

ABSTRACT

OKUN'S LAW: ECONOMIC GROWTH AND UNEMPLOYMENT RATE IN INDONESIA

By

Mayra Astari

This study examined the validity of Okun's Law on the Indonesian economy by using the difference version of Okun's Law to obtain the Okun coefficient. This study uses the analysis of Autoregressive Distributed Lag Model (ARDL). From the estimation results, it was concluded that Okun's Law proved to have a negative and significant effect on the Indonesian economy because the variable economic growth was proven to influence the unemployment rate variable statistically.

Keywords: *Economic growth, Unemployment Rate, Okun's Law, Autoregressive Distributed Lag Model (ARDL)*

ABSTRAK

HUKUM OKUN: PERTUMBUHAN EKONOMI DAN TINGKAT PENGANGGURAN DI INDONESIA

Oleh

Mayra Astari

Kajian ini menguji validitas Hukum Okun pada perekonomian Indonesia dengan menggunakan difference version Hukum Okun untuk mendapatkan koefisien Okun. Penelitian ini menggunakan analisis Autoregressive Distributed Lag Model (ARDL). Dari hasil estimasi didapatkan kesimpulan bahwa Hukum Okun terbukti berpengaruh negatif dan signifikan dalam perekonomian Indonesia karena variabel pertumbuhan ekonomi terbukti mempengaruhi variabel tingkat pengangguran secara statistik.

Kata Kunci: *Pertumbuhan ekonomi, Tingkat Pengangguran, Hukum Okun, Autoregressive Distributed Lag Model (ARDL)*