National Income Towards Equity Though Green Economy
(Gini Comparative Analysis of Urban and Rural Ratios)

Ardy Firman Syah
National Research and Innovation Agencies
Email: ardyfirmansyah24@gmail.com
Jalan Jend. Gatot Subroto No.10, Gedung Sasana Widya Sarwono, Lantai 8, Jakarta 12710

Abstract
The start of national financial development gives the government a centre on taking care of the economy similarly in both country and urban regions. In developing countries, there are many problems that are often found, one of which is inequality in the distribution of income with rural and urban income for each person. The approach utilized in this inquiry is subjective with a descriptive analysis. The examination method utilized could be a writing look and case examination related to the substance of breaking even with the dissemination of national wage calculate the Gini ratio for each region and then involves calculating the amount required to calculate the Gini coefficient, which involves the cumulative proportion of the population and the proportion of income received by that group and the green economy concept. This consideration demonstrates seven vital steps in a green economy utilizing macro-regional financial markers, specifically veritable to observing national wage dissemination. This result depicts concepts of green economy, green development, and green development, essentially planning to operationalize the linkages of financial, social, and natural columns within feasible advancement.

Keywords: economic growth, green economy, Urban and rural ratio, Gini ratio
JEL Classification: E22, O15

A. INTRODUCTION
Financial disparity or pay dispersion imbalance could be a worldview that happens within the middle of the world community in both created and created nations and is a critical issue to be considered. Different endeavours are required from the government in making arrangements to make strides in community financial advancement, as well as increment people’s standard of living through different sorts of endeavours to extend the dispersion of wages from different perspectives. Not only in the green economy, Green growth “is about fostering economic growth and development while ensuring that the natural assets continue to provide the resources and the environmental services on which our well-being relies.

Economic growth reflects the development of regional economic activity, which is marked by the movement of the regional economy through production, consumption, and investment activities that impact employment and increase people’s welfare. Economic growth will be more meaningful if it can be enjoyed by all levels of society equally, which is often followed by changes in the income structure, especially for developing countries. Therefore, every country seeks to increase economic development to reduce poverty and unemployment. Two major problems that are generally faced by developing countries, including Indonesia, are economic disparities or inequality in income distribution between high-income groups and low-income groups. Also, economic inequality or inequality in income distribution exists between community groups or the number of people below the poverty line (Tulus, 2001). The problem of income inequality is faced by developing countries and developed countries, which cannot be separated from this problem. The difference lies in the proportion or size of the level of inequality that
occurs and the level of difficulty in overcoming it, which is influenced by the area and population.

Income distribution is the distribution of income in society. In the production process, the owners of the factors of production will receive compensation for the factors that contributed to the production process. This income distribution process will occur in a cycle (turnover) of consumers who must pay the price of goods. However, at other times, it will be a provider of capital factors, labour, natural resources, or skill factors so that, at certain times, it will receive a share of income and at other times will pay the price of goods. In the production process, each provider of production factors will receive compensation for services as follows: (1) Owners of natural resources in the form of land will receive land rent, (2) Owners of labour factors will receive work wages, (3) Owners of capital will receive capital interest, and (4) Entrepreneur will receive operating profit.

In the 1990s, there was a shift in research from one previously concerned with economic growth, the identification of the determinants of economic growth, and the convergence in per capita incomes across countries to one focused on the analysis of the distribution of income, its development over time and the identification of factors determining the distribution of income and the reduction of poverty. This shift is, among other things, a reflection of the changes in technology and an increased awareness of the growing disparity and importance of income redistribution and poverty reductions (Heshmati, 2006).

Many problems are often found in developing countries, one of which is inequality in income distribution. The problem of income distribution measures the distance difference in income between one individual and another individual; if this imbalance continues to occur between one group and another, then there will be a problem where economic growth is uneven. This inequality in the income distribution is called inequality, and in measuring this inequality, the Gini coefficient (Gini Ratio) measures how big the gap in the income distribution between residents is. In Indonesia, inequality is still a problem that is often faced. The Gini index is a measure of aggregate inequality whose numbers range from zero (perfect equality) to one (perfect inequality), where inequality refers to how far the income is distributed evenly among the people (Damanik et al., 2018).

The track record of data on national economic growth and inequality in income distribution can be seen through the Gini index per province, presented in Table 1 (Tim BPS, 2022).

