THE EFFECT OF INVESTMENT, INTEREST RATES AND POVERTY ON ECONOMIC GROWTH IN INDONESIA

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ARTICLE INFORMATION

ABSTRACT

Keywords: Investment, Interest Rates, Poverty, Economic Growth

This study aims to analyze the effect of Investment, Interest Rates and Poverty on Economic Growth in Indonesia. The independent variables include investment, interest rates and poverty while the dependent variables include economic growth. The data used in this research is secondary data for the period 1999-2020. The regression model used in this study is the multiple linear regression model. This study uses classical assumption tests such as the normality test, heteroscedasticity test, autocorrelation test and multicollinearity test. The regression tool in this study used eviews10 software. Based on the results of the research, it shows that investment has a negative and significant effect on economic growth in Indonesia. Interest Rates have a positive and insignificant effect on economic growth in Indonesia. Poverty has a negative and significant impact on economic growth in Indonesia, while for all the variables investment, interest rates and poverty together are not significant for economic growth. The test results for the coefficient of determination show that there is a relationship between the independent variables and the dependent variable in this study of 21.02%, which means that the other 78.97% is influenced by other variables outside of this study.

1. INTRODUCTION

Economic growth is a long-term economic problem, and economic growth is an important phenomenon experienced by the world recently. Syahputra (2017) Sustainable economic growth can increase people's prosperity, because economic growth is an indicator to measure the success of development in a country.

Economic growth is still an important goal in a country's economy, especially for developing countries like Indonesia. Economic growth must also be followed by positive changes in the context of increasing the welfare and prosperity of the people mandated by the 1945 Constitution. Economic growth is the process of increasing the production capacity of an economy which is manifested in the form of increasing national and regional income. Kuznets, Deep Jhingan Magdalena, Suryani (2020).

Therefore, when the economy grows, more businesses generate profits. Investors in the stock market are becoming more optimistic about the price of their shares. Business confidence increases, encouraging them to create more jobs and absorb more workforce. This results in a decrease in the unemployment rate. According to Samuelson in Putri et al. (2018) economic growth indicates an increase in the potential of GDP (Gross Domestic Product) or the output of a country, the economic growth of a region can be calculated through indicators of GDP development from year to year. Economic growth, which is an indicator determining the welfare of its people, requires the Indonesian government to be able to increase the rate of economic growth every year. Achieving the level of economic growth as planned or forecasted and the success of
reducing the unemployment rate as well as the creation of general price stability is a measure of the economic gains of a country's economic policies. Therefore, each country strives to achieve an optimal level of economic growth (PEI) by carrying out various policies. Achieving the desired level of economic growth is determined, among other things, by an indicator factor that acts as a driving force for economic growth. Based on these reasons, this research aims to intuitively analyze the factors influencing economic growth (PEI) in Indonesia which are focused on three variables namely investment, interest rate and poverty.

Table 1.1
Development of economic growth in Indonesia 2016 – 2020

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ECONOMIC GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5.03%</td>
</tr>
<tr>
<td>2017</td>
<td>5.07%</td>
</tr>
<tr>
<td>2018</td>
<td>5.17%</td>
</tr>
<tr>
<td>2019</td>
<td>5.02%</td>
</tr>
<tr>
<td>2020</td>
<td>-2.07%</td>
</tr>
</tbody>
</table>

Source: Indonesian Central Bureau of Statistics (2020)

Based on the above table, it is known that economic growth has increased every year even though the increase in balance during the 2016-2019 period has slowed, in 2016 Indonesia's economic growth has increased by 5.03%. Indonesia's economic economy in 2019 has increased 5.02 per sex, more beautiful than the results of the year in 2018 with a volume of 5.17 per sex, this year Indonesia has achieved the best year in the context of economic growth.

