

THE EFFECT OF CAPITAL EXPENDITURE AND HDI INTERACTION ON DOMESTIC INVESTMENT IN REGENCY/CITY IN CENTRAL JAVA

Nabiilah Aaisyah Ramadhani Surananda^{1*}, Istiqomah², Indrawan Firdauzi³, Prihono⁴

¹⁻³Development Economics, Jenderal Soedirman University, Indonesia

⁴Directorate General of Treasury Central Java

*Email corresponding author: nabiilah.surananda@mhs.unsoed.ac.id

Article Information: Received – June, 25 2026, Published – August, 10 2026

Abstract

Domestic investment across regencies and cities in Central Java continues to exhibit significant disparities and fluctuations. This study aims to analyze the effect of capital expenditure on roads, irrigation, and networks, as well as capital expenditure on buildings and structures, with the Human Development Index (HDI) as a moderating variable, on domestic investment in Central Java Province. This study used secondary data from 35 regencies/cities in Central Java Province for the period 2016-2024. The research method employed panel data regression using the Moderated Regression Analysis (MRA) technique. The results showed that: (1) capital expenditure on roads, irrigation, and networks had no significant effect on domestic investment in regencies/cities in Central Java; (2) capital expenditure on buildings and structures had no significant effect on domestic investment in regencies/cities in Central Java; (3) the HDI had a significant effect on domestic investment in regencies/cities in Central Java; (4) the HDI was not able to strengthen the effect of capital expenditure on roads, irrigation, and networks on domestic investment in regencies/cities in Central Java; (5) the HDI was able to strengthen the effect of capital expenditure on buildings and structures on domestic investment in regencies/cities in Central Java.

Keywords: Capital Expenditure; Capital Expenditure on Roads, Irrigation, and Networks; Capital Expenditure on Buildings and Structures; Human Development Index; Domestic Investment

INTRODUCTION

Investment is a fundamental pillar of economic development, acting as a stimulus for increasing capital and accelerating national productivity to promote economic development (Mukhlisin & Rahayu, 2025). According to Law No. 25 of 2007, Domestic Investment is defined as investment activities carried out by domestic investors with capital entirely originating from domestic sources. The success of an investment is reflected in the extent of domestic investment realization. High levels of domestic investment indicate growing confidence among domestic businesses in a region's economic condition (Nugroho et al., 2025).

Data from the *Direktorat Jenderal Perimbangan Keuangan* (DJPK) and the *Badan Pusat Statistik Provinsi Jawa Tengah* (BPS) show that Domestic Investment realization in regencies/cities across Central Java during the 2016-2024 period experienced fluctuations and regional disparities. Although they have relatively similar fiscal capacities, some regions recorded high domestic investment realization, whereas other regions recorded lower realization. The phenomenon of fluctuations and regional disparities in investment realization can be seen more clearly in Table 1 below:

Table 1. Comparison of Average Variable Achievements in Regencies/Cities in Central Java in 2016-2024

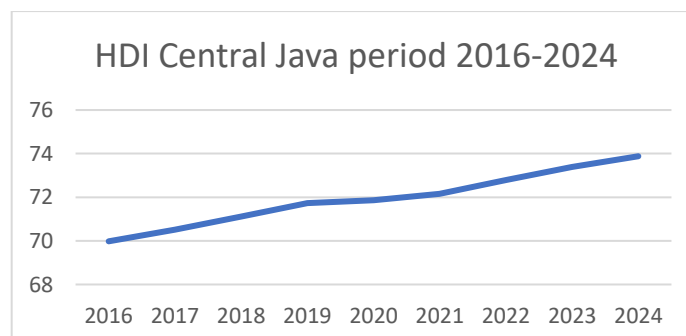
Regency/City	Realization of Domestic Investment (Million Rp)	Capital Expenditure (Billion Rp)	HDI	Description
Semarang City	5,377,440.28	754,18	84,10	Highest
Kendal Regency	865,061.34	179,78	73,17	High Spending, PMDN Medium
Blora Regency	160,949.04	318,23	70,00	Low PMDN
Wonosobo Regency	96,092.41	257,41	68,96	Lowest PMDN

Source: Direktorat Jenderal Perimbangan Keuangan (2024) and Badan Pusat Statistik Provinsi Jawa Tengah (2025)

As shown in Table 1, Semarang City leads in PMDN through high capital expenditure and superior HDI. Compared with Blora Regency and Kendal Regency, the large capital expenditure allocation in Kendal Regency has not resulted in higher domestic investment realization, despite its higher fiscal spending. Meanwhile, Wonosobo Regency, which recorded the lowest domestic investment realization, demonstrates that capital expenditure allocation and HDI do not always directly correlate with high domestic investment realization. These differences indicate that the attractiveness of domestic investment is influenced by various structural factors and regional policies.

