ABSTRACT

THE EFFECT OF DOMESTIC DIRECT INVESTMENT, FOREIGN DIRECT INVESTMENT, AND EXPORT TO LABOR ABSORPTION IN THE PROVINCE OF WEST JAVA IN 2010-2019

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This study aims to analyze (1) The effect of domestic direct investment, foreign direct investment, and export to labor absorption in the province of West Java in 2010-2019 partially and simultaneously (2) The elasticity of labor absorption (3) The factor that most influences labor absorption. The analytical tool used is Ordinary Least Square (OLS) with multiple linear regression analysis model. The results of this research show (1) Partially that domestic direct investment and export have a positive relationship and significant effect, while foreign direct investment has a positive relationship and does not has a significant effect to labor absorption, while simultaneously the three independent variables have a significant effect to labor absorption, (2) The elasticity of labor absorption on the three independent variables is inelastic, (3) The factor that most influences labor absorption is exports.

Keywords: labor, capital, export