How Does Investment Progress in Indonesia During the COVID-19 Pandemic?

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ABSTRACT

Almost 2 years, the world has been facing the COVID-19 attack, there is no exception including Indonesia, which incidentally is a developing country. During the pandemic, various industries in all sectors experienced a decline in sales so that they need an injection of funds from investment where with the presence of investors, industry movements, include of small, medium, and large industries could increase and have an influence on national economic growth and development. As a country that has many islands, of course investment as a very important economic sector. Many factors influence developments in an area, some of which are inflation, interest rates, and the economy of each region.

To see the development of investment in Indonesia during the COVID-19 pandemic (2020-2021Q3), this study uses panel data to be more specific and detail. The result of the research is that interest rates affect investment developments, while inflation and economic growth have no effect on investment developments in Indonesia.

Introduction

At the beginning of 2020, the world economy was marked by the Covid-19 pandemic which had a huge effect on health, economy, and stabilization of the financial system. This disease was first detected in China and quickly spread throughout the world, including Indonesia where it was first discovered on 2nd March 2020 and continues to grow until now. The very rapid increase in Covid-19 sufferers in Indonesia has had a very bad impact on the economy over the last 23 years or after the 1997/1998 economic crisis that hit most of Southeast Asia. Indonesia's economic recession is evidenced by a GDP of -5.32% in the second quarter of 2020 from the previous 2.9% in the first quarter of 2020 and 5.02% in the fourth quarter of 2019 (BPS, 2020). This negative trend has had a very severe impact, especially in the food and beverage, agriculture, property, finance, and tourism industries, from micro, small and medium enterprises to companies listed on the Indonesia Stock Exchange (IDX). Many companies engaged in this field are losing money and going out of business.

Seeing this phenomenon, the government tries to simplify and speed up the investment process to improve the deteriorating economic condition. Several policies were also taken, such as developing the infrastructure sector, encouraging the omnibus law on job creation, and simplifying permits for special economic zones. This policy has proven to be very effective and has been positively received by investors, both foreign investors and domestic investors (Suprapti, et all, 2020; Sugiyono and Haryanto, 2021). Based on data presented by BKPM, the realization of foreign investment (FDI) in Indonesia in the first quarter of 2020 with a total of 11,623 projects was valued at $6,803.66 and increased to $7,071.6 with a total of 20,656 projects in the 3rd quarter of 2021. Likewise with domestic investment (DDI) in the first quarter of 2020 there were 13,569 projects with a value of Rp. 112,734.3 billion increased to Rp. 113,456.4 billion with 63,130 projects.

Based on these data, investors get a guarantee from the government in the form of a strong economy in the form of controlling interest rates and inflation by the central bank so that there is an increase in economic growth in each region. One form of interest rate control carried out by the central bank is to change the benchmark interest rate (Hummel, 2017). The reference interest rate can affect deposit
rates and bank loan interest rates, both on working capital loan interest rates, investment loan interest rates, and consumer credit interest rates, especially those intended for property loans (van Leuvensteijn, et al, 2008; Miller, 2013 : Jobst and Lin, 2016: and Brei, et al, 2019).

The policy on controlling interest rates can affect the rate of inflation and investment. If the central bank makes an increase in interest rates, it will have an impact on aggregate demand and reduce asset prices, thereby reducing income for both individuals and groups and can have an impact on people's low purchasing power and lead to increased inflation (Blanchard, et all, 2010; Jobst and Lin, 2016; Hatmanu, et al, 2020). On the other hand, if the benchmark interest rate is lowered, the loan interest rate will also decrease so that the demand for credit from both households and companies increases (Wray, 2007; Ciccarelli and Osbat, 2017; Rachel and Smith, 2017). There is income from loans with small working capital interest rates.

This mechanism can provide impetus for increasing economic growth in all provinces in Indonesia. The level of economic growth has a positive effect because it will attract investors to invest in Indonesia (Kartikasari, 2017; Fernandez, et al, 2020). This statement is in accordance with the data shown by the Central Statistics Agency (BPS), the economic growth in the first quarter of 2020 was 2.97%, which is lower than the previous period. The economic growth in the second quarter of 2020 was -5.32% where this position is a point the lowest in the last 20 years or after the monetary crisis in Southeast Asia in 1997/1998.

