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The Influence of Economic Growth, Human Development, Poverty and Unemployment on Income Distribution Inequality

Study in the Province of the Bangka Belitung Islands in 2005–2019

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Abstract: The income Distribution Inequality of Bangka Belitung Islands Province is the lowest nationally. This study aims to obtain more in-depth information regarding any variables or factors that affect the Inequality of Income Distribution in the Province of Bangka Belitung Islands. The type of research used associative quantitative research with Multiple Linear Regression and Simple Linear Regression models, as well as feasibility tests with classical assumption tests, Simultaneous and Partial hypothesis testing. The results of this study indicate that the factors affecting income distribution inequality in the Province of the Bangka Belitung Islands are economic growth, human development, poverty, and unemployment by 60.9 percent. Other factors influence the remaining 39.1 percent. Partially, economic growth has a positive and significant effect of 30 percent with a regression coefficient of 0.009. Human development has a negative and significant effect of 55.5 percent with a regression coefficient of -0.006, and poverty has a negative and insignificant effect of 25.8 percent with a regression coefficient of -0.004, unemployment has a negative and insignificant effect of 11.1 percent with a regression coefficient of -0.003. In conclusion, it turns out that the human development factor has a very large role in reducing the inequality in income distribution in the Province of the Bangka Belitung Islands. So, recommendations to the Provincial Government need to continue to improve Human Development by improving education, health, and people's purchasing power, as well as socializing the importance of Human Development in reducing the level of inequality in development outcomes to the Regency/City Government in the Province of the Bangka Belitung Islands Province.

Keywords: inequality; economic growth; human development; poverty; unemployment.

1. Introduction

Ideally, development in a country is said to be successful if there is high and stable economic growth, increasing human development, and decreasing poverty and unemployment rates. Besides, of course, it must be accompanied by an equal income distribution for the population. Equitable income distribution of the population can be seen from the inequality in the distribution of people's income. Inequality of income distribution in a country or region can be measured in various ways or methods, such as the Gini Index, Williamson Index, and Criteria from the World Bank. This research was conducted by referring to the opinions of experts as well as previous research that has a relationship between human, economic and social development on the inequality of income distribution of people in a country/region. The definition of development by experts is very diverse, including [Todaro \(2000\)](#) stating that development through a multidimensional process relates not only to the reorganization and reorientation of economic and social systems but also to income and development outputs concerning radical changes in institutional structures, social structures, administration, changes in attitudes, customs, and beliefs.

According to Rochajat (as cited in [Purba et al., 2021](#)), development is a process of useful change toward a social and economic system that is decided by a nation. Economic development is characterized by an improvement in the institutional system and an increase in the real income per capita of a country's population in the long term. The indicator of an increase in the real income per capita of the population of a country/region is periodically measured by economic growth. Stable economic growth accompanied by equitable development will result in reducing inequality or inequality in income distribution ([Arsyad, 2010](#)). The theory of economic growth, according to Rostow, is growing as an organism which is a growth metaphor, measuring development with Gross National Product (GNP) figures. The facts show that economic development policies in developing countries that prioritize economic growth impact the inequality of income distribution. Kuncoro (as cited in [Wicaksono, 2018](#)) proposes that developing countries not only focus on economic growth but use a growth strategy with a distribution that considers development with a combination of increasing employment, investment in human capital, attention of small farmers and the informal sector, and weak economic entrepreneurs.

According to experts, inequality generally has a negative impact, but a positive impact is found at a certain time or condition. Todaro (as cited in [Wicaksono, 2018](#)) states that inequality has a positive impact. It can encourage other less developed and developing regions to be able to compete and increase their growth to improve welfare. The negative impact of inequality is economic inefficiency, weakening social stability and solidarity, and if inequality is high, it is seen as unfair to the welfare of society ([Todaro, 2000](#)). [Utama et al. \(2020\)](#) stated that inequality can only be reduced and cannot be eradicated, meaning that inequality must occur in developed, developing, and poor countries. The difference is in the proportion of the level of inequality and the level of difficulty in overcoming the inequality.

Gaps and disparities between regions are a logical consequence of the development process, which is a stage in development. The development process aims to eliminate and reduce poverty, income inequality, and unemployment. In order to measure the level of inequality in income distribution, the Gini index or Gini ratio can be used. C. Gini in [Arsyad \(2010\)](#) states that the Gini Index is assessed by the Gini coefficient, which is a measure of aggregate inequality, with criteria for high inequality values ranging from 0.50 to 0.70, moderate inequality values ranging from 0.36–0.49, and low inequality ranging from 0.20–0.35 ([Arsyad, 2010](#)).