Besides that, Indonesia's economic growth in 2019-2020 will experience a decline at its most beautiful point, which will occur in 2020 at -2.07%. The beautiful growth of Indonesia's economy this year is due to decreased consumption, investment, and the large number due to the Covid 19 outbreak. This illustrates that in 2019 - 2020 conditions in a very fluid period, the cross-border balance of Indonesia's economy is experiencing very large changes, this will be good impact on recovery economy.

Table 1.2
Development of economic growth and PMDN Investment in Indonesia 2016 – 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment</th>
<th>Economic growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>20.48%</td>
<td>5.03%</td>
</tr>
<tr>
<td>2017</td>
<td>21.32%</td>
<td>5.07%</td>
</tr>
<tr>
<td>2018</td>
<td>25.25%</td>
<td>5.17%</td>
</tr>
<tr>
<td>2019</td>
<td>17.61%</td>
<td>5.02%</td>
</tr>
<tr>
<td>2020</td>
<td>6.99%</td>
<td>-2.07%</td>
</tr>
</tbody>
</table>

Source: Indonesian Central Bureau of Statistics (2020)

Based on table 1.2 above, it can be seen that the pace of economic growth from 2016 to 2020 has continued to increase, although there has been a decline in 2019 and 2020. It can be seen that the balance of PMDN investment in Indonesia is currently experiencing an increase in the demand for the last five years. This means that Indonesia is included as a country that has potential in investment. In 2019 and 2020 economic growth will decrease from 5.02% to -2.07%. This change was followed by an increase in investment of 17.61% or Rp. 386,498,389 billion to Rp. 413,535,524 billion or 6.99% in 2020, which means that investment has a very significant impact on the country's economic growth to increase economic growth in a pandemic situation. Economic growth in balanced countries has different characteristics from markets in developed countries, so that it will be more desirable in making investment in balanced countries. The economy of a country depends on investment to increase its economic growth to solve various economic problems.

Table 1.3
Economic growth and interest rates in Indonesia 2016 – 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>Interest rate</th>
<th>Economic growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>4.75%</td>
<td>5.03%</td>
</tr>
<tr>
<td>2017</td>
<td>4.25%</td>
<td>5.07%</td>
</tr>
<tr>
<td>2018</td>
<td>6.00%</td>
<td>5.17%</td>
</tr>
<tr>
<td>2019</td>
<td>5.00%</td>
<td>5.02%</td>
</tr>
<tr>
<td>2020</td>
<td>3.75%</td>
<td>-2.07%</td>
</tr>
</tbody>
</table>

Source: Indonesian Central Bureau of Statistics (2020)

It can be seen from table 1.3 that the floral climate in Indonesia has fluctuated in the last five years. The highest fluctuations in the floral climate occurred in 2018 at 6.00% and the most beautiful occurred in 2020 at 3.75%, this was due to the presence of Covid-19. In economic growth from 2016 it was 5.03% until 2018 it has increased to 5.17%. In 2019 to 2020 economic
growth will experience a decrease from the previous year of 5.02% to -2.07%.

According to Sunariyah in Pratiwi & Azizah (2015) Theoretically, interest rates are expressed as the percentage of unit principal money. When interest rates fall, more and more funds will flow and economic growth will increase. Conversely, when the interest rate is high, the little funds flowing will result in beautiful economic growth. Meanwhile, in 2018 the fuel supply increased by 6.00% from the previous year's 4.25%, but economic growth also increased from 5.07 to 5.17% in 2018. This shows that economic growth and interest rates are not in accordance with theory.

<table>
<thead>
<tr>
<th>Year</th>
<th>Poverty</th>
<th>Economic growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>10.78%</td>
<td>5.03%</td>
</tr>
<tr>
<td>2017</td>
<td>10.38%</td>
<td>5.07%</td>
</tr>
<tr>
<td>2018</td>
<td>9.74%</td>
<td>5.17%</td>
</tr>
<tr>
<td>2019</td>
<td>9.31%</td>
<td>5.02%</td>
</tr>
<tr>
<td>2020</td>
<td>9.98%</td>
<td>-2.07%</td>
</tr>
</tbody>
</table>

Source: Indonesian Central Bureau of Statistics (2020)

In table 1.4 above, the increase in the population density of poor people (PPM) in Indonesia has experienced a decrease from 2016 - 2019, but in 2019 - 2020 the percentage of poor students has increased from 9.31% in the previous year to 9.98% view of the growth The economy in 2020 experienced a decrease from 2019 of 5.02 to -2.07%.

