

## **ABSTRACT**

*The title of this study is “The influence of Foreign Direct Investment, Domestic Direct Investment and Regional Expenditure on the Gross Domestic Product in Central Java during 1980 – 2012”. This research purposed to know influence of Foreign Investment, Domestic Investment and Regional Expenditure on the Gross Domestic Product in Central Java on that period.*

*Data in this study is using secondary data which the characteristic is time series during 1980 – 2012. This study use Ordinary Least Square (OLS), which the variable Gross Domestic Product (GDP) as dependent variable and variable Foreign Direct Investment (FDI), Domestic Direct Investment (DDI), and Regional Expenditure (CE) as independent variable.*

*Based on the result show that Regional Expenditure have a positive relationship and significant. While Foreign Direct Investment and Domestic Direct Investment have a poitive relationship and not significant on Gross Domestic Product in Central Java. Based on result of F test with value credibility 95% ( $\alpha = 5\%$ ) get a value F-count amount 21,72649 with probability 0,000 meaning that Domestic Investment, Foreign Investment and Regional Expenditure influential on Gross Domestic Product in Central Java.*

**Keywords :** *GDP, FDI, DDI, CE and Ordinary Least Square.*