Seeing this phenomenon, the Indonesian government made several policies, namely increasing exports, which prioritized agriculture and horticulture as well as international negotiations to establish cooperation from developed countries to invest in Indonesia (Muchtar, 2015; Wardani, et all, 2018 Rumokoy, 2020). To support this, the government will strengthen the domestic side through increasing public consumption by reducing people's business credit, facilitating the issuance of halal certificates for entrepreneurs engaged in Micro and Small Enterprises (UMK), implementing pre-employment cards, and accelerating the increase in the digitization of regional transactions. Currently the world of digitalization is increasingly advanced and modern so that local governments can follow technological trends (Financial Services Authority, 2020).

This policy has an impact on economic growth as indicated by economic growth of 5.05% in the 3rd quarter of 2020 and can remain at a positive point until the 3rd quarter of 2021 of 3.51%. Even though it has decreased on a YoY basis, this figure has provided great assurance to investors that the consumption level of the Indonesian people can be said to be normal and can provide benefits.

**Literature Review**

Many previous studies that discussed the development of investment began with Victor (1869), Merrill (1886), and Broadhead (1891) which stated that the government must be independent of monetary and fiscal policies in order to people feel confident that they can open a business and the profits can be deposited in the bank with the appropriate interest. Broadhead (1891) also emphasized that investments made by the community through opening a business were not in vain and could become the wheels of the economy. This statement is also supported by Brown (1858), Day (1860), Coles (1869), Wright (1888) who stated that the level of trust and security in banks is high so that they can be a guarantee of people's life for the long term.

In the early to mid-1900s, Financier (1907) tried new innovations by including stocks as a form of investment, then Crowell (1909) and Boulding (1936) by incorporating elements of economic and political dynamics that could affect the size of the investment in a country. After the research, Sweezy (1942), included an element of employee salary where he saw that salary can affect inflation and economic growth which has an impact on investment.

After Keynes published The General Theory of Employment, Interest, and Money (1936), research on investment has undergone many changes and includes interest rates as one of the factors that can have an effect on investor decisions. In research conducted by Ellsworth (1936) and Shackle (1946) it has been estimated that the salary received by workers will be kept between 5-10% in the bank for a period of time and will later be taken to open a business so that they are not forever workers. Banks will provide high interest savings so that workers save their money and the bank can rotate the customer's money to be used as loans. This situation received a response from Wallich (1946) who stated that interest rates can change almost all aspects of life, ranging from aspects for consumption to serve as a business. Wallich (1946) also stated that interest rates can also contribute to national income, income of a group, and the value of an asset (goods).

Seeing this phenomenon, people spend too much on consumption and credit is out of control. Abbott (1948) says that prices and credit are inseparable forever. If people's purchasing power is too high, then credit prices and interest rates are out of control. The impact is that inflation and interest rates have spiked which can have an impact on economic growth and investment. Therefore, the government carries out monetary control and management related to household spending (Sproul, 1947). To suppress and control the rate of distribution, the government imposes an income tax for producers and households where the tax will be included as state income (Keith, 1949).

Keynes's theory also opened the eyes of the world to invest in various countries. One of them is research by Mellor and Johnston (1961) which examines agricultural investment in developing countries. Mellor and Johnston said that this investment is very promising considering that developing countries are "still green" in terms of modern tools used in the agriculture sector. As a developing country, Indonesia has not escaped the attention of investors, especially investors from the United States. In a study conducted by Scott (1972), said that Indonesia has opened itself to any investor who wants and is interested. He also recommended
that Indonesia has the potential to become a market for goods and services made by the United States. The Indonesian government has also made Law No. 11 of 1970 related to foreign investment (Warsita, 1978). With a guarantee from the government, investors try to do joint-venture investments where the results are very positive and tempting (Gurney, 1982).

The positive response from foreign investors made the Indonesian government complacent and many government officials carried out Corruption, Collusion and Nepotism which was shown in only one area, namely the island of Java which has modern development (Glassburner, 1979; McLeod, 2000; McCawley, 2013). Investors have also read the situation because corruption will cause investment to fall through the game on customs and excise which has an impact on expensive entry fees and lengthy bureaucratic management (Liddle, 1985; Mauro, 1995). As a result, Indonesia experienced a collapse in 1997/1998 because it could not pay its debts caused by the flight of investors from Indonesia and the impact on economic growth and state income was minus, inflation was 77.83%, the benchmark interest rate touched up to 70%.