Table 1 shows that in March 2021, the level of inequality was 0.384. This figure decreased by 0.001 points compared to September 2020, 0.385. The number increased by about 0.003 points compared to March 2020 (0.381). Based on the World Bank’s measure of inequality, the distribution of spending in the bottom 40 per cent is 17.76 per cent. This explicitly shows that the population’s expenditure in March 2021 (Semester 1 2021) is in the category of low inequality level. If broken down by region, in urban areas, the figure was recorded at 16.81 per cent, meaning it belongs to the category of moderate inequality. Meanwhile, for rural areas, the figure was recorded at 20.68 per cent, meaning it belongs to the category of low inequality.

The initiation of national economic growth gives the government a focus on handling this matter, especially since economic growth is not only seen from the welfare side but needs to be studied through equity. This is essential in taking strategic steps for the government to develop the economy equally in rural and urban areas. The principle of equal distribution of national income is also one of the indicators of sustainable economic development in the national scope.

According to Permen et al. (Fauzi, 2004), the considerations that make the economy must
### Table 1. Gini Ratio Based on Province and Regional Income Towards Equity Though Green Economy (Gini Comparative Analysis of Urban and Rural Ratios)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Smt 1</td>
<td>Smt 2</td>
<td>Smt 1</td>
<td>Smt 2</td>
<td>Smt 1</td>
<td>Smt 2</td>
</tr>
<tr>
<td>ACEH</td>
<td>0.360</td>
<td>0.355</td>
<td>0.362</td>
<td>0.357</td>
<td>0.281</td>
<td>0.283</td>
</tr>
<tr>
<td>N.SUMATERA</td>
<td>0.338</td>
<td>0.336</td>
<td>0.344</td>
<td>0.339</td>
<td>0.255</td>
<td>0.258</td>
</tr>
<tr>
<td>W.SUMATERA</td>
<td>0.323</td>
<td>0.320</td>
<td>0.329</td>
<td>0.327</td>
<td>0.257</td>
<td>0.256</td>
</tr>
<tr>
<td>RIAU</td>
<td>0.363</td>
<td>0.359</td>
<td>0.367</td>
<td>0.369</td>
<td>0.273</td>
<td>0.274</td>
</tr>
<tr>
<td>Jambi</td>
<td>0.351</td>
<td>0.346</td>
<td>0.354</td>
<td>0.347</td>
<td>0.287</td>
<td>0.289</td>
</tr>
<tr>
<td>S.SUMATERA</td>
<td>0.358</td>
<td>0.352</td>
<td>0.360</td>
<td>0.363</td>
<td>0.308</td>
<td>0.310</td>
</tr>
<tr>
<td>Bengkulu</td>
<td>0.378</td>
<td>0.381</td>
<td>0.384</td>
<td>0.381</td>
<td>0.275</td>
<td>0.274</td>
</tr>
<tr>
<td>Lampung</td>
<td>0.345</td>
<td>0.342</td>
<td>0.346</td>
<td>0.342</td>
<td>0.298</td>
<td>0.295</td>
</tr>
<tr>
<td>KEP.BABEL</td>
<td>0.276</td>
<td>0.271</td>
<td>0.265</td>
<td>0.259</td>
<td>0.220</td>
<td>0.229</td>
</tr>
<tr>
<td>KEP. RIAU</td>
<td>0.337</td>
<td>0.335</td>
<td>0.341</td>
<td>0.337</td>
<td>0.260</td>
<td>0.260</td>
</tr>
<tr>
<td>DKI JAKARTA</td>
<td>0.399</td>
<td>0.400</td>
<td>0.409</td>
<td>0.411</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>W. JAVAn</td>
<td>0.412</td>
