

ABSTRACT

THE EFFECT OF FOREIGN DIRECT INVESTMENT IN MANUFACTURING INDUSTRY SECTOR ON LABOR ABSORPTION AND GRDP IN WEST JAVA PROVINCE: A DYNAMIC PANEL APPROACH

By

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This study aims to determine the effect of foreign direct investment in the manufacturing industry sector on labor absorption and GRDP in West Java Province. This study also aims to determine the effect of foreign investment, real wages, real interest rates, and GRDP on labor absorption in West Java Province as well as the effect of foreign direct investment, domestic investment, capital expenditure, and labor on GRDP in West Java Province. The data used is secondary data with panel data type, which is a combination of time series and cross section data in the period 2015 to 2023. The analysis method used is to use a dynamic panel approach. Foreign investment in West Java Province as a province that has foreign investment realization has a positive impact on employment and GRDP in West Java Province. Each independent variable of foreign direct investment, real wage, real interest rate, and GRDP has significant effect on labor absorption. Foreign direct investment, real wage, real interest rate, and GRDP jointly have a significant effect labor absorption. Then each independent variable of foreign direct investment, domestic investment, capital expenditure, and labor has a significant effect on GRDP. Foreign direct investment, domestic investment, capital expenditure, and labor jointly have a significant effect on GRDP.

Keywords: *Labor absorption, GRDP, Foreign Direct Investment, Real Wages, Real Interest Rate, Domestic Direct Investment, Capital Expenditure, Labor.*

ABSTRAK

PENGARUH PENANAMAN MODAL ASING SEKTOR INDUSTRI MANUFAKTUR TERHADAP PENYERAPAN TENAGA KERJA DAN PDRB DI PROVINSI JAWA BARAT: PENDEKATAN PANEL DINAMIS

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Penelitian ini bertujuan untuk mengetahui pengaruh dari penanaman modal asing pada sektor industri manufaktur terhadap penyerapan tenaga kerja dan PDRB di Provinsi Jawa Barat. Penelitian ini juga untuk mengetahui pengaruh penanaman modal asing, upah riil, suku bunga riil, dan PDRB terhadap penyerapan tenaga kerja di Prserta pengaruh penanaman modal asing, penanaman modal dalam negeri, belanja modal, dan tenaga kerja terhadap PDRB di Provinsi Jawa Barat. Data yang digunakan adalah data sekunder dengan tipe data panel yaitu kombinasi data time series dan cross section pada periode tahun 2015 sampai 2023. Metode analisis yang digunakan adalah dengan menggunakan pendekatan panel dinamis. Penanaman modal asing di Provinsi Jawa Barat sebagai provinsi yang memiliki realisasi investasi penanaman modal asing memberikan dampak positif terhadap penyerapan tenaga kerja dan PDRB di Provinsi Jawa Barat. Masing-masing variabel bebas penanaman modal asing, upah rill, suku bunga riil, dan PDRB berpengaruh signifikan terhadap penyerapan tenaga kerja. Penanaman modal asing, upah riil, suku bunga riil, dan PDRB secara bersama-sama berpengaruh terhadap penyerapan tenaga kerja. Kemudian masing-masing variabel bebas penanaman modal asing, penanaman modal dalam negeri, belanja modal, dan tenaga kerja berpengaruh signifikan terhadap PDRB. Penanaman modal asing, penanaman modal dalam negeri, belanja modal, dan tenaga kerja secara bersama-sama berpengaruh signifikan terhadap PDRB.

Kata kunci: Penyerapan tenaga kerja, PDRB, Penanaman Modal Asing, Upah Riil, Suku Bunga Riil, Penanaman Modal Dalam Negeri, Belanja Modal, Tenaga Kerja