

ABSTRACT

This study aims to examine: (1) The effect of earnings management on the Corporate Social Responsibility (CSR) level, (2) The effect of CSR on firm value, and (3) The effect of earnings management on firm value.

This study use secondary data and the population in this study were manufacture companies listed on the Jakarta Stock Exchange (IDX) during the period 2007 to 2009. The method used in the selection of the sample in this study was purposive sampling, the method of sample selection by using certain criteria.

The results showed that there was no significant effect between the level of earnings management with CSR. Earnings management also had no significantly influence on the value of the company. But CSR levels have a significant impact and positive influence on company value.

Keywords: earnings management, corporate social responsibility, firm value