,2}Postgraduate School, Universitas Negeri Yogyakarta, Yogyakarta, Indonesia
muhammadsuhaili0324@gmail.com

³MTsN 1 Lombok Tengah, Kabupaten Lombok Tengah, Indonesia

Abstract

An indicator is considered more representative to be used as a benchmark for development, namely the Human Development Index (HDI). The Human Development Index is another alternative to the definition of development that it is not only economic resources as a means to achieve development goals. The government has made various efforts to improve the quality of education to develop quality human resources. One of the components in the education budget is the education budget through transfers to the regions and village funds. Transfers to regions and village funds consist of general allocation funds and special allocation funds. This study aims to examine the effect of the government's investment in the education sector through the education budget, particularly Special Allocation Funds-Physical (SAF Physical) and Special Allocation Funds-Non-Physical (SAF Non-Physical) on the Human Development Index (HDI). The study consists of two independent variables, i.e., Special Allocation Funds-Physical (SAF Physical) and Special Allocation Funds-Non-Physical (SAF Non-Physical), and one dependent variable: Human Development Index (HDI). The method used is a quantitative method with multiple regression analysis-ordinary least square (OLS). The data used is secondary data from the Central Bureau of Statistics/*Badan Pusat Statistik* (BPS) in 2010-2018. The results showed that Special Allocation Funds-Physical (SAF Physical) and Special Allocation Funds-Non-Physical (SAF Non-Physical) significantly influence the Human Development Index (HDI). The Special Allocation Funds-Physical (SAF Physical) has a negative and insignificant effect. In contrast, the Special Allocation Funds-Non-Physical (SAF Non-Physical) has a positive and significant effect on the Human Development Index. Therefore, the government is expected to increase educational investment by allocating more budgets on both physical and non-physical investment to improve the quality of Human Resources.

Keywords: human development index; SAF Physical; SAF Non-Physical

1. Introduction

Economic growth is one indicator to measure the success rate of a country's development. In many cases, researchers and experts use Gross Domestic Product (GDP) to assess economic growth. Economic growth can be determined by the increase in GDP regardless of whether the increase is more significant or smaller than the rate of population growth. It also does not factor in a change in the economic structure (Arsyad, 2016). Economic growth is also interpreted as a condition for improvements in the economy's number of goods and services (Sukirno, 2000). However, recent studies show that GDP is failing and can no longer be considered a reliable indicator in measuring economic growth (Haq, 1992; Khodabakhshi, 2011). Human Development Index (HDI) emerges as a new indicator that is considered more representable to measure development success. Human Development Index becomes another alternative definition of development, used to assess economic growth, and utilized as a means to achieve

¹ Corresponding Author: Postgraduate School, Universitas Negeri Yogyakarta, Yogyakarta, Indonesia
Email: muhammadsuhaili0324@gmail.com

development goals (Anand & Sen, 2000; Sen, 1998). The Human Development Index (HDI) was developed to emphasize that humans and all their abilities must become the main criteria in assessing the development of a country, not just economic growth (Arisman, 2018). Even more, human development must be a core consideration in developing a country (Sarkar, Sadeka, & Sikdar, 2012).

Empirically proven, not only does the development of Human Resources improve the quality of human resources at the individual level, but it also affects the state of socioeconomics on the national scale (Alhudori, 2017; Basri, Mayesti, & Nurdin, 2019; Febrianto, 2017; Wati & Sadjiarto, 2019). Research in several countries also shows that human development as measured by HDI affects other variables (Carneiro Pinheiro, Niederauer, & Vargas, 2014; Enefiok & Sunday, 2014; Gabriel, 2013). Therefore, investment in developing human capital cannot be underestimated. Human resource development must take precedence because change can only be done by people who have adequate integrity and quality. There are four elements in human development: *First, productivity*, namely increasing productivity. *Second, Of People*, namely equal distributiozn of population development, as well as population empowerment through investments in education, health, and other social services. *Third, for people*, namely empowering the population which can be done through job creation programs and expanding entrepreneurship opportunities. *Fourth, by people*, namely the empowerment of citizens by improving their dignity which can be gained through increased participation in political decision making and development processes (Faqihudin, 2010).

