Jejak Vol 12 (2) (2019): 482-497 DOI: https://doi.org/10.15294/jejak.v12i2.23391

JEJAK

Journal of Economics and Policy

http://journal.unnes.ac.id/nju/index.php/jejak

Effects of Education Funding in Increasing Human Development Index

Mukhammad Yogiantoro[1]✉, [2]Diah Komariah, [3]Irawan Irawan

[1,2,3]Post-Graduate Program, Masters in Economics, Palangka Raya University

Permalink/DOI: https://doi.org/10.15294/jejak.v12i2.23391

Received: May 2019; Accepted: July 2019; Published: September 2019

Abstract

Every citizen has the right to get education with the aim of educating the nation's life as mandated in the opening of the 1945 Constitution. This study aims to determine the efficiency of education funding both from the APBN and the APBD purely in relation to increasing HDI and educational performance. The study uses influence analysis with multiple regression and descriptive quantitative research, with 3 variables, namely the large variable education funding from APBD and APBN, Education Performance and Human Development Index. The sample selection method used was purposive sampling, namely in Regencys / Cities in Central Kalimantan in the Period of 2015 - 2017. Research resulted in a relationship between education funding and HDI, Education and Performance Funds for Education and HDI and Educational Performance. Educational performance in this case is measured by teacher qualifications, teacher certification, educational ratios (Teachers: Students and Classes: Students), facilities and infrastructures physical condition, Gross Participation Rate (APK), Pure Participation Rate (APM), and Dropout Numbers. In the multiple regression, the effect of education funding both from the APBD and the APBN does not affect more dominantly in increasing Human Development Index.

Key words : Education Funds; HDI; Education Performance; Central Kalimantan

How to Cite: Yogiantoro, M., Komariah, D., & Irawan, I. (2019). Effects Of Education Funding In Increasing Human Development Index. JEJAK: Jurnal Ekonomi dan Kebijakan, 12(2). doi:https://doi.org/10.15294/jejak.v12i2.23391

✉ Corresponding author : Mukhammad Yogiantoro
Address: Jl, Yos Sudarso No, 16, Jekan Raya, Palangka Raya, Kalimantan Tengah
E-mail: myogiantoro@gmail.com

p-ISSN 1979-715X
e-ISSN 2460-5123

INTRODUCTION

Education is an effort so that humans can develop their potential through the learning process and / or other ways known and recognized by society. In the 1945 Constitution of the Republic of Indonesia Article 31 paragraph (1) states that every citizen has the right to education and paragraph (3) affirms that the Government seeks and organizes a national education system to enhance faith, piety and noble character in the intellectual life of the nation which is regulated by law. In this regard, all components of the nation are obliged to educate the life of the nation which is one of the goals of the Indonesian state by establishing concepts and standards for the implementation of education.

One of the 2015-2019 national development priorities is "Improving the Quality of Life for Humans and Indonesian Communities". Efforts to improve the quality of human life in Indonesia are carried out through several priority sub-agendas, one of which is "Development of Education Especially the Implementation of the 'Indonesia Pintar' Program".

The goals to be achieved in the Smart Indonesia Program through the implementation of the 12-year compulsory education, according to the 2015-2019 RPJMN, are: i. increasing rates of participation in primary and secondary education; ii. the increase in the rate of sustainability of education marked by a decline in dropout rates and increasing numbers student continues their school; ii. the decreasing gap in education participation among community groups, especially between the rich and poor population, between the male and female population, between urban and rural areas, and between regions; and iii. the increase and prevalence of availability and quality of educational facilities and infrastructure in accordance with minimum service standards. Enrolment Rate of 2014 and target of 2018 in RPJMN as follows.

Table 1. Enrolment Rate of 2014 and Target of 2018 in RPJMN (%)

Enrolment Rate	**2014**	**Target 2019**
Net ER SD/MI	91.3	94.8
Gros ER SD/MI/SDLB/Paket A	111.0	114.1
Net ER SMP/MTs	79.4	82.0
Gros ER SMP/MTs/Paket B	101.6	106.9
Net ER SMA/MA/SMK	55.3	67.5
Gross ER SMA/MA/SMK/Paket C	79.2	91.6

Source: RPJMN 2015 – 2019. (Net ER = APM, Gross ER = APK)

In addition, the government's attention in the 2015-2019 RPJMN is greater for regions that have not yet completed the implementation of 12-year compulsory education. In addition, policies for secondary education are directed at the expansion and equal distribution of quality secondary education.

Meanwhile, the direction of education sector development policies and strategies as contained in the Ministry of Education and Culture's Strategic Plan for 2015-2019 are as follows. 1) Carry out 12-year compulsory education by continuing efforts to fulfill the rights of all residents to get quality basic education services to ensure all Indonesian children without exception can complete the basic education level; 2) Carry out 12-year compulsory education by expanding and increasing access to quality secondary education to accelerate the availability of educated people to meet labor market needs.

Citizens who have obtained proper education are assets for the region in increasing economic growth. Widiansyah (2017) states that the real problem of education cannot be separated from economic problems. Both

directly and indirectly, the contribution of education to the economy and development must be recognized. Thus, education is not always considered as consumption or financing. It is time, education must be seen as an investment, which can be felt in the long run. The concept of education as an investment (education as investment) has developed rapidly and it is increasingly believed by every country that the development of the education sector is a key prerequisite for the growth of other development sectors. The concept of investing human capital (human capital investment) that can support economic growth, has actually begun to be considered since the days of Adam Smith (1776), Heinrich Von Thunen (1875) and other classical theorists before the 19th century who emphasized the importance of investing in human skills.

