ABSTRACT

The purpose of this research is to find out and to analyze whether Economic Growth, Local Own Revenue, Revenue Sharing Fund, General Allocation Fund, and Special Allocation Fund influence the Capital Expenditure in Lampung Province. The analyze method that is used in this research is quantitative method with multiple linear regression with bring about classical assumption test before finding out the best linear model.

The variable used in this research are Economic Growth, Local Own Revenue, Revenue Sharing Fund, General Allocation Fund, Special Allocation Fund as independent variable and the Capital Expenditure as dependent variable. The population is 14 regencies and cities in Lampung, and by using purposive sampling technique, 10 regencies and cities in Lampung Province the year 2008 up to year 2012 are chosen as samples.

The result proof that Economic Growth, Local Own Revenue, Revenue Sharing Fund, General Allocation Fund, Special Allocation Fund influence significantly and simultaneously the Capital Expenditure of regencies and cities in Lampung. Adjusted R² expressed that 30.3% influence given by Independent variables. The rest 69.7% influence given by other variables is not mentioned in this research model.

Partially Local Own Revenue and Special Allocation Fund variable influence Capital Expenditure. Economic Growth with PDRB with constant price haveno significant influence to the Capital Expenditure.

Keywords: Economic Growth, Regional Own Revenue, Revenue Sharing Fund, General Allocation Fund, Special Allocation Fund and Capital Expenditure.