

## Research Article

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# Analysis of the Influence of Government Expenditures in the Education, Health and Infrastructure Sectors on Economic Growth in Lampung Province

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**Abstract:** *This research aims to analyze the influence of government spending in the education, health and infrastructure sectors on economic growth in Lampung Province in 2014 - 2021. The analytical method used in this research is panel data regression analysis with the help of Eviews software. Statistical tests used in this research include classical assumption tests (normality test, multicollinearity test, heteroscedasticity test, autocorrelation test), t test, f test, and coefficient of determination test. The results of this research show that: (1) government spending in the education sector partially has a positive and significant effect on economic growth in Lampung Province, (2) government spending in the health sector partially has a positive and significant effect on economic growth in Lampung Province, (3) spending government infrastructure sector partially has a positive and significant effect on economic growth in Lampung Province, (4) government spending in the education, health and infrastructure sectors simultaneously or together has a significant effect on economic growth in Lampung Province.*

**Keywords:** *government spending, education, health, infrastructure, economic growth.*

## Introduction

Economic growth is an indicator used to see the government's success in managing economic activities in a country. Economic growth is a development of economic activity that occurs from time to time which causes real national income to grow. The economic growth rate shows the percentage increase in real national income in a particular year when compared with real national income in the previous year (Sukirno, 2013:09). Seeing this, the government is expected to be able to manage economic activities well so that economic growth can increase.

A country's economy does not always develop properly in the sense that it does not always move forward in an orderly manner, there are times when the economy experiences periods of ups and downs. In the last three years, the economic growth of each district/city in Lampung Province has fluctuated. Based on data obtained through the Central Statistics Agency, economic growth in the districts/cities of Lampung Province tends to increase and decrease drastically in 2020. The increase or decrease that occurs in economic growth in the districts/cities of Lampung Province can be caused by various factors, both economic and non-economic.

The government has two policies implemented to stabilize the level of economic activity and encourage economic growth, namely monetary policy and fiscal policy. Monetary policy includes government measures implemented by the Central Bank to influence the supply of money in the economy or change interest rates, with the aim of influencing aggregate spending. Fiscal policy includes government steps to make changes in the areas of taxation and government spending with the aim of influencing aggregate spending in the economy (Sukirno, 2013:24). Government spending is part of fiscal policy which aims to regulate the running of the economy in a country.

The role of government expenditure on public sectors such as education, health and infrastructure on economic growth has obtained different research results. Some researchers conclude that government spending has a positive effect on economic growth and some researchers conclude the opposite. Research conducted by (Puspitasari & Sarfiah, 2017) revealed that government spending in the education sector, health sector and infrastructure sector together has a positive and significant influence on economic growth in Indonesia. The results of this research are also in line with the results of research conducted by (Ambya, 2020) which proves that government expenditure variables in the real education sector per capita, real health sector per capita, the real infrastructure sector per capita, and labor simultaneously or together have a positive and significant effect on economic growth. Research conducted by (Ciptawaty, 2022) also revealed that there is a relationship between projected government spending in the education and health sectors, poverty levels, and economic growth where spending allocated by the government for the education and health sectors also contributes to poverty levels which then influence economic growth in Lampung Province.

Several researchers conclude that government spending has a negative effect on economic growth. Research conducted by (OTIWU et al., 2018) revealed that public sector government spending had a negative effect on the level of economic growth in Nigeria during the period 1980 – 2013. Research by (Bhat & Yan, 2017) revealed that government spending in the education sector had a negative effect on economic growth, and no significant influence was found between government spending on development on economic growth. This is also in line with research conducted by (Balaj & Lani, nd) which revealed that public sector government expenditure in Kosovo was defined as unproductive expenditure during the period 2000 – 2016.

Government spending on the education, health and infrastructure sectors is an investment made by the government to improve the quality of human capital and encourage a country's economic growth. The neoclassical growth model proposed by Robert Solow reveals that there are several important factors that can influence the economic growth of a country, namely, capital stock (human and physical capital), labor, labor productivity (Michael P. Todaro and Stephen C. Smith, 2011: 157). Seeing this, government spending on public sectors such as education, health and infrastructure has the potential to advance the economy and increase economic growth in a country.

