

ABSTRACT

This study aims to analyze the factors that influence deindustrialization in Indonesia. There have been strong indications of deindustrialization in Indonesia since 2004, where the manufacturing industry's contribution to GDP has continued to decline. The method used is panel regression with data at the provincial level for the period 2011 – 2019. The estimation results show that there is a significant simultaneous effect of the independent variables on the dependent variable. Then there is a negative relationship between productivity growth, per capita income, foreign investment and economic openness in Indonesia in 2011-2019

Key words: Productivity Growth, Per Capita Income, Foreign Investment, Economic Openness, and Deindustrialization.