Based on [Statistics Indonesia \(2020\)](#), there is a striking inequality from various regions (inter-regional disparity), Nationally in Statistics Indonesia 2020 shows that the highest inequality is in the province of the Special Region of Yogyakarta, with a Gini coefficient of 0.434, while the lowest inequality is in the province of Yogyakarta. Bangka Belitung Islands with a Gini coefficient of 0.262. When viewed from groups

with high inequality criteria (0.50–0.70), no single province exists in the Republic of Indonesia. Medium inequality with a Gini coefficient between 0.36–0.49 exists in 15 provinces or as much as 44.12%, namely DKI Jakarta, West Java, Central Java, DI Yogyakarta, East Java, Banten, Bali, West Nusa Tenggara, North Sulawesi, South Sulawesi, Southeast Sulawesi, Gorontalo, West Sulawesi, West Papua and Papua. Low inequality with a Gini coefficient between 0.20–0.35 exists in 19 provinces or as much as 55.88%, namely Aceh, North Sumatra, West Sumatra, Riau, Jambi, South Sumatra, Bengkulu, Lampung, Bangka Belitung Islands, Islands Riau, East Nusa Tenggara, West Kalimantan, Central Kalimantan, South Kalimantan, East Kalimantan, North Kalimantan, Central Sulawesi, Maluku, and North Maluku.

The Gini coefficient, which is quite large or with several 0.40, exists in three provinces, namely DI Yogyakarta (0.434), Gorontalo (0.408), and West Java (0.403). Meanwhile, the small Gini coefficient between 2.00–3.00 only exists in two provinces, the Bangka Belitung Islands Province (0.262) and North Kalimantan (0.292). From the data and description above, it turns out that there are still many regions with a fairly large level of inequality between the Gini coefficient above 0.30. There are as many as 32 Provinces in Indonesia. Meanwhile, there are only two provinces whose Gini coefficient is 0.20–0.29, namely the provinces of the Bangka Belitung Islands and North Kalimantan. The objectives of this research are the first is to determine the effect of Economic Growth, Human Development, Poverty, and Unemployment simultaneously on the level of inequality in income distribution in the Province of Bangka Belitung, the second is to determine the effect of Economic Growth on the inequality in income distribution in the Province of Bangka Belitung, third, to determine the effect of Human Development on the level of inequality in income distribution in the Province of Bangka Belitung, fourth, to determine the effect of poverty on the level of income distribution inequality in Bangka Belitung Province, and fifth, to determine the effect of unemployment on the level of inequality in income distribution in Bangka Belitung Province.

This research is very interesting because the level of inequality in income distribution as measured by the Gini index of the Bangka Belitung Islands Province is the lowest among all provinces in Indonesia, namely 0.269. At the same time, economic growth is very low at 3.32 percent, with poverty rates of 4.62 percent and an unemployment rate of 3.62 percent means that for these two variables, it can be quite high. This data shows that the level of inequality (pro-equity) in the province of the islands of Bangka Belitung has not been followed by the level of economic growth (no pro-growth), the level of poverty (no pro-poverty) and unemployment (no pro-unemployment). The similarity of this research with previous research is the use of several research variables used by [Niyimbanira \(2017\)](#), [Benos and Karagiannis \(2018\)](#), and [Njindan Iyke and Ho \(2017\)](#), namely the use of economic growth and income inequality variables. However, in this study, not all variables were used by every researcher in this empirical study. The difference between this research and previous research is that it adds the variables of the human development index, unemployment, and poverty. The use of variables in this study considers the availability of data in the field, and the joint use of these variables will produce different findings from previous research. In addition, the difference between this study and previous studies is the location of the study, namely the Province of the Bangka Belitung Islands with the lowest level of inequality in Indonesia during the 2005–2019 observation period.

2. Methods

2.1. Data Collection

The research location entitled factors that affect income distribution inequality in the Province of the Bangka Belitung with a research schedule from June to August 2022. The type of research used quantitative research that is associative. The population was the data for the years 2001–2020, for the variable X_1 ; economic growth data, variable X_2 ; human development index data, variable X_3 ; poverty rate data, variable X_4 ;

unemployment rate data and Y variable; Gini Index data. The selection of samples for the variables X_1 , X_2 , X_3 , X_4 , and Y variables was conducted using a purposive random sampling system for the last 15 years of data series from 2005–2019.