This research shows the existence of a phenomenon regarding government spending in the education sector on economic growth in districts/cities in Lampung province. In the last few years, it has been revealed that government spending in the education sector in almost all districts/cities in Lampung Province has increased, but economic growth has actually decreased. Likewise, vice versa, it can also be seen that there is a decrease in government spending in the education sector but economic growth has actually increased. This is not in accordance with what should happen, where if government spending increases then this will increase income (economic output).

Education is a basic need that must be provided by the government in order to create quality human resources. Quality human resources will help create a workforce that is able to compete and has high productivity to advance a country's economy. In this case, budget allocation to the education sector is a concrete manifestation of investment to improve the economy. There are several researchers who have conducted research on government spending in the education sector on economic growth, such as research conducted by (Merican & Sezer, 2014) which revealed that government spending in the education sector had a positive effect on economic growth in Turkey during the period 1970 - 2012. This research is also in line with research conducted by (Lim et al., 2020) which revealed that government spending in the

education sector has a positive and significant effect on economic growth in several countries in the Middle East and North Africa. Research conducted by (Aida, 2020) also supports that investment, exports and quality human resources in the form of labor are needed to encourage increased economic growth.

This research shows the existence of a phenomenon regarding government spending in the health sector on economic growth in districts/cities in Lampung province. In the last few years, it has been revealed that government spending on the health sector in almost all districts/cities in Lampung Province has increased, but economic growth has actually decreased. Likewise, vice versa, it can also be seen that there is a decrease in government spending in the health sector, but economic growth has actually increased. This is not in accordance with what should happen, where if government spending increases, then this will increase income (economic output).

Health is a basic need that must be provided by the government in order to create a workforce that has high productivity. Workers who have high productivity will be able to compete in carrying out their work so that they can advance a country's economy. Seeing this, budget allocation to the health sector is a concrete manifestation of investment in improving the economy. There are several researchers who have conducted research on government spending in the health sector on economic growth, such as research conducted by (Rizvi, 2019) states that government spending in the health sector has a positive and significant effect on economic growth in a country if it is accompanied by good institutional quality and the funds available for the health sector can be allocated optimally. This research is also in line with research conducted by (Beylik et al., nd) which revealed that all indicators of government spending in the health sector are positively related to economic growth.

This research shows the existence of a phenomenon regarding government spending in the infrastructure sector on economic growth in several districts/cities in Lampung province. In the last few years, it has been revealed that in 2015 - 2020 government spending in the infrastructure sector, which is proxied by capital expenditure, has increased, but economic growth has actually decreased. Apart from that, capital expenditure in several districts/cities in Lampung Province showed a decline but economic growth actually increased. This is not in accordance with Robert Sollow's theory of economic growth, where if capital expenditure increases then the economy has a large capital stock and the level of output will also be high.

Infrastructure is one sector that needs to be made a priority by a country so that it can be developed through development. Apart from that, infrastructure is able to increase people's access to basic needs and increase productivity and competitiveness. Research conducted by (Rokhmat et al., 2020) states that Gross Regional Domestic Product (GRDP) is significantly influenced by public sector infrastructure development. Research conducted by (Yuliawan, 2020) indicates that there is a correlation between government spending in the infrastructure sector, such as roads, irrigation and electricity networks, with economic growth in a region. The results of the research reveal that the main factors that can increase development in a region involve job creation, increasing product competitiveness, and economic growth. However, it was found that many of the facilities supporting the development of Agropolitan areas in Banjit District still have poor criteria, so it is necessary to upgrade and repair infrastructure such as roads, irrigation and electricity networks to support better economic growth. It can be seen from the large influence of the infrastructure sector on economic growth in a country that the government needs to pay attention to the budget allocation for the infrastructure sector so that infrastructure development can be realized evenly throughout the region. so, it is necessary to upgrade and repair infrastructure such as roads, irrigation and electricity networks to support better economic growth. It can be seen from the large influence of the infrastructure sector on

