International Journal of Economics, Management and Accounting

E-ISSN .: 3046-9376
P-ISSN .: 3048-0396

Research Article

The Influence of Foreign Debt, Foreign Investment, Inflation, and Non-Oil and Gas Exports on Indonesia's Economic Growth (1994-2023)

Suci Libernia Gulo [1]*, Ida Ayu Gde Dyastari Saskara [2], I Wayan Priyana Agus Sudharma [3]

[1] Fakultas Ekonomi dan Bisnis, Univeristas Udayana, Indonesia
Email: norikagulo@gmail.com
[2] Fakultas Ekonomi dan Bisnis, Univeristas Udayana, Indonesia
Email: norikagulo@gmail.com
[3] Fakultas Ekonomi dan Bisnis, Univeristas Udayana, Indonesia
Email: norikagulo@gmail.com

* Corresponding Author : Suci Libernia Gulo

Abstract, Economic growth is one of the main benchmarks for assessing a country's economic performance over time. Increased and sustainable economic growth are essential requirements for continued economic development. This study aims to explore the impact of foreign debt, foreign investment, inflation, and non-oil and gas exports, both individually and simultaneously, on economic growth in Indonesia. The data used in this study are time series for three decades, from 1994 to 2023. The methodology used in this study is multiple linear regression analysis, which aims to determine the effect of independent variables on dependent variables, both individually and simultaneously. The findings of this study indicate that simultaneously, foreign debt, foreign investment, inflation, and non-oil and gas exports have a significant impact on Indonesia's economic growth during the period 1994 to 2023. Separately (partially), foreign debt and inflation have a significant negative effect on Indonesia's economic growth in the period 1994 to 2023. On the other hand, foreign investment shows an insignificant negative impact on the country's economic growth in the same period. However, non-oil and gas exports have a significant positive impact on Indonesia's economic growth between 1994 and 2023.

Keywords: Foreign Debt, Foreign Direct Investment, Inflation, Indonesian Economic Growth, Non-Oil Gas Exports,.

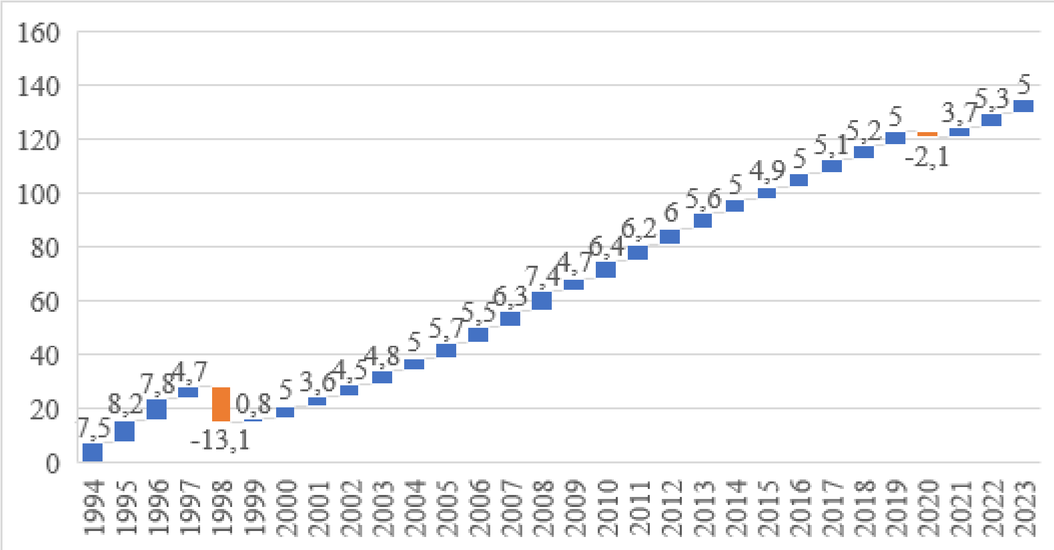
Received: February, 25 th 2025
Revised: February, 28 th 2025
Accepted: March, 01 th 2025
Published: March, 03 th 2025
Curr. Ver.: March, 03 th 2025

1. INTRODUCTION

Indonesia is a country that is in the development stage, rich in natural resources and abundant human resources. Although it has hopes of becoming independent and not dependent on other countries, the reality is that Indonesia still needs external assistance. In the current era of globalization, it is important for Indonesia to adapt and establish cooperation with various countries for the sake of national development progress.

