

ABSTRACT

Income differences arise because of differences in the ownership of resources and production factors, especially the ownership of capital goods (capital stock). Party (groups) that have more production factors will earn more income as well. Work factor determines the general population that income differences.

This study uses primary data collected from households of civil servants, traders, and Labour in Urban Village Sumber, Nusukan, and Kadapiro Banjarsari District of Surakarta. The analytical method used is the Gini Ratio and the World Bank criteria.

Research Shows that there are districts Banjarsari income inequality were classified as moderate, high inequality comes from merchant livelihood group valued at 0.471. This happens because of the differences in products sold and capital at each merchant.

*Keywords : Income Distribution, urban communities, gini ratio, and criteria
World Bank*