Journal of International Conference Proceedings (JICP) Vol.5 No.2, pp. 667-677, August, 2022
P-ISSN: 2622-0989/E-ISSN: 2621-993X
https://www.ejournal.aibpmjournals.com/index.php/JICP

The Acceleration of Inclusive Economic Growth in Banten

Zuhaifah[1], Dwi Budi Santoso[2], Farah Wulandari Pangestuty[3]
Faculty of Economics and Business, University of Brawijaya[1,2,3]
Jl. MT. Haryono 165 Malang, 65145, Indonesia
Correspondence Email: zuhaifah@student.ub.ac.id
ORCID ID: https://orcid.org/0000-0003-2918-2226

ARTICLE INFORMATION

Publication information

Research article

HOW TO CITE
Zuhaifah., Santoso, D.B., & Pangestuty, F.W. (2022). The Acceleration of Inclusive Economic Growth in Banten. *Journal of International Conference Proceedings*, *5*(2), 667-677.

DOI:
https://doi.org/10.32535/jicp.v5i2.1972

Received: 15 June 2022
Accepted: 15 July 2022
Published: 09 November 2022

ABSTRACT

The aim of this study is to identify the determinant of inclusive economic growth in Banten Province based on the Three Stages Least Squares (3SLS) method using panel data from 8 regency/municipality during 2011-2020 (except 2016). The results show that the government's role through capital expenditure doesn't have a significant effect on inclusive economic growth directly but it has an indirect effect through increasing economic activity and decreasing the unemployment rate. Based on regional financial performances, there is only the Audit Board's opinion that has a significant positive effect on inclusive economic growth, while the independence ratio and effectiveness ratio have no effect. In accelerating inclusive economic growth in Banten, the local government has to increase economic growth and reduce the unemployment rate. The number of labor and higher education labor positively impact economic activity, while high investment can reduce the unemployment rate. However, Banten's economy is capital intensive. Hence, the equitable distribution of appropriate capital expenditure allocations to support labor-intensive investment needs to be improved, besides enhancing the caliber of human resources and regional financial performances.

Keywords: Banten, Economic Growth, Inclusive Economic Growth, Three Stages Least Squares, Unemployment.

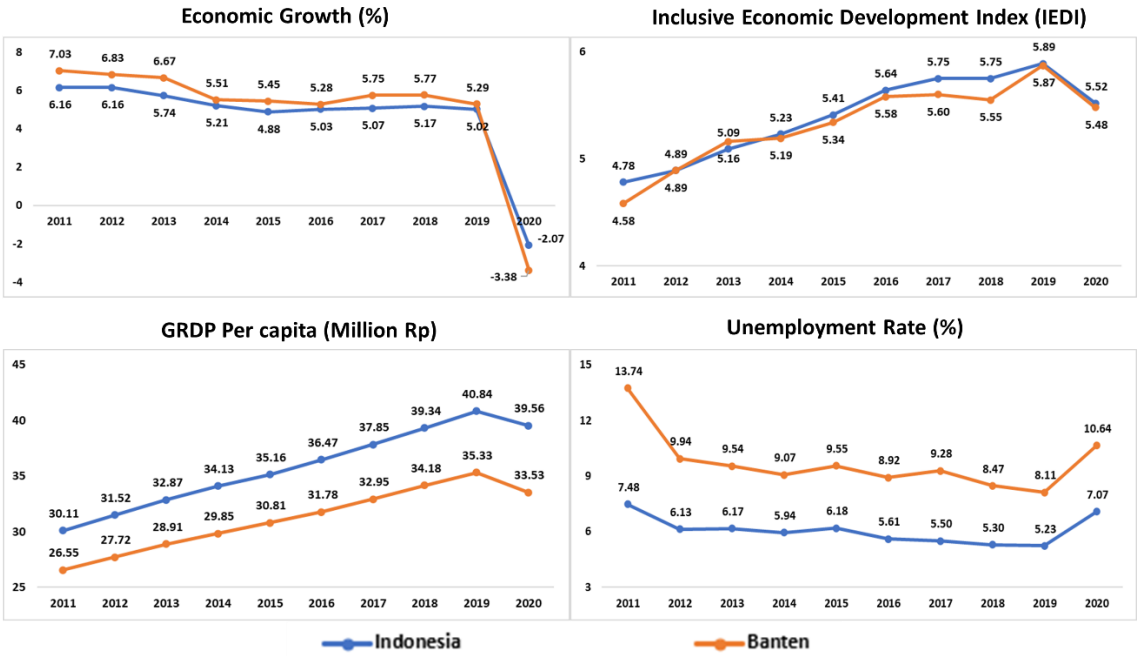
Journal of International Conference Proceedings (JICP) Vol.5 No.2, pp. 667-677, August, 2022
P-ISSN: 2622-0989/E-ISSN: 2621-993X
https://www.ejournal.aibpmjournals.com/index.php/JICP