Human development can be obtained through education. According to the Law number 20 of 2003 concerning the National Education System states that "Education is a conscious and planned effort to create an atmosphere of learning and learning process so that students can actively develop their potential to have spiritual strength, self-control, personality, intelligence, honesty, and other skills that are needed for their self, society, nation, and country"(Legislation of the Republic of Indonesia, 2003). The expert opinion defines education as the influence, assistance, or demands given by those responsible to students (Ahmadi & Ubhiyati, 2007). Malcolm Knowles distinguishes between notions of education and learning. Education emphasizes that educators are agents of change who provide stimulation and reinforcement and design learning activities to achieve change in their students. While learning emphasizes someone who is expected to accept changes in behavior, knowledge, and skills (Knowles, 1986).

Education has a significant role in creating quality human resources since education is the basis of strategic human resource development (Ali, 2009; Idrus, 2012; Sudarsana, 2016). Therefore, the education sector must provide the best service by continuously improving the quality and quantity of education. Besides, the government must be able to provide equal access to education for all people. This is as mandated by Law Article 28C (1): "Everyone has the right to develop themselves through the fulfillment of his basic needs, the right to receive education and benefit from science and technology, arts and culture, to improve his quality of life for the welfare of humanity. "

The government has made various efforts to improve the quality of education to develop quality human resources. One of them is to increase government investment in the education sector by budgeting 20% of the total State Revenue and Expenditure Budget and Regional Revenue and Expenditure Budget in each region for the education sector. One component in the education budget is the education budget through Transfers to Regions and Village Funds. According to the Regulation of the Ministry of Finance of the Republic of Indonesia No. 48/Pmk.07/2019 concerning Management of Non-Physical Special Allocation Funds, Transfers to Regions and Village Funds are "part of the state expenditure allocated in the State Budget and Expenditures to regions and villages to fund the implementation of functions that have been mandated to the regions and village" (Ministry of Finance, 2019). Transfers to regional and village funds consist of general allocation funds and special allocation funds. This study discusses special allocation funds consisting of Special Allocation Funds-Physical (SAF Physical) and Special Allocation Funds-Non Physical (SAF Non-Physical).

The Regulation of Ministry of Education and Culture No.1 of 2019 concerning the Operational Guidelines for Special Allocation Funds-Physical in Education Sector stated that the SAF Physical in the education sector is intended to fund educational activities related to basic services that the government must carry out to meet the learning facilities and infrastructure standards of each educational unit according to with national education standards (Ministry of Education and Culture, 2019). This is done in accordance with Law No. 20 Article 45 (1) "Every formal and non-formal education unit provides facilities and infrastructure that meet educational needs following the growth and development of the physical, intellectual, social, emotional, and psychological potential of students" (Indonesian Government, 2003). Meanwhile, based on Ministry of Finance Regulation Number 48/PMK.07/2019 concerning Management of Special Allocation Funds Non-Physical Funds stated that SAF Non-Physical is "funds allocated in the state budget of revenue and expenditure to regions to help fund non-physical special activities which are regional affairs" (Ministry of Finance, 2019). Special Allocation Funds-Non Physical consists of professional allowances for regional civil servant teachers, additional salary for regional civil servant teacher basic income, special allowances for regional civil servant teachers in particular areas, school operational assistance, operational assistance for early childhood education, operational assistance health, family planning operational assistance, funds for increasing the capacity of cooperatives and SMEs, and population administration service funds. In 2019 there were four additional types of Non-Physical Special Allocation Funds, namely operational assistance in organizing equality education, operational assistance in organizing museums and cultural parks, tourism service funds, and assistance in the cost of waste management services (Pratama, 2019).