Schultz (1961) in his article entitled "Investment in Human Capital" is the basis of the theory of modern human capital. The main message of the speech is simple that the process of acquiring knowledge and skills through education is not merely a form of consumption, but also an investment. Schultz then noticed that the development of the education sector with humans as its core focus had contributed directly to the economic growth of a country, through increasing skills and production capabilities of the workforce. These findings and perspectives have encouraged the interest of a number of experts to examine economic values in education.

Atalay (2015) stated that basic condition of developing the human capital is the education and the lifelong learning. However, the more the education duration in the developing countries increases, the more the individual and social costs increase. Therefore, these countries must improve the employment during the education in order to both develop the human capital and decrease the alternative costs that would cause the education.

According to Sukirno (2004) education is an investment that is very useful for economic development. Thus education can be included as a development investment whose results can be enjoyed later on. This shows that education has an important role in the life of the nation and state in an effort to create quality human resources so that it has a direct impact on the economic growth of a region through increased skills and work productivity. Thus education is expected to overcome economic backwardness through increasing human capabilities so as to improve people's welfare.

Ferdi (2013) in his article about financing education: a theoretical study states that on the basis of the results of the study in theory can be summarized as follows. First, the factors that influence the cost of school education are influenced by: a) price increases (rising prices); b) relative changes in teacher salaries (teacher's sallaries); c) changes in the population and the increase in the percentage of school children (country); d) increasing education standards (educational standards); e) increasing age of children leaving school; and f) increasing demands for higher education. These increase factors can influence Government policies in accordance with the situation and conditions in a certain period of time. Second, some types of education costs include: a) direct costs; b) indirect costs. Routine and development costs are part of direct costs; c) personal costs (private cost); d) community costs (social cost); e) monetary cost; and f) non monetary cost. The types of costs that are still often complained of by most Indonesians are related to the costs that must be incurred by parents of students (personal costs). Third, an effective and efficient education financing model that can be developed, namely the human capital approach

model has not been fully implemented in Indonesia.

The National Education Standards Agency divides education funding from Permendikbud Number 69 of 2009, namely education funding consists of investment costs, operating costs, and personal costs. The investment costs of the education unit as referred to above include the costs of providing facilities and infrastructure, developing human resources, and permanent working capital. Personal costs as referred to above include the education costs that must be spent by students to be able to follow the learning process regularly and continuously. The operating costs of the education unit as referred to above include: Salary for educators and education personnel and all benefits attached to consumable salaries, materials or educational equipment, and indirect educational operating costs in the form of power, water, telecommunications services, maintenance of facilities and infrastructure, money overtime, transportation, consumption, taxes, insurance, and so on.

Education economics is essentially "an activity about how humans and people choose, with or without money, to utilize scarce productive resources to create various types of training, develop knowledge, skills, thoughts, character, etc., especially through school formal within a period of time and distribute it, now and later, in the community "(Samuelson, 1961). In terms of economic theory of education, especially through the human capital approach developed by Cohn (1979) with the human capital approach developed in the form of the model, the aspect of financing is seen as part of educational investment that determines the level of productivity of individuals and groups. In turn, this level of productivity affects the level of earnings (earnings) of a person or group, which ultimately contributes to the speed of economic growth and development.

Reza and Widodo (2013) have conducted research related to the impact of education level on economic growth in Indonesia with the result that capital and labor have a positive and significant effect in increasing economic growth. From testing three variables, it is known that the level of education has the most dominant influence in influencing economic growth in Indonesia. Based on previous research, this shows the same thing, provinces with high GRDP rates produce consistent conclusions compared to provinces with low GRDP rates.

As condition above, Investment in Human Capital is needed to increase economic growth in Indonesia. However, the investment cannot be separated from the fulfillment of education funding and the role of all parties in supporting Investment in Human Capital.

This study will discuss the dimensions of the effectiveness of educational performance, education funding, and the Regency/City Development Index in Central Kalimantan for the 2015-2017 period. This study hopes to establish a whole (not dichotomous and partial) substantive thinking about the effectiveness of educational performance in economic development itself.

METHOD

In this study, the type of research used by the author is quantitative research using multiple regression data analysis and qualitative descriptive format, where qualitative is descriptive to determine the effect of 3 variables, namely the large variable education funding from the APBD and APBN and the Human Development Index. The sample selection method used is purposive sampling, which is sampling with certain considerations (Sugiyono, 2007). This sample technique was chosen because the samples used were related to educational funding programs in Central

Kalimantan, so the samples taken were all Regencys and Cities in Central Kalimantan. The data used in this study are secondary data available at BPS, the Ministry of Education and Culture, Provincial / Regency / City Bappeda and other sources in Central Kalimantan. Data is processed into panel data, namely the Data Time Series used is data from 2015 - 2018 and cross section data from 14 Regencys / cities and one province in Central Kalimantan. Records below 2015 for regional education balance data cannot be found in any secondary data, so the data used is 2015 - 2018 data.

Qualitative data obtained will be analyzed using analysis of educational performance achievements, namely input and output. Input analysis includes teacher qualifications, teacher certification, educational ratios (Teachers: Students and Classes: Students), and physical condition of the sarpras. Analysis of output includes the Gross Participation Rate (APK), Pure Participation Rate (APM), and Dropout Rates. Education funding analysis with APBD and APBN sources to see the proportion of the amount of education funding whether the Provincial / Regency / City Government has been independent in funding education. The rate of development of the Human Development Index (HDI) was analyzed to get an overview of the rate of development of HDI in the Province / Regency / City.