economic growth in a country that the government needs to pay attention to the budget allocation for the infrastructure sector so that infrastructure development can be realized evenly throughout the region. so it is necessary to upgrade and repair infrastructure such as roads, irrigation and electricity networks to support better economic growth. It can be seen from the large influence of the infrastructure sector on economic growth in a country that the government needs to pay attention to the budget allocation for the infrastructure sector so that infrastructure development can be realized evenly throughout the region.

This research focuses on analyzing the influence of government spending in the education, health and infrastructure sectors on economic growth in Lampung Province. The method used in this research is panel data regression analysis with secondary data obtained from the Lampung Province Central Statistics Agency (BPS), Publications, and the Directorate General of Financial Balance. Through the results of this research, it is hoped that the Lampung Provincial government can take appropriate policy steps to increase spending on strategic public sectors such as education, health and infrastructure, improve the quality of human resources, and facilitate increased economic activity in Lampung Province.

## Method

### Research Scope

This research is quantitative in nature with the research area covering 15 districts/cities in Lampung Province in the period 2014 - 2021. In this research, the data used is government spending on education and health functions for the variables of government spending on education and health sectors, capital spending on the infrastructure sector government spending variable, and the growth rate for the economic growth variable. The data used in this research were obtained from the Indonesian Ministry of Finance, Directorate General of Financial Balance, documents published by the Lampung Province Central Statistics Agency, and the district/city Central Statistics Agency in Lampung Province.

### Operational Definition of Variables

This research uses 3 independent variables, namely government expenditure in the education sector, government expenditure in the health sector, and government expenditure in the infrastructure sector. Next, the dependent variable in this research is economic growth. The variables used in this research are summarized in the following table:

**Table 1. Operational Definition of Variables**

No	Variable	Variable Symbol	Period	Unit of measure
1	Economic growth	Y	Annual	Percentage
2	Education Sector Government Expenditures	X1	Annual	Percentage of total expenditure
3	Health Sector Government Expenditures	X2	Annual	Percentage of total expenditure
4	Infrastructure Sector Government Expenditures	X3	Annual	Percentage of total expenditure

## Analysis Method

The analytical method used in this research is panel data regression analysis with the help of Eviews 12 software. Statistical tests used in this research include classical assumption tests (normality test, multicollinearity test, heteroscedasticity test, autocorrelation test), t test, f test, and coefficient of determination test. The panel data regression model in this research can be written as follows:

$$Y_{it} = \beta_0 + \beta_1 X_{1it} + \beta_2 X_{2it} + \beta_3 X_{3it} + e_{it}$$

Information:

$Y_{it}$	= Growth Rate (Percent)
$\beta_0$	= Constant
$\beta_1, \beta_2, \beta_3$	= Regression coefficient of each variable
$X_{1it}$	= Education Sector Government Expenditure (Percent)
$X_{2it}$	= Health Sector Government Expenditure (Percent)
$X_{3it}$	= Infrastructure Sector Government Expenditure (Percent)
$I$	= Regency/City
$t$	= Year studied
$e_{it}$	= Disturbance variable (error term)

Based on this equation, the economic growth variable (Y) used in this research is the growth rate in percent. Furthermore, the unit of measurement for the education sector government expenditure variable (X1), the health sector government expenditure variable (X2), and the infrastructure sector government expenditure variable (X3) is in the form of a ratio (percentage of total government expenditure). The method that can be used to estimate panel data regression models can be done through 3 (three) approaches, namely (Common Effect, Fixed Effect, and Random Effect) by carrying out three tests to select the best approach, namely Chow Test, Lagrange Multiplier Test, and Hausman Test. Statistical tests used in this research include classical assumption tests (normality test, multicollinearity test,

