

Determinants of Economic Growth in Nusa Tenggara Barat: Analyzing the Impact of Education, Health, Economic and Social Infrastructure, and Employment

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ABSTRACT

This study aims to find empirical evidence of the determinants of education level, health level, economic infrastructure, social infrastructure, and employment on the economic growth rate of West Nusa Tenggara Province (NTB) from 2019 to 2022. Data sources were obtained from secondary data, consisting of macroeconomic variable data for NTB accessed through the BPS website. The data analysis method used was quantitative analysis, employing statistical tests using EViews. The results of the study indicate that education level and employment level have a positive and significant effect on the economic growth of NTB Province, with probabilities of 0.000 (less than 0.05) and 0.0009 (also less than 0.05) for the employment variable. Meanwhile, the health level, economic infrastructure, and social infrastructure have a positive but not significant effect.

Keywords: Education Level; Health Level; Economic Infrastructure; Social Infrastructure; Economic Growth

ABSTRAK

Penelitian ini bertujuan untuk menemukan bukti empiris penentu tingkat pendidikan, tingkat kesehatan, infrastruktur ekonomi, infrastruktur sosial, dan lapangan kerja terhadap laju pertumbuhan ekonomi Provinsi Nusa Tenggara Barat (NTB) dari tahun 2019 hingga 2022. Sumber data diperoleh dari data sekunder, yang terdiri dari data variabel makroekonomi untuk NTB yang diakses melalui situs web BPS. Metode analisis data yang digunakan adalah analisis kuantitatif, menggunakan uji statistik menggunakan Eviews. Hasil penelitian menunjukkan bahwa tingkat pendidikan dan tingkat pekerjaan memiliki pengaruh positif dan signifikan terhadap pertumbuhan ekonomi Provinsi NTB, dengan probabilitas 0,000 (kurang dari 0,05) dan 0,0009 (juga kurang dari 0,05) untuk variabel ketenagakerjaan. Sementara itu, tingkat kesehatan, infrastruktur ekonomi, dan infrastruktur sosial memiliki efek positif namun tidak signifikan.

Kata kunci: Tingkat Pendidikan; Tingkat kesehatan; Infrastruktur Ekonomi; Infrastruktur Sosial; Pertumbuhan Ekonomi

INTRODUCTION

Economic Growth is the process by which the economic condition of a country continuously changes to achieve progress towards a state considered better over the

long term (Harefa et al., 2024). Economic growth theory provides explanations of the long-term process and the factors influencing economic growth, as well as how these elements combine to enable the growth process to occur (Astutik et al., 2024). Based on data from the Central Statistics Agency (BPS), economic growth in both NTB province and Indonesia generally continues to experience fluctuations year by year (Badan Pusat Statistik, 2023). Economic growth is influenced by several factors, including labor, capital, and technological advancement. Labor that affects economic growth is considered in terms of both quantity and quality (Amar & Pratama, 2020). The quality of the workforce is influenced by several factors, including education and health. Among these aspects, education is considered the most important in determining human quality.

According to BPS of Nusa Tenggara Barat Province (2022), basic education is mandatory for every Indonesian citizen (Badan Pusat Statistik, 2023). The government is obliged to strive for and organize a national education system that can guarantee equal opportunities and improve education quality. School participation is measured through three indicators: School Participation Rate (APS), Gross Enrollment Rate (APK), and Net Enrollment Rate (APM) (Ashaye & Irani, 2019). Each indicator has a different essence. APS emphasizes the participation of school-age children, while APK and APM focus on school participation coverage from the perspective of educational levels. The school participation rate by educational level in NTB province shows the highest APM at the elementary education level of 98 percent year by year (Aboramadan et al., 2019). Meanwhile, the lowest APM at the high school education level is around 65-67 percent year by year. Additionally, APK in NTB province has a relatively high value across all educational levels year by year.