After the Suharto era stepped down, the government began to improve by completely overhauling monetary and fiscal policies, in which the Indonesian government was assisted by the IMF. These changes started from the policies and structures of the central bank, direct elections by the people, democracy and decentralization of government, autonomous policies, to policies concerning households (Barr, 2001; Usman, 2002; Sato, 2003; Carnegie, 2008; Fukuoka, 2012). This policy has a positive impact on investment in Indonesia where interest rates are stable, inflation can be controlled, economic growth is positive again, and investors are trusting Indonesia again.

One of the policies that support increased investment in Indonesia is the enactment of Law no. 25 of 2007 concerning Investment where in the Law, the government includes policies by providing ease of licensing, ensuring stability of economic growth through, and obtaining land use permits for more than 25 years. As a result, Indonesia was still able to survive and be trusted during the 2008 crisis that hit the United States even until the Covid-19 pandemic, Indonesia was still believed to be a profitable place to invest. (Vakulchuk, et all, 2020; Surianta and Patunru, 2021; Mietzner, 2021).

Research and Methodology

This study uses a quantitative method which by using this method can reveal an existing problem by connecting the conditions of the running time in an integrated manner. This study also wants to describe how interest rates, inflation, and economic growth have an influence on investment development in Indonesia during the Covid-19 pandemic. The data in this study is secondary data taken from the Central Statistics Agency (BPS) for each province in Indonesia and the Indonesian Investment Coordinating Board (BKPM) with quarterly data from 2020: Q1–2021: Q3 using panel data which aims to combine every data in each province (Cross Section) at the same time (Time Series).

Panel Data Analysis is the same as OLS in reading the results. However, in the panel data there are 3 models, namely:

1. Common Effect Model which combines all data from time series data and cross section data using the Ordinary Least Square (OLS) approach with the equation:
   \[ Y_{it} = \alpha_1 + \beta X_{1it} + \beta X_{2it} + \beta X_{3it} + \varepsilon_{it} \] ……………………………………………………………………1

   Where:
   \[ Y_{it} = \text{Investation} \]
   \[ \alpha_1 = \text{Constanta} \]
   \[ X_{1it} = \text{Inflation} \]
   \[ X_{2it} = \text{Interest Rate} \]
   \[ X_{3it} = \text{Economic growth} \]
   \[ \varepsilon_{it} = \text{Error Term} \]

2. Fixed Effect Model (FEM) is a model that adds a dummy in performing regression so that the equation model in FEM is
   \[ Y_{it} = \alpha_1 + \sum_{(k=2)^N} \beta X_{1it} + \beta X_{2it} + \beta X_{3it} + \varepsilon_{it} \] ………………………………………………………………2

   where:
   \[ \alpha_1 = \text{Constanta} \]
   \[ \alpha_kD_{ki} = \text{Dummy} \]
   \[ X_{1it} = \text{Inflation} \]
   \[ X_{2it} = \text{Interest Rate} \]
   \[ X_{3it} = \text{Economic growth} \]
ε_{it} = Error Term

3. Random Effect Model is a model that looks at the difference between variables and time as seen through intercept and error, so the equation for the random effect is

\[ Y_{it} = \alpha_{1} + \beta_{1}X_{1it} + \beta_{2}X_{2it} + \beta_{3}X_{3it} + \epsilon_{i\upsilon} \] \[ \epsilon_{i\upsilon} = \mu_{i} + \nu_{i} + \omega_{i} \]

Equation 3 is a basic equation that is affected by error and intercept which if separated will become equation 4 where:

\( \mu_{i} \) = error component in cross data
\( \nu_{i} \) = error component in time series
\( \omega_{i} \) = error component in the combination of cross data with time series

In addition to these 3 models, in the panel data there are 2 test models, namely the Chow Test which in this test, chooses the best between FEM and CEM through intercepts or constants and the Hausmann Test serves to determine which model is better and fits the Fixed Effect Model (FEM) and Random Effect Model (REM) by looking at the parameter covariance matrix (Greene, 2002).