INTRODUCTION

As high-quality economic growth became more widely recognized, the idea of inclusive economic growth evolved. Inclusive economic growth is a process and results when all parties participate and obtain equal benefits from economic growth (UNDP, 2017). Thus, a region's higher economic growth should be followed by a decline in unemployment, inequality, and poverty.

Banten is one of the provinces in Indonesia with a fairly high average economic growth rate compared to the national level. However, based on the value of the Inclusive Economic Development Index (IDEI), which is a measure of the inclusiveness of development in Indonesia, shows the opposite. Banten's low inclusive economic growth is due to the low Gross Regional Domestics Products (GRDP) per capita and high unemployment rate. In 2020, the unemployment rate of Banten was 10.64 percent, much higher than the national. It was ranked the second-highest in Indonesia after DKI Jakarta Province. This condition indicates that Banten's economic growth is not yet inclusive due to community participation in economic development not being utilized optimally. Economic growth that is not inclusive will be more vulnerable to shocks (Bappenas, 2020). This was evident when the Banten economy was hit by the Covid-19 pandemic in 2020, which led to a sharp fall in the rate of economic growth, rising unemployment and poverty rates, and a weakening of the GDRP per capita. Therefore, the inclusiveness of economic growth needs to be increased so that the economy is stronger from shocks, crises, and disturbances in the future.

Figure 1. Development Indicators for Banten Province and Indonesia



Source: BPS-Statistics and Bappenas

Several previous kinds of researches have attempted to determine the factors that contribute to inclusive economic growth by evaluating various inclusive growth indices, like those conducted by Azwar (2016), Oluseye & Gabriel (2017), Yaru et al. (2018), Long & Pasaribu (2019), Prasetya (2019), Safitri et al. (2021), Fitrianasari (2021), and Fitrianasari et al. (2022). Meanwhile, Prabandari & Santoso (2018), Wibowo (2019), and Hidayat (2020) identify the determinants of inclusive economic growth by describing the

simultaneous relationship between the achievements of inclusive economic growth indicators.

An essential component affecting inclusive economic growth is the role of government. The government's role through government expenditure affects economic growth (Keynes in Mankiw, 2007), as well as income redistribution in balancing efficiency and equitable distribution of resources (Hyman, 2011). As a result, all spheres of society can experience the effects of economic development. In general, previous studies such as Azwar (2016), Prabandari & Santoso (2018), Long & Pasaribu (2019), Safitri et al. (2021), Fitrianasari (2021), and Fitrianasari et al. (2022) have proven this. However, Oluseye & Gabriel (2017) prove that government expenditure significantly hinders inclusive growth. Yaru et al (2018) prove that the increase in government expenditure does not seem to be able to increase inclusive economic growth. Meanwhile, Prasetya (2019) attempts to analyze the government's role in inclusive economic growth, not only from a quantity viewpoint but also by the efficacy of the government in overseeing the regional finances. The study's findings suggest that local government performances, as measured by fiscal condition and good regional financial reporting, will have a favorable effect on inclusive economic growth.

Based on the problem and prior research, this study seeks to identify the determinants of inclusive economic growth in Banten by describing the simultaneous link between economic growth, unemployment rate, and inclusive economic development index. The government's role in inclusive economic growth is measured based on the realization of capital expenditure and the performance of regional financial management.

