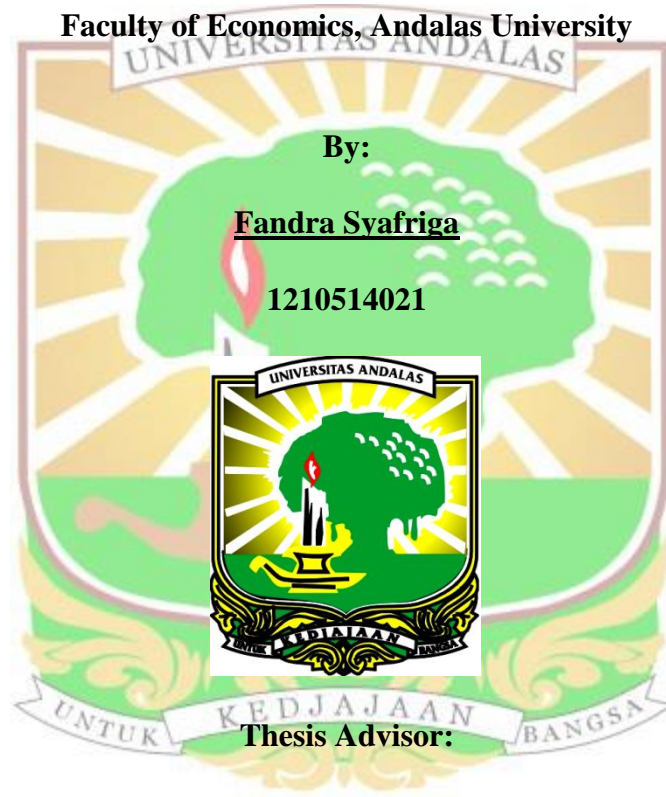


**INVESTIGATING THE RELATIONSHIP BETWEEN TOURISM
DEVELOPMENT AND GDP PER CAPITA IN SEVEN ASEAN COUNTRIES**

THESIS

**Prepared and submitted to fulfillment of the requirements to achieve the degree
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Faculty of Economics, Andalas University



Prof. Dr. H. Syafruddin Karimi, SE, MA

STUDY PROGRAM S-1 ECONOMICS FACULTY OF ECONOMICS

ANDALAS UNIVERSITY

PADANG

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ABSTRACT

Tourism is one sector of the economy with the potential to be developed to contribute to GDP. Tourism can boost economic growth both directly and indirectly. The objective this study is to investigate empirically the long-run relationship between tourism development and GDP per capita in seven ASEAN countries for the 1995-2014 period by using the recently developed panel cointegration technique. This study also to examines the causal relationship by using Granger Causality tests. The results of the FMOLS show that, there is a long-run relationship and positive effect between tourist arrivals and GDP per capita in the seven ASEAN countries. The results of the study find that a bidirectional causality between tourism and GDP per capita.

Keywords: *Tourism, GDP Per Capita, Panel Cointegration, Causality, ASEAN Countries.*