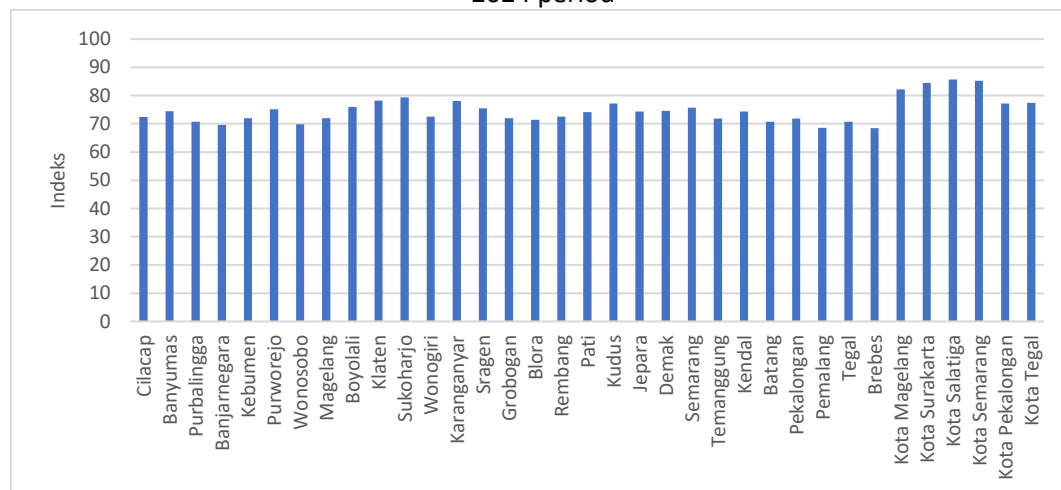
In the structure of the Regional Budget (APBD), capital expenditure is classified into capital expenditure on Roads, Irrigation, and Networks (RIN) and capital expenditure on Buildings and Structures (BS), both of which aim to generate a Keynesian multiplier effect that encourages investment from the private sector investment. Nevertheless, the effectiveness of this fiscal instrument in attracting domestic investment relies heavily on the quality of human capital. Human capital theory posits that a skilled and healthy workforce, as indicated by the Human Development Index (HDI), is vital for enhancing operational efficiency and innovation, both of which are valued by investors. As a result, capital expenditure may become less effective if it is not paired with an adequate Human Development Index, as illustrated by the following HDI data for Central Java Province during the 2016-2024 period:

Figure 1. Human Development Index (HDI) of Central Java Province for the 2016-2024 period



Source: Badan Pusat Statistik Provinsi Jawa Tengah (2025)

Figure 1. Human Development Index (HDI) of Regencies/Cities of Central Java Province for the 2024 period



Source: Badan Pusat Statistik Provinsi Jawa Tengah (2025)

Referring to Figures 1 and 2, Central Java's HDI showed a consistent upward trend, increasing from 68.78 in 2014 to 73.88 in 2024. However, significant variations among regencies and cities indicate that the quality of human resources is not homogeneous. These variations are presumed to affect the effectiveness of fiscal policy, particularly the extent to which capital expenditure translates into the actual realization of domestic investment.

The novelty of this study lies in its explicit approach of positioning the HDI as a moderating variable to examine the interaction between fiscal instruments and human capital quality. Unlike previous literature that often examines these variables separately, this study objectively analyzes how the synergy between capital expenditure and human development creates a crowding-in effect for domestic investors. This research was conducted based on the phenomenon of inequality and fluctuations in domestic investment realization in Central Java. The study analyzes factors that are expected to affect domestic investment realization, namely Capital Expenditure of Roads, Irrigation, and Networks (CERIN), Capital Expenditure of Buildings and Structures (CEBS), and Human Development Index (HDI).

