

ANALISTS *FOREIGN DIRECT INVESTMENT* DI PROPINSI DAERAH ISTIMEWA YOGYAKARTA TAHUN 1985 – 2010

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Abstract

Foreign direct investment (FDI) has gained significant importance over the past decade as the tool for accelerating growth and development of economies in transition. This research was aimed to analyze the determinant of Foreign Direct Investment in DIY Province during 1985 -2010. The analysis method applied in the research used Error Correction Model. The result of this research shows that in the short term, the inflation and unemployment has negative and significant effect on the Direct Investment in DIY Province but the Gross Domestic Regional Foforeign Product and province minimum reward has no effect. In long term, inflation, Gross Domestic Regional Product. unemployment and province minimum reward has significant effect on the Foforeign Direct Investment in DIY Province.

Keywords : Foreign direct investment, DIY Province, Error Corection Model