**Findings**

In panel data, the first step is to use the Common Effect Model or the same as the Ordinary Least Square (OLS) model, where the results are shown in table 1.

**Table 1: Common Effect Model (CEM) Results**

<table>
<thead>
<tr>
<th>Var</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Stat</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>INF</td>
<td>0.356</td>
<td>0.132</td>
<td>2.712</td>
<td>0.007</td>
</tr>
<tr>
<td>RATE</td>
<td>-2.681</td>
<td>0.195</td>
<td>-1.375</td>
<td>0.171</td>
</tr>
<tr>
<td>LGR</td>
<td>0.989</td>
<td>0.072</td>
<td>138.324</td>
<td>0.000</td>
</tr>
<tr>
<td>C</td>
<td>-8.814</td>
<td>1.524</td>
<td>-6.801</td>
<td>0.000</td>
</tr>
</tbody>
</table>

R-Squared: 0.542, AIC: 2,945
adj. R-Squared: 0.534, SC: 3,018
F-Stat: 65,451, HQ: 2,974
Prob (F-stat): 0.000, DW stat: 0.848

**Source:** E-Views 11

Table 1 shows the results of CEM so that we get the model equation:

\[ INV_{it} = -8.814 + 0.356INF_{it} - 2.681RATE_{it} + 0.989LGR_{it} \]

The next stage in using the panel data model is the Fixed Effect Model where this model wants to see the intercept of each variable is different and has the same slope on each variable as shown in table 2.

**Table 2: Fixed Effect Model (FEM) Results**

<table>
<thead>
<tr>
<th>Var</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Stat</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>12.791</td>
<td>28.55</td>
<td>0.448</td>
<td>0.6549</td>
</tr>
<tr>
<td>INF</td>
<td>-0.092</td>
<td>0.121</td>
<td>0.768</td>
<td>0.4439</td>
</tr>
<tr>
<td>RATE</td>
<td>-0.404</td>
<td>0.140</td>
<td>-2.894</td>
<td>0.0044</td>
</tr>
<tr>
<td>LGR</td>
<td>-0.182</td>
<td>1.584</td>
<td>-0.115</td>
<td>0.9087</td>
</tr>
</tbody>
</table>

R-Squared: 0.847, AIC: 2,242
adj. R-Squared: 0.805, SC: 2,924
F-Stat: 20,320, HQ: 2,529
Prob (F-stat): 0.000, DW stat: 2.307

**Source:** E-Views 11

Table 2 shows that each variable has a negative slope and get the equation:

\[ INV_{it} = 12.791 - 0.092INF_{it} - 0.404RATE_{it} - 0.182LGR_{it} \]
After knowing the results of CEM and FEM, the next step is to choose between CEM and FEM by using the Chow test to see if there are differences or similarities between variables with the hypothesis:

\[ H_0 : \alpha_1 = \alpha_2 = \alpha_3 = \ldots = \alpha_k \text{ (CEM)} \]
\[ H_1 : \text{There is at least 1 intercept } \alpha_1 \neq \alpha \text{ (FEM)} \]

**Table 3: Chow Test**

<table>
<thead>
<tr>
<th>Effect Test</th>
<th>Statistics</th>
<th>df</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-section F</td>
<td>7,971</td>
<td>-33.133</td>
<td>0.0000</td>
</tr>
<tr>
<td>Cross-section Chi-Square</td>
<td>185,499</td>
<td>33</td>
<td>0.0000</td>
</tr>
</tbody>
</table>

**Source:** E-Views 11

Based on table 3 shows that with a prob of 0.000 it can be interpreted that Ho is rejected and the model chosen is FEM where there is heterogeneity between variables in this study so that we can go directly to REM without having to go through the Lagrange Multiplier Test.

If the Chow test has shown that FEM is the best model, then the next step is to look at REM where in REM you can see if the error is correlated throughout the time series and cross section as shown in table 4.