2.2. Data Analysis

The classical assumption test also ensures that the data used in this study are normally distributed. More importantly, heteroscedasticity, autocorrelation, and multicollinearity have no symptoms. Multiple regression analysis was used to determine the overall effect of the independent variables on the dependent variables. The multiple regression equation in this study is stated as follows: $Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4$, where Y = Variable Inequality of Income Distribution, a = constant, b_1 , b_2 , b_3 , b_4 = regression coefficient, X_1 = Variable Economic Growth, X_2 = Human Development Variable, X_3 = Poverty Variable, and X_4 = Unemployment Variable.

Hypothesis testing is carried out simultaneously and partially. Simultaneous hypothesis testing aims to determine whether: Economic Growth, Human Development, Poverty, and Unemployment simultaneously or jointly have a significant effect on the Inequality of Income Distribution in the Province of the Bangka Belitung Islands. While the partial hypothesis test aims to determine whether Economic Growth, Human Development, Poverty, and Unemployment partially or individually have a significant effect on the Inequality of Income Distribution in the Province of the Bangka Belitung Islands.

3. Results and Discussion

3.1. Descriptive Analysis

The development of Economic Growth, Human Development, Poverty Rate, Unemployment Rate, and Gini Ratio in the Province of the Bangka Belitung Islands for the last 15 years are as follows:

Table 1. Economic Growth, Poverty, Human Development, Unemployment, and the Gini Ratio of the Province of the Bangka Belitung Islands in 2005–2019

Year	Economic Growth	Poverty	Human Development	Unemployment	Gini Ratio
2005	3.47	9.74	70.68	8.10	0.281
2006	3.98	10.91	71.18	8.99	0.270
2007	4.54	9.54	71.62	6.49	0.259
2008	4.60	7.89	72.19	5.99	0.260
2009	3.74	7.37	72.55	6.14	0.290
2010	5.99	6.51	66.02	5.63	0.296
2011	6.90	5.16	66.59	3.61	0.301
2012	5.50	5.37	67.21	3.49	0.294
2013	5.20	5.25	67.92	3.70	0.313
2014	4.67	4.97	68.27	5.14	0.303
2015	4.08	5.40	69.05	6.29	0.283
2016	4.10	5.22	69.55	2.60	0.275
2017	4.47	5.20	69.99	3.78	0.282
2018	4.45	5.25	70.67	3.65	0.281
2019	3.32	4.62	71.30	3.62	0.269

Source: Central Bureau of Statistics, 2005-2019 (processed)

The information we get from Table 1 is that the movement of the economic growth rate is similar to a normal curve, where in the 2005-2019 period starting with 3.47 percent, reaching the highest peak of 6.90 percent last year, there was a decline in the figure of 3.32 percent in 2019. Likewise with the condition of the Human Development Index starting at 70.68 in 2005, experiencing a peak of 72.69 in 2009 and then slowly decreasing to 71.30 in 2019.

The poverty rate trend is somewhat different from that of economic growth and the human development index. On average, the figure has decreased from 9.74 percent in 2005 to 4.62 percent in 2019. Likewise, the unemployment rate tends to be similar. With the poverty rate, the unemployment rate in the province of the Bangka Belitung archipelago was quite high in 2005, namely 8.10 percent but decreased with a highly variable rate until it reached 3.62 percent in 2019. Inequality of income distribution with the Gini Index indicator shows the tendency to flatten in terms of income distribution inequality in the Province of the Bangka Belitung Islands is not very worrying.

3.2. Inferential Analysis

Table 2. Results of Normality Test and Autocorrelation Test

Description	Model	Value
Normality Test	Significance	0.200
Autocorrelation Test	Durbin Watson	2.078

Source: SPSS output (processed)

The data in Table 2 shows that the data on economic growth variables, the Human Development Index, Poverty, Unemployment, and Inequality of Income Distribution are normally distributed according to the significant number $> \alpha$ 5%, i.e., $0.200 > 0.05$, the data already meets the assumption of normality. Likewise, the autocorrelation test, carried out using the Durbin Watson (DW) test method, showed that the Durbin Watson number was 2,078, which was in the position of the curve where autocorrelation symptoms did not occur because it was in the region $(4 - DU) > DW < (4 - DL)$.

