The Analysis of Factors Affecting Economic Growth in Indonesia During 2014-2018

¹Dedy Setiawan, ²Ikhsan Nendi, ³Siti Komara

¹Islamic State University of Sunan Gunung Jati Bandung, Indonesia

²Mitra Yogyakarta Institute of Economic Science, Indonesia

³Paramadina University, Indonesia

¹dedy11setiawan@gmail.com, ²nendi.026@gmail.com, ³arrarahmiz99@gmail.com

Abstract

Economic growth must be built more fairly and equitably, reflecting the increasing role of the regions and the empowerment of all people, being competitive based on efficiency, as well as ensuring the sustainable use of natural resources and the environment. This study focuses on the factors that affect economic growth in the aspects of exports, imports, investment and labor wages to discover which aspects have the most influence in increasing economic growth in Indonesia during 2014-2018. In this research, the researchers use an explanatory research method with descriptive analysis and quantitative analysis methods and the analytical model used is *Fixed Effect Models*. The results showed that exports had a positive effect on economic growth, imports had no significant effect on economic growth, investment had no significant effect on economic growth and labor wages had a positive effect on economic growth. These results show that exports and labor wages affect economic growth in 2014-2018.

Keywords:

Export, Import, Investment, Labor Wages, Economic Growth