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### RESEARCH ARTICLE

#### THE HAPPINESS AND HUMAN DEVELOPMENT: UNIQUENESS OF INDONESIA PAPER.

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#### Abstract

What are people looking for in their life? Is it happiness or welfare? How do people try to develop their life? Is there any correlation among happiness, welfare and human development? How its correlation among them? These questions are like the eternal questions. Every year UNDP published a report about happiness and human development index in each country in the world. Every year World Economic Forum published GDP in each country in the world. The study tries to discuss three things. There are happiness, human development, and people welfare in Indonesia. It is also find the uniqueness of the variables. By using descriptive analysis and regression analysis both using intervening and moderating variable, the study concluded that in Indonesia, the older of their age, it seems more unhappy. It appears that in Indonesia there is still a striking balance between gross regional domestic product in Java and outside Java Island. Human development has no direct effect on the level of happiness of the population. Happiness of life cannot be explained by the human development and the gross regional domestic product.

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#### Introduction:-

There is a never ending question. What people are looking for in the world? Is it personal welfare? Is it social welfare? Is it happiness? What does man seek in his life in the world? Do humans seek the welfare of life or seek the happiness of life? The study begins with the basic questions. There are three concepts discussed in the study. The concepts are human development, welfare, and happiness of life. The human concept is measured through the human development index. The concept of welfare is reduced to a level of well-being with measured by the per capita gross regional domestic product. Whereas, the concept of happiness is about how satisfy of human life.

The human development index (HDI) describes how people can access development outcomes in obtaining income, health, education, and so on. The HDI was introduced by the United Nations Development Program (UNDP) in 1990 and published periodically in the annual Human Development Report (HDR). There are 3 (three) basic dimensions in preparing HDI. The dimensions are (1) longevity and healthy living, (2) knowledge possessed, and (3) decent living standards.

Benefits of HDI are an important indicator for measuring success in building quality of human life. HDI can determine a ranking or a level of development of a region or country. Furthermore, for Indonesia, HDI is a strategic data because it will be used to measure government's performance and will be used as one of the allocators of General Allocation Fund (bps.go.id).

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There is an interesting phenomenon in relation to these three variables. A number of provinces with high GRDP but the provinces have low level of happiness. A number of provinces have high HDI but their happiness is low. From year to year the index of these three variables increases, but the increase is not homogeneous in several provinces. Base on the phenomenon, this study aims to and analyze the human development, gross regional domestic product, and happiness in 34 provinces in Indonesia. It is also to analyze the effect of human development index on happiness index, with gross regional domestic product as moderator and intervening variable.

#### **Theoretical Framework:-**

There are so many definitions of happiness. Since the 1960s, happiness research has been conducted in a wide variety of scientific disciplines, including the happiness. There are also many publishers that published many journal articles about happiness in those journals. Happiness is a never ending topic of discussion. It can be discussed from time to time. It is probably, that the UN had been published a report each year about world happiness since 5 years ago.

In order to know a economic condition in a region, usually used Gross Regional Domestic Product (GRDP). The GRDP is basically the sum of value added that produced by all unit of production in the region either current or constant prices. There are three approaches to measure GRDP. They are production, income, and expenditure. The three approaches will provide the same result.

First is about happiness. Basically the happiness index is a composite index. This composite index is based on 10 (ten) essential life aspects (BPS, 2015). These ten aspects, substantially and together, reflect the level of happiness. It is further said that the level of happiness is the level of satisfaction with the 10 aspects of life. The ten aspects are: (1) health, (2) education, (3) work, (4) household income, (5) family harmony, (6) leisure time availability, (7) social relations, (8) houses and assets, (9) environmental conditions, and (10) security conditions. The higher of value the index is higher the level of its happiness. However, the happiness of a person is something that is perceived differently or not always the same. Therefore the level of happiness is something that is subjective.

The index has a meaning that the higher the index value shows the happier life of the population. On the contrary, the lower the index value indicates the increasingly unhappy life of the population, the Indonesia Happiness Index 2017, is a composite index composed by three dimensions. They are Life Satisfaction, Affect, and Meaning of Life. The contribution of each dimension to the Indonesian Happiness Index is Life Satisfaction that is 34.80 %, affect is 31.18 percent, and Meaning of Life is 34.02% (bps.go.id)

Second is about welfare. The welfare has been commonly used to reflect an individual's economic aspect or economic aspect achieved by a state. Economic aspects in the context of the State are an indicator of the achievement of the level of welfare. Size used is Gross Domestic Product per capita.