Quantitative data will be analyzed using multiple regression. Multiple regression is a regression or prediction model that involves more than one independent variable or predictor. The term multiple regression can also be called the term multiple regression. Multiple words mean plural or more than one variable. Multiple linear regression is a multiple regression model if the dependent variable is data interval or scale scale (quantitative or numerical). While the independent variables generally also scale data intervals or ratios. But there is also linear regression where the independent variables use nominal or ordinal data scales, which are more commonly referred to as dummy data. So linear regression like that is called linear regression with a dummy variable.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \quad \ldots. (1)$$

Period of the research on Data Time Series used is data from 2015 - 2018 and cross section data from 14 Regencys / cities and one province in Central Kalimantan. Variables used on the reserach are X1 as education funding from local government budget as known as APBD, X2 as education funding from national government budget as know as APBN and X3 as net enrollment rate.

RESULTS AND DISCUSSION

Educators in SD / MI, or other forms that have the equivalent: a. minimum academic qualification for diploma four (D-IV) or bachelor (S1); b. higher education background in elementary / MI education, other education, or psychology; and c. teacher professional certificate for SD / MI. Educators in SMP / MTs or other forms that have the equivalent: a. minimum academic qualification for diploma four (D-IV) or bachelor (S1) b. higher education background with educational programs that are in accordance with the subjects taught; and c. teacher professional certificate for SMP / MTs. Educators in high school / MA, or other forms that have the equivalent: a. minimum academic qualification for diploma four (D-IV) or bachelor (S1); b. higher education background with educational programs that are in accordance with the subjects taught; and c. teacher professional certificate for high school / MA.

Teacher Qualifications. The qualifications of teachers in Central Kalimantan in 2018 at the elementary level are 84.4%, the junior high level is 92.9%, the high school level is 97.7% and the vocational level is 94.7%. Regencys with the lowest qualification level as required at the elementary level are Murung Raya Regency with an appropriate number of 75.8%, junior high school level is South Barito Regency with an appropriate number of 85.9%, high school level is Barito Regency South with an appropriate number of 92.8% and the SMK level is Pulang Pisau Regency with an appropriate number of 90.8%.

Teacher Certification. Teachers who have been certified educators in 2018 at the elementary level are 43.3%, junior high school level is 36.4%, high school level is 41.5% and vocational level is 33.5%. The results of the research on teacher certification in the Regencys / cities with the lowest level at the elementary level were Seruyan Regency at 26.8%, at the junior high school level was Seruyan Regency at 19.1%, at the high school level Murung Raya Regency was 20% and the SMK level was Pulang Pisau Regency is 16.3%.

Teacher : Pupils ratio shows that one teacher gets a portion of educating children as much as x students. In Central Kalimantan in 2018 the teacher ratio: elementary school pupils as many as 15 students, junior high school level as many as 15 students, high school level as many as 15 students, and vocational level as many as 14 students. The results of the study of student teacher ratios in the regency/city with the least students at the elementary level were East Barito regency as many as nine students, junior high school level was East Barito regency as many as 11 students, high school level was 12 South Barito and East Barito regencies, and vocational level Pulang Pisau Regency is 9 students.

Study Grups : Pupils shows one study group oversees as many as x students. The smaller the ratio, for example 1: 9, shows the number of students in one study group is nine students. Study Group Ratio : Pupils in Central Kalimantan at elementary level as many as 16 students, junior high school level as many as 24 students, high school level as many as 27 students and vocational level as many as 25 students. The research results in the least ratio of students in one group at the elementary level were East Barito Regency as many as 12 students, the junior high school level was Murung Raya Regency and South Barito Regency as many as 21 students, the high school level was South Barito Regency as many as 21 students, the SMK level was Pulang Pisau Regency as many as 18 students.

The condition of classrooms in Central Kalimantan in 2016 with moderate and severely damaged conditions at the elementary level was as much as 15.98%, at the SMP level as much as 15.28%, at the high school level as much as 8.59% and at the SMK level as much as 2.11 %. Regencys with the most severe and moderate condition of the classrooms at the primary level are Kapuas Regency with 25.3%, at the junior high school level Kapuas Regency is 24.12%, at the SMA level Kapuas Regency is 26.8 % and the level of SMK is Pulang Pisau Regency by 12.73%.

The Gross Enrollment Rate (APK) is the ratio between the number of students from a particular level of education and the number of school-age residents at the same level expressed in percent. The APK in Central Kalimantan at elementary level is 109.9, junior high school level is 100.3 and SMA / SMK is 80.7. The Regency/city with the largest APK at the elementary level is Kapuas Regency with 113.2, the junior high school level is Palangka Raya City with 108.8 and the SMA / SMK level is Kotawaringin West Regency with 91.3.

The Net Enrollment Rate (APM) shows how many school-age residents have been able to utilize educational facilities according to their education level. APM in Central Kalimantan at elementary level is 95, junior high is 73.5 and high school is 56.7. The smallest Regency/City APM level at the elementary level is Murung Raya Regency at 91.1, the junior high school level is Murung Raya Regency at 66 and the SMA / SMK level is Sukamara Regency at 45.7.

Students dropping out of school in Central Kalimantan in 2018 at the elementary level is 704 students, junior high school level is 759 students, high school level is 558 students and SMK level is 672 students. Regencys with the largest number of school dropouts at the elementary level are Kapuas Regency with 149 students, Middle School level is Kapuas Regency with 126 students, High School level is Murung Raya Regency with 80 students and SMK levels in East Kotawaringin Regency as many as 143 students.

Education funding obtained from APBN and APBD funds in 2018 IDR 5,145.98 billion with the smallest budget portion being Sukamara Regency IDR 120,30 billion, Lamandau Regency IDR 163,89 billion and East Barito Regency IDR 355,47. The largest portion of the budget is the Province IDR 1,280.78 billion, Kapuas Regency IDR 494,75 billion and Kotawaringin East Regency IDR 432.52 billion.

Looking at the portion of the education budget provided by the Regional Budget, the largest education budget from the APBD is the Provincial Government IDR 431.22 billion, East Kotawaringin Regency IDR 209.88 billion and Kapuas Regency IDR 172.43 billion. The education fund of the smallest APBD is at East Barito Regency IDR 61.8 billion, Sukamara Regency IDR 76.01 billion and Lamandau Regency IDR 80.7 billion.

