ABSTRACT

Analysis of Effect of Fiscal Decentralization Against Poverty Level District / Municipality in Lampung Province (Period 2007-2011)

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This study aimed to determine the effect of fiscal decentralization on poverty counties and cities in Lampung province in 2007-2011. With the independent variables measuring fiscal capacity as fiscal decentralization, GDP at constant prices, while the poverty rate variable is bound. This study uses panel data (time series data for the years 2007 to 2011 5 years and a cross-section of 50 of 10 District / City of Lampung Province) and the method of analysis used tool is the panel data regression analysis The approach Random Effect Model (REM).

Results of the study indicate that the fiscal capacity variable Regency / City last year has amounted regression coefficient (-0.040840) and a significant negative effect on poverty next year. Variable Gross Regional Domestic Product (GDRP) regency / city last year had a regression coefficient of (-0.003042) and a significant negative effect on poverty next year.

Keywords: Poverty, Fiscal Capacity, GDRP districts in the province of Lampung.