

ABSTRACT

Economic growth, especially at the present time, can be influenced by various factors, including the quality of the government to support the running of the country's economy. Economic growth is also supported by labour force, the level of public education, foreign investment which can be maximized as supporting factors. Trade openness is also an important aspect that cannot be separated from economic growth because it will not only support the economic system but also in terms of knowledge transfer and even existence in the global market. This study aims to see the effect of these variables on economic growth as well as a better understanding of the relationship between each variable and economic growth in 7 ASEAN countries (Association of Southeast Asian Nations) during 2000-2018. The 7 countries are developing countries, namely Indonesia, Malaysia, Thailand, the Philippines, Vietnam, Cambodia and Brunei Darussalam. The analytical method being use are descriptive analysis method and panel data regression analysis which aims to answer the research objectives.

The results showed that foreign direct investment, labour force, and school enrollment, university degrees had a positive and significant influence on economic growth in 7 ASEAN countries during the 2000-2018 period, which means that these variables actually had quite an important influence on economic growth in the case of this research. Trade openness, control of corruption, and political stability and absence of violence or terrorism have a positive effect but not significant. This shows that conventional factors are still the main supporting factors for economic growth in the 7 ASEAN countries

Based on research results, ASEAN countries must control the level of international trade both exports and imports so as not to depend on these sectors to support economic growth, and need to improve policies that reduce or even eradicate corruption and increase political or governmental stability to support the country's economy so that it can provide a greater level of trust in the state to be able to manage the economy both from the side of the public, economic actors, and investors both from within and outside the country. ASEAN countries need to maximize the huge labour force, pay attention to and improve the quality of education, and monitor and regulate FDI flows so that they can be used properly by formulating appropriate policies.

Keywords: Economic growth, trade openness, good governance.