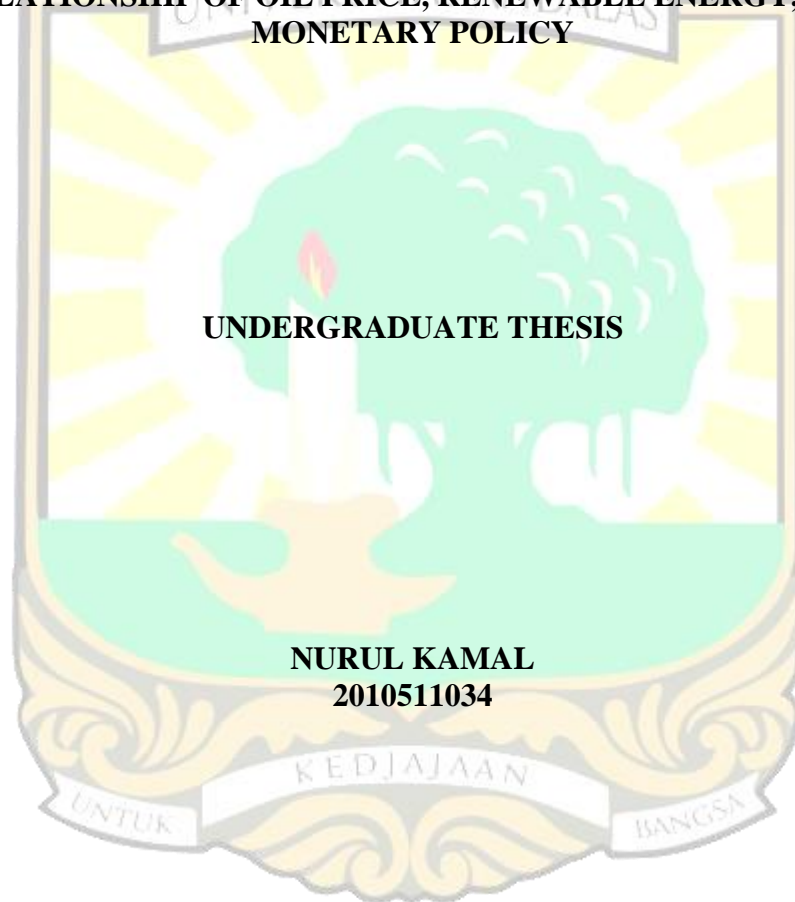




UNIVERSITAS ANDALAS

**FACING CHANGES IN THE FUTURE: EXPLORING THE
RELATIONSHIP OF OIL PRICE, RENEWABLE ENERGY, AND
MONETARY POLICY**



UNDERGRADUATE THESIS

**NURUL KAMAL
2010511034**

**FAKULTAS EKONOMI DAN BISNIS
DEPARTEMEN EKONOMI
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**Facing Changes in the Future: Exploring the Relationship of Oil Price,
Renewable Energy, and Monetary Policy**

by

Nurul Kamal

2010511034

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ABSTRACT

This study aims to analyze a comparison of the relationship of oil prices, renewable energy, and monetary policy in each group of country in the world. Masih banyaknya ketidak sesuaian hasil yang ditemukan oleh peneliti pendahulu terkait hubungan harga minyak bumi, energy terbarukan, dan kebijakan moneter pada kelompok negara di dunia menjadi ketertarikan bagi penulis untuk meneliti studi ini. This study using a quantitative approach by Panel Vector Error Correction Model (PVECM) to analyze more deeply the relationship of oil price, renewable energy, and monetary policy in each group of country in the world.

Based on the results found, in the overall results there is a negative and significant relationship between oil prices and renewable energy on interest rates in the short term. while in the long term there is a negative and significant relationship between oil and interest rates and a positive and insignificant relationship between renewable energy and interest rates. These results indicate that there is a need for policymakers to develop renewable energy so that monetary policy becomes more stable and effective in supporting economic growth in Indonesia and in all groups of countries in the world.

Keywords: Oil Price, Renewable Energy, Interest Rates, Monetary Policy, Indonesia

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