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RESEARCH ARTICLE

THE EFFECT OF FINANCIAL PERFORMANCE OF SOPPENG REGENCY GOVERNMENT ON COMMUNITY PROSPERITY LEVEL.

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Key words:-
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Abstract

The research aimed to perceive the regional autonomy implementation at Soppeng Regency by investigating: 1) whether the financial independence level through the expenditure compatibility and budget absorption could improve the community prosperity; 2) whether the effectiveness level of the Regional Original Revenue (ROR) through the expenditure compatibility and budget absorption could improve the community prosperity.

The research used the quantitative approach the time series as the secondary data for ten years (from 2007 to 2016). Data were analysed using the path analysis to find out the effect of the independent variable on the dependent variabel with the significance level of 5%. The research data were analysed using Eviews.

The research result indicates that the financial independence throught the expenditure compatibility and budget absorption has the positive and significant relationship with IPM, however, the effectiveness of ROR through the expenditure compatibility and budget absorption has the positive and insignificant relationship with IPM. This also indicates that the regional autonomy implementation at Soppeng Regency has not fully fulfilled the mandate of autonomy acts which is expected to be able to optimize the economic potentials in order to improve the community prosperity.

Introduction:-

Indonesia changed their policy into regional autonomy when Act 22 of 1999 changed to Act 32 of 2004, later changed to Act 23 of 2014 on Regional Government, and Act 25 on 1999 later changed to Act 33 of 2004 on Monetary Balancing between Central and Regional Government. With the enactment of regional autonomy, regional developments need to be carefully planned. This can be achieved by a careful development budgeting planning and supported with a well-managed regional income. Regional autonomy and fiscal decentralization are enacted by considering that regional governments are more aware with the needs and standards of service of their peoples. Therefore, regional autonomy is hoped to improve people' welfare through the improvements of local economy as reflected in ProdukDomestik Regional Bruto (PDRB).

One of few measurement means that could analyze governments' performance in managing their regional budget is by employing monetary ratio analysis on the specified and implemented APBD (Halim, 2007:231). Some monetary

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ratios used to measure the accountability of regional government are independent ratio, regional income effectiveness ratio, regional budget efficiency ratio, and expenditure conformity ratio. In addition, United Nations Development Program (UNDP) measure people' welfare comprehensively by calculating income per capita, life expectancy, educational level which are constructed into Human Development Index.

Empiric studies on regional monetary performance is common in Indonesia, some are intended to evaluate the monetary performance of regional government. This indicated a huge concern on the quality of regional institution performance, especially in their service.

Analysis of Hendarmin (2012) in Kalimantan Barat on the influence of capital expenditure and private investment on economic growth, work opportunities, people welfare concluded that generally welfare could be improved by improving capital expenditure, that broaden work opportunities and eventually improving people welfare.

Study conducted by Swandewi (2014) proved that regional monetary independency indirectly have a significant effect on people welfare through budget conformity. Regional government independency ratio reflected regional autonomy capability that is measured by the amount of PendapatanAsli Daerah (PAD) compared to total regional income. This result is problematic; independent regency could improve their capital expenditure in exchange for public service. Ardhini (2012) proved that regional income effectiveness ratio positively influencing capital expenditure allocation addressed to public service. Therefore, if regional monetary tends to be effective, it would affect capital expenditure spend on public service. Study conducted by Wahyudi and Rejekiningsih (2013) found that government spending on healthcare and education affect economic growth and poverty. However, Vegirawati (2012) found that direct spending could not predict Human Development Index.

Mirza (2012) proved that capital expenditure could improve Human Development Index. Capital expenditure conformity on APBD realization showed that government is concerned with regional development. Regional government monetary performance is hoped to be more concerned with people needs.

From the statement above, the researcher is interested to explore how monetary performance of KabupatenSoppeng affects people welfare. This study is intended to measure the achievement level of KabupatenSoppeng government in fulfilling the main objective of regional autonomy that is to ensure the wellbeing of people through an effective and efficient APBD management.

Research Methodology:-

Research Planning

This study employed quantitative approach. This study is a hypothesis testing, intended to analyze the correlation between regional monetary performance and people welfare. This study is a case study. During observation, a time-series secondary data was employed.