According to data from Kristiadi et al., (2021), the morbidity rate of the population in NTB is 23.09 percent. The morbidity rate in NTB province for the year 2022 indicates that 23 percent of the population experienced health complaints during the year. Based on Presidential Regulation of the Republic of Indonesia No. 38 of 2015, infrastructure is defined as the technical facilities, physical systems, hardware, and software necessary to provide services to the community and support structural networks so that economic and social growth can proceed well. According to the Bank, (2009), economic infrastructure is defined as physical development that supports economic activities. This includes public utilities (telecommunications, clean water, sanitation, gas), public works (roads, dams, irrigation, drainage), and the transportation sector (highways, railroads, ports, airports). West Nusa Tenggara is an island region with a population of more than 5 million people, with significant resource potential spread across strategic areas, possessing competitive advantages, especially in leading sectors such as tourism, agriculture, mining, marine, and fisheries. One of the main supports for the development of these leading sectors in production centers is the increasing accessibility and connectivity (Aulia et al., 2024).

To encourage the growth and development of these leading sectors, the NTB Provincial Government has established policies in the RPJMD (Regional Medium-

Term Development Plan), which includes one of its missions as Accelerating the Development of Supporting Infrastructure for Leading Sectors and Strategic Areas (Astuti et al., 2023). This aligns with the general direction of national development policies in the RPJMN (National Medium-Term Development Plan), which aims to accelerate infrastructure development for growth and equity. As a concrete manifestation of this policy, various infrastructures have been built to support NTB as one of the provinces designated as a national tourism destination and as a region supporting the provision of national food stocks (Andrinata, 2023).

The impact of developing various infrastructures has significantly influenced the economic development of the region. Improved road infrastructure encourages the growth and development of tourism and related industries, including international interest in making NTB a venue for international-scale events, particularly in sport tourism. Similarly, the development of water resource infrastructure, such as dams and irrigation networks, has improved agricultural productivity, leading to increased farmer income. Over the last five years, the NTB Provincial Government has successfully raised the quality of provincial roads from 68.99% in 2014 to 84.02% in 2018.

The foundation of a country's economy is its production sectors, where labor plays a crucial role as a production factor generating added value. For the manufacturing process to function as efficiently as possible, labor in the labor market must be available in both quantity and quality (Barman, 2021). The skills and suitability of the workforce must be considered to meet the labor market's demands for jobs. This is essential, as the labor force must meet a set of standards, one of which is age, where the working-age population in Indonesia is defined as those aged 15 years and above. Within this definition, the working-age population can be categorized into two: those in the labor force and those not in the labor force (Astutik et al., 2024).

The labor force in NTB in 2022 reached 2.80 million people, an increase from 2.74 million in 2021. Meanwhile, the number of people not in the labor force in 2022 reached 1.15 million, slightly up from 1.14 million in 2021 (Badan Pusat Statistik, 2023). The labor force in NTB is twice as large as those not in the labor force. If viewed by gender, the number of male labor force participants is higher than that of females, while the number of males not in the labor force is lower than that of females. In terms of regional classification, the labor force in rural areas is slightly higher than in urban areas. Conversely, the number of people not in the labor force in urban areas is higher than in rural areas. Several studies regarding factors that significantly contribute to economic growth have been conducted by researchers. These factors include labor, human capital, foreign investment, domestic investment, trade openness, and the climate of democracy. However, research results still show contradictory conclusions for several variables. Research on the determinants of economic growth in a region has been previously conducted by other researchers.

LITERATURE REVIEW

Education Level

Education is a critical driver of economic growth, enhancing individual capabilities and fostering a more skilled workforce. According to Ridwan and Nawir (2021), investments in education contribute to improved productivity and innovation, which are essential for national and regional economic development. Theories of education expenditure suggest that increased funding for education can lead to higher enrollment rates, improved quality of education, and better educational outcomes. Consequently, as the education level rises, individuals become more competitive in the labor market, ultimately contributing to overall economic growth.