The goal of national development is to improve the welfare of Indonesian citizens and society as a whole, with Pancasila and the 1945 Constitution as the basis and reference. The development process must be carried out evenly, fairly, and prosperously throughout all regions, not just centered on certain areas. This principle must be applied in various sectors, including economic, social, cultural, legal, and defense. To achieve these goals, the government needs to implement development programs based on the values of Pancasila and the 1945 Constitution.

One of the key indicators for evaluating a country's economic growth in a certain period is Gross Domestic Product (GDP) data. According to Rudriger (2006), GDP reflects the market value of final goods and services produced by resources in a country during a certain period, usually one year. Therefore, GDP plays a very important role in the economy, so that analysis of the various factors that influence it becomes very important (Arsyad, 2004).



Sumber: International Monetary Fund, 2024

Figure 1. Data on Indonesia's GDP (Economic Growth) Level (%)

Based on Figure 1, Indonesia's economic growth between 1994 and 2023 shows a fluctuating pattern, with periods of significant increases and decreases. One of the most important moments occurred in 1997-1998, when the Indonesian economy was destroyed by the monetary crisis that hit Asia. The crisis caused economic growth to plummet to -13.1%, even though in 1997 the growth rate reached 4.7%.

The Asian financial crisis that had a major impact on Indonesia began in July 1997, when Thailand took steps to eliminate its fixed exchange rate policy. This step triggered a significant devaluation of the Thai currency, which quickly had a tremendous impact on the entire Southeast Asia region. Indonesia was not spared from the shock of the crisis that hit at that time (Nirmaya et al., 2020).

After going through the monetary crisis, Indonesia's economic growth managed to reach 5% in 2000. Since then, the positive trend has continued. However, between 2008 and 2009, Indonesia's economic growth declined, dropping to 4.7% due to the impact of the global financial crisis (Sugema, 2012).

After facing a difficult period of crisis, Indonesia's economic growth showed significant progress by reaching 6.4% in 2010. However, in 2020, the arrival of the Covid-19 pandemic had a major impact, causing Indonesia's economic growth rate to be corrected to -2.1%. However, entering 2023, the Indonesian economy began to show signs of recovery, recording growth of 5%.

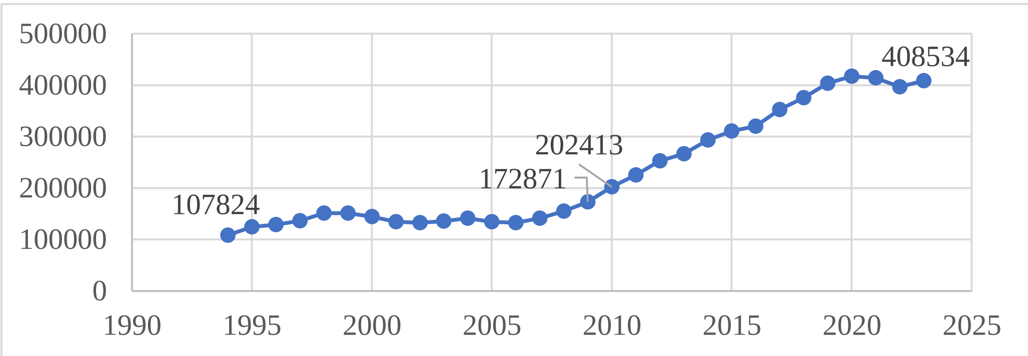
According to Khair and Rusydi (2016), it is hoped that sustainable economic growth can provide prosperity for the community and attract investment from abroad to a country. However, developing countries often face many obstacles due to lack of capital, which impacts their ability to develop optimally. This leads to an uneven distribution of income among the community, which then creates significant social inequality. Therefore, it is very important to carry out development that not only focuses on reducing this inequality, but also on improving the welfare of the community as a whole. To achieve these development goals, a large allocation of funds is needed. However, if it relies too much on the government budget, this can cause a deficit. The limited sources of domestic financing encourage the government to take strategic steps, one of which is by adopting a foreign debt policy as a solution to overcome the problem of the budget deficit (Warer and Setyari, 2021).

One way that is considered successful in overcoming the challenge of minimal local capital mobilization is to invite investment from abroad. The form of this investment can vary widely, such as aid, official development loans, private capital flows that include bilateral and multilateral debt, and foreign direct investment. In addition, there are also portfolio investments, bank loans, other commercial debts, and trade credits related to exports or imports. This external capital can be used for both public and private sectors (Bonokeling, 2016).

Capital flows provide significant opportunities for developing countries, including Indonesia, which require large amounts of funds to support their economic progress and growth. One solution to meet this funding requirement is through taking loans from other countries. Rudi et al., (2016) stated that one of the main reasons for using foreign loans is the limited savings in the country.

