

## **ABSTRACT**

### **ANALYSIS THE EFFECT OF FISCAL DECENTRALIZATION IMPLEMENTATION TO THE GROWTH RATE OF REGIONAL GROSS DOMESTIC PRODUCT AND THE RATE OF INCOME PERCAPITA IN INDONESIA PROVINCE 2001 – 2008**

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The implementation of fiscal decentralization in Indonesia since 2001, aims to maximize the potential in the area and know more about what is needed by the people in the area, so development can truly be felt by all communities in Indonesia. Measuring the success of a region in the developing regions seen in the extent of economic growth in each region. The level of regional economic growth can be seen from the growth rate of RGDP and the rate of income percapita in each region.

Based on the calculation that has been done, counting rate of RGDP during the years 2001 - 2008 in each region varied in the range of 4.83%. Provinces with the highest RGDP growth rate since the year 2001-2008 is Southeast Sulawesi Province amounted to 7.12%, and have the lowest RGDP growth rate in Aceh Province in the amount of negative (1.37%). While the rate of the highest income percapita achieved by the Province of Central Sulawesi that is equal to 5.55% and the average rate of the lowest income percapita in Indonesia located in Aceh Province in the amount of negative (2.44%).

Based on the above calculation seen in some areas after the implementation of fiscal decentralization, the growth rate of RGDP and the rate of income percapita is relatively stable and continue to move towards a more positive, while the territory-conflict areas like Aceh and Papua, the economic growth achieved by relatively volatile since the enactment of fiscal decentralization can be concluded that fiscal decentralization policy in Indonesia is a concept with a very diverse problems. Therefore, the government should continue to conduct intensive studies of the instruments of fiscal decentralization policy so that the implementation of fiscal decentralization can be in accordance with the eventual goal of equitable prosperity for all Indonesian people.