

**ANALYSIS OF THE EFFECTS OF ECONOMIC GROWTH ON ENERGY
DEMAND IN INDONESIA
THESIS**

By :

RIEKLMAIDLAKBAR

1210512046



Thesis Advisor:

Prof. Dr. Syafruddin Karimi, SE, MA


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UNIVERSITAS ANDALAS

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	University Alumnus Registrasion No:	RIFKI MAIDI AKBAR	Faculty Alumnus Registration No:
	Personal Identity		
a) Place/Date of Birth: Tarusan/ May 2 nd 1994 b) Parents Name: Harmaidi and Wildawati c) Faculty: Economics d) Department: Economics e) Student No: 1210512046 f) Date of Examination: March 3 rd 2019 g) Graduate Standard: Good h) GPA: i) Lenght of Study Period: 6 Years 7 Months j) Parent's Address: Komp. Griya Lestari Blok I No. 10 Kampung Jua Padang			

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Thesis by: Rifki Maidi Akbar
Thesis Advisor by: Prof. Dr. Syafruddin Karimi, SE, MA


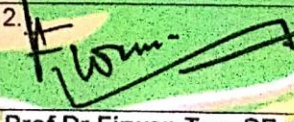
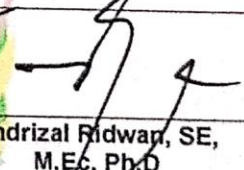
ABSTRACT

This study analized the growth of economic viewpoints to examine how energy demand effects economic growth in Indonesia. It utilizes 4 decades from 1970 – 2016 and the bound testing cointegration approach along with multivariate Granger Casuality by using VECM model to examine probable statistical relationship between the variables. Results based on bound test approach suggest that if economic growth increases then energy consumption increases. Unlike the short term, energy does not affect changes in economic growth. Meanwhile, the activity of trade openness and energy consumption is increasing where the authors hypothesize that energy demand will increase.

Keyword: FDI, Economic Growth, Fossil Fuel, Energy Demand, Gas Emission

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Signature	1. 	2. 	3. 
Full Name	Prof. Dr. Syafruddin Karimi, SE, MA	Prof. Dr. Firwan Tan, SE, M.Ec, DEA.Ing	Endrizal Ridwan, SE, M.Ec. Ph.D

Approved by:
 Head of Economics Department:

Endrizal Ridwan, SE, M.Ec, Ph.D
 NIP. 197209271998021001

Signature

The alumnus has registered to the Faculty of Economy of Andalas University and has obtained the Alumnus Registration Number.

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