**Table 4: Random Effect Model (REM) Results**

<table>
<thead>
<tr>
<th>Var</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Stat</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>INF</td>
<td>0.005</td>
<td>0.113</td>
<td>0.046</td>
<td>0.963</td>
</tr>
<tr>
<td>RATE</td>
<td>-0.341</td>
<td>0.127</td>
<td>-2.681</td>
<td>0.008</td>
</tr>
<tr>
<td>LGR</td>
<td>0.959</td>
<td>0.126</td>
<td>7.621</td>
<td>0.000</td>
</tr>
<tr>
<td>C</td>
<td>-7,901</td>
<td>2,338</td>
<td>-3.380</td>
<td>0.001</td>
</tr>
</tbody>
</table>

**Weighted Statistics**

| R-squared | 0.282 | F-statistics | 21.753 |
| Adj R-squared | 0.269 | Prob(F-stat) | 0.000 |
| DW-Stat    | 1.804 |

**Unweighted Statistics**

| R-Squared | 0.522 | DW-stat | 0.748 |

**Source:** E-Views 11

Table 4 shows that the model in this study has different intercepts for each variable as seen from the residuals as a whole and the residuals individually. Because the REM has proven that there is a difference, the next step is to determine the Hausmann test with the hypothesis:

\[ H_0 : \text{Correlation = 0 (REM)} \]
\[ H_1 : \text{Correlation 0 (FEM)} \]

**Table 5: Hausmann Test Results**

<table>
<thead>
<tr>
<th>Test Summary</th>
<th>CN-Sq Statistics</th>
<th>Chi-Sq. df</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>Random cross-section</td>
<td>31,089</td>
<td>3</td>
<td>0.000</td>
</tr>
</tbody>
</table>

**Source:** E-Views 11

Based on table 5 shows that prob < 0.05 which means that H1 is accepted. Thus, the FEM model is the best model in this study. After the model has been determined, the last step is the classical assumption test. The first performed was the multicollinearity test where this test was to see whether each independent variables had similarities as shown in table 6.
Table 6: Multicollinearity Test Results

<table>
<thead>
<tr>
<th>Var</th>
<th>INF</th>
<th>RATE</th>
<th>LGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>INF</td>
<td>1</td>
<td>-0.137</td>
<td>-0.115</td>
</tr>
<tr>
<td>RATE</td>
<td>-0.137</td>
<td>1</td>
<td>-0.014</td>
</tr>
<tr>
<td>LGR</td>
<td>-0.115</td>
<td>-0.014</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: E-Views 11

Table 6 shows that all variables have a coefficient of $< 0.8$ meaning that each variable in this study does not have the same in one regression. The next classic assumption test is heteroscedasticity test where in this test used to see whether the model that is in run has a different variance from each residual.

Table 7: Heteroscedasticity Test

<table>
<thead>
<tr>
<th>Var</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Stat</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>INF</td>
<td>0.035</td>
<td>0.052</td>
<td>0.680</td>
<td>0.497</td>
</tr>
<tr>
<td>RATE</td>
<td>0.124</td>
<td>0.077</td>
<td>1.610</td>
<td>0.109</td>
</tr>
<tr>
<td>LGR</td>
<td>-0.001</td>
<td>0.028</td>
<td>-0.423</td>
<td>0.374</td>
</tr>
<tr>
<td>C</td>
<td>2.048</td>
<td>0.602</td>
<td>3.401</td>
<td>0.001</td>
</tr>
</tbody>
</table>

Source: E-Views 11

Based on table 7 shows that all variables have a probability $> 0.05$ meaning that in this study there is no heteroscedasticity and can continue the classical assumption test, namely the Normality test which can see the distribution of data whether the data in this study is normally distributed or not.

Figure 1: Normality Test Results

Source: E-Views 11

Note: Jarque-bera : 1.698464, Prob: 0.427743

On Figure 1 shows that the graph covers all parts so it can be concluded that the data is normally distributed which is supported by the probability magnitude $> 0.05$.