The government has allocated 20% for education, but it did not improve the condition of education in Indonesia. This can be seen from several aspects: first, there are still many educational facilities and infrastructure at an inadequate level and uneven in all regions. The data taken from the Ministry of Education and Culture shows that there were 90,749 heavily damaged classrooms and 60,760 damaged classrooms. It is also revealed that from 214,409 schools, only 144,293 schools had libraries, and out of that number, 77,750 were slightly damaged, 6,436 were seriously damaged, and 5,529 libraries were damaged. Furthermore, out of 214,409 schools, only 50,150 schools have science laboratories (Ministry of Education and Culture, 2018). *Second*, school participation rates are still low, especially at the university level. In 2018 the school participation rate (APS) aged 19-24 years was 24.29%, the university gross enrollment rate (APK) was 25.12%, and the college net enrollment rate (APM) was 18.59% (Central Bureau of Statistics Indonesia, 2019). *Third*, the poor quality of Indonesian education, based on the reading ability, mathematics, and science, ranked 10th among the lowest (OECD, 2019). *Fourth*, the quality of human resources is still low. In 2017 Indonesia ranked 6th out of 10 ASEAN countries and ranked 116th in the world (UNDP, 2017).

This study aims to examine the effect of the government's investment in the education sector through the education budget, particularly Special Allocation Funds-Physical (SAF Physical) and Special Allocation Funds-Non-Physical (SAF Non-Physical) on the Human Development Index (HDI).

2. Research Methods

2.1 Analysis Data

This research employs a quantitative approach with Multiple Linear Regression Analysis - Ordinary Least Square (OLS) with the help of the computer program EViews.10. The research variables consist of two independent variables: Special Allocation Funds-Physical and Special Allocation Funds-Non Physical in the education sector. The research utilizes Human Development Index (HDI) as the dependent variable, and the type of data used is secondary data (Figure 1). The data source comes from the Ministry of Finance for the period 2010-2018. Before conducting a regression test, the classic assumption test is performed, including normality test, autocorrelation test, heteroscedasticity test, and multicollinearity test. This research does not test the linearity assumption because this study does not intend to form a new Best Linear Unlimited Estimation model (BLUE model).

This research uses the regression equation to describe the relationship between the independent and dependent variables containing the constant value as written in equation 1

$$HDI = \alpha + \beta_1 X_1 + \beta_2 X_2 + \mu \tag{1}$$

Note: HDI = Human Development Index; X1 = Special Allocation Funds-Physical; X2 = Special Allocation Funds-Non Physical; μ = term of error; β = regression coefficient; α = constant

2.2 Hypotesis

Hypotheses are quick answers to research that must be proven. The hypothesis proposed in this study is: *H1: There is the Effect of Special Allocation Funds-Physical and Special Allocation Funds-Non Physical Simultaneously on the Human Development Index; H2: There is the Effect of Special Allocation Funds-Physical Partially on the Human Development Index; H3: There is the Effect of Special Allocation Funds-Non Physical Partially on the Human Development Index.*

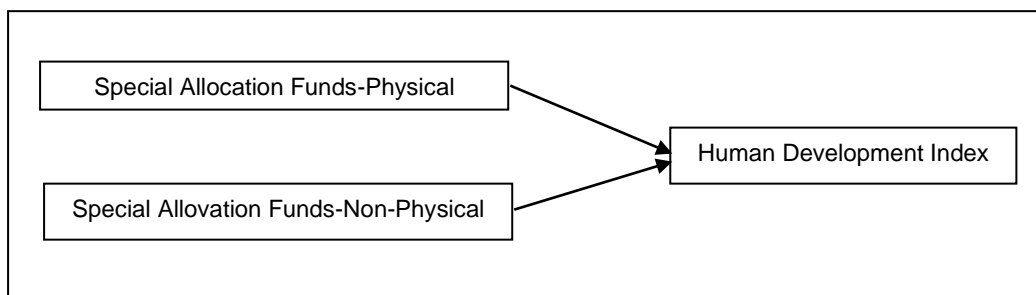


Figure 1. Analytical Framework

3. Result and Discussion

3.1 Normality Test

A normality assumption test is conducted to assess whether the data is normally distributed. The normality test is done by looking at the *Probability Jarque-Bera* value. If the *Jarque-Bera Probability* > 0.05, at $\alpha = 5\%$, it can usually be distributed. Based on the normality test results in Figure 2, the *Jarque-Bera Probability* value of 0.551942 > 0.05. It implies that the data is normally distributed, and the normality problem does not occur.

