

ABSTRACT

This research aims to determine the effect of fiscal decentralization and capital expenditure on the human development index. This research was conducted at Regency and City Governments in the West Java Province Region in 2018-2022. The method used in this research is a quantitative method with a descriptive and verification approach. This research uses secondary data in the form of APBD Realization Reports that have been audited by the BPK obtained from BPS West Java Province in the 2018-2022 budget year. The population in this study was 27 consisting of districts and cities in the West Java Province region. The sampling technique used is the Non-Probability Sampling Technique with a saturated sampling method. The number of samples taken was 135 (27 districts/cities × 5 years). The statistical analysis used in this research is the classical assumption test, normality, multicollinearity, autocorrelation, heteroscedasticity, multiple linear regression analysis, partial and simultaneous hypothesis testing. Data processing using IBM SPSS 25 software. The research results show that fiscal decentralization has a positive effect on the human development index, and capital expenditure has a positive effect on the human development index.

Keywords: *Fiscal Decentralization, Capital Expenditure, Human Development Index*