LITERATURE REVIEW

Inclusive Economic Growth

Inclusive economic growth is a process and results in all parties participating and obtaining equal benefits from economic growth (UNDP, 2017). At least three main aspects are the focus of attention on inclusive growth, namely income inequality, poverty, and work participation (Ali & Son, 2007). World Bank (2009) mentions inclusive economic growth as economic growth that can absorb a lot of workers. An important component in achieving inclusive economic growth is the growth of labor-intensive industries and improving the quality of the labor force. This is in line with Felipe (2012) in Prasetya (2019), who states that inclusive economic growth is economic growth that is able to encourage increased absorption of labor to reduce poverty. Therefore, it follows that inclusive economic growth is defined as economic growth that fairly generates opportunities to improve prosperity for all communities while necessitating the engagement of all stakeholders. So that the higher economic growth will be followed by the decreasing level of inequality, poverty, and unemployment.

Economy Activity in Inclusive Economic Growth

Klasen (2010), high economic growth is needed to achieve inclusive economic growth. Economic growth that is labor-intensive and that concentrates on results to benefit more people are two features of inclusive economic growth.

The accumulation of capital, population and labor force growth and technological progress are important components of economic growth (Todaro & Smith, 2011). According to the growth endogenous theory (Rommer, 1986), capital is not only physical but also human capital. Endogenous growth theory tries to include technological processes as an endogenous variable to obtain better output results. Endogenous growth theory can explain the potential benefits of investing in human capital through

education, infrastructure, and research development. As a result, this theory proposes that public policy plays a proactive role in promoting economic development through direct and indirect investments in the creation of human capital.

Unemployment Rate in Inclusive Economic Growth

Unemployment occurs because of a labor market imbalance, which is defined as the link between supply and demand for labor associated with the level of wages (Mankiw, 2007). Economic growth, the government's role through expenditure, investment, and human resource capacity are some elements that can have an impact on the unemployment rate. The inverse link between the unemployment rate and GDP is described by Arthur Okun. This is driven by the idea that more workers will be needed to produce more manufactured items, which will lower the unemployment rate.

The number of people in the labor force who are of working age will have a significant impact on the labor supply. As a result, the labor supply will rise as more people join the labor force. This causes a shift in the labor supply curve, thereby widening the labor surplus and raising the unemployment rate.

According to the notion put forth by Harrod Domar in Kurniawan & Affandi (2014), investment not only creates demand but also increases production capacity. With the assumption of full employment, the greater production capacity will increase the need for labor. This is because the investment will cause additional factors of production, one of which is labor. Susanti (2020), when investment increases, the demand for labor will increase. This causes the demand curve for labor to shift upward, which reduces unemployment.

The Role of Government in Inclusive Economic Growth

The government’s role through government expenditure is important in realizing inclusive economic growth. Government expenditure is useful for increasing economic growth and redistribution of income in balancing efficiency and equitable distribution of resources so that the whole community can feel economic development results. Based on Keynes’s theory in Mankiw (2007), an increase in government expenditure can shift the aggregate demand curve to encourage the growth of the wider community's economic activity, leading to increased economic growth. Economic growth is an illustration of the achievement output from each production, which can increase the demand for labor so that it reduces the unemployment rate, which is not only due to business expansion but is also driven by an increase in the wage rate (Sabir, 2015). The role of government expenditure in income redistribution can be seen in the government's efforts to balance efficiency and equity in resource allocation. In public decision-making, there is often a trade-off between efficiency and fairness (Hyman, 2011). On the one hand, the government wants to obtain maximum results from the use of limited resources. On the other hand, the ability of the government to administer these resources in an equitable manner for all parties is essential. Because it has the potential to both directly improve people’s income by implementing labor-intensive initiatives and indirectly stimulate the private economic activity. The availability of several infrastructures can encourage the development of private investment. This will lead to expand employment opportunities, ultimately improving community’s welfare (Sabir, 2015).

