

ABSTRACT

The main purpose of the development effort except to create a highest growth of economy, are also to vanish and to reduce poverty, income disparity, and unemployment. Even though not the best indicator, Gross Domestic Regional Product (GDRP) per capita was considered can give a good reflection of social welfare because it could indicating the economy growth. Some crucial things which have been playing an important part in influencing the GDRP per capita of Central Java Province are domestic investment (PMDN) and foreign investment (PMA) which are invested on that province. Another crucial thing is labor force who can effort the economy by increasing goods and services production.

The purpose of this research is to analyze the influence of domestic investment (PMDN), foreign investment (PMA), and labor force toward GDRP per capita growth of Central Java Province. This research using time series data, start from 1995 until 2009. Also using doubled linear regression model and Ordinary Least Square (OLS) method to analyze data.

The result of this research show that variable domestic investment (PMDN) has no influence toward GDRP per capita growth. Whereas variables foreign investment (PMA) and amount of labor force have influence toward GDRP per capita growth of Central Java Province.

Keyword : Gross Domestic Regional Product (GDRP) per capita, domestic investment (PMDN), foreign investment (PMA), labor force.