<td>0.409</td>
<td>0.423</td>
<td>0.417</td>
<td>0.325</td>
<td>0.326</td>
</tr>
<tr>
<td>C. JAVA</td>
<td>0.385</td>
<td>0.386</td>
<td>0.398</td>
<td>0.393</td>
<td>0.319</td>
<td>0.318</td>
</tr>
<tr>
<td>DIY</td>
<td>0.436</td>
<td>0.439</td>
<td>0.448</td>
<td>0.443</td>
<td>0.328</td>
<td>0.329</td>
</tr>
<tr>
<td>EJAVA</td>
<td>0.377</td>
<td>0.373</td>
<td>0.387</td>
<td>0.379</td>
<td>0.316</td>
<td>0.318</td>
</tr>
<tr>
<td>BANTEN</td>
<td>0.360</td>
<td>0.361</td>
<td>0.369</td>
<td>0.365</td>
<td>0.296</td>
<td>0.296</td>
</tr>
<tr>
<td>BALI</td>
<td>0.372</td>
<td>0.378</td>
<td>0.387</td>
<td>0.379</td>
<td>0.298</td>
<td>0.304</td>
</tr>
<tr>
<td>W. NUSA TENGGARA</td>
<td>0.403</td>
<td>0.405</td>
<td>0.413</td>
<td>0.420</td>
<td>0.337</td>
<td>0.336</td>
</tr>
<tr>
<td>E. NUSA TENGGARA</td>
<td>0.334</td>
<td>0.329</td>
<td>0.327</td>
<td>0.322</td>
<td>0.310</td>
<td>0.311</td>
</tr>
<tr>
<td>KALIMANTAN</td>
<td>0.335</td>
<td>0.329</td>
<td>0.341</td>
<td>0.337</td>
<td>0.272</td>
<td>0.273</td>
</tr>
<tr>
<td>C. KALIMANTAN</td>
<td>0.361</td>
<td>0.357</td>
<td>0.353</td>
<td>0.356</td>
<td>0.289</td>
<td>0.290</td>
</tr>
<tr>
<td>S. KALIMANTAN</td>
<td>0.355</td>
<td>0.343</td>
<td>0.359</td>
<td>0.352</td>
<td>0.276</td>
<td>0.277</td>
</tr>
<tr>
<td>E. KALIMANTAN</td>
<td>0.333</td>
<td>0.330</td>
<td>0.339</td>
<td>0.337</td>
<td>0.286</td>
<td>0.286</td>
</tr>
<tr>
<td>KALIMANTAN</td>
<td>0.289</td>
<td>0.285</td>
<td>0.289</td>
<td>0.284</td>
<td>0.279</td>
<td>0.278</td>
</tr>
<tr>
<td>SULAWESI</td>
<td>0.371</td>
<td>0.367</td>
<td>0.365</td>
<td>0.359</td>
<td>0.344</td>
<td>0.346</td>
</tr>
<tr>
<td>C. SULAWESI</td>
<td>0.334</td>
<td>0.334</td>
<td>0.343</td>
<td>0.351</td>
<td>0.295</td>
<td>0.295</td>
</tr>
<tr>
<td>S. SULAWESI</td>
<td>0.384</td>
<td>0.384</td>
<td>0.392</td>
<td>0.387</td>
<td>0.356</td>
<td>0.352</td>
</tr>
<tr>
<td>SULAWESI</td>
<td>0.404</td>
<td>0.403</td>
<td>0.411</td>
<td>0.402</td>
<td>0.347</td>
<td>0.347</td>
</tr>
<tr>
<td>GORONTALO</td>
<td>0.393</td>
<td>0.390</td>
<td>0.398</td>
<td>0.407</td>
<td>0.392</td>
<td>0.391</td>
</tr>
<tr>
<td>SULAWESI</td>
<td>0.436</td>
<td>0.437</td>
<td>0.446</td>
<td>0.451</td>
<td>0.321</td>
<td>0.321</td>
</tr>
<tr>
<td>MALUKU</td>
<td>0.295</td>
<td>0.292</td>
<td>0.301</td>
<td>0.302</td>
<td>0.284</td>
<td>0.285</td>
</tr>
<tr>
<td>N. MALUKU</td>
<td>0.297</td>
<td>0.294</td>
<td>0.298</td>
<td>0.295</td>
<td>0.266</td>
<td>0.271</td>
</tr>
<tr>
<td>W. PAPUA</td>
<td>0.320</td>
<td>0.316</td>
<td>0.322</td>
<td>0.313</td>
<td>0.414</td>
<td>0.412</td>
</tr>
<tr>
<td>PAPUA</td>
<td>0.296</td>
<td>0.291</td>
<td>0.301</td>
<td>0.307</td>
<td>0.414</td>
<td>0.416</td>
</tr>
<tr>
<td>INDONESIA</td>
<td>0.393</td>
<td>0.399</td>
<td>0.401</td>
<td>0.398</td>
<td>0.317</td>
<td>0.319</td>
</tr>
</tbody>
</table>

Source: bps.go.id, 2022
be sustainable first because it involves moral reasons.