In the economic field, Case and Fair (2012) state that gross domestic product (GDP) is the market value of all goods and services produced by a country in a given period. GDP is one method of calculating national income. For the region's level of gross domestic product is translated into gross regional domestic product (GRDP). The higher the value of GRDP, understood the more prosperous people in the region.

One important indicator to know the economic condition in an area within a certain period is the data of Gross Regional Domestic Product (GRDP), either on the basis of current prices or on the basis of constant prices. GRDP is basically the amount of value added generated by all business units within a certain region, or is the sum of the value of end products and services that are net nature generated by all economic units. The GRDP at current prices illustrates the value added of goods and services calculated using the prevailing prices for each year, while GRDP at constant prices shows the value added of the goods and services calculated using the prevailing price for a certain year as the basis. GRDP can be calculated using the base year. GDP at current prices can also be used to see shifts and economic structures, while constant prices are used to determine economic growth year after year (Case and Fair, 2012).

Third is about human development. Conceptually human development explains how a population of a region can access development results (bps.go.id). Access to human development is obtained from accessing the population in obtaining income, health, education, and others. Human development in Indonesia refers to the United Nations

Development Program (UNDP), which is regularly published periodically in the annual Human Development Report (HDR) report which is also presented in an index called Human Development Index (IPM).

Furthermore it is said that HDI is formed based on 3 (three) basic dimensions. These three dimensions are: (1) longevity and healthy living, (2) knowledge, and (3) decent living standards. IPM itself is useful to measure the success of human quality or the quality of community / population. IPM also indicates the rank or level of development of a territory or State. Further HDI in Indonesia can be used as a strategic measure of government performance, which then impacts on the determination of the General Allocation Fund (DAU).

The meaning of human development has a broad dimension. Moreover, basically human development is a basic dimensional development that is owned by the human. (Human Development Index, 2017, Catalog 4102002). Furthermore, human development will create positive growth in various fields, namely economic, social, political, cultural, environmental, and changes in the field of human welfare.

Basically, human development will be able to create environmental conditions that allow humans to enjoy longevity, healthy, and can run their lives productively (Human Development Report, 1990). The concept of human development is measured by using the basic three-dimensional approach of man. The dimensions are longevity and health, knowledge, and a decent standard of living. The longevity and healthy dimensions are represented by indicators of life expectancy at birth. The dimensions of knowledge are represented by indicators of school old expectations and the average length of schooling. The third dimension is the dimension of decent living standards represented by per capita expenditure. These three dimensions are summarized in a composite index called the Human Development Index (HDI).

Jon Hall & John F. Helliwell (2014) mentioned that in general, a country that has a higher human development index, the country has a better life. Life is measured by increased job satisfaction, government effectiveness in running the government and satisfaction in freedom of choice and low in inequality in carrying out its work. Furthermore it is said that the happiness of life is highly correlated with the level of income, supporting the life of the social health.

However, Blanchflower and Oswald (2005) in Leigh and Wolfers (2006) presented a paradox that "Happiness and the Human Development Index: The Paradox of Australia", our homeland ranks very highly in the UN Human Development Index (HDI), but her citizens are just not that happy. The results concluded differently with the research of Blanchfloer and Oswald (2005). The results show that in two major international surveys, we find a modest positive relationship between the HDI and happiness, and a stronger positive relationship between the HDI and life satisfaction. Similar patterns are found using GDP per capita.

Specifically Noh (2012) mentioned that there is a positive correlation between the index of human development and gross domestic product. Vidzah and (2016) showed a different approach. In the study, the human development index is actually placed as a dependent variable for gross domestic product. The results show that gross domestic product and consumption expenditure have a positive and significant effect on the human development index in Asian and African countries. Nevertheless, government expenditure variable positively affects human development index.

Based on the concept of happiness, welfare concept, and concept of human development, as well as previous research, the following framework can be developed as follows.