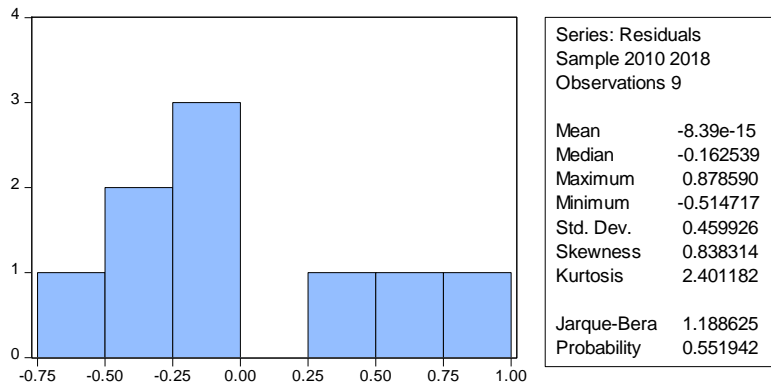


Figure 2. Normality Test

3.2 Autocorrelation Test

An autocorrelation test is performed to detect a relationship between variables in the model and the change in time. One method of autocorrelation is the Breusch-Godfrey Serial Correlation LM Test. If the Prob Chi-Square value < 0.05, autocorrelation occurs. Based on the autocorrelation test in figure 3, the Prob Chi-Square value is 0.1195 > 0.05. This signifies that the autocorrelation problem does not exist.

Breusch-Godfrey Serial Correlation LM Test:

Null hypothesis: No serial correlation at up to 2 lags

F-statistic	1.138545	Prob. F(2,4)	0.4061
Obs*R-squared	3.264858	Prob. Chi-Square(2)	0.1955

Figure 3. Autocorrelation Test

3.3 Heteroscedasticity Test

A heteroscedasticity test is conducted to test whether there is an inequality of variance from the residuals of one observation to another in the regression model. A good regression model is one where heteroscedasticity does not occur. Based on the results of the Heteroscedasticity test in figure 4 with the Breusch-Pagan-Godfrey Test, the Chi-Square value on Obs*R-Squared 0.5304 > 0.05. This implies that heteroscedasticity does not occur in the regression model in the study.

Heteroscedasticity Test: Breusch-Pagan-Godfrey

Null hypothesis: Homoskedasticity

F-statistic	0.492153	Prob. F(2,6)	0.6340
Obs*R-squared	1.268381	Prob. Chi-Square(2)	0.5304
Scaled explained SS	0.394940	Prob. Chi-Square(2)	0.8208

Figure 4. Heteroscedasticity Test

3.4 Multicollinearity Test

The researcher performs a multicollinearity test to detect whether there is a correlation or relationship between independent variables. If the Variance value is more significant than 10.00 it means that there is multicollinearity. Based on the multicollinearity test results in Figure 5 with the Variance Inflation Factors test, the Centered VIF Special Allocation Funds-Physical value is 1.136533 < 10.00 and the Special Allocation Funds-Non Physical 1.136533 < 10.00. This implies that the regression model in this study does not have multicollinearity.

The results of the classic assumptions above reveal that the Multiple Regression-ordinary least square (OLS) model in this study passed the assumption test to proceed to the multiple regression test to test the research hypotheses.

Variance Inflation Factors
 Date: 12/28/19 Time: 17:07
 Sample: 2010 2018
 Included observations: 9

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.861374	27.48658	NA
SAFPHYSICAL	5.65E-09	14.46657	1.136533
SAFNONPHYSICAL	4.11E-11	7.773117	1.136533

Figure 5. Multicollinearity Test

3.5 Results of Multiple Regression Estimates-Ordinary Least Square (OLS)

Dependent Variable: IPM
 Method: Least Squares
 Date: 12/26/19 Time: 14:36
 Sample: 2010 2018
 Included observations: 9

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	66.74243	0.928103	71.91277	0.0000
DAKFISIK	-0.000131	7.52E-05	-1.748643	0.1309
DAKNONFISIK	4.68E-05	6.41E-06	7.297005	0.0003
R-squared	0.925041	Mean dependent var		68.94000
Adjusted R-squared	0.900055	S.D. dependent var		1.679874
S.E. of regression	0.531076	Akaike info criterion		1.833379
Sum squared resid	1.692252	Schwarz criterion		1.899121
Log likelihood	-5.250207	Hannan-Quinn criter.		1.691509
F-statistic	37.02206	Durbin-Watson stat		0.780397
Prob(F-statistic)	0.000421			

