ABSTRACT

MEITY TRISNOWATI. The Impact of Economic Growth, Income Inequality, and Unemployment on the Poverty Rate in Districts of Coastal Communities Economic Empowerment Recipient. Under direction of NUNUNG NURYARTONO and ARIEF DARYANTO.

Reducing poverty is one of the government objective in the coastal region. The government is implementing some programs to achieve this goal by raising up the social welfare of the poorer. To accelerate the goal, the Ministry of Marine and Fisheries Affairs of the Republic of Indonesia is implementing PEMP, means an economic empowerment program in the coastal region. The purpose of this study is to analyse whether this program has an impact on economy, inequality, and unemployment as well as the indirect effect on the poverty reduction. Using static panel data model, the result shows that the PEMP has a significant and positive impact on per capita GDRP as well as a significant impact on reducing the inequality. Thus, the PEMP program is one way to reduce the poverty on the coastal region.

Keywords: PEMP, poverty reduction, inequality, static panel data model