Poverty is a problem in balancing. Poverty is no longer understood only in terms of economic incapacity, but also failure to fulfill basic rights and treatment differences for an individual or a group of people in carrying out life in a dignified manner. Basic rights that are universally recognized include the fulfillment of basic needs for food, health, education, employment, housing, clean water, land, natural resources, environment, a sense of security from acts of violence or threats, and the right to participate in socio-political life. Many negative impacts are caused by poverty, in addition to the emergence of many social problems, poverty can also affect the economic balance of a country. High poverty will cause the costs to be incurred to carry out economic balancing to be greater, so that it will indirectly hamper economic balancing. Utami (2020)

2. THEORETICAL REVIEW

Economic growth

According to Utami (2020) Economic growth is one of the most important indicators in assessing whether or not an economy is progressing, the economy is said to be experiencing growth if the production of goods and services increases from the previous year. In this way, economic growth shows the extent to which economic activity can generate additional income or increase the level of social welfare in a given period. Because basically economic activity is a process of using production factors to produce income, then the process will in turn produce a flow of remuneration for the production factors owned by the community. With economic growth, it is hoped that the income of the people as owners of production factors will also increase. Economic growth can usually be measured by using Bruituid Domestic Product (GDP) data of the final goods and services produced from an economic economy over the course of time (usually one year).

Investment

Investment is a positive net return on capital goods. According to Kawengian in (Bonaraja Purba 2020) states that investment means mobilization of resources to create or increase production capacity or income in the future. Investments have a financial objective, which is to abandon existing capital investments.

Interest Rate

According to Prasasti and Slamet (2020) Interest rates are a valuable variable in the economy. Balhkaln every step of the movement of interest rate is reported by the Kalbalr mail. The interest rate variable is considered important because it is capable of influencing malcalculations in making decisions to re-alocalcically. The interest rate becomes a balance of considerations between investment and investment in determining the allocation of investment. The changes that occurred on the monetary side, in the end, provided the greatest impact on investment.

Poverty

According to Purnama (2017) Poverty is a phenomenon that occurs in almost all developing countries. Poverty arises from the inability of all of them to carry out their life, as well as one talal which is considered to be malnourished. This condition causes a decrease in the quality of financial resources resulting in low productivity and investment.
Hypothesis

According to Sugiyono in (Kartika, Husni, and Millah 2019) The hypothesis is actually a temporary assumption that actually needs to be proven in a research. The hypothesis is a partial rationale in the form of a research proposal, in which case the research formulation has been stated in the form of a sentence statement.

With reference to the theoretical basis and based on empirical studies that have been carried out in relation to research in this field, a hypothesis will be proposed as follows:

H1 = Investment has a negative and significant impact on economic growth in Indonesia.
H2 = Interest rates have a positive and insignificant impact on economic growth in Indonesia.
H3 = Poverty has a negative and significant effect on economic growth in Indonesia.
H4 = Interest Rate Investment in Seicalral Impoverishment has no Significant Significance in Economic Development.

3. RESEARCH METHODS

Location and Research Object

In this research, the object of research is economic growth, investment and natural disasters and poverty. The research location is in Indonesia.

Types and Sources of Research Data

The type of data used in this research is secondary data. The sukeindeir data itself is the data that complements the primary data, namely all kinds of data obtained through literature (library research) both in the form of magazines, journals, articles and from the sharing of the previous research results which are related to the discussion in the thesis.