Mathematically, both models can be formulated into:

Model 1

$$Y = \alpha_0 + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_1 X_2 + \varepsilon_1 \quad (1)$$

Model 2

$$X_2 = \beta_0 + \beta_1 X_1 + \varepsilon_2; \quad (2)$$

$$Y = \gamma_0 + \gamma_1 X_1 + \varepsilon_3; \quad (3)$$

$$Y = \lambda_0 + \lambda_1 X_2 + \varepsilon_4 \quad (4)$$

Where

$Y$  = happiness level

$X_1$  = human development level

$X_2$  = gross regional domestic product

### Methods:-

Design in this research is quantitative research. There are three variables in this research. The variable is the human development index, gross regional domestic product per capita, and community life happiness index of Indonesia. This is a research type of applied research and causality. The independent variable in this research is the human development index, and the index of happiness of life is the dependent variable. The variable regional per capita domestic product is using moderating variables model 1, and as independent variable for model 2. Data used in this research is secondary data of 34 provinces in Indonesia. The data are human development index, gross regional domestic product, and the index of happiness life. Data sources are taken and abstracted from the Central Bureau of statistics of the Republic of Indonesia.

Research framework is formulated as mathematical equations as follows.

$$HI_2 = \beta_0 + \beta_1 (HDI) + \beta_2 (GRDP) + \beta_3 (HDI)(GRDP) + \varepsilon_2 \quad (5)$$

$$HI_3 = \gamma_0 + \gamma_1 (HDI) + \varepsilon_3; \quad (6)$$

$$HI_4 = \xi_0 + \xi_1 (GRDP) + \varepsilon_4; \quad (7)$$

$$GRDP = \lambda_0 + \lambda_1 (HDI) + \varepsilon_5 \quad (8)$$

### Finding and Discussion:-

First, in general, happiness index in Indonesia tends to increase gradually from time to time. Indonesia happiness index year 2007 is a composite index (BPS-Statistics Indonesia, 2017). Furthermore, the index consists of three dimensions. There are life satisfaction, affect and meaning of life. Contribution of each dimension on happiness index is 34.8% for life satisfaction, 31.18% for affect and 34.02% for meaning of life. Furthermore index value of each dimension is as follows. Dimension index of life satisfaction is 71.07. Dimension index of affect is 68.59 and dimension index of meaning of is 72.23.

The Happiness Index (HI) is a composite index. The index is calculated by dimensions and indicators. The scale used in calculating HI is a scale of 0 to 100. The higher the IK score shows the happiness rate of the happier the population. In Indonesia, HI is measured using three dimensions. Three dimensions are (1) dimension of life satisfaction (2) dimension of feeling, and (3) dimension of meaning of life. The dimensions of life satisfaction are broken down into sub-dimensions of personal life satisfaction, and sub-dimensions of social life.

People in Central Sulawesi province have the highest happiness index of life, is 73.69 among 34 provinces in Indonesia. The province with the lowest happiness index is Papua Province that is 67.52. In average, the index of Indonesian satisfaction is 69.25. The happiness index is derived from 3 dimensions. These three dimensions are the dimensions of satisfaction, the dimension of feeling, and the dimension of the meaning of life. The dimension of satisfaction is broken down into two indicators, namely personal satisfaction, and social satisfaction.

Viewed from gender, male satisfaction index is greater than female satisfaction index. This illustrates that men are happier than women.

The happiness of Indonesian life is more dominantly contributed by the satisfaction of social life. Nevertheless, the lowest happiness of life is the satisfaction of personal life. Furthermore, it can be said that Indonesian men are the least satisfied in their personal lives, but on the other hand men are more able to render their life meaning than women. Women use more of their feelings, and the feelings of women in contributing to their happiness are lower than men. Aggregated index of male happiness is higher than female happiness index. In other words, men are more happy than women, but dissatisfied in their personal lives.

Judging from marital level, the unmarried or the unhappy is the happiest person, having a score of 71.5. The next sequence is married, the married person and then the divorce but the spouse dies. While the married person then divorced and his spouse is alive having the lowest from the level of bachelor, married, and married divorce with his divorce spouse died. Anomaly happened, that married people who should be happier, are even less happy than when they are single.

When parsed into dimensions can be explained as follows. For the dimension of personal life satisfaction, the pattern is similar to the happiness index seen from the individual level. The unmarried person has the highest level of satisfaction than the married person or the divorced person, either living or divorced. If a married person is to seek the satisfaction or happiness of life, there is an uniqueness. The unmarried person is even the most satisfied in his personal life compared to a married person. So the question is that married people to get happiness and personal life satisfaction are not illustrated in this study.