## Results And Discussion

### Data Description

Descriptive analysis is an analytical tool that aims to describe and provide a description of the research object to be studied. The descriptive analysis that will be used consists of the average value (mean), middle value (median), highest value (maximum), lowest value (minimum), and standard deviation. This research uses economic growth as the dependent variable, and government spending in the education, health and infrastructure sectors as the independent variable. Descriptive analysis focuses on gaining an initial understanding of the data used in this research, before carrying out further statistical analysis. The following are the results of descriptive analysis in this research:

**Table 2. Results of Descriptive Analysis**

	Y	X1	X2	X3
Mean	4.122833	29.07014	12.76754	20.43246
Median	5.180000	29.24543	10.66063	19.76979
Maximum	7.050000	49.90634	32.62385	45.11235
Minimum	-2.290000	17.31489	4.250900	0.455101

The following table is a table of descriptive analysis results, including economic growth (Y), government expenditure in the education sector (X1), government expenditure in the health sector (X2), and government expenditure in the infrastructure sector (X3) in 15 districts/cities of Lampung Province in 2014 - 2021. The table above shows that the dependent variable, namely economic growth, has an average value of 4.12, a median value of 5.18, and a standard deviation value of 2.37. The table of descriptive analysis results in 15 districts/cities in Lampung Province for the economic growth variable in 2014 - 2021 above also shows that the largest (maximum) value obtained was 7.05 and the smallest (minimum) value obtained was -2.29.

Government expenditure in the education sector (X1) in the descriptive analysis results table in 15 Regencies/Cities of Lampung Province obtained an average value of 29.07, a median value of 29.24, and a standard deviation value of 6.39. The table of descriptive analysis results in 15 districts/cities of Lampung Province for the education sector government expenditure variable (X1) in 2014 - 2021 above also shows that the largest (maximum) value obtained was 49.90 and the smallest (minimum) value obtained was 17.31.

Government expenditure in the health sector (X2) in the descriptive analysis results table in 15 districts/cities in Lampung Province obtained an average value of 12.76, a median value of 10.66, and a standard deviation value of 6.61. The table of descriptive analysis results in 15 districts/cities of Lampung Province for the health sector government expenditure variable (X2) in 2014 - 2021 above also shows that the largest (maximum) value obtained was 32.62 and the smallest (minimum) value obtained was 4.25 .

Government expenditure in the infrastructure sector (X3) in the descriptive analysis results table in 15 districts/cities of Lampung Province obtained an average value of 20.43, a median value of 19.76, and a standard deviation value of 8.39. The table of descriptive analysis results in 15 districts/cities of Lampung Province for the infrastructure sector government expenditure variable (X3) in 2014 - 2021 above also shows that the largest (maximum) value obtained was 45.11 and the smallest (minimum) value obtained was 0.45 .

## Data Analysis

### 1. Selection of Panel Data Regression Estimation Techniques

There are three models that can be used to carry out panel data regression analysis, namely the Common Effect Model, Fixed Effect Model, and Random Effect Model. To determine the most appropriate model for estimating panel data regression, three tests are used in this case, namely the Chow Test, Lagrange Multiplier (LM) Test, and Hausman Test.

**Table 3. Selection of Panel Data Regression Model**

Test	Prob	Decision
Chow	0.0013	Fixed Effect Model (FEM)
Lagrange Multipliers	0.0688	Common Effect Model (CEM)
Hausman	0.0000	Fixed Effect Model (FEM)