Health Level

Health is a fundamental component of human development and economic productivity. A healthy population is essential for sustained economic growth, as it enables individuals to participate effectively in the workforce. Health expenditures play a significant role in ensuring access to essential health services, which directly impacts the health level of a population. The Indonesian Law No. 36 of 2009 emphasizes the importance of health financing, mandating that a minimum of 5% of the state revenue and expenditure budget be allocated to health. By improving health outcomes through adequate healthcare funding, the government can enhance labor productivity and contribute to economic growth.

Economic Infrastructure

Economic infrastructure encompasses the physical and organizational structures needed for the operation of a society, including transportation, communication, and energy systems. Investments in economic infrastructure are vital for facilitating trade, attracting investment, and promoting overall economic growth. Effective infrastructure reduces transaction costs and enhances the efficiency of resource allocation, leading to increased productivity. Ridwan and Nawir (2021) highlight that the government's commitment to developing infrastructure is crucial for creating a conducive environment for economic activities, which, in turn, fosters sustainable economic growth.

Social Infrastructure

Social infrastructure includes institutions and services that support social welfare, such as education, healthcare, and social services. Social assistance programs play a vital role in addressing poverty and enhancing the quality of life for vulnerable populations. According to Rarun et al. (2018), government spending on social assistance is essential for protecting individuals from social risks and improving their economic capacity. The Republic of Indonesia Regulation PMK Number 81/PMK.05/2012 outlines the importance of social assistance expenditures in enhancing the welfare of the community. By prioritizing social infrastructure, the

government can contribute to poverty alleviation and create a more equitable society, which is essential for long-term economic growth.

Economic Growth

Economic growth refers to the increase in the production of goods and services in an economy over time. The interplay between education level, health level, economic infrastructure, and social infrastructure significantly influences economic growth. Investments in education enhance human capital, while health expenditures ensure a productive workforce. Additionally, robust economic and social infrastructures facilitate efficient resource allocation and improve overall living standards. As noted by Ridwan and Nawir (2021), a holistic approach that considers these interrelated factors is essential for fostering sustainable economic growth.

RESEARCH METHOD

Type of research, research location and data sources

According to Sugiyono, (2018), quantitative research is based on the collection and analysis of numerical data to explain, predict, and control the phenomena of interest. Quantitative research emphasizes the analysis of numerical data processed using statistical methods. This method allows for the identification of significant relationships among variables. This study also employs panel data comprising annual data from 2019 to 2022, collected from 8 regencies and 2 cities in the province of NTB. The data analysis in this study utilizes EViews software. The determinant analysis will examine the impact of education level, health level, economic infrastructure, social infrastructure, and employment on economic growth in the province of NTB. This research uses secondary data obtained from the Central Statistics Agency (BPS) of NTB and the Directorate General of Financial Balance (DJPB) of the Ministry of Finance.

Research Framework and Hypothesis Development

This study aims to obtain empirical evidence regarding the influence of education level, health level, economic infrastructure, social infrastructure and employment on economic growth in the province of NTB. economic growth is influenced by many factors. Based on this, the hypothesis in this study is:

- H1: Education level has a significant effect on economic growth
- H2: Health level has a significant effect on economic growth
- H3: Economic infrastructure has a significant effect on economic growth
- H4: Social infrastructure has a significant effect on economic growth
- H5: Employment has a significant effect on economic growth
- H6: Education level, health level, economic infrastructure, social infrastructure and employment simultaneously have a significant effect on economic growth