According to Permen et al. (Fauzi, 2004), the considerations that make the economy must be sustainable first because it involves moral reasons. The current generation, who enjoys goods and services produced from natural resources and the environment, has a moral obligation to leave the services of these natural resources for future generations. The moral obligation includes not extracting natural resources that damage the environment depriving future generations of opportunities to enjoy the same services. Second, concerning ecological reasons, where biodiversity, for example, has a very high ecological value, economic activity should not be directed at things that threaten the ecological function. Third, economic reasons, from an economic point of view, are still being debated because it is not known whether or not economic activity meets the sustainability criteria. The economic dimension of sustainability itself is pretty complex, so the aspect of sustainability from an economic perspective is often limited to measuring intergenerational welfare maximization. Related to that statement, according to the result of the study (Makmun, 2011), the implementation of a directed and comprehensive green economy in Indonesia must be supported by government policies to ensure the success of its implementation, among others, through the application of green budgeting to manage government finances and the application of green procurement in public policies.

Based on the explanation of the background of the study, it can be concluded that the question of this research is: How do we describe a comprehensive step to implement equitable distribution of economic income in rural and urban areas? Furthermore, how are they related to green economy regulations?

B. LITERATURE REVIEW

National Income

According to (Hasyim, 2016), economic growth can be interpreted as changing a country’s economic conditions continuously towards a better condition as long as a specific period. While according to (Lincolin, 1999) growth economy is defined as an increase in the gross domestic product (GDP)/gross national product (GNP) regardless of whether the increase is more significant or less than the population growth rate or whether changes in the economic structure occur or not. There are three essential components needed in the economic growth of a nation: (1) Continuously increasing inventory of goods; (2) advanced technology as the main factor that determines the degree of growth in providing a variety of goods to the population; (3) the widespread and efficient use of technology requires adjustments in the institutional and ideological fields so that the innovations produced by human science and technology can be used appropriately (Hasyim, 2016). Different things described by (Sadono, 2001), economic growth means the development of activities in the economy which causes the goods and services produced in the community to increase and the prosperity of the community to increase. The problem of economic growth can be viewed as a macroeconomic problem in the long run from one period to another. In the assumptions of neo-classical theory, economic growth determinants are only divided into capital goods and labour (Rahardja & Manurung, 2006).

Furthermore, based on the theory of sector economic growth, which was developed based on the Clark-Fisher hypothesis, states that an increase in per capita income will be accompanied by a decrease in the proportion of resources used in the agricultural sector (primary sector) and an increase in the manufacturing industry sector (the secondary sector) and then in the service industry (tertiary
sector). The growth rate in a changing sector (sector lift) is regarded as the primary determinant of the development of a region (Adisasmita, 2005).

Based on the quote above, it can be synthesized that economic growth is a process of continuous transformation of a country's economic condition, which can be measured through GDP/GNP over a certain period, which aims to improve the welfare of the wider community. Economic growth can also be measured through the overall GDP or GRDP value in all regions of a country. According to Tarigan (Irawan, 2013), Gross Regional Domestic Product is the total gross value added from all economic sectors in the region what is meant by gross value added is the production value (output) minus the intermediate cost like income factor components (wages, salaries, interest, land rent, and profits), depreciation, and net indirect taxes. GRDP essentially describes the level of economic activity of a region, whether carried out by the community, private sector, or government in a certain period so that GRDP can indirectly be used as an indicator in assessing the overall results of sustainable regional economic development activities (Soebagiyo, 2007).

**Gini Ratio Aspect in Income Inequality**

Income inequality is the income the community earns, so there is a striking difference in people's income. In other words, income inequality is the difference in the community's income, resulting in the broader income difference. This results in the rich getting rich and the poor getting poor (Putri et al., 2015).