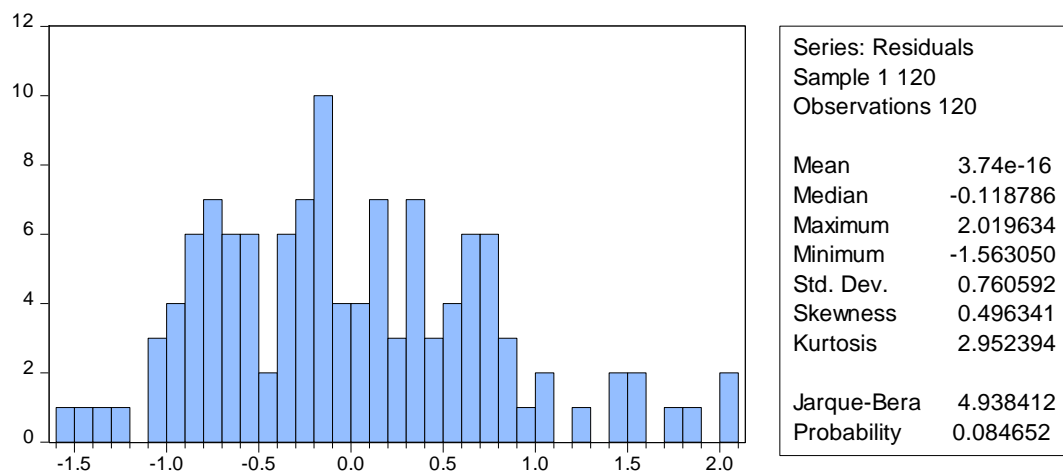
Based on the tests that have been carried out, the best model chosen to analyze the influence of government spending in the education, health and infrastructure sectors on economic growth in Lampung Province is the Fixed Effect Model (FEM) compared to the Common Effect Model (CEM) and Random Effect Model (REM).

2. Classic assumption test

a. Normality test

The Normality Test is used to see whether the distribution of data on a variable is normally distributed or not. The Jarque-Bera method is used to see whether the residuals are normally distributed or not by looking at the probability value. In the normality test, if the Jarque-Bera p-value is greater than  $\alpha = 5%$  or 0.05, it can be concluded that the research data is normally distributed. The following are the results of normality testing in this study:

Figure 1. Normality Test Estimation Results



Based on the normality test results above, it can be seen that the Jarque-Bera p-value is 0.084652, which is greater than  $\alpha = 5%$  or 0.05. Seeing this, it can be concluded that the data in this study is normally distributed.

b. Multicollinearity Test

The multicollinearity test is used to analyze whether in a panel data regression there is intercorrelation or collinearity between independent variables, or in other words, this test is used to see whether there is a linear relationship between independent variables in panel data regression analysis.

Table 4. Multicollinearity Test Estimation Results

	X1	X2	X3
X1	1,000000	-0.077289	-0.413581
X2	-0.077289	1,000000	-0.140185
X3	-0.413581	-0.140185	1,000000

Based on the results of the multicollinearity test estimation in the table above, it is known that the coefficient value between variables is smaller than 0.8, so based on the Pearson correlation calculation criteria it can be concluded that there is no multicollinearity problem in this study.

### c. Heteroscedasticity Test

The heteroscedasticity test is one of the tests contained in the classical assumption test and must be used in analyzing panel data regression for fixed effect models (FEM) which uses the ordinary least squares (OLS) principle or in other words this method is also often called pooled least squares. . The heteroscedasticity test is used to assess whether there is an unequal variance in the residuals in the observations in the panel data regression model. There are several methods for detecting the presence or absence of heteroscedasticity problems that have been developed by econometric experts. Methods for detecting a heteroscedasticity problem can be carried out both formally and informally.

**Table 5. Heteroscedasticity Test Estimation Results**

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	0.479142	0.302085	1.586119	0.1154
X1	0.002058	0.007100	0.289797	0.7725
X2	0.011979	0.006308	1.899015	0.0600
X3	-0.003963	0.005445	-0.727807	0.4682

The table above shows that the probability value for variable X1 is 0.7725, the probability value for variable X2 is 0.0600, and the probability value for variable this research.

