ABSTRACT

ANALYSIS OF FACTORS AFFECTING GROSS DOMESTIC PRODUCT OF THE PROCESSING INDUSTRY SECTOR IN INDONESIA 2000-2023

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The purpose of this study is to determine the factors that affect the gross domestic product of the manufacturing industry sector. The variables of this study are domestic investment, foreign investment, and electricity consumption on the gross domestic product of the manufacturing industry sector. This research method uses multiple linear regression. The data used in this study are secondary data from the central statistics agency with a quantitative approach. The results of the study indicate that: domestic investment and foreign investment have a negative and insignificant effect on the gross domestic product of the manufacturing industry sector, and electricity consumption has a positive and significant effect on the gross domestic product of the manufacturing industry sector. With sufficient and stable electricity consumption, productivity in the industrial and business sectors can be increased because more goods and services are produced.

Keywords: PMDN, PMA, Electricity Consumption, Manufacturing Industry GDP