

**ANALYSIS OF THE EFFECT OF FISCAL SPACE AND LABOR
PRODUCTIVITY ON ECONOMIC GROWTH IN INDONESIA
PERIOD 2001- 2013**

by

CAHYA ANNISA

ABSTRACT

Fiscal space is one in which the budget fiscal policy that can switch the purposes to serve and support economic development. In solow theories development is influenced by capital and labor. The purpose of this study to determine the influence of fiscal space and labor productivity to economic growth in Indonesia in the period 2001-2013.

This study uses ordinary least squares (OLS), and analysis tools used are reviews 4.1. The results of this study are the fiscal space and labor productivity has positive influence on economic growth in Indonesia in the period 2001-2013.

Keywords: fiscal space, labor productivity, economic growth