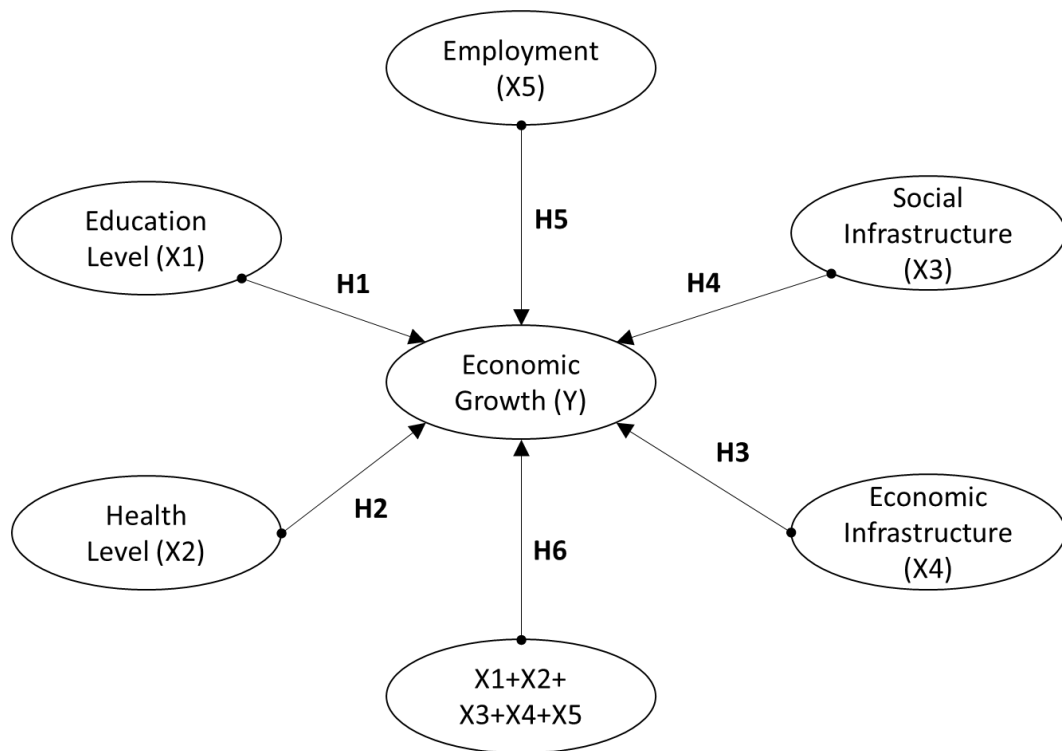


Figure 1. Research Framework

Data Collection and Data Analysis Procedures

This study uses secondary data obtained from the Central Statistics Agency (BPS) of West Nusa Tenggara (NTB), the Directorate General of Financial Balance (DJPB), the Directorate General of Fiscal Balance (DJPK) of the Ministry of Finance, as well as other relevant literature. Data collection was conducted through several methods, one of which is literature review, encompassing the gathering of data from various scientific books, research reports, and scholarly articles in both print and electronic formats.

The data analysis procedure involves establishing relevant data sources, such as data published by the BPS of NTB, the Regional Financial Management Agency (BPKAD) of NTB, DJPK, and DJPB of the Ministry of Finance. Subsequently, these data are compiled in document format, generally in Excel files, to facilitate the processing and normalization of data. Data normalization aims to standardize the data format to ensure compatibility, despite originating from different sources. After normalization, the data is analyzed through calculations, organization into tables, mapping, comparisons, and reviews.

The analysis employed is multiple linear regression, which according to Sahir (2022), involves two or more independent variables correlated with one dependent variable. This analysis is used to determine the direction and magnitude of the influence of each independent variable on the dependent variable, whether positive or negative. The multiple linear regression equation used is:

$$Y_t = a + b_1X_{1t} + b_2X_{2t} + b_3X_{3t} + b_4X_{4t} + b_5X_{5t} + e_i$$

where Y represents economic growth; X1 is the education level, X2 is the health level, X3 is economic infrastructure, X4 is social infrastructure, X5 is employment, a is the constant, b are the regression coefficients, and e is the standard error. This analysis is performed using EViews software. To ensure the model's accuracy, this study conducts classical assumption tests, which include normality tests, heteroscedasticity tests, multicollinearity tests, and autocorrelation tests, in order to meet the Best Linear Unbiased Estimator (BLUE) requirements. The normality test is conducted using the Kolmogorov-Smirnov test to ensure that the data is normally distributed. The heteroscedasticity test is performed using the Park method with SPSS to confirm uniformity of residual variance. The multicollinearity test is carried out by calculating the Variance Inflation Factor (VIF) to detect strong correlations among independent variables. The autocorrelation test is conducted using the Durbin-Watson criterion to ensure that there is no correlation between errors from different time periods. If necessary, the Run Test is used as an additional test.

