

Table of Contents

Approval Sheet	ii
Statement Sheet	iii
Acknowledgement	iv
Table of Content.....	vi
List of Tables	ix
List of Figures.....	x
INTISARI	xi
ABSTRACT	xii
CHAPTER I. INTRODUCTION.....	1
A. Background.....	1
B. Problem Formulation	4
C. Research Objectives	4
D. Research Benefits	5
E. Research Scope	5
F. Research Development	6
CHAPTER II. LITERATURE REVIEW	7
A. Theory.....	7
1. Demand Theory	7
2. Market Failure in the Cigarettes Market	12
3. The Government's Role in Controlling Cigarettes Consumption	15
B. Previous Researches	19
1. Excise Tax Rate Affects Cigarette Consumption	19
2. Excise Tax Rate Does Not Affect Cigarette Consumption	22
3. The Effect of Per Capita Income on Cigarette Consumption	24
C. Research Hypotheses.....	25
CHAPTER III. RESEARCH METHOD	27
A. Data Collection.....	27
B. Population and Sample	28
C. Research Variables	28

D. Operational Definitions	29
E. Research Model	30
1. Pooled Ordinary Least Squares	32
2. Fixed Effects Model	32
3. Random Effects Model	33
F. Methods of Data Analysis	34
1. Coefficient of Multiple Determination (R^2)	36
2. Simultaneous Regression Coefficient Test (F-test)	36
3. Partial Regression Coefficient Test (t-test)	37
CHAPTER IV. RESULT AND DISCUSSION.....	39
A. Descriptive Statistics	39
1. Cigarette Consumption	39
2. Cigarette Excise Tax Rate	40
3. Per Capita Income	42
B. Panel Data Regression Model	44
1. Estimation of the Regression Model	44
a. The pooled OLS model	45
b. The fixed effects model	47
c. The Chow test	48
d. The random effects model	49
e. The Hausman test	51
2. Evaluating the Assumptions of Multiple Regression	51
a. Normality test	52
b. Multicollinearity test	53
c. Autocorrelation test	53
d. Heteroscedasticity test	54
C. Hypotheses Testing	54
D. Discussion.....	57
CHAPTER V. CONCLUSION	63
A. Conclusion.....	63
B. Research Limitation	64
C. Recommendation	65



UNIVERSITAS
GADJAH MADA

The Effect of Excise Tax Rate and Per Capita Income on Cigarettes Consumption in Indonesia
FAIQ, Sumiyana, Dr., M.Si., Ak., CA.

Universitas Gadjah Mada, 2016 | Diunduh dari <http://etd.repository.ugm.ac.id/>

BIBLIOGRAPHIES	67
APPENDIXES	71

List of Tables

Table 4.1	Excise Tax Rate in Indonesia for the Years 2007 -2013.....	41
Table 4.2	The Pooled OLS Model.....	46
Table 4.3	The Fixed Effects Model.....	47
Table 4.4	The Chow Test.....	49
Table 4.5	The Random Effects Model.....	50
Table 4.6	The Hausman Test.....	51
Table 4.7	Test of Multicollinearity.....	53
Table 4.8	Test of Autocorrelation.....	53
Table 4.9	Test of Heteroscedasticity.....	54

List of Figures

Figure 2.1	Market Demand Curve.....	8
Figure 2.2	Changes in Demand.....	10
Figure 2.3	Market Failure.....	14
Figure 2.4	Excise Tax Incidence.....	18
Figure 3.1	Research Model.....	30
Figure 4.1	Excise Tax Rate and National Cigarettes Consumption.....	42
Figure 4.2	Per Capita Income of Each Province in Indonesia.....	43
Figure 4.3	Test of Normality.....	52