In line with that, according to Isnowati (2011), the relationship between income inequality and economic growth can be explained by the Kuznets Hypothesis. The hypothesis begins with economic growth, which initially rises at a low level of income inequality until it reaches a certain level of growth, which then declines. The Kuznets hypothesis, when described, will look like Figure 1 as follows:

Gini Ratio is a statistical technique for measuring income inequality. The number on the Gini Ratio as an indicator of income inequality has a value range between 0 (zero) and 1 (one). The Gini Ratio is equal to 0 (zero), indicating that the inequality is low (perfect equality), while the number 1 (one) indicates that the distribution of inequality is high (perfect inequality). According to Todaro in (Heryanah, 2017) describes the size of inequality in the table as follows:

<table>
<thead>
<tr>
<th>Gini Index</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.50-0.70</td>
<td>High</td>
</tr>
<tr>
<td>0.36-0.49</td>
<td>Medium</td>
</tr>
<tr>
<td>0.20-0.35</td>
<td>Low</td>
</tr>
</tbody>
</table>

Source: (Heryanah, 2017)

Research (Huang, 2015) states that the relationship between the economy and income inequality can be positive or negative. In low-income developing countries, there is a negative relationship between income inequality and economic growth. On the other hand, in high-income developing countries, there is a positive relationship between inequality and economic growth (Anwar, 2017).

So, it can be concluded that income inequality is a problem of the gap in income between communities or regions that have developed and regions that are still lagging. The wider the distance between incomes, the greater the variation in income distribution, which in turn will cause income...
inequality. This is unavoidable due to the trickle-down effect of the output ideally. The results of the national output are only enjoyed by a few people with specific aims and objectives (Damanik et al., 2018).

**Green Economy**

A Green Economy is an economic idea that aims to improve the welfare and social equality of the community while significantly reducing the risk of environmental damage. This green economy can also be interpreted as an economy that is low or does not produce carbon dioxide emissions to the environment, saves natural resources, and is socially equitable (Andy, 2014).

Following up on this, according to (Yasa, 2010), economic development will develop rapidly by adopting a green economic system or growth. This green growth economic system is oriented towards the relationship between natural ecosystems and human resources based on knowledge and technology. The green economy does not rely on fossil fuels. With this, a green economy helps minimize the impact of human economic activities on climate change and global warming (Putthiwanit, 2016).

Concerning the expert opinion above, it can be synthesized that the Green Economy is an alternative development vision that can encourage growth and improve the quality of human life in sustainable ways with environmental preservation, which is the primary concern in economic growth. The need for identification, internalization, and optimization of inclusive economic income distribution through efforts to implement a green economy as a catalyst is a tendentious phenomenon, especially after the establishment of a government program through the Indonesia Green Growth Program, which Bappenas launched as a symbol of the implementation of a green economy in Indonesia.

**C. RESEARCH METHODS**

The approach used in this research is qualitative with a descriptive analysis method. This research is a study by searching and consolidating concepts used in the broader scope of research with a more extensive conceptual reach. In conducting exploration, mature concepts become goals in research and a wider conceptual reach (Yusuf, 2017). Exploratory research is carried out for problems that have not been clearly defined. This becomes relevant to the theme of the problem in this study, where economic equity occurs and the implications of environmental damage that are exploited due to the non-optimal concept of a green economy in Indonesia. The analysis technique used is a literature search and case analysis related to the equal distribution of national income and the green economy concept. The type of data in this research uses secondary data from BPS and other literature to conduct the research results.

The general steps to perform this analysis are as follows:

1. Collect income data for urban and rural areas. This data should include the amount of income per individual or household in each region.
2. Compare the Gini ratio between urban and rural. Note that the significant difference between these two values indicates different levels of income inequality between the two regions.
3. Interpret the results. If the Gini ratio for urban areas is higher than for rural areas, it indicates a greater level of income inequality in urban areas. Conversely, if the rural Gini ratio is high, it indicates a greater level of income inequality in rural areas.

The data and methodology used in this analysis must be transparent and valid to produce reliable conclusions. In addition, other factors such as access to services and infrastructure can also affect the level of income inequality between urban and rural and conduct the green economy concept.
D. RESULTS AND DISCUSSION

For an effective transition to a green economy, the government of Indonesia must have the right macro indicators to help measure progress (Sukhdev et al., 2015). The four goals or indicators are pro-growth, pro-job, pro-poor, and pro-environment. Through this objective, it was found that macroeconomic indicators (such as GDP growth per capita GDP growth) are not suitable for measuring sustainable development. What Indonesia needs are three new indicators, namely “Inclusive wealth,” "Green GDP," "Decent green jobs," and "GDP of the rural poor," to build a pathway to sustainable, equitable, and economically competitive development. I-GEM calculates these three indicators to help Indonesia build a development strategy and incorporate changes into relevant national and sub-regional policies, which reflect the social needs, environment, and actual conditions of all provinces in Indonesia. Therefore, the three indicators enable the government to make strategies and plans based on existing regional strengths and also allow the provincial government to assess the impact of the planned intervention.

