

## ABSTRACT

Unemployment is a structural problem that remains a challenge for the Indonesian economy, reflecting inefficiencies in resource allocation. Unemployment rates across regions are interconnected due to geographic proximity, population mobility, and economic flows. This study analyzes the effects of population migration and investment on unemployment in Indonesia while considering the spatial interconnectedness between regions. The study uses panel data from 34 provinces over the 2019–2024 period. The Spatial Durbin Model (SDM) is employed to capture interregional interactions and estimate both direct and spillover effects. The estimation results show that in-migration, domestic investment (PMDN), and per capita GRDP significantly influence local unemployment. Significant spillover effects are observed for in-migration, minimum wage (UMP), and foreign workers (TKA). Meanwhile, foreign investment (PMA) does not show a significant effect either directly or indirectly.

The logo of FEB UNDIP Semarang is a large, light blue watermark in the background. It features a central emblem with a crown-like top, a shield with a book and a torch, and a banner at the bottom with the word "SEMARANG". The text "UNIVERSITAS DIPONEGORO" is written in a circular path around the emblem, and "FEB UNDIP" is written in large, bold letters at the bottom.

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