

CHAPTER 5 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion

Based on the results of data analysis and discussion of research results, the research findings can be concluded as follows:

- a. There is a significant positive relationship of the Human Development Index to Gross Regional Domestic Product.
- b. There is a significant negative relationship between the Dependency Ratio and Gross Regional Domestic Product.
- c. There is a significant positive relationship of the Human Development Index to the Defense Budget.
- d. There is no significant effect of the Dependency Ratio on the Defense Budget.
- e. There is a significant positive relationship of Gross Regional Domestic Product to the Defense Budget.
- f. There is a positive influence of the Human Development Index on the Defense Budget mediated by the GRDP
- g. There is no effect of the Dependency Ratio on the Defense Budget mediated by the GRDP.

5.2 Recommendation

5.2.1 Theoretical Recommendations

The development of more comprehensive theoretical models in defense budget-related research may include additional variables such as political stability, external security threats, and other government priorities. The addition of this variable aims to better understand the various factors that influence defense budget policy. Furthermore, conducting comparative studies with other countries is very useful to identify how the Gross Regional Domestic Product (GRDP), Human Development Index (HDI), and Dependency Ratio interact with each other in the context of different defense budgets between countries. This will provide a broader perspective

on how economic and demographic factors affect defense policy. Lastly, a multidisciplinary approach that combines economics, politics, and defense studies is needed to gain deeper insights into defense budget dynamics. This approach allows for a more holistic and integrated analysis, which is critical to understanding the complexity of issues related to defense budgets.

5.2.2 Practical Recommendations

Based on the description that has been discussed in the results and discussion chapter. The practical suggestions for this research are:

- a. The government can consider the results of this study in formulating defense budget policies, taking into account factors such as HDI and Dependency Ratio in decision making.
- b. Defense and Security Institutions can develop defense strategies that consider economic and social factors such as GRDP and HDI. Human resource development within the defense and security sector must be integrated with an understanding of how socio-economic dynamics affect defense needs.
- c. Academics and researcher are expected to develop further in-depth research on the relationship between GRDP, HDI, Dependency Ratio, and defense budgets by exploring new models and methodologies that can integrate economic, social, and defense aspects.
- d. The education and training industry can incorporate findings from this research into training curricula and modules, particularly with regard to public policy, economics, and defense studies. This will help in the formation of critical thinking and a better understanding of how economic and demographic factors influence defense policy. The provision of relevant training and education will prepare future professionals and policy makers with the necessary knowledge
- e. The public needs to be invited to better understand how economic and social policies can affect defense budgets. This understanding is

important to encourage more active public participation in public discussions and policies. Public education through media, seminars, and discussion forums can be used to spread awareness about the importance of balanced human and economic development to national security. An informed public will be better able to contribute to constructive public policy discussions.