RESEARCH METHOD

This study uses panel data from 8 regency/municipality in Banten Province during 2011-2020, except for 2016 data due to the unavailability of employment data. Sources of data were obtained from Statistics-Indonesia, The Ministry of Development Planning of Republik Indonesia, Audit Board of Republik Indonesia, and Directorate General of Fiscal Balance Ministry of Finance Republic Indonesia. The analysis method used in this study is a simultaneous equation model of Three Stages Least Squares (3SLS) panel data. The stages of analysis in this study include model identification test, model selection test, and simultaneous equation estimation. There are three structural equations to be estimated in this study:

Economic Activity Equation:

$$Ln\_GRDPCap_{it} = a_0 + a_1 Ln\_L_{it} + a_2 EDUL_{it} + a_3 Ln\_CE_{it} + e_{1\,it} \quad (1)$$

Unemployment Equation:

$$UR_{it} = b_0 + b_1 Ln\_GRDPCap_{it} + b_2 Ln\_CE_{it} + b_3 Ln\_WAP_{it} + b_4 Ln\_INV_{it} + e_{2\,it} \quad (2)$$

Inclusive Economic Growth Equation:

$$IEDI_{it} = c_0 + c_1 Ln\_GRDPCap_{it} + c_2 UR_{it} + c_3 Ln\_CE_{it} + c_4 IR_{it} + c_5 ER_{it} + c_6 OPI_{it} + e_{3\,it} \quad (3)$$

In which: GRDPCap is GRDP Per capita, UR is the Unemployment Rate, IEDI is the Inclusive Economic Development Index, L is Labor, EDUL is Higher Education Labor, WAP is Working Age Population, CE is Regional Government Capital Expenditure, INV is Investment, IR is the Regional Financial Independence Ratio, ER is the Regional Financial Effectiveness Ratio, and OPI is the opinion of the Audit Board.

RESULTS

Model Identification Test

The model identification test is conducted to determine whether the estimated value of structural equations can be obtained from the estimated reduced form coefficients. There are three possible results obtained from the model identification test, namely unidentified, exactly/fully identified, and overidentified (Gujarati & Porter, 2012). Simultaneous 3SLS equation estimation can be done if the result of the model identification test is exactly/fully identified or overidentified.

The three structural equations in this study were overidentified, according to the findings of the model identification test using order conditions (necessary conditions) and rank conditions (sufficient conditions). Hence, the simultaneous equation estimation using the 3SLS method can be carried out.

Table 1. The Results of Model Identification Test

Equation	(K-k) > (m-1)	Order Condition	Rank Condition
Economic Activity	8 > 0	Overidentified	Identified
Unemployment	8 > 1	Overidentified	Identified
Inclusive Economic Growth	7 > 2	Overidentified	Identified

Notes: K denotes the number of exogenous variables in the simultaneous equation model including the intercept, k is the number of exogenous variables in the estimated equation, and m is the number of endogenous variables in the estimated equation.

Model Selection Test

The Chow, Hausman, and Lagrange Multiplier (LM) tests make up the sequential panel data model selection test (Gujarati & Porter, 2012). The Fixed Effect Model (FEM) is shown to be the best model of three structural equations based on the findings of the Chow and Hausman tests, necessitating the elimination of the necessity to do the LM test once more. As a result, the FEM and 3 SLS approach will be used to estimate simultaneous equations in this study.

Table 2. The Results of Model Selection Test

Equation	Chow Test (Prob > F)	Hausman Test (Prob > Chi^2)	Conclusion
Economic Growth	0,0000***	0,0015***	FEM
Unemployment	0,0000***	0,0304**	FEM
Inclusive Economic Growth	0,0000***	0,0000***	FEM

Notes: significant at: *) α=0,1; **) α=0,05; ***) α=0,01

Simultaneous Equation Estimation

The results of the simultaneous equation estimation using the 3SLS method and FEM are shown in table 3.

Table 3. Simultaneous Equation Estimation

Variable	Coefficient	Standard *Error*	t	P > ltl	R^2
Economic Activity					
CE	0,0555	0,0232	2,39	0,0170**	0,6148
L	0,8753	0,1281	6,83	0,0000***	
EDUL	0,0081	0,0027	3,01	0,0020***	
CONS	4,6417	1,6301	2,84	0,0040***	
Unemployment					
GRDPCap	14,7130	5,2869	2,78	0,0050***	0,1441
CE	-1,2684	0,4758	-2,67	0,0080***	
INV	-10,2305	2,4904	-4,11	0,0000***	
WAG	-7,1329	5,9253	-1,20	0,2290	
CONST	33,5525	41,6039	0,81	0,4200	
Inclusive Economic Growth					
GRDPCap	0,7893	0,2413	3,27	0,0010***	0,5208
UR	-0,0621	0,0223	-2,78	0,0050***	
CE	-0,0025	0,0497	-0,05	0,9590	
IR	-0,0011	0,0009	-1,18	0,2370	
ER	0,0001	0,0004	0,31	0,7550	
OPI	0,0576	0,0227	2,53	0,0110**	
CONST	-7,9383	4,1236	-1,93	0,0540*	

