

## **ABSTRAC**

*This study aims to find empirical evidence about analysis of the influence of political connection against of the firm value. Firm value can be measured by cumulative abnormal return (CAR). variable independent that used in this research are political connection when dependent variable is firm value. This study is replication from Goldman, Rocholl, and So (2006)and that distinguishes this study is the research object*

*The population of this research are non-financial companies which listed on Indonesian Stock Exchange (IDX) in 2013. The sample is use performed of purposive sampling method. The sampling of this research based on 32 companies. this research using multiple linear regression analysis to examine the influence of the independent variables on dependent variable.*

*The result show that political connection with KIH has significant positive effect against firm value. Whilw political connection with KMP has significant negative effect firm value*

*Key word : political connection with KIH, political connection with KMP, firm value.*