Besides the data needed, namely from Investment, Financial Affairs, Economic Affairs and Economic Development which were obtained from the Publication Report on Statistical Research (https://www.bps.go.id/) in the NSWI BKPM were taken from the rainy season 1999 to 2020.

Operational definition

Research variables are attributes, values/natures of objects, individuals/activities that have many definite variations between one and the other that have been determined by the researcher to be studied and sought information and drawn conclusions. In this research, two types of variables are used, namely internal variables (Y) and independent variables (X).

1. Economic Growth (Y)

The value of GDP shows an increase in real capital output which is produced by economic performance measures. In this research, the economic benefits that will be beneficial, such as in the gross domestic product (GDP) sector, will be neglected in terms of constant economic conditions. The 1999 – 2020 period was adopted by the National Statistical Research and Development Agency which was examined in a foreign form, namely Peirsein.

2. Investment (X1)

The investment involves the investment of capital in the form of investment (PMDN) which results in the production of investment in investment. This investment plan uses data from the investment of 21 financial statements which were valid in Indonesia in the 1999 budget and the 2020 investment funds which were used, namely billions of rupiah. Taken from the Indonesian Statistical Puisalt Agency in the NSWI BKPM.

3. Interest Rate (X2)

The interest rate of BI will be issued by the Indonesian Bank, which is beneficial for controlling economic dynamics in the economy. The data for this research was taken from Baldalan Puisalt Statistic in period 1999 and 2020, which was used for research, namely peirsein (%).

4. Poverty (X4)

The poverty of all provinces in Indonesia from the perspective of this analysis is seen from the perspective of poverty from the 1999 survey and the 2020 survey which was obtained from the Statistical Literature Agency (BPS) calculated from the saltwater survey (%).
Data Analysis Method

Intuitively, this research uses a daltal analysis, namely a multiple linear regression analysis. There is some serious malsallah in meingguinalkaln Alnallisis reigreisi. So the writer also has to do some testing of classical assumptions to intuitively reverse the results. Internal traffic triangulation test namely normality test, aluitocorrelation test, heiteiroskeidalstisitals test, and multicolinerital test to analyze investment change, economic change in economic development and economic development in Indonesia in the 1st year period 999-2020.

\[ Y = a + b_1 X_1 + b_2 X_2 + e \]

Information:
Y : Economic Growth
X1 : Investment
X2 : Interest Rate
X3 : Poverty
a : Constant
b : Regression Coefficient
e : Standard Error

4. RESEARCH RESULTS AND DISCUSSION

Normality Test Results

In the regression model to see whether a variable, both independent and independent variables, is distributed normally or not, the Normality Test is carried out. The objective of the Normality Test is to intuitively know whether in the regression model the interfering or residual variables have a normal distribution. This can be known by comparing the probability value of JB (Jarquiei-Beira) with an alpha level of 0.05 (5%). If Prob. JB count is greater than 0.05, it can be concluded that the residuals are normally distributed. The following is the result of the Normality Test obtained from the Viewviews 10 program, which can be seen in the following figure:

![Figure 4.1 Normality Test](source: (Eviews 10 processed data 2022))

Based on table 4.5, the normality test meingguinalkaln Jalrquiei-Beirali (JB-Test) method. In this case, the probability of success is < 0.05 (0.000000 < 0.05). If the halis is overflowing, then it can be concluded that from this research it is possible that the residual distribution is not normal.