Location and Time

This study was conducted in KabupatenSoppeng, specifically at Regional Government of KabupatenSoppeng and focused to Monetary Report. Study time was scheduled based on situation and condition of study location.

Population and Sample

The population of this study is regional monetary report audited by BPK and it was enacted as PerdaKabupatenSoppeng. Monetary report used is APBD realization report of 2007-2016. HDI data is also taken from similar timespan.

Data Source and Type

Quantitative data is used in this research. The source of data is secondary data collected from Accountancy Board of Regional Equipment and Finance Office of KabupatenSoppeng. Data on people welfare is collected from BPS KabupatenSoppeng and Regional Development Planning Board (Bappeda) KabupatenSoppeng as cited in "Soppeng in Angka" book.

Data Collection Method

Methods employed in this research are documentation and literature. Data collected are thos related with regional monetary performance ratio calculation and welfare available in BPS office and Bappeda.

Research Variables

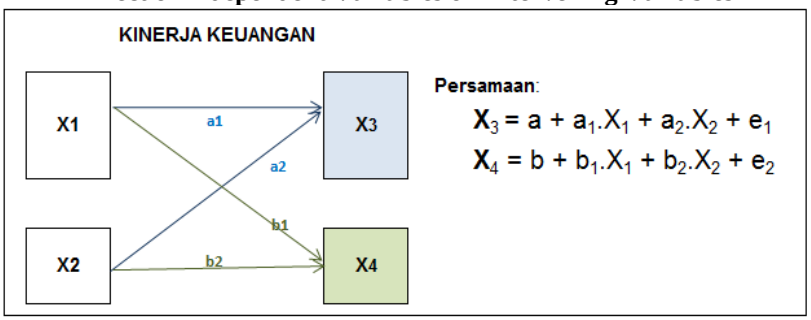
This study is comprised of two independent variables, two intervening variables, and one dependent variable. Monetary performance is reflected on independent variables that are Monetary Independency Ratio, PAD Effectiveness Ratio. Intervening variables are Budget Absorption Ratio, Expenditure Conformity Ratio. Dependent variables consisted of People Welfare reflected on IPM (Income per Capita, Education and Healthcare Indicator)

Data Analysis Technique:-

Path analysis is employed in this study, with regression equation as follows:

First Analysis, to test the influence of independent variables (X_1 and X_2) on intervening variables (X_3 and X_4), illustrated as:

Figure 4.2
Effect of Independent Variables on Intervening Variables

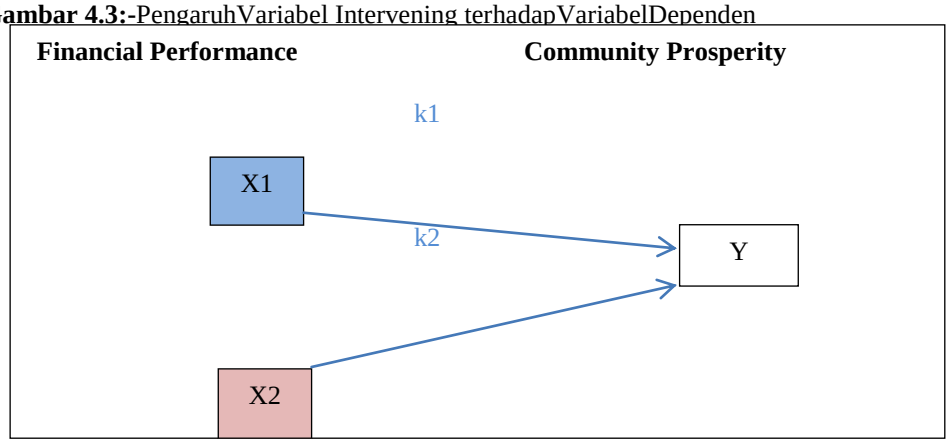


Information:

a = the constant effect $X_1$and X_2on X_3
a_1 = the effect X_1on X_3
a_2 = the effect X_2on X_3
b = the effect constant $X_1$and X_2on X_4
b_1 = the effect X_1on X_4
b_2 = the effect X_2on X_4
e_1 = standard error of effect of $X_1$and X_2on X_3
e_2 = standard error of effect of $X_1$and X_2on X_4

Second Analysis, to understand the influence of intervening variables (X_3 and X_4) on dependent variable (Y), illustrated as:

Gambar 4.3:-PengaruhVariabel Intervening terhadapVariabelDependen



Equation:

$Y_{(tn+1,2,3,4)} = k + k_1.X_{3(tn)} + k_2.X_{4(tn))} + e_3$

Information:
k = the constant effect $X_3$and X_4on Y_1
k_1= the effect X_3on Y
k_2= the effect X_4on Y
e_3= standard error of effect of $X_3$and X_4on Y_1

Result:-

Data Description

Independent variables consisted of Independency Ratio and Effectiveness Ratio as collected from 2007-2016 as follows:

Independence Ratio & Effectiveness Ratio

No.	Year	Independent Variables	
		Independence Ratio	Effectiveness Ratio
		X1	X2
1	2007	4,25	106,82
2	2008	4,09	130,12
3	2009	3,62	89,28
4	2010	3,39	80,95
5	2011	3,73	112,34
6	2012	4,24	107,85
7	2013	5,56	116,69
8	2014	7,71	120,13
9	2015	7,12	117,96
10	2016	8,10	109,41
Mean		1.593.481	4.684.104
Median		1.445.666	4.708.331
Maximum		2.091.948	4.868.449
Minimum		1.219.830	4.393.771
Std. Dev.		0.331565	0.141824
Probability		0.485543	-0.946898

Source: Data Processed

Intervening variables consisted of Expenditure Conformity Ratio and Budget Absorption Ratio as collected from 2007-2016 as follows:

Expenditure Conformity Ratio & Budget Absorption Ratio

No.	Years	Intervening variables	
		Expenditure Conformity Ratio	Budget Absorption Ratio
		X3	X4
1	2007	62,16	90,57
2	2008	62,32	91,01
3	2009	58,47	98,46
4	2010	48,51	96,59
5	2011	53,16	94,32
6	2012	40,48	92,89
7	2013	43,77	92,64
8	2014	51,11	94,88
9	2015	56,43	92,66
10	2016	58,82	90,88
Mean		49.99073	3.970.679
Median		49.40616	4.003.139

Maximum	83.03544	4.132.275
Minimum	28.87895	3.700.914
Std. Dev.	16.21263	0.146964
Probability	0.761934	-0.623318

Source: Data Processed

Dependent variable consisted of Human Development Index (HDI) in Soppeng Regency as collected from 2007-2016 as follows:

Human Development Index

No.	Year	Dependent Variables
		HDI
		Y
1	2007	62,45
2	2008	62,92
3	2009	63,10
4	2010	63,51
5	2011	63,80
6	2012	64,05
7	2013	64,43
8	2014	64,74
9	2015	65,33
10	2016	65,95
Mean		4.159.187
Median		4.157.709
Maximum		4.188.897
Minimum		4.134.366
Std. Dev.		0.017194
Probability		0.279716

Source: BPS of Soppeng Regency (2018)

Result of Influence of Independent Variables on Intervening Variables

The result of statistic test on Independency Ratio and Effectiveness Ratio variables on Expenditure Conformity Ratio illustrated below:

The Effect X_1 and X_2 on

Date: 08/29/18 Time: 05:07				
Sample: 2007 2016				
Included observations: 10				
Family: Normal				
Link: Identity				
Dispersion computed using Pearson Chi-Square				
Convergence achieved after 1 iteration				
Coefficient covariance computed using observed Hessian				
Variable	Coefficient	Std. Error	z-Statistic	Prob.
X1	2.188446	0.987685	2.215732	0.0267
X2	0.013765	0.173992	0.079110	0.9369
C	71.57516	21.04659	3.400796	0.0007
Mean dependent var	95.91730	S.D. dependent var		25.82611

Sum squared resid	3469.020	Log likelihood	-43.71797
Akaike info criterion	9.343594	Schwarz criterion	9.434370
Hannan-Quinn criter.	9.244014	Deviance	3469.020
Deviance statistic	495.5742	Restr. deviance	6002.891
LR statistic	5.113001	Prob(LR statistic)	0.077576
Pearson SSR	3469.020	Pearson statistic	495.5742
Dispersion	495.5742		

Source: The Result of Statistical Test (Eviews Version 7)

The figure showed the result of equation X3 = a + a1.X1 + a2X2 + e1 with regression equation:

X3 = 71.57516 + 2.18446 + 0.013765 + e

Probability value of each variable X1 on variable X3 showed a significant value of ≤5% with probability value of 0,0267, whilst variable X2 on variable X3 showed an insignificant value of ≥5% with probability value of 0,9369, exceeding the required probability value. This indicated that Independency Ratio significantly influences Expenditure Conformity Ratio, in contrast with Effectiveness Ratio which insignificantly influences Expenditure Conformity Ratio. This might be caused by the fluctuating tendency of Effectiveness Ratio compared to the linier tendency of Expenditure Conformity Ratio. In addition, the population which only limited to one government body with 10 years data could influence the significant value of each relationship.

The result of statistic test on Independency Ratio and Effectiveness Ratio variables on Budget Absorption Ratio illustrated below:

The Effect X_1 and X_2 on X_4

Dependent Variable: X4				
Method: Generalized Linear Model (Quadratic Hill Climbing)				
Date: 08/29/18 Time: 05:08				
Sample: 2007 2016				
Included observations: 10				
Family: Normal				
Link: Identity				
Dispersion computed using Pearson Chi-Square				
Convergence achieved after 1 iteration				
Coefficient covariance computed using observed Hessian				
Variable	Coefficient	Std. Error	z-Statistic	Prob.
X1	2.763606	1.323430	2.088215	0.0368
X2	-0.251348	0.233137	-1.078117	0.2810
C	60.08211	28.20097	2.130498	0.0331
Mean dependent var	61.89530	S.D. dependent var		34.31902
Sum squared resid	6228.326	Log likelihood		-46.64415
Akaike info criterion	9.928830	Schwarz criterion		10.01961
Hannan-Quinn criter.	9.829249	Deviance		6228.326
Deviance statistic	889.7609	Restr. Deviance		10600.15
LR statistic	4.913487	Prob(LR statistic)		0.085714
Pearson SSR	6228.326	Pearson statistic		889.7609
Dispersion	889.7609			

Source: The Result of Statistical Test (Eviews Version 7)

The figure showed the result of equation X4 = b + b1.X1 + b2X2 + e1 with regression equation:

X4 = 60.08211 + 2.763606 - 0.251348 + e

Probability value of each variable X1 and X2 on variable X4 with significance level of 5% (0,05) showed that X1 significant on 0,0368 with z-Statistic value of 2.088215, shills X2 is insignificant on 0,2810 with z-Statistic value of -1,07817. From the equation above, it can be concluded that for every 1% increase of Independency Ratio, Budget Absorption Ratio will increase 2,76% and Expenditure Conformity Ratio will be set on constant level of 60,08% without the influence of either Independency Ratio or Effectiveness Ratio.

Result of Influence of Intervening Variables on Dependent Variable

Relationship between Expenditure Conformity and Budget Absorption Ratios on IPM is significant on Y1(tn+1) test illustrated as:

The Effect X_3 and X_4 on Y

Dependent Variable: Y				
Method: Generalized Linear Model (Quadratic Hill Climbing)				
Date: 08/29/18 Time: 05:10				
Sample: 2007 2016				
Included observations: 10				
Family: Normal				
Link: Identity				
Dispersion computed using Pearson Chi-Square				
Convergence achieved after 1 iteration				
Coefficient covariance computed using observed Hessian				
Variable	Coefficient	Std. Error	z-Statistic	Prob.
X3	0.035291	0.017337	2.035604	0.0418
X4	0.028880	0.013047	2.213585	0.0269
C	59.29215	1.945923	30.46995	0.0000
Mean dependent var	64.46470	S.D. dependent var		1.755487
Sum squared resid	12.56697	Log likelihood		-15.61519
Akaike info criterion	3.723039	Schwarz criterion		3.813814
Hannan-Quinn criter.	3.623458	Deviance		12.56697
Deviance statistic	1.795281	Restr. Deviance		27.73563
LR statistic	8.449185	Prob(LR statistic)		0.014631
Pearson SSR	12.56697	Pearson statistic		1.795281
Dispersion	1.795281			

Source: The Result of Statistical Test (Eviews Version 7)

The illustration showed the result of statistic test with equation Y1 = k + k1.X3 + k2.X3 + e with regression equation:

Y1(tn+1) = 59.29115 + 0.035291X3 = 0.028880X4 + e

From the equation, it can be explained that for every 1% increase of Expenditure Conformity Ratio, HDI will increase 0.0289%. HDI will be set on 59,29% without the influence of Expenditure Conformity Ratio and Budget Absorption Ratio.