Figure 6. Multicollinearity Test

3.6 Coefficient of Determination Test

The coefficient of determination is used to measure the model's ability to explain the variation of the dependent variable. The coefficient of determination is zero to one. If the *R-Squared* value is small, it signifies that the independent variable's ability to explain the variation of the dependent variable is minimal. If the *R-Squared* value is close to one, the independent variable in the model can explain the variation of the dependent variable very precisely. Based on the estimation results in Figure 6, an *R-Squared* value of 0.925041 is obtained. The meaning of 92.5% of the Human Development Index (HDI) variable can be explained by the Special Allocation Funds-Physical and Special Allocation Funds-Non Physical variables. The remaining 7.5%, explained by other variables not included in the analysis model of this study. The coefficient of determination test shows that government investment in the education sector through the Special Allocation Funds-Physical and Special Allocation Funds-Non Physical greatly influences human resource development. This fact shows that the government's steps support the development of human resources through special-physical allocation funds and special non-physical allocation funds.

3.7 Simultaneous Significance Test (F-Test)

A simultaneous significance test (F-Test) was conducted to determine the effect of the independent variables on the model together or simultaneously on the dependent variable. Based on the estimation results in Figure 6 with a 95% confidence level, an *F-statistic* value of 37.02206 and *Prob F-statistic* of 0.000421 < 0.05 are obtained. This result shows that, simultaneously, the Special Allocation Funds-Physical and Special Allocation Funds-Non Physical variables have a significant effect on the Human Development Index (HDI).

This implies that to improve the quality of human resources, the government must increase investment to finance education in the physical and non-physical development components in a balanced way. This is because the physical development of facilities and infrastructure will be in vain if it is not accompanied by a development in non-physical matters such as improving the quality of teachers and

other non-physical components. Development of the education sector in physical aspects such as school buildings will not significantly influence the increase of human resources if non-physical aspects do not accompany it. Meanwhile, those non-physical aspects support the direction of increasing human resources, such as improving the quality of human resources who carry out the teaching process of teaching staff and quality of academic and administrative services.

Previous research also shows that local government's spending on the education sector influences the Human Development Index; therefore, previous researchers suggested the government increase investment/budget in the education sector (Astri, Nikensari, & Kuncara, 2013; Baeti, 2013; Sanggelorang, Rimate, & Siwu, 2015). Moreover, the government's spending on the education sector improves the quality of human resources, but it also positively impacts economic growth (Laisina, Masinambow, & Rompas, 2015). The government's spending on the education sector and advancement in human resources have a positive relationship with economic growth. This happens because quality education will be created as the government increases investment in the education sector. Good quality education will support a good learning process that makes a quality educational output in the form of human resources. That said, quality human resources have high productivity. Accordingly, economists developed the theory of development based on the capacity of human labour's production in a development process, which came to be known as investment in human capital (Becker, 1975; Schultz, 1961). According to human capital theory, development process must have two conditions. *Firstly*, the efficient use of technology. *Secondly*, there must be human resources that manage and/or use technology. Human resources are produced through the education process, which causes human capital theory to believe that investment in education is an investment to increase community productivity which will have a positive impact on economic growth (Subroto, 2014).

H1 = There are effects of Special Allocation Funds-Physical and Non-Physical Simultaneously on the Human Development Index (ACCEPTED)

3.8 Partial Significance Test (t-Test)

Partial Significance Test (t-test) is performed to show the effect of each independent variable in explaining the dependent variable. The independent variables in the model are Special Allocation Fund-Physical and Special Allocation Fund-Non-Physical, whereas the dependent variable is the Human Development Index (HDI) with $\alpha = 5\%$. Based on the results of data processing in figure 5, the following equation is obtained:

HDI = 66.74243 - 0.000131 Special Allocation Fund-Physical + 4.68E-05 Dana Special Allocation Fund-Non-Physical.

