ABSTRACT

ANWAR. Influence of Dana Alokasi Umum (DAU), Dana Alokasi Khusus (DAK), and Subsidi Pangan to Regional Economic Growth (guided by Yahya Rahmana Hidayat).

Economic growth is correlated to society walfare. It is also affected by process of goods and services production. Besides, it is influenced by government expenditure which is based on the framework of model which designed by Keynes. The problem is "are the effects of Dana Alokasi Umum (DAU), Dana Alokasi Khusus (DAK), and Subsidi Pangan which are parts of government expenditure, significant to regional economic growth. If it's significant, how far are their effects?

Double regression analysis would be used in this research to figure out how far independent variables affect its dependent variable (economic growth). In this research, 6 provinces are used to be analysed. They are Sumatera Utara, Jawa Tengah, Kalimantan Selatan, Sulawesi Tenggara, Riau, dan Maluku. The research uses 5 years. It also uses 2 kinds of time leg, that are 1-year and 2-year leg. These legs are applied for DAU and DAK.

As described above, this research uses DAU, DAK, dan Subsidi Pangan as independen variables. DAU is big fund, so that it can contribute significantly to regional income. With this consideration, DAU would also considerably contribute to economic growth. Second independen variable, DAK allocation, is not as big as DAU, but its use has settled before. It used for funding phisical output expenditure in certain fields. With this condition, DAK would considerably contribute to economic growth. Meanwhile, Subsidi Pangan would considerably also contribute to economic growth. This fund is allocated directly to targeted household. It is hoped that it would fulfill poor needs of rice, so that it increases social walfare.

Then, the analysis will use SPSS aplication, and the result shows regression model of Jawa Tengah dan Maluku can predict their dependend variable, which they have sig. level under 0,05. However, if we check out the probability value of every variable, it shows that only Jawa Tengah model that can come a regression equalization model. Besides, variables which have some effect on the dependen variable, are only DAU dan DAK. Nevertheless, is this effect significant?