Notes: significant at: *) α=0,1; **) α=0,05; ***) α=0,01

DISCUSSION

Economic Activity Equation

The relationship between local government capital expenditure allocation and GRDP per capita is a significant positive. It illustrates the impact of capital expenditure on increasing economic activity in Banten due to the multiplier impact of government spending. It confirms Keynes' theory regarding the role of government in boosting economic growth. The finding of this study is similar to Fan et al (2002), Sabir (2015), and Saputra et al (2019).

The relationship between the labor force and GRDP per capita is positively significant. A positive association between the labor force and GRDP per capita demonstrates the impact of labor on economic activity. The finding of this study is similar to Prabandari & Santoso (2018), Utami et al (2021), and Hellen et al (2017).

The relationship between the quantity of higher education labor and GRDP per capita is a significant positive. It demonstrates the impact of higher education labor in increasing economic activity. The finding of this study is similar to Lubis (2014), Sari (2021), and Maneejuk & Yamaka (2021). The finding of this study also lends support to the notion of endogenous growth, which holds that labor with a higher level of education plays a significant role in boosting productivity. Because of this, having more workers with higher education will boost the economy.

Unemployment Equation

The GRDP per capita and unemployment rate have a significant positive relationship. It demonstrates how economic activity affects the jobless rate. The finding of this study is similar to Wibowo (2019). However, does not support Okun's law which explains the inverse link between the unemployment rate and GDP. This is because Banten's economic growth is capital intensive, which is indicated by the increasing trend of the gross added value of the industrial sector (which is the main contributor to Banten's economy), but is not followed by an increase in the number of labors in this sector.

The allocation of local government capital expenditure and the unemployment rate has a significant negative relationship. It illustrates the impact of capital spending on the jobless rate. The finding of this study supports those of Sabir (2015) and Wibowo (2019). The result of this study also supports Keynes’s theory about the role of government, where capital expenditure is a form of public sector investment made by local governments because of its benefits for the community. Public sector investment through capital expenditure has a direct effect on increasing people’s incomes and indirectly through the development of economic business activities for companies. In addition, the availability of several infrastructures will encourage the development of private investment to create jobs that will improve the community’s welfare.

The relationship between investment and the unemployment rate is shown to be a significant negative. This indicates that the increase in investment will be responded by the decreasing unemployment rate in Banten. The finding of this study is similar to Wibowo (2019), Kurniawan & Affandi (2014), and Ogbeide et al (2015).

The relationship between the number working for age population and the unemployment rate is shown through a negative but not significant. The finding of this study is similar to Geli et al (2021), who found that large population growth does not always result in an increase in unemployment but depends on the quality of the population.

The Inclusive Economic Growth Equation

The relationship between GRDP per capita and IEDI growth is a significant positive. This indicates that the increase in economic activity will be responded by increasing inclusive economic growth in Banten. This study is consistent with Prabandari & Santoso (2018), Oluseye & Gabriel (2017), Prasetya (2019), and Safitri et al. (2021). Based on the simultaneous equation estimation, the significant positive relationship between GRDP per capita and IEDI also indicates that the variable of labor, the number of higher education labor, and capital expenditure affect the inclusive economic growth of Banten Province indirectly through increased economic growth. As a result, the province of Banten can improve inclusive economic growth by accelerating economic activity.

The relationship between the unemployment rate and IEDI is a significant negative. This indicates that the increasing unemployment rate will be responded by decreasing inclusive economic growth in Banten. This study is consistent with Sholihah (2014) and Safitri et al (2021). Based on the simultaneous equation estimation, this significant negative relationship between the unemployment rate and IEDI also indicates that the GRDP per capita, capital expenditure, and investment variables indirectly affect inclusive economic growth in Banten through the unemployment rate. Therefore, lowering the jobless rate can help Banten’s attempts to accelerate inclusive economic growth.