This study also tests hypotheses at a 95% confidence level ($\alpha = 5\%$) using the t-test to assess the significance of the effect of each independent variable on the dependent variable. For example, for the education expenditure variable, the statistical hypothesis tested is whether education expenditure (X1) significantly affects poverty (Y). The testing criteria involve comparing the calculated t-value with the critical t-value to accept or reject the null hypothesis, thereby determining the significance of the variable's influence.

RESULT AND DISCUSSION

Panel Data Regression Model

The Chow test is used to determine whether the appropriate model is the Common Effect Model or the Fixed Effect Model. The testing criterion for the Chow test is that if the probability value (prob) of the cross-section Chi-Square is greater than 0.05, then the appropriate model is the Common Effect Model. However, if the prob value from the cross-section Chi-Square is less than 0.05, the Fixed Effect Model is more suitable. Based on the test results, the prob value from the cross-section Chi-Square is 0.0001, which is less than 0.05. Therefore, the regression model used in this analysis is the Fixed Effect Model.

Table 1. Results of the Chow and Hausman tests

Effect Test	Statistics	d.f	Prob.
Uji Chow			
Cross-Section F	3.563	9.25	0.0057
Cross-Section Chi Square	33.013	9	0.0001

Uji Hausman			
Cross-Section Random	25.246	5	0.0001

Multiple Linear Regression Results

Multiple linear regression analysis is used to determine the direction of the relationship between independent variables and dependent variables. Based on the results of multiple linear regression testing, the following equation was obtained:

$$Y = -310.08 + 0.579X1 + 0.076X2 + 0.098X3 - 0.423X4 + 0.187X5$$

Based on the obtained regression model, an explanation regarding the effect of each variable on Economic Growth can be elaborated. The constant value of -310.08 indicates that if the variables of Education Level, Health Level, Economic Infrastructure, Social Infrastructure, and Employment are all zero, the Economic Growth would be -310.08. For the Education Level variable (X1), a coefficient of 0.579 indicates that each increase of 1 billion Rupiah in the Education Level will lead to an increase in Economic Growth by 0.579 percent.

Furthermore, the coefficient for the Health Level variable (X2) is 0.076, which shows that an increase of 1 billion Rupiah in the Health Level will raise Economic Growth by 0.076 percent. For the Economic Infrastructure variable (X3), the coefficient of 0.098 indicates that every increase of 1 billion Rupiah in Economic Infrastructure will result in an increase in Economic Growth by 0.098 percent. In contrast, the Social Infrastructure variable (X4) has a negative coefficient of -0.423, which means that an increase of 1 billion Rupiah in Social Infrastructure will actually decrease Economic Growth by 0.423 percent. Finally, the Employment variable (X5) has a coefficient of 0.187, indicating that each increase of 1 billion Rupiah in Employment will cause Economic Growth to increase by 0.187 percent.

Classical Assumption Test Results

The classical assumption test is used so that the estimation results meet the requirements of the Best Linear Unbiased Estimator (BLUE), namely in a normally distributed model and there is no multicollinearity, autocorrelation and heteroscedasticity. To detect data normality, the Kolmogorov Smirnov test with an alpha of 5% is used, the results of which can be seen in Figure 2.