The financial crisis that hit Indonesia between 1997 and 1998 caused a significant increase in foreign debt, especially when viewed from the perspective of the value in rupiah. The decline in the value of the rupiah against the US dollar and other currencies in the world was the main factor causing this situation. To overcome this problem, the government was forced to make a decision to increase new debt in an effort to pay off debt that had matured. The addition of debt causes the obligation to pay principal and interest on debt to continue to increase every year. This has a negative impact on the performance of the State Budget, as seen from the continuous decline (Warer and Setyari, 2021).

Khodaparasti and Reza (2016) highlight the importance of government vigilance in dealing with increasing foreign debt, because this can result in undesirable results. Didu (2017) added that if foreign debt, especially those with high interest rates, is not properly controlled, it could pose a risk to Indonesia. On the other hand, Purwanti and Anggini (2024) show that the large amount of foreign debt adds to the burden on society through taxes set by the government. In addition, the surge in foreign debt also contributed to the decline in the rupiah exchange rate against foreign currencies, which ultimately had an impact on the increase in people's living costs. The government's responsibility to pay foreign debt when it matures will continue to put pressure on the value of the rupiah, because the repayment is made in foreign currency. This will increase demand for the currency, leading to a decline in the value of the rupiah. However, foreign debt is still the main source of covering the State Budget (APBN) deficit and also plays an important role in the growth of Gross Domestic Product (GDP), which can ultimately support economic development.



Sumber: Badan Pusat Statistik (2017) dan Kementerian Keuangan (2023)

Figure 2. Data on the Development of Indonesia's Foreign Debt (USD Million)

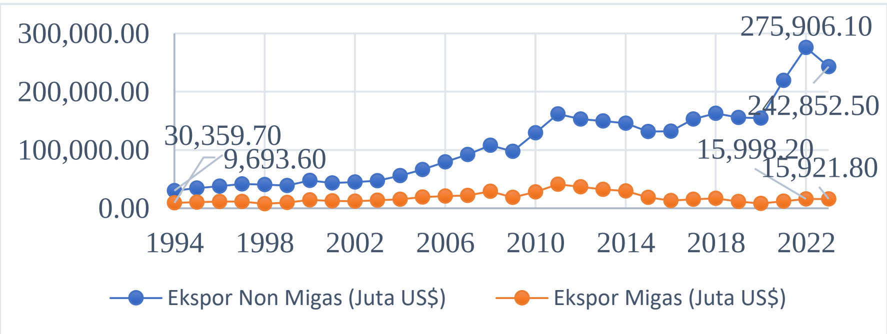
Figure 2 shows the development of Indonesia's foreign debt from 1994 to 2023. Between 2009 and 2010, Indonesia's foreign debt increased significantly, with a total increase reaching 17% or equivalent to 202,413 million USD. This sharp increase was due to the large amount of debt that matured in 2010 (Yudiarti et al., 2018). Overall, Indonesia's foreign debt shows a fairly prominent increasing trend every year. In 2023, Indonesia's foreign debt was recorded at 408,534 million USD. According to Fedihartono et al., (2023), fluctuations in the rupiah exchange rate or increases in the exchange rate can affect the amount of Indonesia's foreign debt, because the debt is paid off in foreign currency. In an interview with UNAIR News, Prof. Dr. Sri Herianingrum, SE., MSc emphasized that the increase in debt financing realization by 36% should be a warning signal for the Indonesian economy. He warned that without proper management, this debt could become a major burden for the government, especially in terms of principal and interest payments on debt (Nurdiansyarani, 2024).

To encourage quality economic growth, the government must actively seek new ways to obtain funds, both from domestic and international sources. The funds needed can come from foreign debt or from foreign investment. The role of foreign investment is very important in long-term development plans, especially in developing countries (Todaro, 2006:259). The presence of Foreign Investment is expected to support positive economic growth, although views on this matter vary. According to Todaro and Smith (2003), there are two different points of view on the existence of foreign capital. The first group believes that foreign investment can help fill the gap in terms of savings, foreign exchange, government revenue, and managerial capacity. With this, the desired growth and development goals can be achieved. However, there is also a skeptical group who doubts the positive benefits of foreign capital, especially related to multinational companies. They argue that foreign investment can reduce the level of domestic investment. Their concerns relate to the possibility that in the long term, foreign investment could actually cause a reduction in foreign exchange earnings due to increased imports of semi-finished goods and capital goods, as well as the remittance of profits, interest, royalties, and management fees to the company's home country.