In the contrary, from perspective of dimension of social life satisfaction, married people have the highest level of social life satisfaction than unmarried people or divorced people, both divorced live and divorce with his partner died. Divorce level with her or his partner is still alive, less satisfied social life compared with three other conditions. The dimension of social life satisfaction contributes the highest value compared to three other dimensions. So there is a picture that married people more describe to achieve a higher satisfaction of social life than personal life satisfaction.

For the dimension of feeling, married people have the highest satisfaction than unmarried level, married divorce live and marry a dead divorce. The most disgruntled role is experienced by a married person then divorced but his partner is alive. Thus, the most satisfied feelings experienced by people who are married.

Judging from the dimension of the meaning of life, the level of unmarried people is to give meaning to life more than three other conditions. The married person is divorced and the partner is alive experiencing the lowest meaning of life.

In general people expect, the older the age then the happiness will increase. Uniqueness takes place in Indonesia. People who are happy are people who are less than 24 years old. The oldest level is unhappier. It is understandable that people who are 65 years of age or older feel most unhappy. Perhaps if they follow and borrow the concept of "product life cycle" (PLC), the happiness of Indonesians will be similar to that concept. But the peak of happiness is precisely at the age of 24 years or less. Thus, the Indonesian "PLC" curve tends to lean to the left of the "PLC" curve.

The happiness of sub dimension index of social life satisfaction of the age of dimension is the highest occurring at the age of 41-64 years. Social life satisfaction increased from a score of 75.28 at the age of 24 years or less to 76.27 at 41-64 years of age, then, it declined again when he was 65 years old or older. Unlike the satisfaction of social life, personal life satisfaction tends to go down with age. Total satisfaction level, both personal life satisfaction and social life satisfaction tend to decrease in line with their age. In line with the satisfaction of social life, the Indonesians' sense of happiness increases with age until 41-64 years and then decreases when someone is 65 years old or older. Thus the Indonesian people feel the happiest in the age range 41-64 years. In line with personal life satisfaction, the meaning of life scores decreases with age. With age, the older the age of a meaning of life diminishes.

The higher the educational level of a person tends to have a higher level of happiness. It means that the education level of Indonesians reflects the level of its happiness. Furthermore, people who graduate from bachelor degree have the highest level of personal satisfaction. While the lowest level of personal satisfaction of life is a person who never study in a formal education.. The same thing also applies to the level of social life satisfaction. But the level of satisfaction of social life is always higher than the level of personal life satisfaction.

The level of happiness seen from the sub-dimension of feelings and meaning of life has a trend that matches the level of personal and social life satisfaction. The higher a person's level of education, the higher his level of happiness can be seen from the sub dimensions of feelings and views of the meaning of life. Furthermore, it can be said that the level of meaning of life tends to be higher than the level of feeling.

Second, the development of Human Development Index in Indonesia can be seen in Figure 4.8. In the picture, Indonesia's HDI tends to increase from year to year. Indonesia's HDI rose from 66.53 in 2011 to 70.18 in 2016. This HDI value means that Indonesia's HDI is changing from a moderate level in 2016 to a high-level IPM by 2016

BPS classifies human development level, based on HDI, into 4 groups with the following criteria: Very High when HDI is greater than 80, high, when HDI in the interval value between 70 and 80, and medium level when HDI is

within interval of 60 and 70, and low level when the HDI is lower than 60. Indonesia's human development level has entered a new phase. In 2016, Indonesia's human development level has a high level. This level change is an accumulation of achievements in previous years.

The Indonesia's HDI ranges from high to moderate level. The first highest HDI is Jakarta Province and the second highest is Yogyakarta Province. HDI first lowest level is moderate level that is West Papua Province and the second lowest level is East Nusa Tenggara Province.

HDI in each province tends to increase from year to year. For Jakarta Province, the number of HDI is close to 80, which means that HDI in Jakarta Province is approaching very high level. The province of West Papua remains at the lowest level in HDI figures, although it is likely to increase from 2013 to 2015.

From the dimensions of Life Expectancy, HDI level tends to increase from 69.81 in 2011 to 70.9 in 2017. It means that Indonesian people life expectancy increase from time to time. Life expectancy by 70.9 means that the average of life expectancy is 70.9 years. In other words, life expectancy increased by 0.89 years or 10.68 months during the last 6 years.