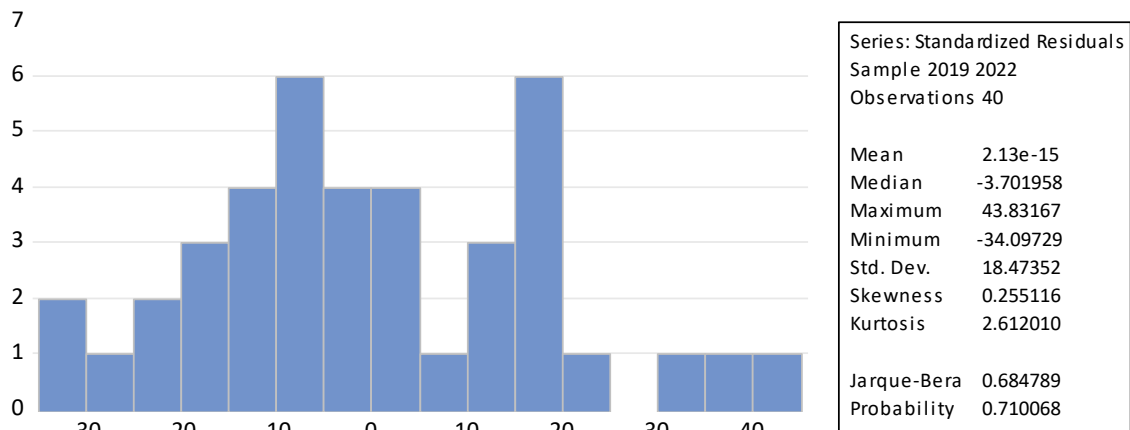


Figure 2. Normality Test Results

Based on Figure 2, it is known that the data obtained is normally distributed with a probability value of 0.71 which is greater than 0.05. Then a multicollinearity test is carried out, the results of which are presented in Table 2. Based on Table 2 which displays the results of the multicollinearity test, the correlation between independent variables in the model can be seen. Multicollinearity is measured by seeing whether there is a high correlation (generally above 0.8) between independent variables, which can indicate strong multicollinearity. Variable X1 (Education Level) has a relatively high correlation with X2 (Health Level), which is 0.8266, which is close to the threshold value of 0.8, so there may be potential multicollinearity between these variables.

Table 2. Multicollinearity Test Results

	X1	X2	X3	X4	X5
X1	1	0.8266	0.4025	0.6936	0.4296
X2	0.8266	1	0.3805	0.6947	0.2901
X3	0.4025	0.3805	1	0.3375	-0.2331
X4	0.6936	0.6947	0.3375	1	0.1855
X5	0.4296	0.2901	-0.2331	0.1855	1

Variable X2 also has a high correlation with X4 (Social Infrastructure), which is 0.6947, but still below 0.8, so it can still be considered that there is no strong multicollinearity. The correlation between other variables, such as X1 and X3, X3 and X4, and X4 and X5, is in the low to moderate range (between -0.2331 to 0.4296), which indicates that there is no significant multicollinearity problem between these variables. Heteroscedasticity testing in this study uses the Glejer test with an alpha of 5%. This test uses an analysis tool in the form of Eviews, the results of which can be seen in Table 3.

Table 3. Heteroscedasticity Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-22.36865	25.94101	-0.862289	0.3967
X1	0.077759	0.048300	1.609919	0.1200
X2	0.035080	0.033811	1.037525	0.3094
X3	-0.018324	0.027846	-0.658047	0.5165
X4	-0.473705	0.451685	-1.048751	0.3048
X5	0.026460	0.020923	1.264630	0.2177

Based on Table 3, the results of this heteroscedasticity test are carried out to see whether there is a non-constant residual variance (heteroscedasticity) in the regression model. This test uses the Panel Least Squares method with the dependent variable ABS (RESID), which is the absolute value of the residual. These results are intended to determine whether there is a relationship between the independent variables and the variability of the residuals. Interpretation of the probability value (Prob.) Shows that: Constant (C) has a probability value of 0.3967, which is greater than 0.05, so it is not significant. Variable X1 (Education Level) has a probability of 0.1200, which is greater than 0.05, so it is not significant. Variable X2 (Health Level) has a probability of 0.3094, which is greater than 0.05, so it is not significant. Variable X3 (Economic Infrastructure) has a probability of 0.5165, which is also greater than 0.05, so it is not significant. Variable X4 (Social Infrastructure) has a probability of 0.3048, which is greater than 0.05, so it is not significant. While Variable X5 (Employment) has a probability of 0.2177, which is greater than 0.05, so it is not significant.