The government has implemented several strategic steps in various regions, as reflected in the following (Undang-Undang Republik Indonesia Nomor 17 Tahun 2007). In realizing the vision it is pursued through eight national development missions. Environmental issues, including a green economy, are part of Prosperous Indonesia's vision (iv) and the mission of (vi) Realizing a beautiful and sustainable Indonesia. The mission of realizing a beautiful and sustainable Indonesia is to improve the management of development implementation that can maintain a balance between the use, sustainability, existence, and use of natural resources and the environment while maintaining the function, carrying capacity, and comfort in life in the present and the future, through harmonious use of space between uses for settlements, socio-economic activities, and conservation efforts; increase the economic utilization of natural resources and the environment sustainably; improve the management of natural resources and the environment to support the quality of life; provide the beauty and comfort of life; and increasing the maintenance and utilization of biodiversity as the essential capital for development. This shows the government initiated the green economy concept focusing on long-term development. As a follow-up, the Indonesian government was explicitly involved in signing the Agreement to establish a Global Green Growth Institute in Seoul, South Korea. Then, in finalizing the strategic steps for implementing green growth internally, the Indonesian government set (Peraturan Presiden Republik Indonesia Nomor 82 Tahun 2014), where this action is the action of the Indonesian government which is pro-actively involved with the countries involved in socializing and implementing the green economy concept.

The government's part is additionally expressed through the green development program propelled through National Planning Agency (Bappenas) by having five long-term targets: economic, financial development, comprehensive and impartial development, socio-economic and natural flexibility, arrangement of sound and beneficial administrations to environments, and decrease of nursery gas outflows. Pertinent to this, from the point of view of the state device, each organization is required to execute green development preparation aimed at realizing the competence of the state respectful device assets in defining and executing arrangements that standard green financial development as well as defining techniques for actualizing pro-green approaches that coordinate with the program of each organization in a comprehensive way maintainable and comprehensive.

The concepts of green economy, green growth, and green development are intended to operationalize the linkages of economic, social, and environmental pillars in sustainable development.
Inclusive green growth is the path to sustainable development. Sustainable development provides the context for green growth. Green growth is a subset or part of sustainable development. The scope of green growth is narrower and covers the operational policy agenda to help achieve concrete and measurable progress related to the economy and the environment (OECD, 2011).

The definition of economic instruments, according to the OECD, is a form of fiscal incentives and disincentives or other types and incorporates environmental costs and benefits into household and company budgets (Yusuf, 2012). The purpose of using economic instruments is to encourage efficient and environmentally friendly production and consumption through full cost-pricing. Among the economic instruments included are sewage taxes, or fees on pollutants and waste, as well as deposit-refund systems and pollution trade permits. Anderson (Yusuf 2012) mentions some examples of economic instruments that can be applied in developing a green economy. These economic instruments include pollution/pollution taxes, input-output taxes, subsidies for environmentally friendly activities, and the withdrawal of subsidies for activities that harm the environment. Meanwhile, the government’s implementation of green economy measures is not just selecting policy instruments from a list of green economy policy measures but also looking back at the effectiveness of the implementation of these instruments. In this regard, economic instruments that can be applied in Indonesia include:

1. Eliminate or reduce subsidies that harm the environment through fuel, electricity, and fertilizer subsidies, among others.
2. Payment for environmental services (PES): global PES (REDD+) and local PES
3. Inter-regional fiscal transfer
4. Engineering energy-pricing mechanisms can be potentially effective in achieving emission reduction targets. This has the potential if the energy sector’s contribution is a reduction of 14% relative to the baseline; almost half of the target can be achieved only by eliminating subsidies that are not conducive to energy use efficiency. Elimination of fuel and electricity subsidies has the potential to contribute almost half of the target or approx. 6-7%. Moreover, to reach the 14% per cent target, the policy could be coupled with the imposition of indirect taxes in the carbon-pricing framework.
5. The Policy Mix application combines “removal of energy subsidies with imposing carbon prices/taxes.
6. Recycling the budget surplus through compensating poor households and increasing production activities by reducing indirect taxes. This has the potential to be quite effective in mitigating the impact of distribution and the impact of reducing employment opportunities in the short term.
7. The development of the green market can also be utilized by developing instruments such as carbon finance and green stimulus funds. In an increasingly carbon-constrained world, private markets and public financial institutions are likely to expand to support climate change mitigation in developing countries. If the placement mechanism is suitable, internationally and nationally, Indonesia could be the primary recipient of the financing. Indonesia accounts for less than 2% of the Clean Development Mechanism (CDM) market.