Capital formation plays a very vital role in spurring economic development. On the other hand, inflation also has a major influence. Inflation is a term that describes a situation where the price of goods and services increases overall and continuously. This situation is often triggered by increasing demand, in line with the basic principle of the law of demand: the higher the need for a good, the greater the opportunity for the price of that good to increase, especially if the supply is limited (Sukirno, 2011).

Indonesia, with abundant natural resources such as minerals, agricultural products, and oil and gas, has great opportunities in global trade. This includes both exports, which send goods and services to other countries, and imports, which receive goods and services from abroad. The value of exports is closely related to Gross Domestic Product (GDP); an increase in exports can increase GDP growth if other factors are constant. In addition, people's income also affects the level of imports. Increases in national income usually increase the amount of goods imported. However, if the value of imports exceeds income from exports, the balance of payments can be negative and cause a deficit (Hasmarini and Murtiningsih, 2017).

For Indonesia, natural resources—derived from the oil and gas sector as well as non-oil and gas—are an important foundation in building competitive advantage. Therefore, these goods can be marketed through exports. International transactions offer many advantages, including the opportunity to obtain products at lower costs, which can then be resold on the world market at higher rates. International trade activities are often affected by variations in the prices of goods in various countries (Nopirin, 1997).



Sumber: Badan Pusat Statistik, 2024

Figure 3. Data on Development of Oil and Gas and Non-Oil and Gas Export Values (USD Million)

In Figure 3, it can be seen that in 1994, the value of Indonesia's oil and gas exports reached 9,693.60 million USD, while the value of exports outside the sector was much higher, reaching 30,359.70 million USD. In the following years, non-oil and gas exports showed very significant growth every year, much faster than oil and gas exports. Until 2023, the value of non-oil and gas exports had increased rapidly to 242,852.50 million USD, while oil and gas exports only reached 15,921.80 million USD in the same year.

Changes in Indonesia's export structure were influenced by the decline in oil prices on the international market which reached their lowest point in the 1980s. To overcome this problem, the government issued various policies and deregulated the export sector in the hope of encouraging producers to increase non-oil and gas exports. These policies and deregulations have had a major impact on the growth of non-oil and gas exports, making them the main commodity in Indonesia's export development to date (Haryani and Asrida, 2021).

Economic growth is an important measure to assess a country's economic progress. Therefore, the study of economic growth is very interesting to study. This study aims to identify the factors that influence Indonesia's economic growth from 1994 to 2023.

During that time, Indonesia has gone through a financial crisis that had a very large impact. One of the effects of the crisis was the soaring foreign debt, which also affected the country's economic growth. Given this issue, this study aims to investigate how foreign debt, foreign investment, inflation rates, and non-oil and gas exports have played an important role in Indonesia's economic development from 1994 to 2023.

2. RESEARCH METHODS

This study uses a quantitative approach with an associative method to explore the causal relationship between research variables. The study was conducted in Indonesia, which experiences changes in economic growth every year. Over the past few years, Indonesia has experienced significant economic progress. Based on Ramadhan et al., (2023), the oil and gas export sector and commodities other than oil and gas play a crucial role in the national economy.

Researchers will use secondary data obtained from other sources and not from primary sources. Data collection methods include literature reviews, annual report analysis, document studies, and references to previous research. Various references and publications from official institutions such as the International Monetary Fund, Ministry of Finance, Ministry of Investment, Bank Indonesia, and the Central Statistics Agency will be used as reference sources. The data to be examined covers a time span from 1994 to 2023.

The time series data used covers 30 years, and the multiple linear regression method is applied to analyze the effect of independent variables on dependent variables both simultaneously and partially.

3. DATA AND DISCUSSION OF RESEARCH RESULTS

Research Data Analysis Results

Descriptive Test

Table 1. Results of Descriptive Statistical Analysis

	Pertumbuhan Ekonomi (Y)	Utang Luar Negeri (X1)	Penanaman Modal Asing (X2)	Inflasi (X3)	Ekspor Non-Migas (X4)
Mean	4,490000	228697,4	20639,00	8,728667	109256,9
Median	5,000000	163975,5	18518,00	6,435000	102693,0
Maximum	8,200000	416935,0	50268,00	77,63000	275906,1

Minimum	-13,10000	107824,0	3149,000	1,680000	30359,70
Std. Dev.	3,848004	110118,9	12722,38	13,52662	66680,84
Observations	30	30	30	30	30