Probability values of each variable X3 and X4 on variable Y with on significance level of 5% (0,05) showed that X3 gave positive and significant influence on Y with 0,0418 with t-Statistic value of 2.035604. Similar result on X5 showed significant influence on Y with probability value of 0.0269 with t-Staistic 2.213585.

Discussion:-

The Influence of Independency Ratio through Expenditure Conformity on People Welfare

This study found that correlation coefficient of Independency Ratio (X1) through Expenditure Conformity Ratio (X3) on HDI (Y) showed positive and significant influence, meaning that H1 is accepted. The result strengthens

Mirza's (2012) findings that economic growth has positive and significant impact on Human Development Index (HDI) of Government of Jawa Tengah. Moreover, Swandesi (2014) proved that regional monetary independency indirectly have positive and significant influence on people welfare through expenditure conformity in Bali. However, this study differs with study conducted in Sumatera Selatan by Vegirawati (2012) that found that expenditure could not predict Human Development Index.

The Influence of Independency Ratio through Budget Absorption on People Welfare

Correlation coefficient of Independency Ratio (X1) through Budget Absorption Ratio (X4) on HDI (Y) showed positive and significant influence, meaning that H2 is accepted. The result strengthens Mirza's (2012) findings that economic growth has positive and significant impact on Human Development Index (HDI) in Jawa Tengah. However, the findings are different compared to Vegirawati (2012) who found that expenditure could not predict Human Development Index.

The Influence of PAD Effectiveness through Expenditure Conformity on People Welfare

Correlation coefficient of Effectiveness Ratio (X2) through Expenditure Conformity (X3) on HDI (Y) showed positive but insignificant influence, meaning that H3 is rejected. The result generally showed that PAD effectiveness through expenditure conformity could not increase people welfare. Regional capability to optimize regional monetary potency is low therefore PAD targets set on APBD are still far from realization. Therefore, even if PAD realization peaked at 100% or more, it did not show the real performance. As conducted by Saputra (2014) in Sumatera Barat, PAD realization effectiveness tends to improve annually, yet it could not reduce the financial transfer from central government. This showed that regional monetary performance as measured by PAD realization effectiveness did not illustrate regional capabilities in managing their economic activity sources. Ideally, PAD targets draw the real potential and therefore PAD realization could picture the ongoing economic activities.

The Influence of PAD Effectiveness through Budget Absorption on People Welfare

Correlation coefficient of Effectiveness Ratio through Budget Absorption Ratio on HDI showed positive but insignificant influence, meaning that H4 is rejected. The result showed that regional monetary independency through budget absorption could improve people welfare. This discovery is against what Adrhini and Handayani (2012) found that PAD Effectiveness Ratio in regional monetary management had positive and significant influence on capital expenditure allocated to people welfare. Therefore, if regional monetary effectiveness tends to be effective, it could influence the amount of capital expenditure spend on people welfare. Mirza (2012) proved that capital expenditure enacted by government had positive and significant influence on HDI.

Conclusion And Suggestions:-

Monetary performance of a particular year significantly contributes to people welfare of the following year:

1. Monetary Independency Ratio through Expenditure Conformity Ratio could improve people welfare in KabupatenSoppeng in every indicator.
2. Independency Ratio through Budget Absorption Ratio could improve people welfare in KabupatenSoppeng in every indicator.
3. Effectiveness Ratio through Conformity Ratio and Budget Absorption Ratio could not improve people welfare in KabupatenSoppeng in every indicator.
4. Effectiveness Ratio through Conformity Ratio and Budget absorption Ratio could not improve people welfare in KabupatenSoppeng in every indicator.

It is suggested to future researchers interested with this topic to increase data population. This could be done by adding research locations. This could also act as comparison between regions.