Discussion

Based on the explanation above, the best regression model in this paper uses FEM or as shown in table 2 where inflation does not affect investment but has an effect on decreasing investment. These results are in accordance with Rahmayani and Oktavilia (2020), Sujit, et all. (2020), Nufus, et all (2021), and Cakmakli, et all. (2021) which states that the conditions experienced by developing countries including Indonesia are an early alarm for the performance of the fiscal sector. This alarm is because the market is sluggish as a result of the lack of public consumption in Indonesia as a result of the large number of employees who are laid off. Based on BPS data (2020), open unemployment increased to 7.07% from the previous 5.23%. Although in 2021 open unemployment in Indonesia will decrease to 6.49%, however, the underemployed increased from 6.42% (2019) to 8.71% (2021). Likewise, poverty on a YoY basis where in the first semester of 2020 it was 1.99%, increasing to 2.13%. In addition to the sluggish market as a result of the reduction of employees and poverty, the price increases issued by producers also skyrocketed. Based on BPS data (2021), the price increase has started in the first quarter of 2020, which has increased by 0.73% to 1.07% at the end of the fourth quarter and jumped high in 2021 the third quarter of 7.26%. This increase triggers investors to wait and see on economic developments in Indonesia. In addition to the sluggish market as a result of the reduction of employees and poverty, the price increases issued by
producers also skyrocketed. Based on BPS data (2021), the price increase has started in the first quarter of 2020, which has increased by 0.73% to 1.07% at the end of the fourth quarter and jumped high in 2021 the third quarter of 7.26%. This increase triggers investors to wait and see on economic developments in Indonesia. In addition to the sluggish market as a result of the reduction of employees and poverty, the price increases issued by producers also skyrocketed. Based on BPS data (2021), the price increase has started in the first quarter of 2020, which has increased by 0.73% to 1.07% at the end of the fourth quarter and jumped high in 2021 the third quarter of 7.26%. This increase triggers investors to wait and see on economic developments in Indonesia.

Table 2 also shows that interest rates affect the decline in investment in Indonesia. These results are in line with research conducted by Susilawati, et al (2020), Habir and Wardana (2020), Goh, et al (2021) which states that there are fluctuations in the turnover of goods and services in the market so that the variability of returns on investment can be affected. Changes in the market can take the form of an economic recession, rising inflation, and many companies going out of business. This statement is in accordance with BPS data where in the second quarter of 2020, economic growth was -5.32%, inflation was 1.09%, and 10.1% or 34,538 business actors closed. Seeing these conditions, the Indonesian government made several policies such as increasing cooperation between countries, encouraging the creation of a job creation law and providing convenience for the one-door system documentation. This policy has indeed brought changes to the return of positive economic growth. But not for business actors who experienced a surge where 30.5% of demand for goods and services from small and medium entrepreneurs experienced a decline in turnover and went out of business and 69.02% needed an injection of funds (BPS, 2021).

The next variable is economic growth where economic growth has no effect on increasing investment. This result is in line with research conducted by Wicaksono and Uluwiyah (2020) and Xiang, et al (2021) which states that improvements in increasing economic growth are not always followed by increased investment. Investors are more concerned with the conditions of safety, comfort, and profit in trading (Haruhiko, 2020). Based on BPS data (2021), almost 60% of private consumption experienced a contraction in all fields such as in the retail sales sector, traditional markets and modern markets, experiencing a decline of 18.1% in 2020 and even deeper in 2021, which is 19.02%. Likewise, the real sector and the tourism sector decreased 7.6% in the third quarter of 2021.

**Conclusion**

Indonesia is one of developing countries which is need of investment excessively, both domestic investment and foreign investment during the current pandemic. Since the enactment of Law no. 25 of 2007 concerning investment, the government is increasingly pampering investors with various conveniences, such as the implementation of the one-door system and the job creation law, so that investors want to invest in Indonesia.

By using panel data regression, this study shows that inflation and economic growth have no effect on increasing investment. Even the interest rate even gives a decrease in investment even though the central bank has set a low interest rate, which is 3.5%.

This proves that the government is not only looking at it from the side of investors but also from small and medium businesses as well as people's purchasing power which has decreased, especially during the current pandemic. With many small and medium-sized entrepreneurs having financial difficulties and going out of business, the government should be present with firmness towards private banks to lower loan interest rates so that the small and medium business world can be excited again.

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**Author Contributions:** Conceptualization: R.R.; Methodology: R.R.; Data Collection: R.R.; Formal Analysis: R.R.; Writing-Original Draft Preparation: R.R.; Writing-Review and Editing: R.R. All authors have read and agreed to the published the final version of the manuscript.

**Institutional Review Board Statement:** Ethical review and approval were waived for this study, due to that the research does not deal with vulnerable groups or sensitive issues.

**Data Availability Statement:** The data presented in this study are available on request from the corresponding author. The data are not publicly available due to privacy.

**Conflicts of Interest:** The authors declare no conflict of interest.

**References**


