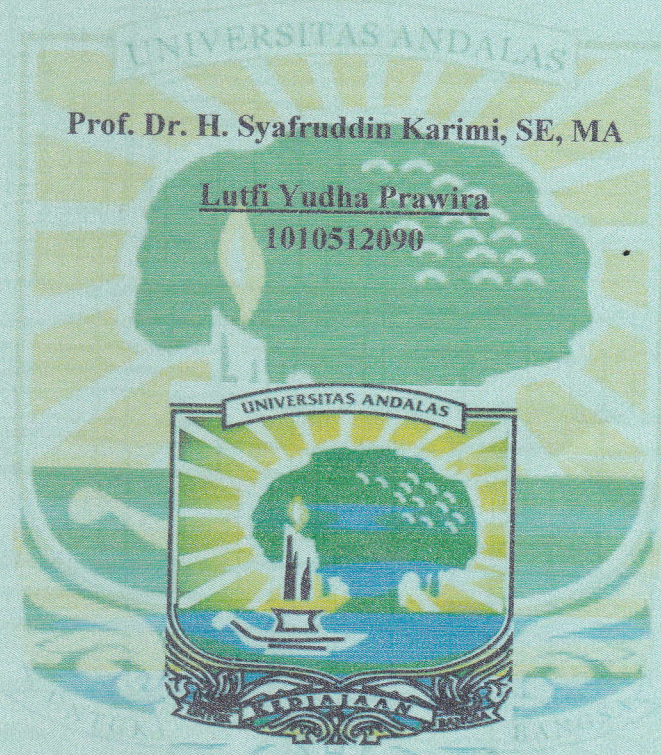


**THE IMPACT OF EXTERNAL DEBT ON ECONOMIC GROWTH IN  
INDONESIA 1996 - 2015**

**THESIS**

**Prepared and submitted to fulfillment of the requirements to achieve the  
Bachelor Degree of Economics in the Department of Economics**

**Faculty of Economy, Andalas University**




**Study Program S-1 Economics**

**Andalas University**

**Padang**

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## The Impact of External Debt on Economic Growth in Indonesia 1996 – 2015

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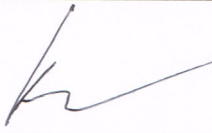
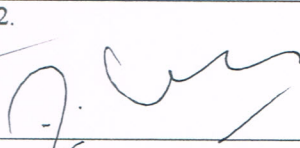
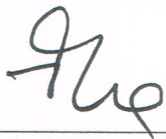
### ABSTRACT

*The aim of this research is to analysis the impact external debt on economic growth in Indonesia by using time series data from 1996 – 2015. Ordinary Least Square (OLS) is the method used in this research. The data collected from Portal Data Indomesia, World Bank, and Transparency. The result show all of independent variables have significant impact to economic growth in Indonesia. External Debt and Inflation has negative impact to economic growth in Indonesia. Corruption Perception Index has positive impact to economic growth in Indonesia. All of independent variables simultaneously have impact to economic growth in Indonesia. Coefficient of determination ( $R^2$ ) is 0.95. It means that the variation of dependent variable can explain by independent variables is 95%, when the rest is explained by factors outside the model*

**Keywords:** *GDP Growth Rate, External Debt, Inflation, Corruption Perception Index, and Ordinary Least Square.*

This thesis has been presented in the thesis examination and successfully passed the thesis examination on April 6<sup>th</sup>, 2017.

The abstract has been approved by the advisor and examiners:

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