

TABLE OF CONTENTS

THESIS APPROVAL	ii
SUBMISSION	iii
PRONOUNCEMENT	iv
MOTTOS AND DEDICATIONS	v
ABSTRACT	vi
ABSTRAK	vii
ACKNOWLEDGMENT	viii
LIST OF TABLES	xiii
LIST OF FIGURES	xiv
CHAPTER 1 INTRODUCTION	1
1.1 Background of The Research	1
1.2 Problem Formulation.....	5
1.3 Purpose of the Study.....	5
1.4 Usefulness	6
1.5 Structure of Writing.....	6
CHAPTER 2 LITERATURE REVIEW	8
2.1 Theoretical Literature	8
2.1.1 The Concept of Economic Growth	8
2.1.2. The Solow Economic Growth Theory.....	10
2.1.3 The Concept of Credit.....	13
2.1.4. The Concept of Labor	15
2.1.5. The Concept of Government Capital Expenditure	15
2.2 Previous Studies	16
2.3 Conceptual Framework	19
2.4 Research Hypothesis	19
CHAPTER 3 RESEARCH METHOD	21
3.1 Research Variables	21
3.1.1 Dependent Variable	21
3.1.2 Independent Variable.....	21
3.2 Operational Variable Definition	21
3.3 Data Types and Sources	22

3.4	Data Collection Method	22
3.5	Data Analysis Method	22
3.5.1	Long-run Model.....	23
3.5.2	Dynamic Model (Error Correction Model)	23
3.5.3	Cointegration Test	24
3.5.4	Econometrics Model Assumption Test	24
3.5.4.1	Normality Detection.....	24
3.5.4.2	Classical Assumption Deviation Detection	24
3.5.5	Goodness of Fit Model (R^2).....	25
3.5.6	Significance Test	25
CHAPTER 4	RESULTS AND DISCUSSION	28
4.1	General Overview	28
4.1.1	Constant GDP	28
4.1.2	Investment Credit.....	29
4.1.3	Working Capital Credit.....	30
4.1.4	Government Capital Expenditure.....	30
4.1.5	Total Labor	31
4.2	Result Analysis.....	32
4.2.1	Error Correction Model (ECM)	32
4.2.1.1	Long-Run Estimation	32
4.2.1.2	Cointegration Test	34
4.2.1.3	Short-Run Estimation	35
4.2.2	Econometrics Model Assumption Test	37
4.2.2.1	Normality Detection	37
4.2.2.2	Classical Assumption Deviation Detection	38
4.3	Result Interpretation.....	41
4.3.1	The Influence of Investment Credit on GDP	41
4.3.2	The Influence of Working Capital Credit on GDP	41
4.3.3	The Influence of Government Capital Expenditure on GDP	42
4.3.4	The Influence of Total Labor on GDP	43
CHAPTER 5	CONCLUSION	44
5.1	Conclusion of Research.....	44
5.2	Suggestions	44

5.3 Limitations of Research.....	44
BIBLIOGRAPHY	45
APPENDIX	48