### d. Autocorrelation Test

The autocorrelation test is a statistical analysis used to test whether there is a correlation pattern or relationship between the residual values in the regression model at different times. This test is carried out using the Durbin-Watson test (DW-test) with the following conditions:

**Table 6. Durbin – Watson Value Terms**

Durbin–Watson Value Terms	Conclusion
$0 < DW < DL$	There is autocorrelation
$DL < DW < DU$	No Conclusion
$DU < DW < (4 - DU)$	There is no autocorrelation

It is known that the value of N (Number of Observations) is 120 and K (Independent Variable) is 3 variables, then based on the Durbin – Watson reference table with  $\alpha = 5\%$  the following results are obtained:

- DU = 1.7536
- DW = 2.0530
- $4 - DU = 2.2464$

Based on these results, it can be concluded that this study does not have symptoms of autocorrelation or passes the autocorrelation test because  $DU < DW < 4 - DU$  ( $1.7536 < 2.0530 < 2.2464$ ).



### 3. Regression Calculation Results

After selecting the panel data regression estimation technique by carrying out three tests, namely (Chow Test, Lagrange Multiplier Test, Hausman Test), the best model for estimating panel data regression is obtained, namely the Fixed Effect Model (FEM).

**Table 7. Panel Data Regression Estimation Results Fixed Effect Model (FEM) Approach**

Dependent Variable: Y				
Method: Least Squares Panel				
Date: 08/21/23 Time: 07:45				
Sample: 2014 2021				
Periods included: 8				
Cross-sections included: 15				
Total panel (balanced) observations: 120				
Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	-10.21150	1.554868	-6.567442	0.0000
X1	0.251206	0.046415	5.412110	0.0000
X2	0.149071	0.063170	2.359831	0.0202
X3	0.250997	0.024428	10.27499	0.0000
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.600582	Mean dependent var	4.122833	
Adjusted R-squared	0.534013	SD dependent var	2.370013	
SE of regression	1.617849	Akaike info criterion	3.937553	
Sum squared resid	266.9783	Schwarz criterion	4.355676	
Log likelihood	-218.2532	Hannan-Quinn Criter.	4.107355	
F-statistic	9.021867	Durbin-Watson stat	2.053030	
Prob(F-statistic)	0.000000			

Based on the results of panel data regression estimation using the Fixed Effect Model (FEM) approach, the panel data regression equation in this research is as follows:

$$Y_{it} = -10.21150 + 0.251206 (X1_{it}) + 0.149071 (X2_{it}) + 0.250997 (X3_{it})$$

The regression coefficient for government expenditure in the education sector is 0.251206 which means that if government expenditure in the education sector is increased by 1 percent, economic growth in the districts/cities of Lampung Province will increase by 0.251206%, with other factors *ceteris paribus*.

The regression coefficient for government expenditure in the health sector is 0.149071 which means that if government expenditure in the health sector is increased by 1 percent, economic growth in the districts/cities of Lampung Province will increase by 0.149071%, with other factors *ceteris paribus*.

The regression coefficient for government spending in the infrastructure sector is 0.250997 which means that if government spending in the infrastructure sector is increased by 1 percent, economic growth in the districts/cities of Lampung Province will increase by 0.250997%, with other factors *ceteris paribus*.

#### 4. Hypothesis testing

##### a. T-statistical test

The t-statistical test or what is usually known as the partial test is a test carried out to determine the effect of each independent variable on the dependent variable. Basically, the t-statistical test shows how much influence individual independent variables have in the variation of the dependent variable. The following are the estimation results of the t-statistical test in this study:

**Table 8. T Test Results (Partial Test)**

Variable	Coefficient	Probability	Conclusion
X1	0.251206	0.0000	Positive and Significant
X2	0.149071	0.0202	Positive and Significant
X3	0.250997	0.0000	Positive and Significant

Based on the table above, it can be seen that the coefficient of each independent variable has a positive direction and the probability value is smaller than the significance level (alpha) of 0.05, so it can be concluded that each independent variable in this research is government expenditure in the education sector (X1), government spending in the health sector (X2), and government spending in the infrastructure sector (X3) partially have a positive and significant effect on the dependent variable, namely economic growth (Y).