The relationship between capital expenditure and IEDI is negative but not significant. The finding of this study is similar to Sabir (2015) and Aryasthini & Sri (2021). However, according to the estimation of the economic activity and unemployment equations, the allocation of capital expenditures has a significant positive impact on economic activity and a significant negative impact on the unemployment rate. Therefore, it can be concluded that the allocation of capital expenditures doesn't directly have a substantial impact on Banten Province's inclusive economic growth. It does so indirectly by spurring economic activity and lowering the unemployment rate.

The relationship between the financial independence ratio and IEDI is negative but not significant. It illustrates that the financial independence ratio does not impact the inclusive economic growth in Banten. The finding of this study is not consistent with Prasetya (2019) and Hay (2017). However, this research backs with Kurniasih (2020) conclusion that decentralization and inclusive economic growth are unrelated in Java and Bali.

The relationship between the financial effectiveness ratio and IEDI is positive but not significant. It illustrates that the financial effectiveness ratio does not impact the inclusive economic growth in Banten. The finding of this study is similar to Alam & Adib (2017), who states that although local governments have been able to meet the target or even exceed the locally-generated revenue target, it is not necessarily able to meet the full expenditure needed to provide better services and facilities for the community.

The effect of the Auditor Board's opinion on inclusive economic growth is shown through a significant positive relationship between the Auditor Board's opinion on the local government financial reports audit and the IEDI of Banten Province. The finding of this study is consistent with Prasetya (2019), who showed that better quality financial reports describe the financial performance of local government and have a favorable influence on inclusive economic growth.

CONCLUSION

Based on the findings and analysis, this study comes to the conclusion that while the government's role in allocating capital expenditure does not directly have a significant impact on inclusive economic growth, it does have an indirect impact by spurring economic activity and lowering the unemployment rate. Based on regional financial performances, there is only Auditor Board's opinion has favorable impact on Banten's inclusive economic growth, while the regional financial independence ratio and regional financial effectiveness ratio don't have impact. The local government has to increase economic activity and reduce the unemployment rate in order to accelerate inclusive growth in Banten. The number of labor and those with higher education both contribute to economic activity, while the high investment can reduce the unemployment rate. However, Banten's economy is capital-intensive. Hence, the study's implication implies that the local government has to improve the equitable distribution of appropriate allocation of regional government capital expenditure to support labor-intensive investment and enhance the caliber of human resources and regional financial performances.

ACKNOWLEDGMENT
This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors.

DECLARATION OF CONFLICTING INTERESTS
Authors have no potential conflict of interest.

REFERENCES

Alam, K. Z., & Adib, N. (2017). Pengaruh Kinerja Keuangan Pemerintah Daerah dan Hasil Pemeriksaan BPK RI Terhadap Kesejahteraan Masyarakat. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, *5*(2).

Ali, I., & Son, H. H. (2007). Measuring Inclusive Growth. *Asian Development Review*, *24*(1), 11–31.

Aryasthini, M. M. S., & Sri, B. M. K. (2021). The Effect of Investment, Capital Expenditure, and District/City Minimum Wage on Inclusive Economic Development in the Regency/City of Bali Province, Indonesia. *Russian Journal of Agricultural and Socio-Economic Sciences*, *120*(12), 25–35.

Azwar. (2016). Pertumbuhan Inklusif di Provinsi Sulawesi Selatan dan Faktor-faktor yang Memengaruhinya. *Jurnal BPPK*, *9*(2).

Bappenas. (2020). *Ciptakan Stabilitas Ekonomi Usai Covid-19, Bappenas Dorong Jawa Barat Terapkan Pembangunan Ekonomi Inklusif*. https://www.bappenas.go.id/id/berita-dan-siaran-pers/ciptakan-stabilitas-ekonomi-usai-covid-19-bappenas-dorong-jawa-barat-terapkan-pembangunan-ekonomi-inklusif/

Fan, S., Zhang, L., & Zhang, X. (2002). *Growth, Inequality, and Poverty in Rural China: The Role of Public Investments*. Intl Food Policy Res Ins.