LITERATURE REVIEW AND HYPOTHESIS FORMULATION

Crowding-in Theory

The crowding-in effect theory is part of fiscal policy analysis in macroeconomics that explains how government spending can stimulate increased economic activity in the private sector, particularly investment. This contrast with the crowding-out effect, which posits that government spending actually raises interest rates, thereby discouraging private investment. According to the theoretical model proposed by Stanley Fischer, Rudiger Dornbusch and Richard Startz in Macroeconomics, expansionary fiscal policy through increased government spending does not always suppress private investment. Instead, under certain conditions, such as a liquidity trap, it can stimulate the growth of private investment (Dornbusch et al., 2011).

Keynesian Theory

Keynesian Theory is a macroeconomic theory developed in the 1930s by John Maynard Keynes, an economist from England. This theory suggests that governments can stabilize the economy through fiscal instruments, namely government spending and revenue. To stimulate economic activity in a region, one of the government's key policy instruments is capital expenditure. Government spending on capital expenditure can increase economic activity by stimulating demand for goods and services and expanding business activities.

Human Capital Theory

The success of a country is greatly influenced by the quality of its human resources. High quality human resources enhance individuals ability to carry out economic activities more productively, thereby promoting economic growth and increase investment attractiveness. Schultz (1971) and Becker (2009) argue that investment in education and skills improves a region's capacity to support productivity growth in business activities and investment. Human capital theory views human resources not merely as a labor force but also as a strategic asset capable of enhancing economic productivity (Cahyaningrum et al., 2025).

Domestic Investment

Domestic Investment refers to investment activities carried out within the territory of the Republic of Indonesia using capital originating from domestic sources to conduct business activities (Pratama & Rofiuddin, 2023). Domestic investment is one of the Indonesian government's primary priorities in accelerating national economic development. Therefore, various policies and strategies are implemented to encourage broader investment activities.

Human Development Index

The Human Development Index (HDI) is an indicator used to measure the level of human development based on three primary dimension: health, education, and decent living standards (Badan Pusat Statistik, 2014). The health dimension is measured using Life Expectancy Rate (LER), while the education dimension is measured using Expected Years of Schooling (EYS) and Mean Years of Schooling (MYS). The standard of living dimension is measured using Gross National Income (GNP) per capita. According to *Badan Pusat Statistik*, the Human Development Index is classified into 4 (four) categories below:

- a) $HDI < 60$ = Low HDI
- b) $60 < HDI < 70$ = Medium HDI
- c) $70 < HDI < 80$ = High HDI
- d) $HDI \geq 80$ = Very high HDI

Capital Expenditure

Capital Expenditure is one component of regional government expenditure allocated to regional development. From a macroeconomic perspective, a high proportion of capital expenditure not only reflects the government's managerial capacity in managing public finances but also serves as a stimulus for economic activities that promote economic growth, job creation, and increased private sector participation (Ratnawati & Sari, 2023).

1. Capital Expenditure on Roads, Irrigation, Networks

Capital expenditure on roads, irrigation, networks refers to government spending intended to acquire roads, bridges, irrigation systems, and network infrastructure until they are ready for use (Ikhyanuddin et al., 2021). This expenditure includes acquisition costs, construction costs, and other expenses incurred during the construction process until the infrastructure is fully operational.

2. Capital Expenditure on Buildings and Structures

Capital expenditure on buildings and structures refers to government spending allocated for the contractual procurement or construction of building and other structures until they are ready for use. This category also includes planning, supervision, and other expenditures directly related to the acquisition of buildings and structures.

The Effect of Capital Expenditure Road, Irrigation, and Networks on Domestic Investment (PMDN) in Regencies/Cities in Central Java

Based on Keynesian theory, government spending on infrastructure serves as a strategic fiscal instrument to stimulate private-sector economic activity (Keynes, 2018). This relationship is further explained by the crowding-in effect theory, which argues that productive government spending acts as a catalyst for private investment rather than a barrier (Dornbusch et al., 2011). Adequate capital expenditure can improve investment efficiency and generate a crowding-in effect, namely an increase in private-sector investment driven by government support. This argument is supported by empirical evidence. Izzati & Rachmawati (2025) found that infrastructure has a significant positive effect on domestic investment, while Ekpo et al. (2024) also reported that government capital expenditure significantly increases domestic investment.