Based on the partial significance test results, the *t-statistic value* of the Special Allocation Funds-Physical variable is -1.748643 with a *Coefficient* of -0.000131 and a *Probability value* of 0.1309 > 0.05. It can be concluded that the Special Allocation Funds-Physical has a negative and insignificant effect on the development of human resources with HDI as the indicator. This signifies that when the Special Allocation Funds-Physical increases, it does not significantly affect the Human Development Index (HDI). This happens because the quality and quantity of educational facilities and infrastructure are not evenly distributed throughout Indonesia. Some areas do not have adequate educational facilities and infrastructure, especially due to the imbalance quality of educational facilities and infrastructure on Java Island and other islands, cities, and villages outside of Java (Komisi X DPR RI, 2019). Based on the Ministry of Education and Culture data, 90,749 classrooms were heavily damaged, and 60,760 were damaged. Furthermore, out of 214,409 schools, 144,293 schools had libraries (77,750 lightly damaged, 6,436 heavily damaged, and 5,529 total damage). Besides, out of 214,409 schools, only 50,150 schools have science laboratories (Ministry of Education and Culture, 2018). Therefore, there needs to be an equal distribution of educational facilities and infrastructure so that everyone receives an education of the same quality.

H2 = There are effects of Special Allocation Funds-Physical Partially on the Human Development Index (REJECTED)

Furthermore, the Special Allocation Funds-Non Physical variable obtained a *t-statistic value* of 7.297005 with a *coefficient* of 4.68E-05 and a *probability* of 0.0003 < 0.05. Hence it can be concluded that partially the Special Allocation Funds-Non Physical variable has a positive and significant effect on the development of human resources with HDI as the indicator. This implies that as the Special Allocation Funds Non-Physical increases, the Human Development Index (HDI) will also increase. This proves that investments in education funding in the non-physical sector effectively build quality human resources. One of the investments is by improving the quality of teachers. Eminently, improving the quality of teachers is important because teachers are the spearheads in the education world since they directly interact with students. In this regard, Usman (2006) revealed that teachers are the estuaries in developing human resources and –educational innovation, and especially important in the resulting curriculum or the output of educational efforts (Usman, 2006). Therefore, the government must increase investment to finance the non-physical education sector to improve the quality of human resources.

H3 = There are effects of Special Allocation Funds- Non-Physical Partially on the Human Development Index (ACCEPTED)

4. Conclusion

The analysis and interpretation of the data show that both variables, the Special Allocation Funds-Physical and the Special Allocation Funds-Non Physical in the education sector, significantly affect the quality of human resources with HDI indicator. As for the partial or each variable individually, the Special Allocation Funds-Physical has a negative and insignificant effect on the Human Development Index (HDI). Meanwhile, the Special Allocation Funds Non-Physical variable has a positive and significant effect on the Human Development Index. These results show that a balance application between the Special Allocation Funds-Physical and Special Allocation Funds-Non-Physical is required to improve the Human Development Index. This means that if the government wants to increase HDI they must increase investments in education funding through regional transfer budgets and village funds, including Special Allocation Funds-Physical and Special Allocation Funds-Non-Physical in a balanced and consistent manner. The government must also pay attention to the equal distribution of education for each region so that there is no imbalance in quality and quantity between one region and another through various policies that encourage that goal.

Acknowledgment

We would like to thank the lecturer in economics education, Ani Widayati, S.Pd., M.Pd., Ed.D, who has given her guidance and expertise so that the writing of this article can be made possible. Also to the team behind this journal has provided the opportunity for researchers to share their studies.