##### b. F test

The F-statistical test is a test to prove the research hypothesis where this test aims to analyze the significance related to the influence of the independent variable simultaneously on the dependent variable. The F-statistic test is used to show whether all the independent variables listed in the regression model have a simultaneous or joint influence on the dependent variable. The following are the results of the F-statistical test in this research:

**Table 9. F-statistical test results**

DF	A	F – table	F – Statistics	Conclusion
3; 116	5%	3.96	9.021867	Hypothesis Accepted

Based on the table above, it is shown that the F - Statistics value is 9.021867, which is greater than the F - table value of 3.96 at a significance level (alpha) of 5%. Looking at the results of the F-statistical test above, it can be concluded that government expenditure variables in the education, health and infrastructure sectors simultaneously or together influence economic growth in Lampung Province in 2014 - 2021.

##### c. Coefficient of Determination

The coefficient of determination is used to measure how far the model's ability is to explain the magnitude of the influence that the independent variable has on the dependent variable. The coefficient of determination (R<sup>2</sup>) measures the level of accuracy or suitability of the panel data regression, which is the percentage proportion of the contribution of X1, The determination determined through the Adjusted R-squared value is 0.534013. Seeing this, it can be concluded that government spending in the education,

health and infrastructure sectors has an influence of 53.4% on the ups and downs of economic growth in the districts/cities of Lampung Province in 2014 - 2021 and 46.

### **The Influence of Government Expenditures in the Education Sector on Economic Growth in Lampung Province**

Government spending in the education sector is a form of the government's seriousness in helping to improve the public sector, especially in terms of education, which will influence economic growth in a country. Based on the 1945 Constitution, the 4th Amendment, Article 31 Paragraph 4, it is stated that the state has prioritized the budget for the education sector at 20 percent of the APBN and APBD to help meet needs in the implementation of national education. There are various studies that show that government spending in the education sector has a positive influence in influencing economic growth in a country, such as research conducted by (Lestari, 2010) which reveals that by increasing government spending on education, this can also increase school enrollment rates and also increase economic growth. Furthermore, research conducted by (Lim et al., 2020) shows that government spending in the education sector has a positive and significant effect on economic growth in several countries in the Middle East and North Africa (MENA) region.

The regression results on this variable show that government spending in the education sector (X1) has a positive and significant effect on economic growth (Y). Based on the regression results listed in table 8, it is shown that the X1 coefficient value is 0.251206 and the probability value is 0.0000, which is smaller than the significance level of 0.05. Seeing this, it can be concluded that the test results show that government spending in the education sector has had a partially positive and significant effect on economic growth in Lampung Province in 2014 - 2021. The positive and significant influence between government spending in the education sector on economic growth shows that government policy in prioritizing the budget for the education sector at 20% of the APBN and APBD can improve the economy, especially in this research, namely in Lampung Province. This is in accordance with one of the theories previously mentioned, namely human capital theory, which states that investment in the education sector is one of the main investments that can increase the level of individual or community productivity. Seeing this, the higher government spending in the education sector will also increase human capital which has high productivity so that economic activities can run better, and the value of economic growth can increase.

### **The Influence of Government Expenditures in the Health Sector on Economic Growth in Lampung Province**

The regression results in this study conclude that the health sector government expenditure variable (X2) has a positive and significant effect on economic growth in Lampung Province in 2014 - 2021. Based on the regression results listed in table 8, it is shown that the X2 coefficient value is 0.149071 and the probability value is 0.0202, which is smaller than the significance level of 0.05. Seeing this, it can be concluded that the test results show that government spending in the health sector has a partially positive and significant effect on economic growth in Lampung Province in 2014 - 2021. The positive and significant influence between government spending in the health sector on economic growth shows that government policy in allocating a minimum of 5% of the budget for health can have an influence on improving the economy. The results of this research are in accordance with research conducted by several previous researchers, such as research conducted by (Rizvi, 2019) which revealed that government spending in the health sector has a positive and significant effect on economic growth in a country when

accompanied by optimal budget allocation. This research is in line with research conducted by (Beylik et al., nd) which revealed that all indicators of government spending in the health sector are positively related to economic growth.