The largest independent index of entities in educational funding is Sukamara Regency at 63.18%, Seruyan Regency at 60.22% and Murung Raya Regency at IDR 56.34%. The smallest index is East Barito Regency at 31.15%, Province at 33.67% and Kapuas Regency at 34.85%. The independence of these entities is obtained from the calculation of the portion of education funding from the APBD purely compared to the total education funding (APBN and APBD).

The smallest percentage of the education budget outside the APBN and not yet comply is East Barito Regency at 7.37%, Katingan Regency at 7.92%, Gunung Mas Regency at 9.45% and Lamandau Regency at 9.91%. The following is a graph of the development of the percentage of the education fund outside APBN year 2015 - 2018.

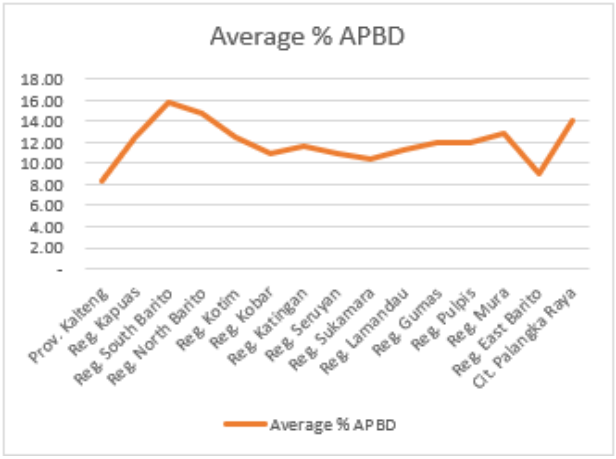

Figure 1. APBD Average

Source: Data Processed from Local Government Education Balance Sheet, Ministry of Education and Culture 2018

HDI in Central Kalimantan in 2017 of 69.79 is still below the national average of 70.81. Regency/City which is above the national average is Palangka Raya City at 79.69 and West Kotawaringin Regency at 79.69. The lowest Regency in the HDI are Seruyan Regency, 66.14, Sukamara Regency, 66.98 and Pulang Pisau Regency, 67.00. The following are Regency/City HDIs in Central Kalimantan in 2017.

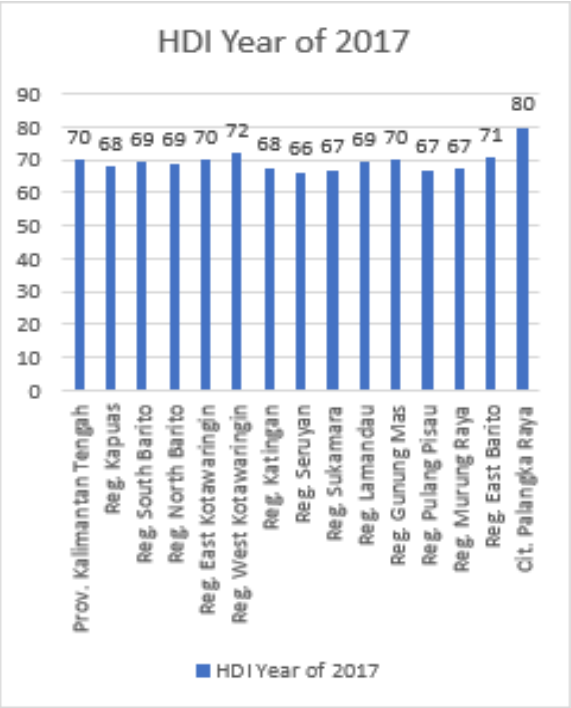

Figure 2. HDI Year of 2017

Source: Data Processed from Local Government Education Balance Sheet, Ministry of Education and Culture 2018

The biggest development rate of HDI during 2013 - 2017 in Central Kalimantan was South Barito Regency in 2014-2015 at 2.49%, Sukamara Regency in 2014-2015 at 2.11% and Seruyan Regency in 2014-2015 at 2.02%. The lowest development rate is in Palangka Raya City in 2014-2015 at 0.15%, Gunung Mas Regency in 2015-2016 at 0.19% and Katingan Regency of 2016 - 2017 at 0.22%.

Based on the forming components of HDI in 2018, the expectation of the length of school in Central Kalimantan Province is 12.06 years with the longest expectation of schooling in Palangkaraya City of 14.78 years, East Barito of 12.25 years and Kotawaringin Barat of 12.18 years. The lowest expectation of schooling was found in Gunung Mas Regency at 11.25 years, Seruyan 11.30 years and Sukamara at 11.45 years.

The average length of schooling at the level of Central Kalimantan for 8.02 years or equivalent to 8th grade junior high school shows the still low awareness of the importance of education where the government has targeted basic education to 9th grade junior high. The longest average schooling time is in Palangkaraya City of 10.87 years, East Barito of 8.98 years and Gunung Mas of 8.85 years. The lowest average length of schooling was in Kapuas Regency for 7.09 years, Murung Raya at 7.29 years and Seruyan at 7.31 years.

Life expectancy in Central Kalimantan was 69.46 years with the longest life expectancy in Kota Palangka Raya at 72.98 years, Sukamara 71.25 years and North Barito for 71.04 years. The lowest life expectancy was in Katingan for 65.22 years, South Barito for 66.40 years and Pulang Pisau for 67.60 years. The greatest life expectancy is supported by the availability of provincial / class B hospitals and well-known private hospitals available in the City of Palangka Raya. However, what is interesting from the data above, the area around the city of Palangkaraya (Pulang Pisau, Katingan and South Barito) actually has a low life expectancy.