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Attachment

Attachment of Descriptive Analisys

Research Variable

	Local Revenue Budget	Realization of Local Revenue	Revenue of Transfer	Revenue of Debt	The budget Expenditure
2007	14.810.965.660,00	15.821.801.661,30	372.661.488.023,00	-	402.337.049.364,00
2008	13.419.093.406,00	17.460.780.983,52	426.600.680.431,00	-	497.316.132.764,51
2009	18.038.539.916,00	16.104.247.623,05	445.061.287.075,00		496.917.080.920,00
2010	20.423.023.061,00	16.531.437.645,61	488.140.888.882,14	-	497.206.413.498,00
2011	19.183.910.487,00	21.551.766.287,81	577.771.701.927,68	-	593.392.087.117,00
2012	24.010.110.952,00	25.894.588.261,47	610.184.745.014,06	-	646.091.744.287,00
2013	34.359.972.000,00	40.096.283.908,94	721.603.382.479,31	-	800.900.670.667,00
2014	50.400.012.080,00	60.544.221.463,67	785.690.601.337,87	-	887.152.936.598,00
2015	57.986.825.109,00	68.403.420.035,55	960.657.598.772,36	-	1.076.441.762.776,00
2016	83.286.049.912,00	91.123.526.502,24	1.124.887.222.117,50	-	1.320.871.298.370,00
Mean	3.36E+10	3.74E+10	6.51E+11	NA	7.22E+11
Median	2.22E+10	2.37E+10	5.94E+11	NA	6.20E+11
Maximum	8.33E+10	9.11E+10	1.12E+12	NA	1.32E+12
Minimum	1.34E+10	1.58E+10	3.73E+11	NA	4.02E+11
Std. Dev.	2.31E+10	2.69E+10	2.47E+11	NA	2.97E+11
Skewness	1.107154	0.935528	0.718362	NA	0.873012

Kurtosis	2.994305	2.446857	2.367388	NA	2.597279

Realization of Expenditure	Capital Expenditure	Direct expenditure	HDI
364.407.462.557,39	115.557.711.848,00	185.901.920.707,20	62,45
452.621.168.584,00	135.954.041.254,00	218.156.302.426,00	62,92
489.255.660.055,00	132.710.582.437,00	226.990.251.654,00	63,10
480.231.036.478,00	77.302.748.566,00	159.354.010.744,00	63,51
559.680.174.950,00	111.146.742.884,00	209.075.848.225,00	63,80
600.139.911.637,46	78.923.645.829,00	194.948.902.694,00	64,05
741.943.967.305,40	123.884.355.154,00	283.024.467.295,00	64,43
841.739.144.164,00	166.093.334.329,00	324.972.045.592,00	64,74
997.459.449.170,35	225.924.896.490,00	400.381.631.352,00	65,33
1.200.412.475.086,30	348.422.789.544,00	592.382.403.997,00	65,95
6.73E+11	1.52E+11	2.80E+11	64.02800
5.80E+11	1.28E+11	2.23E+11	63.92500
1.20E+12	3.48E+11	5.92E+11	65.95000
3.64E+11	7.73E+10	1.59E+11	62.45000
2.69E+11	8.14E+10	1.32E+11	1.103407
0.792010	1.544035	1.461925	0.304570
2.454251	4.493208	4.161791	2.109394

Independent Variable

Year	**Independent Ratio**	**Effectiveness Ratio**
	X1	**X2**
2007	4,25	106,82
2008	4,09	130,12
2009	3,62	89,28
2010	3,39	80,95
2011	3,73	112,34
2012	4,24	107,85
2013	5,56	116,69
2014	7,71	120,13
2015	7,12	117,96
2016	8,10	109,41
Mean	1.593.481	4.684.104
Median	1.445.666	4.708.331
Maximum	2.091.948	4.868.449
Minimum	1.219.830	4.393.771
Std. Dev.	0.331565	0.141824

Skewness	0.485543	-0.946898
Kurtosis	1.608.648	3.002.117

Intervening Variable

Year	Expenditure Confirmity Ratio	Budget Absorption Ratio
	X3	X4
2007	62,16	90,57
2008	62,32	91,01
2009	58,47	98,46
2010	48,51	96,59
2011	53,16	94,32
2012	40,48	92,89
2013	43,77	92,64
2014	51,11	94,88
2015	56,43	92,66
2016	58,82	90,88
Mean	3.970.679	4.537.513
Median	4.003.139	4.530.178
Maximum	4.132.275	4.589.632
Minimum	3.700.914	4.506.153
Std. Dev.	0.146964	0.027425
Skewness	-0.623318	0.616527
Kurtosis	2.184.568	2.334.811