### **The Influence of Government Expenditures in the Infrastructure Sector on Economic Growth in Lampung Province**

The regression results in this study conclude that the infrastructure sector government expenditure variable (X3) has a positive and significant effect on economic growth in Lampung Province. Based on the regression results listed in table 8, it is shown that the X3 coefficient value is 0.250997 and the probability value is 0.0000, which is smaller than the significance level of 0.05. Seeing this, it can be concluded that the test results show that government spending in the infrastructure sector has a partially positive and significant effect on economic growth in Lampung Province in 2014 - 2021. The positive and significant influence between government spending in the infrastructure sector on economic growth shows that government policy in allocating a budget for the infrastructure sector of at least 40% of total APBD spending can have an influence on improving the economy. The results of this research are in accordance with research conducted by previous researchers, such as research conducted by (Ambya, 2020) which proves that government expenditure variables in the real education sector per capita, real health sector per capita, real infrastructure sector per capita, and labor simultaneously or together have a positive and significant effect on economic growth. These results are also in line with research conducted by (Taufiq et al.,

### **The Influence of Government Expenditures in the Education, Health and Infrastructure Sectors on Economic Growth in Lampung Province**

Based on the regression results in this research, it can be concluded that government expenditure variables in the education, health and infrastructure sectors simultaneously or together have a significant effect on economic growth variables in the districts/cities of Lampung Province. This is proven by reading the results of the F test which shows that the calculated F value is greater than the F table, which concludes that the three independent variables in this research are government expenditure in the education sector (X1), government expenditure in the health sector (X2), and government expenditure the infrastructure sector (X3) simultaneously or together has a significant effect on the economic growth variable (Y) in the districts/cities of Lampung Province during the period 2014 - 2021. The results of this research are in accordance with research conducted by previous researchers, such as research conducted by (Ambya, 2020) which proves that government expenditure variables in the real education sector per capita, real health sector per capita, real infrastructure sector per capita, and labor simultaneously or together have a positive and significant effect on economic growth. These results are also in line with research conducted by (Puspitasari & Sarfiah, 2017) which revealed that government spending in the education sector, health sector and infrastructure sector together has a positive and significant influence on economic growth in Indonesia. 2020) which proves that government expenditure variables in the real education sector per capita, real health sector per capita, real infrastructure sector per capita, and labor simultaneously or together have a positive and significant effect on economic growth. These results are also in line with research conducted by (Puspitasari & Sarfiah, 2017) which revealed that government spending in the education sector, health sector and infrastructure sector together has a positive and significant influence on economic growth in Indonesia. 2020) which proves that government expenditure variables in the real education sector per capita,

real health sector per capita, real infrastructure sector per capita, and labor simultaneously or together have a positive and significant effect on economic growth. These results are also in line with research conducted by (Puspitasari & Sarfiah, 2017) which revealed that government spending in the education sector, health sector and infrastructure sector together has a positive and significant influence on economic growth in Indonesia.

## Conclusion

Based on the results of partial significance test calculations (statistical t test), it shows that the variable government expenditure in the education, health and infrastructure sectors partially has a positive and significant effect in increasing economic growth in Lampung Province in 2014 - 2021. Based on the results of simultaneous significance test calculations (test F statistics) shows that all independent variables of government spending in the education, health and infrastructure sectors simultaneously or together have a significant effect on economic growth in Lampung Province in 2014 - 2021. Based on From this test, it can be concluded that the results of this study are in accordance with the research hypothesis, where if there is an increase in government spending in the education sector (X1), government spending in the health sector (X2), and government spending in the infrastructure sector (X3), then this will also increase the value of growth. economy in the districts/cities of Lampung Province in 2014 - 2021. It is hoped that the findings of this research can be an additional reference for further research to be able to identify other variables that are not included in the model but have a strong influence on economic growth so that a better understanding can be obtained. regarding factors that can be considered in designing economic policies.

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