Hypothesis Test Results

Hypothesis testing is useful for testing whether the regression coefficient obtained is significant. Hypothesis testing in this study uses a confidence level of 95% or $\alpha = 5\%$. This hypothesis testing uses the Eviews analysis tool. The t-test is used to test the regression coefficient individually. Testing is carried out to determine how far the influence of each independent variable on the dependent variable. The results can be seen in Table 4.

Table 4. Partial Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-310.0859	62.17686	-4.987159	0.0000
X1	0.579272	0.115768	5.003750	0.0000
X2	0.076650	0.081040	0.945831	0.3533
X3	0.098862	0.066742	1.481258	0.1510
X4	-0.423893	1.082624	-0.391542	0.6987
X5	0.187921	0.050149	3.747218	0.0009

Based on the hypothesis testing results presented in Table 4, the regression model was tested using the Panel Least Squares method for the period 2019–2022. The dependent variable is Y. The following is the interpretation of each coefficient and the significance testing results: The constant (C) is valued at -310.0859 with a probability of 0.0000, indicating significance at the 5% significance level. This suggests that if all independent variables are zero, the dependent variable Y is predicted to be -310.0859. The variable X1 (Education Level) has a coefficient of 0.579272 with a probability value of 0.0000, demonstrating that this variable is significant at the 5% significance level. This implies that every increase in the Education Level by 1 billion Rupiah is expected to increase Economic Growth by 0.579 percent, assuming other variables remain constant.

The variable X2 (Health Level) has a coefficient of 0.076650 with a probability value of 0.3533, which is greater than 0.05, indicating that this variable is not significant. This shows that changes in the Health Level do not have a significant impact on Economic Growth in this model. The variable X3 (Economic Infrastructure) has a coefficient of 0.098862 with a probability of 0.1510, which is also not significant at the 5% significance level. This indicates that economic infrastructure does not have a significant influence on Economic Growth. The variable X4 (Social Infrastructure) has a coefficient of -0.423893 with a probability of 0.6987, which is also not significant. This means that increases in social infrastructure do not have a significant impact on Economic Growth and tend to correlate negatively. The variable X5 (Employment) has a coefficient of 0.187921 with a probability of 0.0009, indicating significance at the 5% significance level. This suggests that every increase in Employment by 1 billion Rupiah is expected to raise Economic Growth by 0.1879 percent, assuming other variables remain constant. From this testing result, it can be concluded that only the Education Level (X1) and Employment (X5) variables have a significant effect on Economic Growth in this model, while the Health Level (X2), Economic Infrastructure (X3), and Social Infrastructure (X4) variables do not have a significant influence.

Furthermore, the F-test is used to jointly test the hypothesis of the regression coefficients (slope) to ensure that the selected model is appropriate for interpreting the influence of independent variables on the dependent variable. The results of this test can be seen in Table 5.

Table 5. Simultaneous Test Results

Statistics	value
R-squared	0.750327
Adjusted R-squared	0.610509
S.E. of regression	23.07342
Sum squared resid	13309.57
Log likelihood	-172.9047
F-statistic	5.366486

Statistics	value
Prob(F-statistic)	0.000137
Mean dependent var	9.215750
S.D. dependent var	36.97120
Akaike info criterion	9.395236
Schwarz criterion	10.02857
Hannan-Quinn criter.	9.624229
Durbin-Watson stat	2.930447

In this table, the F-statistic value of 5.366486 with a Prob(F-statistic) value of 0.000137 indicates that the tested regression model is significant at the 1% significance level (since the p-value < 0.01). This implies that the independent variables in the model have a significant effect on the dependent variable as a whole. Thus, it can be concluded that there is a simultaneous influence between the Education Level (X1), Health Level (X2), Economic Infrastructure (X3), Social Infrastructure (X4), and Employment (X5) variables on Economic Growth (Y). The R-squared value of 0.750327 suggests that approximately 75.03% of the variation in the dependent variable can be explained by the independent variables in the model. Meanwhile, the Adjusted R-squared value of 0.610509 provides an adjusted perspective considering the number of variables, which still indicates a relatively good model fit. The Durbin-Watson statistic value of 2.930447 is close to 2, suggesting that this model likely does not have issues with autocorrelation in its residuals.

