

**ABSTRACT**  
**HUMAN DEVELOPMENT INDEX ANALYSIS OF THE YEAR 2001-2008**  
**CITY METRO**

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The appearance of the development paradigm which focused on human development, where the HDI as a measure kesejahteraanya, does not mean ignore the role of macroeconomic indicators such as Gross National Product (GNP) or Gross Domestic Product (GDP), but rather relate it in terms of how we should translate it to the GNP or GDP in human development. Metro City has the highest HDI among Districts / Cities in Province of Lampung. Continuous increase since the year 2001-2008, especially in the Health Component Index and the Index of Education. Continuous improvement in the Health Index and Index of Education illustrates the potential to be directed to Metro City Education City, Metro City government therefore put this potential in Vision Development Policy Analysis and Metro City in the Long Term Development Plan (RPJP) City Metro Year 2005 - 2025: "the Metro as an Advanced Education City and Prosperous Year 2025." The relationship between human development and economic growth in one of which lies in the path of government spending. The size of government expenditure to the sector would be an indication of the government's commitment to promote development and achievement of the vision and mission development.

The main problem studied in this research is how to influence government spending on the increase of Metro City Metro City HDI value in 2001-2008, as a measure of welfare achievement. Then to find out the elasticity of Metro City Government expenditure on improving each component of the HDI index 2001-2008 Metro City.

Analysis method, calculation of the factors that affect the HDI City metro using simple linear regression model approach, using secondary data from tables and tables of Metro City HDI index HDI components taken from the eighth year and consists of three independent variables

government spending on health (X1), government expenditure in education (X2) and real per capita public expenditure (X3). Effect of public expenditure on health sector variable (X1) to HDI City metro  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$ .

Effect of public expenditure on education variable (X2) on the HDI City metro  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$ . Effect perkapitan income community towards the city HDI metro  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$ .

Calculation Results Effect of Government Expenditure in Health (X1) on the HDI City Metro (Y)  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$  at X1 0.000000001767 64.895 (0.563) (0.000). R2 of 0.976, DW Stat of 2.635, F Count of 239.352, X1 t count of 15.471. Calculation of variable elasticity of government expenditure on health amounted to 0.11 HDI Metro City.

The result of calculations the influence of government expenditure to HDI Education at Metro City  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$  X2 0.000000000353 66.365 (2.414) (0.000). R2 of 0.593, DW Stat of 1.340, F Count of 8.737, 2.956 for X2 t count. Calculation of Variable Elasticity of public expenditure on education to Metro City HDI of 0.04.

Calculation results of real per capita expenditure on Metro City HDI  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$  at X3 0.0000363 52.379 (1.390) (0.000), R2 of 0.974, DW Stat of 1.709, F Count of 228.282, X3 t count of 15.109. Calculation of Variable Elasticity of real per capita expenditure on Metro City HDI of 0.28.

So the elasticity of government expenditure to HDI Metro City's most high is the value of real per capita expenditure elasticities, this is positive because the HDI Metro City is the highest in the provinces of Lampung, because the higher the purchasing power of society or its consumption is also high HDI value. But if you want to achieve the vision and mission as an educational city, Metro City government should prioritize its spending allocation for education sector development value of government expenditure to HDI elatisitas its smallest, which is 0.04.