Fitrianasari, R. N. (2021). Analisis Dampak Globalisasi, Kebijakan Fiskal, dan Modal Manusia Terhadap Pertumbuhan Ekonomi Inklusif: Studi Kasus dengan Data Panel pada 9 Kabupaten/Kota di Provinsi Kalimantan Timur. *BESTARI: Buletin Statistika Dan Aplikasi Terkini*, *I*(2), 29–38.

Fitrianasari, R. N., Chotimah, K., & Arnida, O. V. (2022). Analisis Dampak Kebijakan Makroekonomi Terhadap Pertumbuhan Ekonomi Inklusif Provinsi di Pulau Sumatera Tahun 2015-2020. *Jurnal Kajian Ekonomi Dan Kebijakan Publik*, *7*(1), 92–106.

Geli, K. A. K., Harsono, H., & Widiawati, D. (2021). Pengaruh PDRB, Pertumbuhan

Penduduk, dan UMK Terhadap Tingkat Pengangguran Terbuka di Kabupaten Flores Timur Tahun 2010-2019. *Journal of Regional Economics Indonesia*, *2*(1), 92–107. https://doi.org/10.26905/jrei.v2i1.6185

Gujarati, D. N., & Porter, D. C. (2012). *Dasar-dasar Ekonometrik Buku 2 (Edisi 5)*. Salemba Empat.

Hay, T. (2017). *Analisis Pengaruh Kinerja Keuangan Daerah Terhadap Pertumbuhan Ekonomi, Kemiskinan, dan Pengangguran di Provinsi Papua Barat* [Tesis. Program Magister Ilmu Ekonomi, Fakultas Ekonomi dan Bisnis Universitas Brawijaya]. https://doi.org/10.22216/jbe.v3i3.3350

Hellen, H., Mintarti, S., & Fitriadi, F. (2017). Pengaruh Investasi dan Tenaga Kerja serta Pengeluaran Pemerintah Terhadap Pertumbuhan Ekonomi serta Kesempatan Kerja. *INOVASI*, *13*(1), 28–38.

Hidayat, I. (2020). *Faktor-faktor yang Memengaruhi Pertumbuhan Ekonomi Inklusif di Provinsi Daerah Istimewa Yogyakarta*. Tesis. Program Studi Ilmu Ekonomi, Sekolah Pasca Sarjana Institut Pertanian Bogor.

Klasen, S. (2010). Measuring and Monitoring Inclusive Growth in Developing and Advanced Economies: Multiple Definitions, Open Questions and Some Constructive Proposals. *ADB Sustainable Development Working Paper Series*, *2*, 123–144.

Kurniasih, D. E. (2020). Infrastructure and Inclusive Economic Growth in Decentralized Indonesia. *Jurnal Ilmiah Administrasi Publik*, *006*(01), 16–24. https://doi.org/10.21776/ub.jiap.2020.006.01.3

Kurniawan, A. B., & Affandi, M. (2014). Analisis Pengaruh Pertumbuhan Ekonomi, Upah Minimum dan Investasi Terhadap Jumlah Pengangguran di Kabupaten Gresik. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, *2*(2).

Long, T. J., & Pasaribu, E. (2019). Analisis Spasial Determinan Pertumbuhan Inklusif Kabupaten/Kota di Provinsi Jawa Tengah Tahun 2017. *Seminar Nasional Official Statistics 2019: Pengembangan Official Statistics Dalam Mendukung Implementasi SDG's*.

Lubis, C. A. B. E. (2014). Pengaruh Jumlah Tenaga Kerja, Tingkat Pendidikan Pekerja, dan Pengeluaran Pendidikan Terhadap Pertumbuhan Ekonomi. *Jurnal Economia*, *10*(2), 187–193.

Maneejuk, P., & Yamaka, W. (2021). The Impact of Higher Education on Economic Growth in ASEAN-5 Countries. *Sustainability (Switzerland)*, *13*(2), 1–28. https://doi.org/10.3390/su13020520

Mankiw, N. G. (2007). *Makroekonomi Edisi Keenam*. Erlangga.

Ogbeide, F. I., Kanwanye, H., & Kadiri, S. (2015). The Determinants of Unemployment and the Question of Inclusive Growth in Nigeria: Do Resource Dependence, Government Expenditure, and Financial Development Matter?. *Montenegrin Journal of Economics*, *11*(2), 49–64.