Discussion

Based on the results of the hypothesis testing conducted, it is evident that the Education Level has a positive and significant impact on Economic Growth in the province of NTB from 2019 to 2022. This finding aligns with previous research conducted by Gupta & Pathania, (2021); Karadag et al., (2021); Kusumaningsih et al., (2022); and Yanti et al., (2024), which similarly concluded that education levels positively and significantly influence economic growth. The hypothesis testing results also indicate that the Health Level has a positive but statistically insignificant effect on Economic Growth in the province of NTB during the same period. This observation is consistent with earlier studies by Etim & Daramola, (2020); and Fatihin et al., (2023), which found that health levels exert a positive but insignificant influence on economic growth.

Furthermore, the results reveal that Economic Infrastructure positively affects Economic Growth in NTB, albeit not significantly. This finding corroborates the research by Marsi & Wardani, (2020), which indicated that economic infrastructure has a positive yet insignificant relationship with economic growth. Additionally, the hypothesis testing results demonstrate that Social Infrastructure has a negative and statistically insignificant impact on Economic Growth in NTB from 2019 to 2022. This aligns with the findings of Zhuang et al., (2022), which reported a negative and insignificant effect of social infrastructure on economic growth.

Moreover, the findings suggest that Employment has a positive and significant effect on Economic Growth in the province of NTB during the same period. This is consistent with earlier studies by Erlando et al., (2020); Etim & Daramola, (2020); and Wijaya et al., (2021), which indicated that employment significantly and positively influences economic growth. In summary, the hypothesis testing results show that the levels of education, health, economic infrastructure, social infrastructure, and employment collectively have a significant impact on economic growth. The model explains approximately 75% of the variation in economic growth, while the remaining 25% is attributed to other variables not included in this study. This indicates that improvements in education level, health level, economic infrastructure, social infrastructure, and employment are likely to enhance economic growth in the province.

CONCLUSION AND SUGESSTION

Based on the testing results outlined previously, this study concludes several important findings related to the factors influencing economic growth in the province of West Nusa Tenggara (NTB) during the period from 2019 to 2022. First, the Education Level has a positive and significant impact on economic growth, indicating that improvements in education directly contribute to economic enhancement in NTB. Second, although the Health Level demonstrates a positive influence, this result is not significant, suggesting that improvements in health have not been sufficient to meaningfully impact economic growth during this period. Furthermore, Economic Infrastructure shows a positive but statistically insignificant effect on economic growth. A similar finding applies to Social Infrastructure, which reveals a negative and insignificant impact. This indicates that enhancements in social infrastructure have not been effective in supporting economic growth and may even exhibit a negative relationship. Conversely, Employment demonstrates a positive and significant influence, reinforcing the notion that an increase in job opportunities plays a crucial role in driving economic growth in NTB.

Simultaneously, all the variables examined—Education Level, Health Level, Economic Infrastructure, Social Infrastructure, and Employment—collectively exert a significant influence on economic growth, with a contribution of 75%, while the remaining 25% is affected by other variables outside the scope of this study. Based on these findings, several recommendations are offered for future research, including expanding the temporal scope of the study and incorporating additional macroeconomic variables to achieve a more comprehensive understanding. Moreover, it was found that the variables of Health Level, Economic Infrastructure, and Social Infrastructure exhibit a long lag time before yielding significant impacts that can be felt by the community. This lag causes the influence of these variables on economic growth to be insignificant in the short term. Further, it is suggested that Social Infrastructure initiatives should be directed more effectively and made directly

beneficial to the community, so that their economic impacts can be felt in a tangible manner.

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