

ABSTRACT

EFFECT OF INFRASTRUCTURE TO THE GROSS DOMESTIC REGIONAL PRODUCT (GDRP) IN LAMPUNG PROVINCE

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This study was conducted to determine whether the factors of production are represented by the infrastructure (roads, electricity, health centers and schools) have influence and contribute significantly to economic growth in the Lampung province. The data used are time series data years 1998-2012, using a multiple regression approach *Ordinary Least Square* method (*OLS*).

The results of this study showed that the four independent variables above have three variables that have a significant impact on economic growth, namely electricity, health centers and schools, and one more variable does not have significant influence is road infrastructure. In partial, electricity, health centers and schools infrastructure affect the economic growth in the Lampung province. Based on the calculation of the variable elasticity show that coefficient for road infrastructure is 1,505, electrical infrastructure at 0.144, infrastructure health centers is 0.173, schools and infrastructure amounted to 0.113.

Keywords: Infrastructure, Growth, *Ordinary Least Square (OLS)*