Oluseye, I. C., & Gabriel, A. A. (2017). Determinants of Inclusive Growth in Nigeria: An ARDL Approach. *American Journal of Economics*, *7*(3), 97–109.

Prabandari, D. A., & Santoso, D. B. (2018). Analisis Inklusivitas Pertumbuhan Ekonomi di Jawa Timur dan Faktor-faktor yang Memengaruhinya. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, *7*(1).

Prasetya, F. (2021). Kualitas Pemerintahan Daerah dan Pertumbuhan Ekonomi Inklusif di Jawa Timur. *Kajian Ekonomi Keuangan*, *5*(1), 21–34.

Rommer, P. M. (1986). Increasing Returns and Long Run Growth. *Journal of Political Economy*, *94*(5), 1002–1037.

Sabir. (2015). *Pengaruh Alokasi Belanja Modal Terhadap Pertumbuhan Ekonomi, Ketimpangan Pendapatan, Penyerapan Tenaga Kerja, dan Kesejahteraan Masyarakat Kabupaten/Kota di Provinsi Sulawesi Selatan Tahun 2008-2013*. Disertasi. Program Doktor Ilmu Ekonomi, Fakultas Ekonomi dan Bisnis Universitas Brawijaya.

Safitri, M. I. D., Ananda, C. F., & Prasetya, F. (2021). Analisis Dampak Belanja Pemerintah Daerah Terhadap Pertumbuhan Ekonomi Inklusif Jawa Timur. *Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara, Dan Kebijakan Publik*, *6*(2), 85–96.

Saputra, H. P., Susilo, & Sakti, R. K. (2019). The Nexus of Economic Growth and Poverty Reduction in East Java. *Advances in Economics, Business and Management Research. 23rd Asian Forum of Business Education (AFBE) 2019*, *144*(Afbe 2019), 413–416. https://doi.org/10.2991/aebmr.k.200606.070

Sari, J. (2021). *Analisis Pengaruh Jumlah Tenaga Kerja, Tingkat Pendidikan, dan Pengeluaran Pemerintah Terhadap Pertumbuhan Ekonomi di Sumatera Utara*. Tesis. Program Studi Magister Ilmu Ekonomi, Fakultas Ekonomi dan Bisnis Universitas Sumatera Utara.

Sholihah, D. H. A. (2014). *Pertumbuhan Inklusif: Faktor-Faktor yang Memengaruhi dan Dampaknya Terhadap Pertumbuhan Kelas Menengah di Indonesia*. Tesis. Program Studi Ilmu Ekonomi, Sekolah Pasca Sarjana Institut Pertanian Bogor.

Susanti, E. (2020). Pengaruh Investasi, Ekspor, dan Tenaga Kerja Asing Terhadap Tingkat Pengangguran Terbuka Indonesia Tahun 2001-2017. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, *8*(2). https://jimfeb.ub.ac.id/index.php/jimfeb/article/view/6446

Todaro, M. P., & Smith, S. C. (2011). *Pembangunan Ekonomi* (Edisi ke-1). Erlangga.

UNDP. (2017). *UNDP's Strategy for Inclusive and Sustainable Growth*. United Nations Development Programme.

Utami, F., Putri, F. M. E., Wibowo, M. G., & Azwar, B. (2021). The Effect of Population, Labor Force on Economic Growth in OIC Countries. *Jurnal REP (Riset Ekonomi Pembangunan)*, *6*(2), 144–156. https://doi.org/10.31002/rep.v6i2.3730

Wibowo, B. (2019). *Dampak Spillover dan Kebijakan Fiskal Terhadap Pencapaian Pertumbuhan Inklusif Antar Provinsi di Indonesia*. Tesis. Program Studi Ilmu Ekonomi, Sekolah Pasca Sarjana Institut Pertanian Bogor.

World Bank. (2009). *World Development Report 2009: Reshaping Economic Geography* (Vol. 59). World Bank.

Yaru, M. A., Mobolaji, H. I., Kilishi, A. A., & Yakubu, A. T. (2018). Public Expenditure And Economic Growth in Nigeria. *Ilorin Journal of Economic Policy*, *5*(1), 46–61.