H₁ : Capital Expenditure on Roads, Irrigation, and Networks have a positive impact on domestic investment in Regencies/Cities in Central Java

The Effect of Capital Expenditure Building and Structures on Domestic Investment (PMDN) in Regencies/Cities in Central Java

According to Keynesian theory, budget allocations for fixed assets serve as a stimulus to improve the quality of public services (Keynes, 2018). The availability of modern government office buildings and integrated one-stop service centers (PTSP) at the regency/city level represents an important non-fiscal factor that enhances investment attractiveness. Adequate physical infrastructure and an efficient service system also reflect greater transparency and certainty in the licensing process. Such certainty increases investors' confidence by providing easier, more reliable, and more professional public services. Winarni et al. (2020) found that capital expenditure has a significant positive effect on economic growth in Central Java Province.

H₂ : Capital Expenditure on Roads, Irrigation, and Networks have a positive impact on domestic investment in Regencies/Cities in Central Java

The Effect of Human Development Index on Domestic Investment in Regencies/Cities in Central Java

According to the Human Capital theory, improving the quality of human resources enhances labor productivity, which subsequently promotes economic activity. Regions with higher quality human resources are better able to provide skilled and productive workers, making them more attractive to investors when selecting investment locations. Widjajanto & Hapsari (2025)

found that the Human Development Index has a significant effect on domestic investment in Indonesia.

H₃ : Human Development Index (HDI) have a positive impact on domestic investment in Regencies/Cities in Central Java

The Human Development Index (HDI) as a Moderator of the Effect of Capital Expenditure Road, Irrigation, and Networks on Domestic Investment in Regencies/Cities in Central Java

The Human Development Index (HDI) serves as an indicator of the workforce's educational attainment and health status. Regions with higher HDI levels generally possess a workforce that is more adaptable to technological change and innovation, enabling more efficient utilization of physical infrastructure. Consequently, the positive impact of infrastructure investment on domestic investment is expected to be stronger in regions with higher HDI levels. This argument is supported by Istianto *et al.* (2021) who found that capital expenditure and the HDI significantly contribute to economic growth in 5 Regencies/Cities in Bolaang Mongondow Raya. Widjajanto & Hapsari (2025) also reported that the HDI has a significant influence on domestic investment.

H₄ : The Human Development Index (HDI) strengthens the influence of capital expenditure on roads, irrigation, and networks on domestic investment in Regencies/Cities in Central Java

The Human Development Index (HDI) as a Moderator of the Effect of Capital Expenditure Buildings and Structures on Domestic Investment in Regencies/Cities in Central Java

According to human capital theory, investment in education and health improves the efficiency with which physical capital is utilized (Schultz, 1971). Modern facilities cannot function optimally without the support of a well-educated and healthy workforce. Sabilla & Sumarsono (2022) found that the Human Development Index has a significant relationship with GRDP. Similarly, Widjajanto & Hapsari (2025) reported that the HDI significantly influences domestic investment.

H₅ : The Human Development Index (HDI) strengthens the influence of capital expenditure on roads, irrigation, and networks on domestic investment in Regencies/Cities in Central Java

RESEARCH METHODS

Research Design

This study employed a quantitative research design. The data used in this study were secondary obtained from official government publications, including *Badan Pusat Statistik (BPS)*, *Badan Pemeriksa Keuangan Provinsi Jawa Tengah (BPK)*, *Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Provinsi Jawa Tengah (DPMPTSP)*, *Direktorat Jenderal Perimbangan Keuangan Provinsi Jawa Tengah (DJPK)*, and *Direktorat Jenderal Perbendaharaan (DJPb)*.

Data Analysis Techniques

This study employed panel data regression analysis. Panel data regression combines two types of data, namely cross-sectional data and time series data. The cross-sectional data consisted of observations from 35 regencies/cities in Central Java Province, while the time series data covered the period 2016-2024. This analysis was conducted to examine the effects of capital expenditure roads, irrigation, and networks, capital expenditure on building and structures, and their interactions with Human Development Index on domestic investment in regencies/cities in Central Java. The data were processed using the Eviews 10 software. The panel data regression model used before introducing the moderating variable is presented as follows:

$$DMI_{it} = \alpha + \beta_1 CERIN_{it} + \beta_2 CEBS_{it}$$

Since this study employed moderation analysis, the regression model was subsequently estimated using the Moderated Regression Analysis (MRA) approach, as presented below:

$$DMI_{it} = \alpha + \beta_1 CERIN_{it} + \beta_2 CEBS_{it} + \beta_3 HDI_{it} + \beta_5 (CERIN_{it} \times HDI_{it}) + \beta_6 (CEBS_{it} \times HDI_{it}) + \varepsilon_{it}$$