Table 3. Results of Heteroscedasticity Test and Multicollinearity Test

Variable X	Heteroscedasticity Test (Significance Value)	Multicollinearity Test (VIF Value)
Economic Growth	0.863	3.427
Human Development	0.180	4.064
Poverty	0.300	6.295
Unemployment	0.417	5.426

Source: SPSS output (processed)

In Table 3, the results of the heteroscedasticity test using the Glejser test method, the variables of Economic Growth, Human Development, Poverty, and Unemployment have a significance value (Sig.) $> \alpha$ (0.05). This condition indicates that there is no symptom of heteroscedasticity between the observation data and the absolute residual value. In conclusion, all X variables arranged in the regression equation meet the requirements used to predict. Furthermore, the results of the Multicollinearity test using the Collinearity Diagnostics method with the value of Variance Inflation Factor (VIF) on average all independent variables have a value of less than 10 ($VIF < 10$). So, it can be concluded that there is no high linear relationship between the independent variables, or it can be interpreted that there are no multicollinear symptoms.

Table 4. Regression Coefficient Values and Standard Error

Variable	Regression Coefficient	Standard Error
Constant	0.596	0.230
Economic Growth	0.001	0.006
Human Development	-0.004	0.003
Poverty	-0.004	0.004
Unemployment	0.003	0.004

Source: SPSS output (processed)

The data in Table 4 can be used to construct multiple regression equations from the results of this study as follows: $Y = 0.596 + 0.001X_1 - 0.004X_2 - 0.004X_3 + 0.003X_4$.

Table 5. The Correlation Coefficient and the Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.780a	.609	.453	.011690

Source: SPSS output (processed)

The data in Table 5 shows that the correlation coefficient is 0.780, which means that the relationship between variable X and Y is close. The coefficient of determination is 0.609 or 60.9 percent, so it can be concluded that the X variable only affects 60.9 percent of the Y variable; the remaining 39.1 percent, other variables affect the Y variable.

Table 6. The Results of Simultaneous and Partial Test

Hypothesis Test	Test Results	Significant Value
Simultaneous test (F_Test)	3.896	0.037
Partial Test (T-Test):		
• Economic growth	2.363	0.034
• Human development	-4.028	0.001
• Poverty	-2.126	0.053
• Unemployment	-1.276	0.224

Source: SPSS output (processed)

The data in Table 6 shows that the simultaneous test value (F test) produced is 3.896, while the F table value ($\alpha = 5\%$) = 3.59, so the F test value > F table = 3.896 > 3.59. In conclusion, economic growth, human development, poverty, and unemployment significantly affect income distribution inequality in the Province of the Bangka Belitung Islands. Furthermore, the results of partial hypothesis testing for the economic growth variable obtained the calculated t_{value} of 2,363, and the table t_{value} ($\alpha = 5\%$) = 2.16. So, $t_{\text{count}} > t_{\text{table}} = 2,363 > 2.16$ and proved again with a significance value which is smaller than = 5% ($0.034 < 0.05$). Therefore, it can be concluded that economic growth has a positive and significant effect on the inequality of income distribution in the Province of the Bangka Belitung Islands. On the other hand, human development negatively and significantly affects income distribution inequality in the Province of the Bangka Belitung Islands. This is evidenced by the value of $t_{\text{count}} > t_{\text{table}}$ ($-4.028 > -2.16$) and the value of Sig < value of = $0.001 < 0.05$. On the other hand, poverty and unemployment can be concluded that the effect is insignificant, seen from the results of the comparison of the t-count value with the t-table and the significance value with the alpha value. For poverty, the calculated $t_{\text{value}} < t_{\text{table}}$ ($-2.126 < -2.16$) and the significance value > the value of = $0.053 > 0.05$, as well as for unemployment, the calculated $t_{\text{value}} < t_{\text{table}} = -1.276 < -2.16$ and the significance value > the value of = $0.224 > 0.05$.

