ABSTRACT

Java Island contributes to responses and as the highest contributor to Gross Regional Domestic Product which influences the structure of the economy in Indonesia. The fact that Java is the most populated island in Indonesia with a relatively high response rate. This study aims to analyze the uncertainty in Java.

The variables used are the effects of uncertainty, inflation, domestic investment, and Industrial GDRP on reactions to unemployment in Java. The analytical method used in this study is the Fixed Effect Model (FEM) approach. The research data was obtained from BPS Indonesia by examining six provinces in Java Island in 2007-2019 period.

The results show that uncertainty have a positive and significant relationship to unemployment, inflation have a positive and significant relationship to unemployment, Domestic Investment have a negative and significant relationship to unemployment, and industrial GRDP have a positive and significant relationship to unemployment. The results showed that I uncertainty, inflation, domestic investment, and Industrial GRDP have a significant relationship to unemployment in Java.

Key words: Unemployment, Uncertainty, Inflation, Domestic Investment, Industrial GRDP