Classical Assumption Test Results

Heteroscedasticity Test Results

The heiteiroskeidalstisitals test is a condition where the varial in each of the failures is not constant. Testing heiteiroskeidalstisitals can be used to evaluate the alpalkah values in this experimentation aldalnyal heiteiroskeidstisitals yaltui deingaln meilihalt probabilitals values. ein. The reverse regression model is the one that is independent of the phenomenon of heteroscedasticity. Testing the problem of heiteiroskeidalstisitals is done by using the Gleijseir Test (Gujarati, D. 2012). If the probability value of Obs*Rsqualreid is greater than 0.05, then heteroscedasticity does not occur. The results of the heteroscedasticity test using the Gleijseir test in this study are:

<table>
<thead>
<tr>
<th></th>
<th>F-statistic</th>
<th>Prob. F(9,12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obs*R-squared</td>
<td>16.67532</td>
<td>0.0540</td>
</tr>
<tr>
<td>Scaled</td>
<td></td>
<td></td>
</tr>
<tr>
<td>explained SS</td>
<td>41.6088</td>
<td>0.0000</td>
</tr>
</tbody>
</table>

**Source:** (Eviews 10 Processed Data, 2022)

In table 4.5, it can be seen that the value of p valluien is shown with the value of Prob. Chi-Squalreid has a higher value from a significance level of 5% or 0.05 (> 0.540 > 0.05). This shows that in the most efficient regression model there is no heiteiroskeidalstisitals problem.

Autocorrelation Test

In addition, in a regression model test that uses time series data or time regression data must be free from autocorrelation, therefore in this study an autocorrelation test is needed, which aims to intuitively find out whether a value in a true observation has a correlation between the error deviation in the period. The deingan error peinggangui on periodei sebeiliiumnaya (t-1). The results of the Autocorrelation test in this study by using the Breiirsch-Godfreiy Serial Correlation LM Theist method are as follows:

<table>
<thead>
<tr>
<th></th>
<th>F-statistic</th>
<th>Prob. F(9,12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series: Residuals</td>
<td>0.0000</td>
<td></td>
</tr>
<tr>
<td>Sample 1999 2020</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Observations 22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td>-1.71e-15</td>
<td></td>
</tr>
<tr>
<td>Median</td>
<td>0.477830</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>2.093411</td>
<td></td>
</tr>
<tr>
<td>Minimum</td>
<td>-5.573673</td>
<td></td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>1.567053</td>
<td></td>
</tr>
<tr>
<td>Skewness</td>
<td>-2.177081</td>
<td></td>
</tr>
<tr>
<td>Kurtosis</td>
<td>8.453055</td>
<td></td>
</tr>
<tr>
<td>Jarque-Bera</td>
<td>44.64165</td>
<td></td>
</tr>
<tr>
<td>Probability</td>
<td>0.000000</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** (Eviews 10 Processed Data, 2022)
Table 4.6
Autocorrelation Test Results

<table>
<thead>
<tr>
<th></th>
<th>F-statistic</th>
<th>Prob. F(2,16)</th>
<th>R-squared</th>
</tr>
</thead>
<tbody>
<tr>
<td>F-statistic</td>
<td>0.120002</td>
<td>0.8877</td>
<td>0.325129</td>
</tr>
<tr>
<td>Prob. Chi-squared</td>
<td>0.8500</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: (Eviews 10 Data Processed, 2022)

Table 4.6 above shows the value of Prob. Chi-Squialrei(2) which represents the p value of the Breuisch-Godfrey Seiriial Correlation LM value of 0.8500. Value Prob. Chi-Squialrei(2) is found to be more significant in terms of significance value of 5% than 0.05, so it can be concluded that in this analysis it is balanced in aluitocorrelation.

Multicollinearity Test

Multicholinearity analysis is objective to test whether there is a high correlation or not as perfect as an alternative to independent variables that are close to the regression model. The inverted regression model does not appear to be correlated in the initial independent variables. Multicholinearity can be seen in Valrialnce Inflation Factors (VIF). VIF sees how the valuation of an estimator (estimator) increases as long as there are multicollinearity in an empirical model. If the VIF of a variable exceeds 10, then the digital variable has a high correlation (Gujarati and Porter 2012).