References

- Ahmadi, A., & Ubhiyati, N. (2007). *Ilmu pendidikan*. Jakarta: Rineka Cipta.
- Alhudori, M. (2017). Pengaruh IPM, PDRB dan jumlah pengangguran terhadap penduduk miskin di Provinsi Jambi. *Ekonomis: Jurnal of Economics and Business*, 1(1), 113–124. doi:10.33087/ekonomis.v1i1.12.
- Ali, M. (2009). *Pendidikan untuk pembangunan nasional: Menuju bangsa Indonesia yang mandiri dan berdaya saing tinggi*. Grasindo.
- Anand, S., & Sen, A. (2000). Human development and economic sustainability. *World Development*, 28(12), 2029–2049. doi:10.1016/S0305-750X(00)00071-1.
- Arisman. (2018). Determinant of human development index in ASEAN countries. *Signifikan: Jurnal Ilmu Ekonomi*, 7(1), 113–122. doi:10.15408/sjie.v7i1.6756.
- Arsyad, L. (2016). *Economic development, Fifth Edition* (5th ed.). Yogyakarta: UPP STIM YKPN.
- Astri, M., Nikensari, S. I., & Kuncara, H. (2013). Pengaruh pengeluaran pemerintah daerah pada sektor pendidikan dan kesehatan terhadap indeks pembangunan manusia di Indonesia. *Jurnal Pendidikan Ekonomi dan Bisnis*, 1(1), 77–102. doi:10.21009/JPEB.001.1.5.
- Baeti, N. (2013). Pengaruh pengangguran, pertumbuhan ekonomi, dan pengeluaran pemerintah terhadap pembangunan manusia Kabupaten/Kota di Provinsi Jawa Tengah tahun 2007-2011. *Economics Development Analysis Journal*, 2(3), 85–98. doi:10.15294/edaj.v2i3.1984.
- Basri, H., Mayesti, I., & Nurdin, N. (2019). Analisis pengaruh UMP, inflasi, IPM, dan pertumbuhan ekonomi terhadap pengangguran di Provinsi Jambi. *Jurnal Development*, 7(1), 8–14.
- Becker, G. S. (1975). *Human capital: A theoretical and empirical analysis, with special reference to education*. 2nd edn. New Jersey: Princeton University Press.
- Carneiro Pinheiro, AC, Niederauer, JM & Vargas, D. (2014). Tendência secular de crescimento emestatura no município de florianópolis (SC), Brasil, E Sua Associação Com O Índice De Desenvolvimento Humano (IDH)/Secular growth trend in height in the city of Florianópolis (SC), Brazil, and its association with the human development index (HDI). *Ciência & Saúde Coletiva*, 19(1), 227–233. doi:10.1590/1413-81232014191.1913.
- Central Bureau of Statistics Indonesia. (2019). Indikator pendidikan. Retrieved December 29, 2019, from BPS website: <https://www.bps.go.id/statictable/2010/03/19/1525/indikator-pendidikan-1994-2018.html>.
- Enefiok, E. I., & Sunday, E. I. (2014). The impact of human capital development and economic empowerment on the socio-economic development of akwa ibom state, nigeria. *Global Journal of Human Resource Management*, 2(3), 37–44.
- Faqihudin, M. (2010). Human development index (HDI) salah satu indikator yang populer untuk mengukur kinerja pembangunan manusia. *Cermin*, (047), 1–16.
- Febrianto, R. (2017). Analisis pengaruh pertumbuhan ekonomi, belanja daerah, dan ipm terhadap ketimpangan pendapatan antar daerah di Provinsi Jawa Timur 2011-2015. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawjaya*, 5(1), 1–5.
- Gabriel, A. (2013). Trade liberalisation, economic growth and human resource development in Nigeria : Causal implications (1980-2009). *Journal of Economics and Behavioral Studies*, 5(10), 696–707. doi:10.22610/jeb.v5i10.443.