Where DMI represents domestic investment (million rupiah), β_{1-6} denotes the regression coefficient, CERIN represents capital expenditure on roads, irrigation, and networks (billion rupiah), CEBS represents capital expenditure on buildings and structures (billion rupiah), HDI denotes the Human Development Index (index), α is the constant, ε is the error term, i represents the cross-sectional unit, and t represents the time series period.

RESULTS AND DISCUSSION

Panel Data Regression Analysis

Based on the results of Chow test and the Hausman test comparing the Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM), the Fixed Effect Model (FEM) was selected as the most appropriate model for this study. Before interpreting the regression results, the selected model was required to satisfy the classical assumption tests, including the multicollinearity and heteroscedasticity tests. The results indicated that the regression model satisfied all classical assumptions, therefore, the estimated coefficient are considered reliable for interpretation.

Table 3. Results of Panel Data Regression Analysis with Fixed Effect

Variable	Coefficient	t-Statistic	Probability
C	0.208	3.119	0.002
Z_CERIN	-0.007	-0.147	0.882
Z_CEBS	-0.032	-0.774	0.439
Z_HDI	1.400	5.959	0.000 **
Z_CERIN_HDI	-0.047	-0.624	0.533
Z_CEBS_HDI	0.147	2.016	0.044 **

Remarks: Significance on ** : $\alpha = 5\%$

Source: Data processed, 2026

Based on Table 3, the estimated panel data regression equation using the Fixed Effect Model is presented as follows.

$$ZDMI = 0.208 - 0.007 ZCERIN - 0.032 ZCEBS + 1.400 ZHDI - 0.047 (ZCERIN \times ZHDI) + 0.147 (ZCEBS \times ZHDI) + \varepsilon$$

The CERIN variable has a regression coefficient of -0.007 with a probability value of 0.882., indicating that CERIN variable has no significant effect on domestic investment in Central Java Province.

The CEBS variable has a regression coefficient -0.032 with a probability value of 0.439, indicating that CEBS variable has no significant effect on domestic investment in Central Java Province.

The HDI variable has a regression coefficient of 1.400 with a probability value of 0.000, indicating that the HDI has a significant positive effect on domestic investment in Central Java Province.

The interaction term CERIN x HDI has a regression coefficient of -0.047 with a probability value of 0.533, indicating that the interaction between CERIN and HDI does not have a significant effect on domestic investment in Central Java Province.

The interaction term CEBS x HDI has a regression coefficient of 0.147 with a probability value of 0.044, indicating that the interaction between CEBS x HDI has a significant positive effect on domestic investment in Central Java Province.

The Effect of Capital Expenditure Roads, Irrigation, and Networks on Domestic Investment in Regencies/Cities in Central Java

Based on panel data regression analysis, H_1 was rejected, indicating that capital expenditure on roads, irrigation, and networks does not have a significant positive effect on domestic investment in regencies/cities in Central Java during the 2016-2024 period. This finding is inconsistent with the crowding-in effect theory proposed by Dornbusch, which suggests that increased government spending can stimulate economic activity and attract private investment.

The insignificant effect of capital expenditure on roads, irrigation, and networks indicates that increasing budget allocations does not directly stimulate domestic investment. This may be because the benefits of capital expenditure on roads, irrigation, and networks are generally realized only over the long term, creating a time lag between the implementation of capital expenditure and investors decisions to invest. The findings of this study are consistent those of Rahmawati et al. (2024) who reported that capital expenditure does not have a significant effect on economic growth in East Java Province, because capital expenditure require time before they become operational and contribute to economic activities.

The Effect of Capital Expenditure Building and Structures on Domestic Investment in Regencies/Cities in Central Java

Based on panel data regression analysis, H_2 was rejected, indicating that capital expenditure on building and structures does not have a significant positive effect on domestic investment in regencies/cities in Central Java during the 2016-2024 period. These findings are inconsistent with Keynesian theory, which argues that government spending stimulates economic activity by increasing aggregate demand. The benefits of capital expenditure on building and structures are generally reflected in improvements in public service quality. Consequently, the resulting impacts tend to be administrative and social rather than directly influencing investors decisions to undertake domestic investment.

