ABSTRACT

The purpose of this research was to determine the influence of local gross domestic products (LGDP), wage’s, number of industries, and foreign capital investments on employment of former residency of Surakarta (country subdivision during Dutch East Indies period) in 2011-2017. This research used secondary data in the form of panel data taken from Statistics Indonesia (BPS), and other government institutions. The method used for data analysis is panel data regression of fixed effect model (FEM) using Eviews 10 as the regression analysis tool.

Based on the result of the analysis, all independent variables simultaneously influenced the employment. Partially or individually, the variable of LGDP, total industry, and the foreign capital investments had positive and significant influences on employment. On the other hand, the variable of wage’s did not have any significant effect on employment.

Keywords: employment, local gross domestic products (LGDP), industry, wage, foreign capital investments.