

## ABSTRACT

*This research explain about development of domestic commercial flight after government deregulation in 2001. Indonesia consist of thousand island with big population which needs transportation to achive good result in economic development. Transportation is very important and has a function as an artery of life economics development, sosial politics and mobility*

*The observation show important of air transportation which include commercial flight as a part of transportation. The deregulation of airlines industri in Indonesia leads to new airlines, with the development of these new airlines makes all area in these country covered, so its economics development will run faster in the country, especially in Indonesia.*

*This research use herfindahl index to count ratio consentration of airlines industri in Indonesia. From share market data we can get ekuivalent number by count it using Herfindahl index.*

*In conclusion, share market changed in airlines after the government deregulation. The center of consentration is not only for 2 or 4 big company only, but equally distributed to all of the airlines.*

*Key word : Comercial Flight, Mascapai, Transportation.*