

ABSTRACT

Regional inequality in Banten Province is the highest among all provinces located on Java Island. Since 2005-2021, it has experienced an increasing trend and is still classified as high. This study aims to analyze the effect of economic growth, unemployment, investment, and general allocation funds on regional inequality in Banten Province in 2005-2021.

This research uses a quantitative approach with data sourced from the Central Bureau of Statistics of Banten Province. The method used is multiple linear regression with time series data types consisting of classical assumption deviation detection, partial tests, simultaneous tests, and the coefficient of determination.

The research results show that economic growth has a negative significant effect on regional inequality. Unemployment has a positive significant effect on regional inequality. Investment has a negative significant effect on regional inequality. The general allocation fund has no effect on regional inequality. Economic growth, unemployment, investment, and general allocation funds have jointly affected regional inequality in Banten Province in 2005-2021. Variations in the independent variables can explain 65.32 percent of regional inequality. This research is limited to the vulnerable years 2005-2021. Suggestions that are expected to reduce regional inequality in Banten Province are creating sustainable economic growth, reducing the unemployment rate, and increasing investment.

Keywords: Regional Inequality, Economic Growth, Unemployment, Investment, and General Allocation Fund.

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