In terms of formal schooling, it seems that the average length of Indonesian school time increases year by year. The average increases from 7.46 years in 2011 to 7.95 years in 2017, or an increase of 6.6% over 6 years. Furthermore, it can be said that the school time hopes of Indonesian people also increase from year to year. The long-term school expectancy has increased from 11.29 years in 2011 to 12.72 years in 2017.

Fourth, income per capita increases from year to year. The income increases from IDR 9,437,000 per year to 0,420,000 per year, or increased by 10.41% for 6 years.

From perspective of Gross Regional Domestic Income (GRDP) per province, it appears that in Indonesia there is still a striking balance between GRDP in Java and outside Java Island. Jakarta Province has the highest GRDP value and West Papua province is the province with the lowest GRDP.

From GRDP contribution to national of GDP, it can be seen that there are five provinces which have the highest contribution. They are Jakarta (16%), East Java (14%), West Java (13%), Central Java (9%), and Riau (5%).

In terms of correlation between HDI and HI, it illustrates that high of HDI does not reflect on level of happiness. For example West Java, Central Java, Banten, and East Java are at a level above the average of HDI, but have a happiness level below of the average index of happiness (Quarter II). The anomalies also occur in some provinces that in quarter 4. In quarter 4, there is a province that has below average of HDI but has an index of happiness above the average.

In terms of correlation between HDI and GRDP, it indicates that there are a number of provinces that have low level of HDI and GRDP level is also low. In line with the phenomenon there are a number of provinces that have high level of HDI and GRDP level is also high. However, some others, there is anomaly that there are a number of provinces with high HDI but low GRDP level. This means that an increased HDI is not followed by GRDP level. Similarly, provinces with low HDI levels, it have high GRDP level.

In terms of GRDP and HI, there are provinces with low level of GRDP have low satisfaction index. There are provinces with high level of GRDP have high satisfaction index. However, there are only 4 provinces, namely East Kalimantan, Yogyakarta, South Sumatra and Riau which have high GRDP and HI level.

When GRDP is placed as moderating variable on happiness, it seems that GRDP and HDI explain 28.7% of HI. The equation of influence of GRDP and HDI on HI and GRDP as a moderating variable is

$$\text{Ln (HI)} = 7.767 + 0.797 \ln (\text{HDI}) + 0.351 \ln (\text{GRDP}) + 0.080 \ln (\text{GRDP}(\ln \text{HDI})) \quad (9)$$

t	11.701	1.889	2.801
Sig	0.000	0.069	0.009

Moreover, when GRDP is placed as moderating variable on happiness, it seems that The uniqueness that occurs in Indonesia can be described as follows. In general, people live to be happy and happier in life. But in Indonesia, the older of the age of a person, the more people feel unhappy. Personally people who have aged under 24 years feels the most happy personally. In terms of happiness, married people have the highest level of social happiness.

The influence of human development on happiness in Indonesia can be explained as follows. Happiness, in this case, can be explained directly by only 5.6% of human development. The number of 5.6% is too small. It means that there are other variables that explain happiness in Indonesia. The influence of human development on happiness can be formulated as

$$\text{Ln(HI)} = 4.172 + 0.023 \ln(\text{HDI}) \quad (10)$$

t	13.066	0.308
Sig.		0.760

Based on the number of significance (0.760) which much more greater than number of error (0.5%), the equation shows that, basically, in Indonesia, human development does not directly influence on people happiness.

The influence of Gross Regional Domestic Product (GRDP) on happiness can be formulated into the equation as follows.

$$\text{Ln(HI)} = 4.349 + 0.07 \ln(\text{GRDP}) \quad (11)$$

t	115.594	2.086
sig	0.000	0.046

From the equation (2), it can be said that happiness is only explained 35.6% by GRDP. The GRDP has effect on happiness. However, the effect is too weak. Moreover, happiness is only explained 12.7% by GRDP.

$$\text{Ln(GRDP)} = -25.248 + 8.772 \ln(\text{HDI}) \quad (12)$$

t	-1.959	2.876
Sig	.059	.007

The happiness of Indonesian life is more dominantly contributed by the satisfaction of social life. Nevertheless, the lowest happiness of life is the satisfaction of personal life. Other uniqueness is that Indonesian men are most dissatisfied in their personal lives, but on the other hand more men can feel the meaning of their life than women. Women use more of their feelings, and the feelings of women in contributing to their happiness are lower than men. In aggregate the index of male happiness is higher than the index of female happiness.

