



UNIVERSITAS ANDALAS

THE IMPACT OF GOOD GOVERNANCE ON ASEAN

ECONOMIC GROWTH

THESIS

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Abstract

The aim of this study is to analyzed the impact of Good governance on ASEAN economic growth. This study used secondary data from period 2008-2018 from World Bank. This study used panel data analysis. The model that used in this study is Fixed Effect Model (FEM). This study used Economic growth of ASEAN countries as a dependent variable and control corruption(cc), political stability (pv), voice and accountability (va) as an independent variable. This study is also used trade openness and foreign direct investment as control variable. Based on this study, good governance variable is not significant affecting economic growth of ASEAN countries. Because the quality of the institution of ASEAN countries is still poor. Based on the literature review, if the quality of institution in a country is poor, than it will not have direct impact to economic growth of a country. Control variable like FDI and trade openness is more significant affect the economic growth than the governance variable. It can conclude that good governance is not significantly affect the economic growth of ASEAN countries.

Key Word : Good governance, Economic growth , Control corruption, Political Stability, Voice and accountability, Foreign direct investment, Trade Openness

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