These findings are consistent with those of Rarun et al. (2019), who found that capital expenditure on buildings and structures does not have a significant effect on economic growth in cities in North Sulawesi. Their study demonstrated that increased government spending on building and construction components does not necessarily generate sufficient economic benefits to directly stimulate economic activity.

The Effect of Human Development Index on Domestic Investment in Regencies/Cities in Central

Java

Based on panel data regression analysis, H_3 was accepted, indicating that the Human Development Index (HDI) has a significant positive effect on domestic investment in regencies/cities in Central Java during the 2016-2024 period. The results of this study indicate that improvements in human capital quality can drive an increase in domestic investment. These findings suggest that improvements in human capital quality can promote domestic investment. The results are also consistent with the findings of Widjajanto & Hapsari (2025) who reported that the Human Development Index has a positive and significant effect on domestic investment.

These findings support human capital theory proposed by Becker and Schultz, which emphasizes that investment in education and health enhances labor productivity. Higher quality human resource contributes to greater labor productivity, which subsequently promotes economic growth, strengthens regional competitiveness, and create a more favorable business environment, thereby increasing regional attractiveness for investment.

The Human Development Index (HDI) Strengthen the Influence of Capital Expenditure on Roads, Irrigation, and Networks on Domestic Investment in Regencies/Cities in Central Java

Based on panel data regression analysis, H_4 is rejected, indicating that the Human Development Index (HDI) does not strengthen the effect of capital expenditure on roads, irrigation, and network on domestic investment in regencies/cities in Central Java during the 2016-2024 period. These findings indicate that the Human Development Index (HDI) does not function as a moderating variable in the relationship between capital expenditure on roads, irrigation, and networks and domestic investment. The insignificant moderating effect of the HDI may be explained by the fact that the benefits of investment in is roads, irrigation, and networks are generally enjoyed by all regions regardless of whether they have high or low Human Development Index (HDI).

These findings are supported by Najah et al. (2025) who found that the Human Development Index (HDI) does not have a significant effect on economic growth in East Java Province. Likewise, Nasution et al. (2022) reported that local government spending has a positive but insignificant effect on domestic investment.

The Human Development Index (HDI) Strengthen the Influence of Capital Expenditure on Building and Structures on Domestic Investment in Regencies/Cities in Central Java

Based on panel data regression analysis, H_5 is accepted, indicating that the Human Development Index (HDI) strengthens the effect of capital expenditure on buildings and structures on domestic investment in regencies/cities in Central Java during the 2016-2024 period. These findings indicate that regions with higher Human Development Index scores obtain greater benefits from capital expenditure on buildings and structures in attracting domestic investment. The results are consistent with the findings of Widjajanto & Hapsari (2025) who reported that regions with higher HDI values are more successful in attracting domestic investment in Indonesia, because they possess a more productive workforce, better infrastructure quality, and more stable economic conditions.

These findings support human capital theory by Becker and Schultz, which explains that improvements in education, health, and living standards enhance economic productivity and regional investment attractiveness. Furthermore, the findings are also consistent with the

crowding-in effect theory, which argues that productive government spending encourages private -sector investment. Therefore, the combination of high quality human resources and capital expenditure on buildings and structures creates a more attractive environment for domestic investors.

CONCLUSION

Conclusions

Based on the findings of this study, the following conclusions can be drawn:

1. Capital expenditure on roads, irrigation, and networks does not have a significant positive effect on domestic investment in Regencies/Cities in Central Java.
2. Capital expenditure on building and structures does not have a significant positive effect on domestic investment in Regencies/Cities in Central Java.
3. The Human Development Index (HDI) has a significant positive effect on domestic investment in Regencies/Cities in Central Java.
4. The Human Development Index (HDI) is not able to strengthen the effect of capital expenditure on roads, irrigation, and networks on domestic investment in Regencies/Cities in Central Java.
5. The Human Development Index (HDI) strengthens the effect of capital expenditure on buildings and structures on domestic investment in Regencies/Cities in Central Java.