The third uniqueness is that the Indonesians' sense of happiness increases with age up to 41-64 years and then decreases when people are 65 years old or older. Thus the Indonesian people feel the happiest in the age range 41-64 years. In line with personal life satisfaction, the meaning of life scores decreases that follows people age. Thus, the older of people age has decrease of meaning of life.

In terms of HDI, the uniqueness of the Human Development Index is that Indonesia's HDI revolves around high level, and moderate level of HDI. The first highest HDI is Jakarta Province and the second highest is Yogyakarta. The first lowest of HDI level is moderate level is West Papua Province and the second lowest level is East Nusa Tenggara Province. The lowest level of HDI is province of Papua, and the highest level of HDI is Jakarta Province. The HDI in Indonesia is likely to be heterogeneous, although it tends to increase from year to year.

The uniqueness of Gross Regional Domestic Revenue (PDRB) per province, it appears that in Indonesia there is still a striking balance between PDRB in Java and PDRB outside Java Island. DKI Jakarta Province has the highest PDRB value and West Papua province is the province with the lowest GRDP. Thus GDP per province per capita is heterogeneous. The capital city of Indonesia has the highest GRDP in Indonesia.

### Conclusion and Recommendations:-

The happiness index of Indonesian life tends to increase from year to year. People in Central Sulawesi province has the highest happiness index of life, is 73.69 among 34 provinces in Indonesia. The province with the lowest happiness index is Papua Province that is 67.52. In average, the index of Indonesian satisfaction is 69.25.

The happiness index is derived from 3 dimensions. These three dimensions are the dimensions of satisfaction, the dimension of feeling, and the dimension of the meaning of life. Dimensions of satisfaction are broken down into two indicators, namely personal satisfaction, and social satisfaction. Viewed from gender, male satisfaction index is greater than female satisfaction index. This illustrates that men are happier than women. The happiest person is a person who is less than 24 years old. The older people, for the Indonesians are unhappier. It is understandable that people who are 65 years of age or older are most unhappy.

Indonesia's HDI tends to increase year by year. The HDI increases from 66.53 in 2011 to 70.18 in 2016. The HDI value means that Indonesia's HDI is changing from a moderate level in 2016 to a high-level by 2016. Indonesia's human development level has entered a new phase. In 2016, Indonesia's human development level has a high level. Viewed from Gross Regional Domestic Income (GRDP) per province, it appears that in Indonesia there is still a striking balance between PDRB in Java and outside Java Island. Jakarta Province has the highest GRDP value and West Papua province is the province with the lowest GRDP. The level change is an accumulation of achievements in previous years. GRDP contribution to national GDP can be seen that the five largest GDP contributing provinces are Jakarta (16%), East Java (14%), West Java (13%), Central Java (9%), and Riau (5%). Moreover, result shows that human development has no direct effect on the level of happiness.

When GRDP is placed as a variable between, the happiness index can be explained by GRDP of 29.6%. The indirect effect of HDI on the happiness index through GRDP is greater than the direct impact of HDI on the index of happiness. Thus, HDI does not just caused by the happiness of the population increases. However, the indirect effect is still low at 29.6%, compared to the direct influence of 12.7%.

When GRDP and the Human Development Index are placed as independent variables for the Happiness Index of Life, the two independent variables can account for 21.5% of the happiness of life. This means that happiness life of Indonesia more explained by other variables besides PDRB and Human Development Index. Both independent variables have a significant effect on the happiness index of life. Furthermore it can be said that by looking at the coefficients of the two independent variables, it appears that the Human Development Index has a greater influence on the happiness index of life than the GRDP.

When GRDP is placed as a moderator variable for the influence of the Human Development Index on the Happiness Index of Life, it appears that GRDP is strengthening the influence of the Human Development Index on the Happiness Index. Explanation of GRDP as moderator variable is equal to 0.08. This figure indicates that GRDP is strengthening the influence but its level of reinforcement is very low. Another conclusion indicates that the human development index with GRDP as a moderator variable gives an explanation of the happiness index of life of 28.7%.

From the conclusion it is suggested that research on causality between human development, gross regional domestic income and the happiness of Indonesian life shows that the happiness of life cannot be explained by the human development index and the gross regional domestic product. The happiness index of Indonesian life can be explained more by other variables besides the two variables. Therefore there needs to be further research on the variables that affect the happiness of Indonesian life.

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