

ABSTRACT

THE CORRELATION BETWEEN ECONOMIC GROWTH AND UNEVEN INCOME DISTRIBUTION IN LAMPUNG PROVINCE

By

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The local economic development is generally defined as a process where local government and all public components manage resources and form partnership patterns to create new employments and stimulate economic activity developments.

The economic growth is a picture of development policies in all economic sectors, aimed to improve public income, overcoming economic uneven rate and social gap. The economic uneven rate is uneven income distributions among people in society which tends to be beneficial for particular groups only.

The problem statement in this research was “how does the economic growth and uneven income distribution in Lampung province, and how does the relationship pattern between economic growth and uneven income distribution in Lampung Province”

This research purposed to find out the economic growth and uneven income distribution, and the relationship between economic growth and uneven income distribution in Lampung province.

This was a descriptive research. The analysis was conducted quantitatively based on data processing obtained by analysis instruments in forms of formulas related with the problem statements; they were Gini coefficient and economic growths that were observed along certain time frames.

The proposed hypothesis was that: the economic growth was suspected to have negative correlation to the uneven income distribution in Lampung province.

The results of research indicated that the correlation between economic growth and the uneven income distribution in Lampung province was negative or in opposing direction. It means that the increase of economic growth would reduce the uneven income distribution

rate, and oppositely the decrease of economic growth would increase the uneven income distribution rate. This condition is fairly ideal, and the local government is expected to conduct better development planning, especially on evenly income distributions.