Expenditure Conformity Ratio	Budget Absorption Ratio
X3	X4

Dependent Variable

Year	HDI
	Y
2007	62,45
2008	62,92
2009	63,10
2010	63,51
2011	63,80
2012	64,05
2013	64,43
2014	64,74
2015	65,33
2016	65,95
Mean	4.159.187
Median	4.157.709
Maximum	4.188.897
Minimum	4.134.366
Std. Dev.	0.017194

Skewness	0.279716
Kurtosis	2.094.394

Attachment. Regression Analysis

Equation1 :The Effect X1 and X2 on X3

Dependent Variable: X3				
Method: Generalized Linear Model (Quadratic Hill Climbing)				
Date: 08/29/18 Time: 05:07				
Sample: 2007 2016				
Included observations: 10				
Family: Normal				
Link: Identity				
Dispersion computed using Pearson Chi-Square				
Convergence achieved after 1 iteration				
Coefficient covariance computed using observed Hessian				
Variable	Coefficient	Std. Error	z-Statistic	Prob.
X1	2.188446	0.987685	2.215732	0.0267
X2	0.013765	0.173992	0.079110	0.9369
C	71.57516	21.04659	3.400796	0.0007
Mean dependent var	95.91730	S.D. dependent var		25.82611
Sum squared resid	3469.020	Log likelihood		-43.71797
Akaike info criterion	9.343594	Schwarz criterion		9.434370
Hannan-Quinn criter.	9.244014	Deviance		3469.020
Deviance statistic	495.5742	Restr. deviance		6002.891
LR statistic	5.113001	Prob(LR statistic)		0.077576
Pearson SSR	3469.020	Pearson statistic		495.5742
Dispersion	495.5742			

Equation2 :The Effect X1 and X2 on X4

Dependent Variable: X4				
Method: Generalized Linear Model (Quadratic Hill Climbing)				
Date: 08/29/18 Time: 05:08				
Sample: 2007 2016				
Included observations: 10				
Family: Normal				
Link: Identity				
Dispersion computed using Pearson Chi-Square				
Convergence achieved after 1 iteration				
Coefficient covariance computed using observed Hessian				
Variable	Coefficient	Std. Error	z-Statistic	Prob.
X1	2.763606	1.323430	2.088215	0.0368
X2	-0.251348	0.233137	-1.078117	0.2810
C	60.08211	28.20097	2.130498	0.0331

Mean dependent var	61.89530	S.D. dependent var		34.31902
Sum squared resid	6228.326	Log likelihood		-46.64415
Akaike info criterion	9.928830	Schwarz criterion		10.01961
Hannan-Quinn criter.	9.829249	Deviance		6228.326
Deviance statistic	889.7609	Restr. deviance		10600.15
LR statistic	4.913487	Prob(LR statistic)		0.085714
Pearson SSR	6228.326	Pearson statistic		889.7609
Dispersion	889.7609			

Equation3 :The Effect X3 and X4 on Y

Dependent Variable: Y				
Method: Generalized Linear Model (Quadratic Hill Climbing)				
Date: 08/29/18 Time: 05:10				
Sample: 2007 2016				
Included observations: 10				
Family: Normal				
Link: Identity				
Dispersion computed using Pearson Chi-Square				
Convergence achieved after 1 iteration				
Coefficient covariance computed using observed Hessian				
Variable	Coefficient	Std. Error	z-Statistic	Prob.
X3	0.035291	0.017337	2.035604	0.0418
X4	0.028880	0.013047	2.213585	0.0269
C	59.29215	1.945923	30.46995	0.0000
Mean dependent var	64.46470	S.D. dependent var		1.755487
Sum squared resid	12.56697	Log likelihood		-15.61519
Akaike info criterion	3.723039	Schwarz criterion		3.813814
Hannan-Quinn criter.	3.623458	Deviance		12.56697
Deviance statistic	1.795281	Restr. deviance		27.73563
LR statistic	8.449185	Prob(LR statistic)		0.014631
Pearson SSR	12.56697	Pearson statistic		1.795281
Dispersion	1.795281			