- Haq, M. (1992). *Human development in a changing world*. Retrieved from <http://hdr.undp.org/en/content/human-development-changing-world>.
- Idrus, M. (2012). Mutu pendidikan dan pemerataan pendidikan di daerah/Quality of education and regional educational equity. *Psikopedagogia Jurnal Bimbingan Dan Konseling*, 1(2), 1–10. doi:10.12928/psikopedagogia.v1i2.4603.
- Indonesian Government. (2003). *Undang-Undang Republik Indonesia Nomor 20 Tahun 2003 tentang Sistem Pendidikan Nasional*. Retrieved from https://kelembagaan.ristekdikti.go.id/wp-content/uploads/2016/08/UU_no_20_th_2003.pdf.
- Khodabakhshi, A. (2011). Relationship between GDP and human development indices in India. *International Journal of Trade, Economics and Finance*, 2(3).
- Knowles, M. (1986). *The adult learner: A neglected species USA, Third Edition*. Gulf Publishing Company.
- Komisi X DPR RI. (2019). Pendidikan Indonesia Belum Merata. Retrieved December 28, 2019, from Dewan Perwakilan Rakyat website: <http://www.dpr.go.id/berita/detail/id/24264/t/Pendidikan+Indonesia+Belum+Merata>.
- Laisina, C., Masinambow, V., & Rompas, W. (2015). Pengaruh pengeluaran pemerintah di sektor pendidikan dan sektor kesehatan terhadap PDRB melalui IPM di Sulawesi Utara Tahun 2002-2013. *Jurnal Berkala Ilmiah Efisiensi*, 15(04), 193–208.
- Ministry of Education and Culture. (2019). *Peraturan Menteri Pendidikan dan Kebudayaan Nomor 1 Tahun 2019 tentang petunjuk operasional dana alokasi khusus fisik bidang pendidikan*. Retrieved from <https://jdih.kemdikbud.go.id/laman/permendikbud-nomor-1-tahun-2019/>.
- Ministry of Education and Culture. (2018). *Rangkuman statistik persekolahan 2017/2018* (pp. 1–121). pp. 1–121. Retrieved from http://publikasi.data.kemdikbud.go.id/uploadDir/isi_2B40A310-F17C-4315-AF34-1FBA51252C56_.pdf.
- Ministry of Finance. (2019). *Peraturan Menteri Keuangan Republik Indonesia Nomor 48/PMK.07/2019 tentang pengelolaan dana alokasi khusus non fisik*. Retrieved from www.jdih.kemenkeu.go.id.
- OECD. (2019). *PISA 2018: Insights and Interpretations*. Retrieved from <https://www.oecd.org/pisa/PISA-2018-Insights-and-Interpretations-FINAL-PDF.pdf>.
- Pratama, M. Y. (2019). Mengenal DAK dan kebijakan baru DAK non fisik 2019. Retrieved December 27, 2019, from Kemenkeu RI website: <https://www.kemenkeu.go.id/publikasi/artikel-dan-opini/mengenal-dak-dan-kebijakan-baru-dak-non-fisik-2019/>.
- Sanggalorang, S. M. M., Rimate, V. A., & Siwu, hANLY F. D. J. (2015). Pengaruh pengeluaran pemerintah di sektor pendidikan dan kesehatan terhadap indeks pembangunan manusia di Sulawesi Utara. *Jurnal Berkala Ilmiah Efisiensi*, 15(02), 1–11.
- Sarkar, M. S., Sadeka, S., & Sikdar, M. M. . (2012). Human development scenario of Malaysia: ASEAN and Global Perspective. *Asian Journal of Applied Science and Engineering*, 1(1), 23–34.
- Schultz, T. W. (1961). *Investment in human beings*. Chicago: University of Chicago Press.
- Sen, A. (1998). *Development as freedom*. New York: Knopf.
- Subroto, G. (2014). Hubungan pendidikan dan ekonomi: Perspektif teori dan empiris. *Jurnal Pendidikan dan Kebudayaan*, 20(3), 390–400. doi:10.24832/jpnk.v20i3.318.
- Sudarsana, I. K. (2016). Peningkatan mutu pendidikan luar sekolah dalam upaya pembangunan sumber daya manusia. *Jurnal Penjaminan Mutu*, 1(1), 1–14. doi:10.25078/jpm.v1i1.34.
- Sukirno, S. (2000). *Modern Macroeconomics*. Jakarta: PT Raja Grafindo Persada.
- UNDP. (2017). Human development data (1990-2017). Retrieved October 20, 2019, from Human Development Reports website: <http://hdr.undp.org/en/data>.
- Usman, M. U. (2006). *Menjadi guru yang profesional*. Bandung: Remaja Rosdakarya.
- Wati, E., & Sadjarto, A. (2019). Pengaruh Indeks pembangunan manusia dan produk domestik regional bruto terhadap kemiskinan. *Jurnal Ecodunamika Pendidikan Ekonomi Universitas Kristen Satya Wacana*, 2(1), 35–40.