3.3. Discussion

The study results have proven that Growth, Human Development, Poverty, and Unemployment have a positive and significant effect on the inequality of income distribution in the Bangka Belitung Islands Province. The effect is quite high, namely 60.9 percent, while the remaining 39.1 percent is influenced by other factors or variables that are not followed in this study. According to Adelman and Moris (as cited in Arsyad, 2010) income inequality in developing countries is influenced by high population growth, inflation, investment in capital-intensive projects, and deteriorating exchange rates. Furthermore, Abdulah (2013) states that the Wage variable and the share of economic output received by entrepreneurs affect the inequality of income distribution. Growth is a process of changing economic conditions in a country on an ongoing basis to get to a state considered better for a certain period. Growth

significantly impacts income distribution inequality in the Bangka Belitung Islands Province. The magnitude of the influence value is 30 percent, with a regression coefficient of 0.009. This means that if Growth increases by 1 percent, the Inequality of Income Distribution will also increase by 0.009 points.

The results of this study are in accordance with several previous researchers, such as those conducted by Utama et al. (2020), showing that growth has a positive, but not significant, effect in West Sumatra Province. Arif and Wicaksani (2017) stated that growth had a positive but not significant effect in East Java Province for the period 2011–2015. Nadya and Syafri (2019) research shows that growth has a positive but not significant effect on the inequality of income distribution in Indonesia. On the other hand, when viewed from the significance of the difference, in general, previous researchers stated that growth had a positive but not significant effect. The results of this study agree with (Kuncoro, 2010), which states that improving growth does not always have a significant impact on poverty alleviation efforts and income distribution.

Bhorat and Van Der Westhuizen (2008) conducted a study in South Africa in 1995–2005, examining the relationship between growth, poverty, and inequality. This study uses a neutral measure of distribution, estimates of the elasticity of poverty inequality, and the marginal proportional rate. The results of the study stated that income inequality tends to increase with increasing growth. Shahbaz (2010) and Majeed (2016) examined the relationship between growth-income inequality in 1971–2005 and 1975–2013 in Pakistan. The two researchers found a positive correlation between growth-income inequality. Forbes (2000) conducted a study using a sample of 122 countries in 1961–2012 using estimates of GMM and FE, the findings of which found a positive relationship between growth-inequality.

Several other studies have shown negative findings about the relationship between income inequality and growth. Panizza (2002) examined the relationship between income inequality-growth. The results of the study show that income inequality has a negative impact on growth. Wan et al. (2006) conducted a study of the relationship between inequality and growth in 1987–2001 and the results found that the relationship was nonlinear and negative. Another researcher, Njindan Iyke and Ho (2017) conducted a study in Italy from 1967–2012 on the relationship between income inequality and growth. The method they use is autoregressive distributed lag, and the study found that income inequality affects growth. Breunig and Majeed (2020) conducted a study in 152 countries during the period 1956–2011 on the influence of income inequality and growth and income inequality has a negative effect on growth.

Several studies have found no relationship between income inequality and growth. Niyimbanira (2017) conducted research in Africa from 1996–2014 found that growth affects income inequality. Using the FE method and the combined regression model, concluded that growth reduces poverty but has no effect on income inequality, so there is no relationship between income inequality and growth. Another study by Benos and Karagiannis (2018) examined the relationship between growth-income inequality and aggregation of human development in the United States in 1929–2013, concluding that changes in inequality have no impact on growth. Halter et al. (2014) produced research findings across countries from 1965 to 2005. Shortly, high inequality encourages growth, but over time, high inequality slows growth. Ostry et al. (2014) also examined the relationship between redistribution, inequality, and growth in various countries, which found that inequality was positively correlated to growth in the early stages but turned negative during the following period. Brueckner and Lederman (2018) examined the relationship between income inequality and GDP growth per capita with panel data from 1970–2010. The research findings are that in low-income countries, growth during the transition period is positively influenced by income inequality.

Human development is a development effort to balance development in the economic field with progress in human resources. The basic dimensions of human development consist of a long and healthy life, knowledge, and decent living. Based on the analysis of the research results, it can be seen that Human Development has a

negative and significant effect on the Inequality of Income Distribution in the Bangka Belitung Islands Province. The magnitude of the influence value is 55.5 percent, and the regression coefficient is -0.006. This means that if Human Development increases by 1 point, the Inequality of Income Distribution will decrease by 0.006 points. The results of this study are different from the research of [Utama et al. \(2020\)](#), which states that the human development index has a positive and significant effect on income inequality in West Sumatra Province. [Astuti \(2015\)](#), Human Development Index (HDI) has a positive influence on the inequality of income distribution in the Special Region of Yogyakarta. [Arif and Wicaksani \(2017\)](#), state that the human development index has a positive and significant effect on income inequality in East Java Province for the period 2011–2015.