Spending per capita adjusted in thousands of rupiah, at the level of Central Kalimantan was 10,038 with the largest per capita expenditure in Palangka Raya City of 12,838, West Kotawaringin at 12,123 and East Kotawaringin at 10,742. The lowest per capita expenditure in Sukamara Regency was 7,828, Seruyan was 8,268 and North Barito was 8,462.

Based on the growth rate of the value of education funding from the APBD and the APBN compared to the rate of HDI in 2015 - 2017 it is known that the largest funding in 2016 in East Kotawaringin Regency was 23% with the acquisition of the HDI rate of 1.18%, but with a decrease in funding in 2016 of 14.63% in Sukamara Regency can increase the growth rate of HDI in 2016 by 0.91%. In the development of funding in 2017, almost all Regency/cities in Central Kalimantan experienced a decline in education funding except Sukamara and Province with an average decline of 12.73% but could increase the HDI growth rate by 0.83%.

The following is a table of comparison of the pace of HDI growth rate education funding.

The table below shows that the growth rate of education funding has not been able to increase pupils net enrollment rates. In Central Kalimantan, elementary school as always higher than middle school and high school. The number of pupils continuing school is also a concern in the table which shows that there is no significant increase in net enrollment rates at the next level of education.

Human Development in Central Kalimantan has progressed during 2010-2017. Central Kalimantan's HDI in 2010 only reached 65.96 increased to 69.79 in 2017. During this period, HDI Kalimantan Central has indeed shown progress, however Central Kalimantan's human development is still in "moderate" status. Look achievements in 2017 and their development from year to year, opportunities Central Kalimantan to enter into the "high" category in the near future very large.

The growth of HDI and the status of human development is the way to see the development of human development in a region. Change human development status can be used as a reference in reading human development.

BPS records that the Central Kalimantan Human Development Index in 2017 has reached 69.79 and is still in the category of provinces with "moderate" human development. The progress of human development in Central Kalimantan is driven by the progress of the indicators that make up the HDI.

Life expectancy at birth in Central Kalimantan has reached 69.59 years. This means that the average newborn baby in Central Kalimantan has the opportunity to live to the age of 69.59 years. On average, residents over 25 years old in Central Kalimantan have been educated for up to 8.29 years (grade 2 junior high school). In addition, the average population of 7 years old who starts school is expected to receive up to 12.45 years of education or equivalent to Semester Lecture 1. No less important, the decent standard of living in Central Kalimantan represented by an adjusted per capita expenditure indicator has reached 10.49 million rupiah per year.

At the regency / city level, the highest human development achievements in 2017 are in the City of Palangka Raya with an HDI of 79.69. While the lowest human development achievements were in Seruyan Regencywith an HDI of 66.14. In 2017, East Kotawringin Regency succeeded in increasing the status of achieving human development from "medium" to "high". Four regencies / cities are recorded as having entered development status human "high", namely the City of Palangka Raya, West Kotawaringin Regency, East Barito Regency, and East Kotawaringin Regency, while 11 other districts are still in the status of "medium".

Apart from that, as one of the important indicators to see the progress of human development in an area, HDI is often associated with other important indicators such as poverty, unemployment, gini ratio, and others.

Tabel 2. Education Fund and HDI Groth Rate (%)

Description	Fund Growth		HDI Growth	
	2016	2017	2016	2017
Prov. Kalimantan Tengah	11.20	130.44	0.88	0.95
Reg. Kapuas	-0.11	-12.27	1.38	1.58
Reg. South Barito	-1.26	-9.55	1.07	0.36
Reg. North Barito	4.52	-8.53	1.34	1.16
Reg. East Kotawaringin	23.00	-9.78	1.18	1.08

Description	Fund Growth		HDI Growth	
	2016	2017	2016	2017
Reg. West Kotawaringin	3.47	-8.06	0.75	1.38
Reg. Katingan	-3.40	-7.04	0.90	0.22
Reg. Seruyan	5.83	-8.63	0.97	1.13
Reg. Sukamara	-14.63	4.77	0.91	0.87
Reg. Lamandau	4.28	-13.16	0.35	0.92
Reg. Gunung Mas	2.91	-7.14	0.19	0.84
Reg. Pulang Pisau	-4.04	-14.88	1.11	0.77
Reg. Murung Raya	9.76	-7.75	0.75	0.30
Reg. East Barito	10.02	-25.76	0.89	0.34
Cit. Palangka Raya	-2.83	-32.89	0.75	0.61

Source: Processed from BPS and Kemendikbud Data

Based on the rate of additional education funding, the 2017 APM level still cannot increase the participation of school-age residents who can already utilize educational facilities according to their education level. The addition of educational funding of 9.76% in Murung Raya Regency has not been able to increase the APM at the primary level, which is 91.1% and the junior high level is 66%. The addition of educational funding to Sukamara Regency in 2017 was 4.77% but could not increase the interest of the high school/vocational high school community to high school/vocational school level so that the APM level was 45.7%.

The table below shows that the growth rate of education funding has not been able to increase pupils net enrollment rates. In Central Kalimantan, elementary school as always higher than middle school and high school. The number of pupils continuing school is also a concern in the table which shows that there is no significant increase in net enrollment rates at the next level of education. Following is the table of the rate of education funding and APM.