Implications

1. Based on the findings of this study, local governments should focus not only on increasing capital expenditure allocations but also on improving the effectiveness and strategic targeting of domestic investment. Capital expenditure on roads, irrigation, and networks, as well as on building and structures, should be prioritized in areas with high economic activity, such as industrial zones, business districts, and MSME centers, where infrastructure can directly support productive activities and enhance domestic investment attractiveness.
2. The findings of the research are also expected to provide useful information for investors in evaluating the investment potential of a region. The results suggest that capital expenditure supported by high quality human resources is more likely to create a conducive and sustainable investment climate, thereby enhancing regional attractiveness for domestic investment.

BIBLIOGRAPHY

- Badan Pusat Statistik. (2014). *Indeks Pembangunan Manusia Metode Baru*. <https://searchengine.web.bps.go.id/filemenu/Booklet-IPM-Metode-Baru.pdf>
- Badan Pusat Statistik Provinsi Jawa Tengah. (2025). *[Metode Baru] Indeks Pembangunan Manusia Menurut Kabupaten/Kota, 2024*. 2019-2024. <https://jateng.bps.go.id/id/statistics-table/2/ODMjMg==/-metode-baru--indeks-pembangunan-manusia-menurut-kabupaten-kota.html>
- Becker, G. S. (2009). *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education* (3rd ed.). University of Chicago Press. <https://books.google.co.id/books?id=9t69iICmrZ0C>
- Cahyaningrum, D., Anggapradja, I. T., Setiawan, R., Darmawan, E. D., Ramdani, D., Islam, F., Istianingsih, N., Prena, G. Das, Payon, A. S., Lase, A., Puspitasari, M., Yeny, M., & Darsana, M.

- (2025). *Pelatihan SDM Dalam Pemberdayaan Masyarakat* (M. A. Wardana (ed.)). Penerbit Intelektual Manifes Media.
- Direktorat Jenderal Perimbangan Keuangan. (2024). *Portal Data APBD*. 2019-2024. <https://djpk.kemenkeu.go.id/portal/data/apbd>
- Dornbusch, R., Fischer, S., & Startz, R. (2011). *Macroeconomics* (11th ed.). McGraw-Hill. <https://unitimesofficial.wordpress.com/wp-content/uploads/2021/06/macroeconomics-by-rudiger-dornbusch-stanley-fischer-richard-startz-11th-edition.pdf>
- Ekpo, U. N., Okon, I. M., & Daniel, E. J. (2024). An Examination of The Impact of Macroeconomic Policies on Domestic Investment in Nigeria. *AKSU Annals of Sustainable Development*, 2(1), 175–195. <https://doi.org/https://doi.org/10.60787/AASD-v2i1-40> Abstract
- Ikhyannuddin, Fuadi, & Safitri, N. (2021). Pengaruh Pendapatan Asli Daerah (PAD) Dan Dana Alokasi Khusus (DAK) Terhadap Alokasi Belanja Modal Pada Kabupaten/ Kota Pemerintah Provinsi Aceh Tahun 2014-2018. *Jurnal Akuntansi Dan Keuangan*, 9(2), 117–128. <https://doi.org/https://doi.org/10.29103/jak.v9i2.4732>
- Istianto, T., Kumenaung, A. G., & Lopian, A. L. C. P. (2021). Analisis Pengaruh Belanja Daerah dan Indeks Pembangunan Manusia Terhadap Pertumbuhan Ekonomi Kabupaten dan Kota di Bolaang Mongondow Raya. *Jurnal Pembangunan Ekonomi Dan Keuangan Daerah*, 22(3), 75–95. <https://doi.org/https://doi.org/10.35794/JPEKD.35493.22.3.2021>
- Izzati, R. N., & Rachmawati, L. (2025). The Effect of Infrastructure, Labor Force, and Market Size on Domestic Investment in Indonesia. *Journal of Current Studies in SDGs*, 1(2), 1–13. <https://doi.org/https://doi.org/10.63230/jocsis.1.2.31>
- Keynes, J. M. (2018). *The General Theory Employment, Interest, and Money*. Springer International Publishing. <https://doi.org/10.1007/978-3-319-70344-2>
- Mukhlisin, R. M., & Rahayu, S. A. P. (2025). Perkembangan Hukum Investasi Di Indonesia. *Jurnal Hukum & Hukum Islam*, 12(3), 128–143. <https://doi.org/https://doi.org/10.32832/yustisi.v12i3.19860>
- Najah, S., Millah, H., & Kartikawati, Y. (2025). Pengaruh Investasi dan Indeks Pembangunan Manusia (IPM) Terhadap Pertumbuhan Ekonomi di Provinsi Jawa Timur. *Jurnal Ekonomi Syariah Pelita Bangsa*, 10(01), 161–174. <https://doi.org/10.37366/jespb.v10i01.2405>
- Nasution, M., Majid, M. S. A., & Seftarita, C. (2022). The Effects of Regional Expenditure, Inflation, and Credit Interest Rate on the Domestic Investment in Sumatera Province, Indonesia. *International Journal of Finance, Economics and Business*, 1(2), 158–165. <https://doi.org/10.56225/ijfeb.v1i2.30>
- Nugroho, A. E., Canon, S., & Payu, B. R. (2025). Pengaruh Penanaman Modal Dalam Negeri (PMDN), Penanaman Modal Asing (PMA), dan Indeks Daya Saing Daerah (IDSD) Terhadap Pertumbuhan Ekonomi di 34 Provinsi di Indonesia. *Jurnal Economic Resources*, 8(2), 1306–1315. <https://doi.org/https://doi.org/10.57178/jer.v8i2.2121>
- Pratama, D. N., & Rofiuddin, M. (2023). Pengaruh Penanaman Modal Dalam Negeri, Penanaman Modal Asing, Utang Luar Negeri Dan Surat Berharga Syariah Negara Terhadap Perekonomian