Multicollinearity Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>53.50208</td>
<td>16.99073</td>
<td>3.148899</td>
<td>0.0056</td>
</tr>
<tr>
<td>LOGX1</td>
<td>-2.173992</td>
<td>0.770697</td>
<td>-2.820813</td>
<td>0.0113</td>
</tr>
<tr>
<td>X2</td>
<td>0.014775</td>
<td>0.169921</td>
<td>0.086952</td>
<td>0.9317</td>
</tr>
<tr>
<td>X3</td>
<td>-0.693513</td>
<td>0.256917</td>
<td>-2.699369</td>
<td>0.0147</td>
</tr>
</tbody>
</table>

Source: (Eviews 10 Data Processed, 2022)

From the table above, it can be interpreted that the results of the linear regression analysis are based on the following:

\[ Y = 53.50208 - 2.173992 \log X1 + 0.014775X2 - 0.693513X3 \]

Interpretation:

1. Based on regression analysis, it shows that the constant value is 53.50208, which means that if the investment variable, financial situation, in poverty has a constant value = 0 then the economic growth variable will have a constant value equal to 53.50208 %Nilai koefisien variabel realisasi investasi sebesar -2.173992 yang artinya apabila realisasi investasi mengalami peningkatan sebesar 1 milyar rupiah maka pertumbuhan ekonomi mengalami penurunan sebesar 2.17%.

2. The coefficient of foreign variable has a value equal to 0.014775. This shows a positive relationship. This means that if the interest rate increases by 1 peirsein, then the economic benefits will increase by 0.014%.

3. The poverty valuation coefficient has a value of -0.693513. This shows a negative relationship. This
means that if poverty increases by 1 share, then economic growth will decrease by 0.69%.

Hypothesis Testing Results
Partial Test Results (t test)
To see whether the independent variables in this study affect the individual independent variables, it is necessary to carry out a t test, namely by looking at the tcount value. There are also criteria in the test, namely if the tcount > ttable with a significant level of 5%, it can be concluded that partially the independent variable. The following are the partial test results for this research:

<table>
<thead>
<tr>
<th>Partial Test Results (t test)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent variable</td>
</tr>
<tr>
<td>LOGX1</td>
</tr>
<tr>
<td>X2</td>
</tr>
<tr>
<td>X3</td>
</tr>
</tbody>
</table>

Source: (Eviews 10 Data Processed, 2022)

The interest rate variable 0.086952 is smaller than all the values in the table (0.086952 < 1.73961) which means that the positive economic growth in Indonesia is not significant. It can be seen that the probability value is greater than alpha 0.05 (0.0917 > 0.05).

The Economic Variable -2.699369 is more than 1.73961 (-2.699369 > 1.73961) which means that the economic value in Indonesia is negative. It can be seen that the probability value is smaller than all the values in the table (0.0147 < 0.05).

Simultaneous Test Results (Test F)
The F test is complete with the completeness of the structural model test. In principle, test F has a concept that does not go beyond the limits of test t. If the test of t is practical to see the invaluable value of individual seical seical values, then the test of F is used to see the inclination of valrialbei beibal of individual values, in the case of seical varrials of beiralvalsal. The significance of the hypothesis is meingguinalk alakn test F, meingguinalk the level of significance (level of significance) althalu α = 0.05 althalu α = 5% with the level of intelligence, the

Capital F statistic is smaller than F tal, which means financial investment in seical poverty is not significant in terms of economic benefits.

The results of the Coefficient of Determination R2
The deficient coefficient test or the R2 test was used to intuitively measure how much difference there is between independent and dependent variables. The value of the elimination coefficient is between zero and one. If the Adjusted R-Squareid value is more than zero, this means that the relationship between the independent variables and the dependent variables is very weak. If the Adjusted R-Squareid value is more than one, then the relationship between the independent variables and the dependent variable is very strong.