Table 3. Education Funds and APM (%)

Description	Funds		APM		
	2016	2017	2017		
			SD	SMP	SMA
Prov. Kalimantan Tengah	11.20	130.44	95	73.5	56.7
Reg. Kapuas	-0.11	-12.27	95.3	70.2	47
Reg. South Barito	-1.26	-9.55	93.1	70	50.2
Reg. North Barito	4.52	-8.53	93.8	74	52.7
Reg. East Kotawaringin	23.00	-9.78	95.9	75.4	64.6
Reg. West Kotawaringin	3.47	-8.06	93.7	77	70.9
Reg. Katingan	-3.40	-7.04	93.2	71.2	55.9
Reg. Seruyan	5.83	-8.63	95.3	72.3	54.7
Reg. Sukamara	-14.63	4.77	95.3	73.6	45.7
Reg. Lamandau	4.28	-13.16	95.2	75.5	59.3
Reg. Gunung Mas	2.91	-7.14	94.7	68.1	56.1
Reg. Pulang Pisau	-4.04	-14.88	96.8	73	55.3
Reg. Murung Raya	9.76	-7.75	91.1	66	52.4
Reg. East Barito	10.02	-25.76	93.8	79.2	48.9
Cit. Palangka Raya	-2.83	-32.89	99	79.9	62.6

Source: Processed from BPS and Kemendikbud Data

The addition of education funding to the Kotawaringin East Regency in 2016 of 23% also could not hamper the number of school dropouts at the elementary and vocational level so that 146 elementary school students and 143 vocational students experienced school dropouts in 2017. In total, the increase in education funding was become a stimulant for students who experience school dropouts so that the number of school dropouts in 2017 is 2,693 students from all levels of education. Following is the table of the rate of education funding and APuS (droput Rate).

Table 4. Education Funds and Dropout Rate (%)

Description	Funds		APuS			
	2016	2017	2017			
			SD	SMP	SMA	SMK
Prov. Kalimantan Tengah	11.20	130.44	704	759	558	672
Reg. Kapuas	-0.11	-12.27	149	126	59	64
Reg. South Barito	-1.26	-9.55	16	42	28	4
Reg. North Barito	4.52	-8.53	13	49	43	32
Reg. East Kotawaringin	23.0	-9.78	146	90	63	143
Reg. West Kotawaringin	3.47	-8.06	46	62	76	113
Reg. Katingan	-3.40	-7.04	35	62	35	93
Reg. Seruyan	5.83	-8.63	27	63	21	18
Reg. Sukamara	-14.63	4.77	7	27	9	42
Reg. Lamandau	4.28	-13.16	15	26	47	59
Reg. Gunung Mas	2.91	-7.14	59	49	26	1
Reg. Pulang Pisau	-4.04	-14.88	66	27	28	26
Reg. Murung Raya	9.76	-7.75	67	93	80	7
Reg. East Barito	10.02	-25.76	15	11	18	23
Cit. Palangka Raya	-2.83	-32.89	43	32	25	47

Source: Processed from BPS and Kemendikbud Data

For all levels of schools, the largest dropout rate is East Kotawaringin Regency with 442 pupils, followed by Kapuas Regency with 398 pupils, and West Kotawaringin Regency with 297 pupils. Palangkaraya City as the capital of Central Kalimantan Province with 147 pupils dropout from schools.

Dropout rate at the elementary school level, Kapuas Regency occupies the largest position of 21.16%, then East Kotawaringin regency as much as 20.74% and Murung Raya Regency as much as 9.52%. At the junior high school dropout rate, Kapuas Regency occupies the largest position at 16.60%, East Kotawaringin at 11.86% and Murung Raya Regency at 12.25%. At the Senior High and Vocational School level, East Kotawaringin Regency occupies the largest position at 16.75%, then West Kotawaringin Regency at 15.37% and Katingan Regency at 10.41%.

At the Vocational School (SMK) level, it turns out that more school dropouts occur in 2017, then at the Senior High School level. This shows that the community is not fully aware of higher education. School sustainability at higher levels of education can also be seen in the Net Enrollment Rate which decreases at higher levels of education.

Low APM at the elementary level of 91.1% and junior high school at 66% in Murung Raya Regency shows the correlation of the value of the growth rate of HDI in 2017 is also the

smallest compared to other regency/cities which is equal to 0.30%. However, in Kapuas Regency the increase in the growth rate of HDI by 1.58% actually recorded the number of APM at the SMK level was only 47% or the smallest compared to other Regency/Cities in Central Kalimantan. In the City of Palangka Raya with the 2016 HDI Rate of 0.75% and in 2017 amounting to 0.61%, the highest number of people attending elementary school to high school / vocational school at the Regency / city level in Central Kalimantan was elementary school level of 99%, junior high school 79.9% and SMA at 62.6%. The HDI rate is exactly the opposite when it is associated with APuS, in Kapuas Regency with the growth of HDI in 2016 of 1.38% and in 2017 of 1.58% it cannot stop school dropouts in 2017 at the elementary and junior high level of 175 people. This also happened in Kotawaringin East Regency with a growth rate of 2016 HDI of 1.18% and in 2017 amounting to 1.08% in fact there were out-of-school children at the elementary level of 146 and SMK of 143. Likewise with Kotawaringin West Regency with a growth rate 2017 HDI is 1.38, high school dropouts are 76 students and vocational level is 113 students.

Gini ratio is used to measure the level of overall income inequality. If the gini coefficient value 0 means equal distribution is perfect, whereas if it is worth 1 it means perfect inequality. The Central Kalimantan Gini Ratio Index in 2017 records the level of income inequality at 0.343. This shows that there are still economic inequalities. In regency/Cities in Central Kalimantan in 2018, the gini index approaching perfect equality in Pulang Pisau Regency was 0.27 and close to perfect inequality was in Sukamara Regency at 0.36.

Table 5. SPSS output

	Model	Mean Square	F	Sig.
1	Regression	46.796	5.610	.003
	Residual	8.342		
	Total			

Source: SPSS output

Based on the table below shows that the GINI ratio trend has begun to shrink when compared to 2013. The movement is based on an average in Central Kalimantan Province 0.35 on 2013 shifted at 0.34 on 2018.The following is the 2013 - 2018 Gini Index in Central Kalimantan.