- Indonesia. *Journal of Economics Research and Policy Studies*, 3(2), 81–97.
<https://doi.org/https://doi.org/10.53088/jerps.v3i2.609>
- Rahmawati, Y., Andharini, R., Anandita, R., Putri, B., & Wijayanti, R. R. (2024). Pengaruh Belanja Modal Terhadap Pertumbuhan Ekonomi di Provinsi Jawa Timur Tahun 2019-2023. *Jurnal Ilmiah Ekonomi Dan Manajemen*, 2(6), 266–276.
<https://doi.org/https://doi.org/10.61722/jiem.v2i6.1381>
- Rarun, K., Kindangen, P., & Kawung, G. M. . (2019). Analisis Dampak Belanja Modal Terhadap Pertumbuhan Ekonomi dan Angka Kemiskinan Kota-Kota di Sulawesi Utara. *Jurnal Pembangunan Ekonomi Dan Keuangan Daerah*, 20(3), 1–13.
<https://doi.org/https://doi.org/10.35794/jpekd.32794.20.3.2019>
- Ratnawati, & Sari, R. P. (2023). Pengaruh Kinerja Keuangan Daerah Terhadap Pertumbuhan Ekonomi (Studi Kasus Pada Provinsi Di Pulau Kalimantan Dan Sumatera Periode 2020-2022). *Jurnal Ilmiah Ekonomi, Manajemen Dan Akuntansi*, 12(2), 125–133.
<https://doi.org/http://dx.doi.org/10.35906/equili.v12i2.1515>
- Sabilla, T. M., & Sumarsono, H. (2022). Pengaruh Belanja Pemerintah, Pendapatan Asli Daerah, Penanaman Modal Dalam Negeri, Indeks Pembangunan Manusia Terhadap PDRB. *FORUM EKONOMI: Jurnal Ekonomi, Manajemen Dan Akuntansi*, 24(1), 54–64.
<https://doi.org/https://doi.org/10.30872/jfor.v24i1.10382>
- Schultz, T. W. (1971). *Investment in Human Capital: The Role of Education and of Research*. Free Press. <https://books.google.co.id/books?id=fFe3AAAAIAAJ>
- Widjajanto, T., & Hapsari, V. (2025). The Influence Of The Human Development Index On Domestic Investment Flows In Indonesia. *Jurnal Konseling Dan Pendidikan*, 13(2), 141–149.
<https://doi.org/https://doi.org/10.29210/1144300>
- Winarni, E., Ahmad, A. A., & Suharno. (2020). Pengaruh Investasi dan Belanja Modal terhadap Pertumbuhan Ekonomi di Provinsi Jawa Tengah. *Jurnal Ilmiah Universitas Batanghari Jambi*, 20(2), 447–450. <https://doi.org/10.33087/jiubj.v20i2.946>