[Saint-Paul and Verdier \(1993\)](#) found that income inequality disparity led the medium voter to prefer transfer payments by increasing public expenditures, such as funding studies. It impacts increasing human capital for the poor to get investment in education. Income inequality negatively affects growth through differences in fertility rates ([de la Croix & Doepke, 2003](#)), this study found that income inequality increases the fertility gap between the rich and the poor. Low-income groups with large families will not send their children to school because of limited funds. Those who come from small families and do not have dependent children will invest in sending their children to school. In conclusion, income inequality and fertility have a negative impact on development in the field of human resources. [Perotti \(1996\)](#) analyze the relationship between income distribution, growth and democracy. The results found that several countries with low social inequality will tend to make large investments to increase human resource development. The results of policies in the field of human resource development affect encouraging growth.

Poverty in the Bangka Belitung Islands Province was the fourth lowest in Indonesia in the 2015–2019 period, but the figures for measuring the poverty line show the highest ranking in Indonesia in 2018 at Rp714,846, far above the national average of only Rp440,538 ([Yulianti, 2020](#)). Poverty has little effect on the inequality of income distribution in the Bangka Belitung Islands Province. The magnitude of the effect is only 25.8 percent, with a regression coefficient of -0.004. This means that if poverty increases by 1 percent, income inequality will decrease by 0.004 points. This study's results differ from the research by [Hindun et al. \(2019\)](#), which states that poverty had a positive and significant impact on income inequality in Indonesia in 2015–2018. [Wicaksono \(2018\)](#) stated that the poor had a positive but not significant effect on the inequality of income distribution in South Sulawesi Province. [Deininger and Squire \(1998\)](#) conducted a cross-country study in 1960–1992 on the effect of inequality (income and distribution of assets) on poverty reduction. This research uses OLS and panel data. The study's results found that high-income inequality reduces the income of the poor and increases the income of the rich. [Breunig and Majeed \(2020\)](#) examined the impact of inequality, growth, and poverty in 152 countries for the period 1956–2011 using the GMM. The results find that the negative impact of inequality on growth is concentrated in countries with high poverty rates.

Unemployment is a term for the workforce (aged 15–65) who do not work at all or are looking for work. People who are not looking for work, such as housewives, junior high school students, high school students, college students, and so on, who for some reason do not/do not need work. Unemployment in the Bangka Belitung Islands Province does not affect income distribution inequality. The magnitude of the effect is only 11.1 percent, with a regression coefficient of -0.003. This means that if unemployment increases by 1 percent, income inequality will decrease by 0.003 points. The difference between the study's results with the researcher's ([Utama et al., 2020](#)) is that the open unemployment rate has a positive and significant effect on the inequality of income distribution in West Sumatra Province. [Nadya and Syafri \(2019\)](#), the results show that unemployment has a negative and significant effect on the inequality of income distribution in Indonesia. Unemployment has a positive and significant effect on the inequality of income distribution in Java ([Nurlaili, 2016](#)).

Hindun et al. (2019) states that unemployment had a positive but insignificant effect on Indonesia's income inequality in 2015–2018. Krueger (1993) found research results that improvements in technology widen the gap in income inequality due to improvements in technology as the income of highly skilled workers increases while the income of low-skilled workers decreases. This study confirms that income inequality has led to an increase in unemployment.

4. Conclusion

From the research results on data for the last 15 years, economic growth, human development, poverty, and unemployment significantly affect income distribution inequality in the Province of the Bangka Belitung Islands. The influence of the four variables reached 60.9 percent, so other variables still influenced 39.1 percent. Of the four variables studied, it turns out that the human development variable is very influential in reducing the inequality of income distribution in the Province of the Bangka Belitung Islands. On the other hand, increasing economic growth will make income distribution inequality higher. Poverty and unemployment variables do not affect the decrease in the inequality of income distribution.

It is recommended to the Provincial Government of the Bangka Belitung Islands to reduce the inequality of income distribution, and it is necessary to increase human development. Human development, in this case, is related to education level, health degree, and income level. This means that the smarter, healthier, and a higher level of people's purchasing power will reduce the income distribution gap. In order for this research to be useful, it is necessary to socialize the importance of human development in reducing the level of inequality in development outcomes to the Regency/City Government in the Bangka Belitung Islands Province.

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