

ABSTRACT

Economic growth in Central Java Province shows an upward trend but its still relatively low in Java. In addition, several districts/cities still show stagnant economic growth. Certain indicators are needed to boost economic growth. This study was conducted to analyze the effect of Regional Expenditure, Domestic Investment, and Labor on Economic Growth.

The data used is secondary data sourced from the Badan Pusat Statistik (BPS) of East Java Province. The analysis method used in this study is panel data regression using the Fixed Effect Model (FEM). This study uses secondary data with time series data from 2019 to 2023. The cross-sectional data used is from 35 districts/cities in Central Java Province.

Based on the results in this study, it states that the regional expenditure variable has no effect on economic growth. The PMDN variable has a positive effect on economic growth. The labor variable has a positive effect on economic growth. Meanwhile, the results of the study simultaneously show that the variables of regional expenditure, PMDN, and labor simultaneously influence economic growth.

Keywords: Economic Growth, Regional Expenditure, Domestic Investment, Labor