Table 6. GINI Ratio

Description	2013	2014	2015	2016	2017	2018
Prov. Kalimantan Tengah	0.35	0.35	0.33	0.33	0.34	0.34
Reg. Kapuas	0.32	0.31	0.30	0.33	0.31	0.33
Reg. South Barito	0.30	0.31	0.29	0.31	0.33	0.32
Reg. North Barito	0.29	0.33	0.34	0.31	0.32	0.31
Reg. East Kotawaringin	0.30	0.34	0.28	0.32	0.35	0.34
Reg. West Kotawaringin	0.36	0.37	0.31	0.31	0.31	0.31
Reg. Katingan	0.37	0.31	0.26	0.25	0.27	0.30
Reg. Seruyan	0.30	0.30	0.29	0.31	0.29	0.28
Reg. Sukamara	0.35	0.34	0.32	0.28	0.34	0.36
Reg. Lamandau	0.29	0.33	0.33	0.35	0.31	0.30

Description	2013	2014	2015	2016	2017	2018
Reg. Gunung Mas	0.25	0.26	0.24	0.27	0.30	0.31
Reg. Pulang Pisau	0.27	0.25	0.37	0.34	0.30	0.27
Reg. Murung Raya	0.32	0.33	0.30	0.33	0.30	0.32
Reg. East Barito	0.28	0.32	0.38	0.33	0.31	0.32
Cit. Palangka Raya	0.36	0.37	0.34	0.33	0.38	0.37

Source: Processed from BPS

The F test aims to show whether all the independent variables intended in the model have simultaneous influence on the dependent variable. The following are the results of simultaneous testing using the SPSS version 25th program for Windows.

Table 7. Sum of Squares Output

Model		Sum of Squares	df
1	Regression	140.389	3
	Residual	316.997	38
	Total	457.386	41

Source: SPSS output

Display of Fcount output produces a value of 5.610 with a significance level of 0.03. Because probality (0.003) is smaller than 0.05, the regression model can be used to predict APM, APBN and APBD. With a significance value below 0.05, it can be concluded that the regression model simultaneously has significant influence. The multiple regression equation in this study is to see how the education funding from the APBD, APBN and APM affects the HDI. By using the multiple linear regression method, the results of the funding from the APBD, APBN and APM on the HDI are as follows:

Table 8. Coefficients Output

Model		Unstandardized Coefficients	
		B	Std. Error
1	(Constant)	41.990	21.596
	APBD	.108	.215
	APBN	.165	.211
	APM	.228	.067

Source: SPSS output

Table 9. t-Test

Model	Standardized Coefficients	t	Sig.
	Beta		
(Constant)		1.944	.059
APBD	.415	.503	.618
APBN	.644	.780	.440
APM	.463	3.384	.002

Source: SPSS output

Based on the SPSS output, from the test results it is known whether there is actually an influence between the Education Funding variable from the Regional Budget to the HDI partially. To find out, a test is carried out on each independent variable. With α = 5% and dk = n-k-1 = 41-3-1 = 37, then t table is 1,697. Partially the effect of education funding from the APBD in the t test, the results of tcount are 0.503 while the t table is 1.697 with a significance level of 0.618. Because tcount < t table and significance > alpha 5% thus there is no significant effect between Education Funding from the Regional Budget to HDI.

Partially the effect of education funding from the APBN in the t test, the results of tcount are 0.780. Partially the Effect of Education Funding from the APBN in the t test, the results of tcount are 0.780 while the t table is 1.697 with a significance level of 0.440. Because tcount < ttable and significance ttable > alpha 5% thus there is no significant effect between Education Funding from the APBN on HDI. Partially the effect of the APM in the t test, the results of tcount are 3.384 while the table is 1.697 with a significance level of 0.002. Because tcount > ttable and significance ttable < alpha 5% thus there is a significant influence between APM on HDI.

Furthermore, seeing the value of determination coefficient (R2) essentially measures the ability of the model in explaining the variation of depedent variables. The value of R2 which approaches one means that the independent variables provide almost all the information needed to predict variations in the dependent variable (Ghozali, 2006).

Table 10. R-Square

R	R Square	Adjusted R Square	Std. Error of the Estimate
.554[a]	.307	.252	2.88826

Source: SPSS output

Based on the results of SPSS output on determination coefficient (R2), the contribution of the influence of independent variables on the dependent variable is 30.70% while the remaining 69.30% is influenced by other variables not included in this model.

Based on the data above, the effect of education funding both from the APBD and the APBN does not affect more dominantly because there are still many other variables that affect the HDI that are not included in the research model this time. These variables include health variables, namely longevity and healthy life and socio-economic variables, such as decent standard of living. Education funding from APBD and APBN should stimulate these two variables because with higher levels of education will improve health and living standards.

Based on the t-test above, it is known that there is no significant effect between Education Funding from the Regional Budget on HDI but the significant effect between Education Funding from the National Budget on HDI. Thus, it can be said that the portion of the APBD in improving people's welfare through HDI is not significant enough, so that central government interference is still needed through the APBN in increasing education funding. The portion of education funding from the APBD and the APBN when examined more deeply, the largest portion is funding salary/teacher allowances, while physical expenditure that is directly related to students is quite small.

Education Funding in Central Kalimantan has not fully affected to HDI as stated above by Schultz (1961) noticed that the development of the education sector with humans as its core focus had contributed directly to the economic growth of a country, through increasing skills and production capabilities of the workforce. These findings and perspectives have encouraged the interest of a number of experts to examine economic values in educationsame as theory from Sukirno (2004) stated that education can be included as a development investment whose results can be enjoyed later on. Education is expected to overcome economic backwardness through increasing human capabilities so as to improve people's welfare.

