

## **ABSTRACT**

The high rate of unemployment in Central Java becomes one of the constraints for full eradication of poor population in the province. To expand job opportunity in term decreasing the rate of unemployment and absorbing new workforce, economic growth over 7% is deemed necessary. The economic growth is, however, closely associated to various factors such as global economic growth, oil price fluctuation, inflation, people's buying power, exchange rate of rupiahs to dollars, infrastructures, system for permit issuance service, and others.

The study aims to find out the impact of the economic slowdown in the United States and oil price fluctuation toward realization of investment in Central Java in 2008. To analyze the influence, correlation analysis instrument with 5 percent of significance level is employed.

The finding of correlation trial suggest that the realization of investment conducted by national or domestic investor (PMDN) in Central Java in 2008 is correlated to the price hike of the world's oil, however, it is not correlated to the economic slowdown in The United States. The realization of foreign investment (PMA) is totally beyond the influence of the economic slowdown in The United States and price hike of the world's oil.

**Keywords:** investment realization, oil price, economic slowdown