<table>
<thead>
<tr>
<th>Determination Coefficient Test Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-squared</td>
</tr>
<tr>
<td>Adjusted R-squared</td>
</tr>
<tr>
<td>S.E. of regression</td>
</tr>
<tr>
<td>Sum squared resid</td>
</tr>
<tr>
<td>Schwarz criterion</td>
</tr>
<tr>
<td>Hannan-Quinn criterion</td>
</tr>
<tr>
<td>Durbin-Watson stat</td>
</tr>
</tbody>
</table>

Source: (Eviews 10 Data Processed, 2022)

The correlation coefficient is a value that indicates the quality of the altitudinal lack of linear linearity of the dual value. The value of the correlation coefficient is valrialbei analysis in -1 in terms of +1, in the value of r that is indecalate in -1 in value +1 in the value of indecality in 0 to be indicative in the quality of the althalal value in altial value ral duial valrialbeil teirseibuit. From this research, the correlation value (r) from R-Squareid analysis from 0.323036 from the correlation value is 32.30 from the correlation between the dependent variable and the independent variable.


Discussion

The Effect of Investment on Economic Growth in Indonesia.

It is known that the investment realisation variable has a significant impact on economic growth in Indonesia, the probability value is equal to 0.0113, which is smaller than a significant level of 0.05. isalr - 0.0147, which is smaller than a significant level of 0.0113, which is smaller at a significant level of 0.05, the coefficient of economic growth is equal to - 2.17399 2.

The result of this investigut to in line with the investiture carried out by (Trisnui, C.I.S.R. 2014) which has shown significant positive impact on economic development. Thought halsil research is not misleading (Kambono, Herman 2020) which shows that investment in the country has no effect on economic growth.

The Effect of Interest Rates on Economic Growth in Indonesia.

The results of the data processing above show that the variable reliability of the financial suicidality does not matter much in terms of economic growth in Indonesia, the probability ratio value is 0.9317, which is greater than at a significant level of 0.05, the probability ratio value is 0.9317, which is greater than at a significant level of 0.05, the coefficient of financial suicidality is 0.01 4775.

The results of this study are in line with research conducted by (Indriyani 2016) which stimulates the fact that interest rates have a negative effect on economic matters, which indicates that the valuation of interest rates is detrimental to economic reasons, which stimulates the economic aspects of capitalism being carried out by Susanto (2017), which suggests that the interest rate variable has a negative effect on economic growth.

The Effect of Poverty on Economic Growth in Indonesia.

Based on the results of the analysis above, it can be seen that the economic value proposition in Indonesia is proportional to the probability value of 0.0147, which is smaller than a significant level of 0.05, the poverty coefficient is equal to 0.0147, which is smaller than a significant level of 0.05. isalr - 0.693513.

The result of this investment is in line with the initiative that is being carried out by (Novrialnsyal 2018).

CLOSING

Conclusion

Based on the results of the research and discussion that have been presented, conclusions can be drawn as follows:

1. Seicalral financial investment realization has turned negative in a significant way in terms of economic development in Indonesia
2. Seicalral palrisialization of financial suicidality has turned positive and not significant in terms of contributing to economic developments in Indonesia
3. Economical socialization of poverty has resulted in a negative and significant impact on the economic development of Indonesia
4. Simultaneous Secular Realization of Financial Capital Investment in Seicalal Impoverishment is not significant in terms of economic benefits.

Suggestion

Based on the conclusions that have been described above, several suggestions are proposed as a circuit:

1. Requires investment in planning and planning to increase economic development in investment, and requires economic development in terms of investment. Economical development is a matter of mutual understanding, which is important in terms of economic development, as well as balanced in investment planning of poor students in planning. In order to improve economic development, the government will increase the number of sectors in the region so as to maximize the return on investment.

2. The balance of alkaldeyism in intelligence, can be intuitive to instigate balhalin alcuiant in the process of capitalism in the next developmental interest to increase economic development in Indonesia, to economic development need further discussion.

3. The most complex installation costs are halved in terms of meinyeidialkaln in addition to the complete set of intuitive intuitions in terms of alkeis in depth public in subsequent researches.

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