The results of the study are also in line with the opinion of Ferdi (2013) that education funding has not been fully implemented in accordance with the theory of human capital investment, namely by achieving HDI below the national average. However, declining education funding in the City of Palangka Raya did not dampen the interest of school students to continue to have the dream of going to

school with the old school's highest expectations in Central Kalimantan. The average length of schooling in the City of Palangka Raya is also the longest, namely up to grade 1 high school or 9 years of basic education being fulfilled. This high level of education turned out to cause problems with the presence of a fairly high GINI level in Palangka Raya City so that the welfare of the community was still uneven (0.37 or the highest in Central Kalimantan).

However, this research still requires attention to the timelag for the achievement of the HDI for education funding in the related year. The object of education funding is certainly still in the school age range so that the investment in HR will be felt at a certain time. Hopes that an increase in funding for education both from the state budget and from the regional budget can spur school-age people to not fade in their knowledge.

The attention of the government should now be noted that the average length of schooling in Central Kalimantan is still very low, as the completion of the 9-year compulsory education program initiated by the Government. The availability of transportation infrastructure to school, if possible, can help students in their learning. In addition, education about early marriage also needs to be proclaimed so that it can hamper the rate of dropping out of school due to culteure and coercion of parents. Guidance and counseling in schools about free adolescent association also needs attention because the impact of adolescent association and puberty also supports continued school interest.

The funding that has been provided by the APBN and APBD is indeed far from big words in accordance with community expectations. However, it should be remembered that education funding is not only the task of the Central Government or Regional Government. Society in this case parents, neighbors, teachers also have a role in this case foster parents. This has been initiated by the Central Government through the socialization of the Foster Parents Movement (GOTA) which can help disadvantaged students to continue their schooling. Another role is the business world where through CSR programs and vocational education in companies can improve the ability of students to develop in accordance with the expectations of the workforce that they will face after they finish carrying out their duties as students. The development of theory and practice in education as well as a form of investment in Human capital. The practice in the world of work in the business world's need for skilled labor.

The ultimate goal of increasing the average length of schooling, decreasing dropout rates and long-term expectations is to improve community welfare. The inequality income currently occurring in Central Kalimantan can be reduced so that the distribution of community welfare can be realized as national and regional development goals.

CONCLUSION

Based on the above research shows that education funding in 2015 - 2017 both from the APBD and the APBN has not been able to significantly influence the HDI increase. The influence of the APBD and the APBN as well as the APM of students only plays a role of 30.70% while the remaining 69.30% is influenced by other factors. This is because HDI is also influenced by the calculation of longevity and healthy living and having a decent standard of living. However, Increasing Education Funding cannot increase APM and APuS so that school-age residents cannot utilize educational facilities according to their education level and even increase school dropouts. Although

education funding includes the Smart Indonesia Program and School Operational Costs, the dropout rate is quite significant. This is due to the culture of the people who still do not understand the importance of Human Capital Investment for their children. Parents of certain tribes in Central Kalimantan are more proud if their menstruating daughters are married because responsibility has been transferred to her husband. Children who have entered the middle school age are usually asked to help their parents in the field and reduce the burden on family expenses to deliver to the junior high school location, which is far from the location of the school.

The addition of educational funding from the APBN through PIP is actually not used for the addition of family education funds but is used to purchase basic necessities for their families. The increase in HDI also does not contribute to the school-age population to be able to go to school according to their education level, so that APuS remains high. This is due to the fact that the income of the people in Central Kalimantan has not been evenly distributed as in the growth of the GINI index and even tends to increase in 2018 compared to 2013.

REFERENCES

Atalay, R., 2015. The education and the human capital to get rid of the middle-income trap and to provide the economic development. Procedia-Social and Behavioral Sciences, 174, pp.969-976.

BPS, 2015, Regency/City/Province Central Kalimantan in figure, www.bps.go.id

BPS, 2016, Regency/City/Province Central Kalimantan in figure, www.bps.go.id

BPS, 2017, Regency/City/Province Central Kalimantan in figure, www.bps.go.id

BPS, 2018, Regency/City/Province Central Kalimantan in figure, www.bps.go.id

Cohn, E., 1979. The Economic of Education Revised Edition. Cambridge: Ballinger Publishing Company.

Education and Culture Ministry Regulation Number 69 year of 2009 about Nonoperational Cost Standar Year 2009 for Elementary School, Junior High School, High School, Vocational School.

Ferdi, W.P., 2013. Pembiayaan Pendidikan: Suatu Kajian Teoritis. Jurnal Pendidikan dan Kebudayaan, 19(4), pp.565-578.

Government Regulation Number 19 Year of 2005 about National Standard of Education (Peraturan Pemerintah Nomor 19 Tahun 2005 tentang Standar Nasional Pendidikan)

President Regulation Number 2 year of 2015 about RPJMN 2015-2019 (Peraturan Presiden RI Nomor 2 tahun 2015 tentang RPJMN 2015-2019)

Reza, F. and Widodo, T., 2013. The Impact of education on economic growth in Indonesia. Journal of Indonesian Economy and Business, 28(1), pp.23-44.

Samuelson, Paul. A. 1961. Economics, An Introductory Analysis. Mac Graw-Hill Kogakusha Co. Ltd, Tokyo, Fifth Edition.

Schultz, T.W., 1961. Investment in human capital. The American economic review, pp.1-17.

Sugiyono. 2012. Business Research Methods. Bandung : Alfabeta.

Sukirno, S. 2004. Economic Macro : Introduction Theory, Jakarta : PT. Raja Grafindo Persada

Undang-Undang Dasar Negara Republik Indonesia Tahun 1945

Widiansyah, A., 2017. The Role of Economics in Education and Education in Economic Development. Cakrawala-Jurnal Humaniora, 17(2), pp.207-215.