In expansion, there are rebellious ways of observing the dissemination of financial pay through the green economy utilizing macro-regional financial pointers, to be specifically veritable sparing. Veritable sparing can be calculated by subtracting national/conventional investment funds from the depreciation/liquidation esteem of all sorts of capital, be it man-made capital and normal asset capital. The Veritable Investment Funds Rate calculation per territory in Indonesia can be categorized into three territorial classifications: unsustainable, imperceptibly economical, and
National Income Towards Equity Though Green Economy (Gini Comparative Analysis of Urban and Rural Ratios)

economical. Based on the Gini proportion table, it can be compared and classified based on the Gini record of each area, which is separated by rustic and urban zones that all areas in Papua, South Sulawesi, East Kalimantan, South Kalimantan, most areas on Sumatra Island and NTB drop into the territorial category the unsustainable. In the meantime, the areas that drop into the imperceptibly feasible category are North Sumatra, West Sumatra, Lampung, Banten, West Java, Central Java, East Java, Bali, Central Kalimantan, Gorontalo, Central Sulawesi, Southeast Sulawesi, and Maluku as it were four territories included within the economic category, specifically the Territory of Yogyakarta, East Nusa Tenggara, North Sulawesi, and West Kalimantan.

There is a need for the participation of the central and regional governments and the community in implementing these strategic steps on an ongoing basis. Economic equity in several regions, with the Gini index showing extreme levels of inequality, is one of the focuses of local governments in determining decision-making in implementing the green economy. This also reduces the increase in regional economic growth by preserving the area's environment to provide the benefits of natural resources distributed to the next generation.

E. CONCLUSION

The wonder of financial development that's less than perfect with pointers of disparity in territorial wage gives a picture of the government in completing the uneven economic change. They have typically appeared once more concerning the condition of characteristic assets, which is getting awful in their utilisation as crude and prepared materials for each commerce performing artist in a few locales. The reference to the long-term development vision stated in the (Undang-Undang Republik Indonesia Nomor 17 Tahun 2007) is to achieve an independent, advanced, just, and prosperous Indonesia. This speaks to the fact that the vision and mission of the government's long-term arrangement have not been accomplished ideally. In Indonesia, besides the complete world community, the Indonesian Government’s approach to accomplishing feasible advancement is carried out through 4 (four) track methodologies, specifically pro-growth, pro-job, pro-environment, and pro-environment advancement. The columns of economic advancement appear to have parallel and synergistic considerations with other advancement techniques. The course of future advancement arrangements will put more accentuation on the proficient utilisation of common assets, minimizing natural harm, lessening GHG outflows, and creating and actualizing clean products and advances, as of now more regularly alluded to as green economy advancement, specifically a diminish within the quality of common assets and natural capacity, which is getting higher escalated. This suggests the need for more arranged, coordinated, decentralized, and participatory improvement administration by considering different improvement issues, including mainstreaming the concept of sustainable improvement. In expansion, excellent natural administration expanded open mindfulness and behaviour, essential in executing evenhanded conveyance of financial wage in provincial and urban ranges through a green economy. To diminish that articulation, based on the investigative result of Adepoju & Ogundunmade (2019), the experimental comes about moreover recommended that budget shortfall and outside obligation are adversely related to financial development, recommending that relying on domestic resources is the leading elective to back development and strengthen the significance of sensible long-run growth-oriented approaches to get feasible development. This consideration aims to distinguish the determinants of financial development of chosen nations employing a board information relapse approach. Also, recognise the factors contributing to financial development within the Created, Creating, Slightest Created, Asian,
Caribbean, Tropical, Petroleum Sending out, Developing markets, European, American, and Muslim nations.

The limitation described in this study is the implementation of equal distribution of national income through the concept of a green economy. There will be opportunities for problems that can be followed up for future research on inequality in national income through monetary policy instruments by prioritizing reforms on the alignment of issues with actual problems faced by Indonesia regarding the distribution of national income.

F. REFERENCES


National Income Towards Equity Though Green Economy (Gini Comparative Analysis of Urban and Rural Ratios)