THE IMPACT OF INFRASTRUCTURE ON ECONOMIC GROWTH
IN INDONESIA: A REGIONAL STUDY

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ABSTRACT

The aims of study to obtain new empirical evidence regarding: the influence, infrastructure, roads, and electricity infrastructure to economic growth in Indonesia.

This study analyzes using panel data in 26 provinces in Indonesia in 2006 - 2013 in Indonesia, which was obtained from the Central Statistics Agency (BPS), the National Development Planning Agency (Bappenas), the World Bank, and Asian Development Bank (ADB) subsequently estimated by using a parameter estimation method Estimated Generalized Least Square (EGLS) Random Effect Approach.

The empirical findings of the study showed that positive and significant impact electrical infrastructure on economic growth. While the road infrastructure is not significant influence on economic growth. Taken together infrastructure roads, and electricity infrastructure significant effect on economic growth.

Keywords: economic growth, electrical infrastructure, road infrastructure. Significant