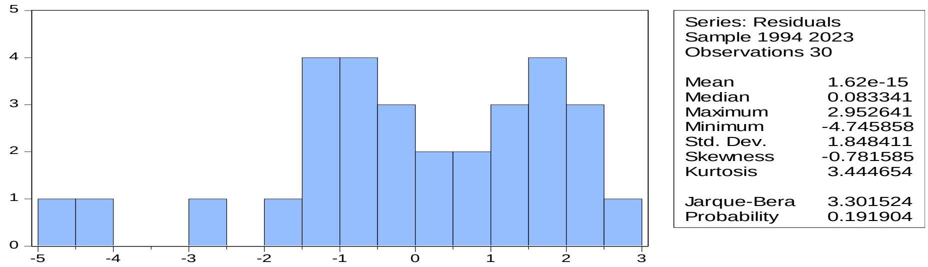
Sumber: Data Diolah, 2024

Table 1 illustrates that the average for the Economic Growth variable is in the range of 4.49, with values varying between -13.1 to 8.20 and a recorded standard deviation of 3.848004. As for the Foreign Debt variable, the average is around 228697.4, with variations between 107824.0 to 416935.0 and a standard deviation reaching 110118.9. Meanwhile, for the Foreign Investment variable, the average value is in the range of 20639.00, with a range from 3149,000 to 50268.00 and a recorded standard deviation of 12722.38. For the Inflation variable, the average is around 8.728667, with a range between 1.680000 to 77.63000 and a standard deviation recorded at 13.52662. On the other hand, the Non-Oil and Gas Export variable has an average close to 109256.9, with a variability between 30359.70 to 275906.1 and a standard deviation recorded at 66680.84.

Classical Assumption Test

Normality Test

Table 2. Results of the Jarque-Bera Normality Test



Sumber: Data Diolah, 2024

Based on information from table 2, the Jarque-Bera probability is recorded at 0.191904. This figure is greater than the 5 percent significance level (0.05). Therefore, the data in the study covering Economic Growth (Y), Foreign Debt (X1), Foreign Investment (X2), Inflation (X3), and Non-Oil and Gas Exports (X4) are considered to have a normal distribution.

Multicollinearity Test

Table 3. Multicollinearity Test Results

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0,972391	7,360494	NA
Utang Luar Negeri	0,000000000062	30,06019	5,503590
Penanaman Modal Asing	0,0000000023	10,12609	2,720258
Inflasi	0,000835	1,599662	1,118046
Ekspor Non-Migas	0,000000000155	19,06631	5,047635

Sumber: Data Diolah, 2024

Based on table 3 above, the Variance Inflation Factor (VIF) value for foreign debt is recorded at 5.503590, while foreign investment reaches 2.720258, inflation is 1.118046, and non-oil and gas exports show a value of 5.047635. All of these variables have VIF values below 10. Therefore, we can conclude that this model does not show signs of multicollinearity.

Heteroscedasticity Test

Table 4. Results of Heteroscedasticity Test with ARCH

Heteroskedasticity Test: ARCH

F-statistic	0,005332	Prob. F(1,27)	0,9423
Obs*R-squared	0,005726	Prob. Chi-Square(1)	0,9397

Sumber: Data Diolah, 2024

Based on table 4, it can be seen that the Chi-Square probability value is at 0.9397. This number exceeds α = 0.05, which indicates that there is no heteroscedasticity problem in this model.

Autocorrelation Test

Table 5. Autocorrelation Test Results

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0,452099	Prob. F(2,23)	0,6418
Obs*R-squared	1,134778	Prob. Chi-Square(2)	0,5670

Sumber: Data Diolah, 2024

Based on table 5, the Chi-Square probability value is recorded at 0.5670, which exceeds α at the 0.05 level. This indicates that in the analyzed model, there is no indication of autocorrelation, because the Chi-Square probability value is greater than α = 5%.

Multiple Linear Regression Analysis

Table 6. Multiple Linear Regression Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9,578053	0,986099	9,713075	0,0000
Utang Luar Negeri	-0,0000249	7,88E-06	-3,165442	0,0040
Penanaman Modal Asing	-0,0000391	4,79E-05	-0,815649	0,4224
Inflasi	-0,240092	0,028898	-8,308219	0,0000
Ekspor Non-Migas	0,0000322	1,25E-05	2,583518	0,0160
R-squared	0,769258	Mean dependent var		4,490000
Adjusted R-squared	0,732340	S.D. dependent var		3,848004
S.E. of regression	1,990800	Akaike info criterion		4,365962
Sum squared resid	99,08212	Schwarz criterion		4,599495
Log likelihood	-60,48943	Hannan-Quinn criter.		4,440671
F-statistic	20,83656	Durbin-Watson stat		1,595896
Prob(F-statistic)	0,000000			

Source; Processed Data, 2024

Based on the results of the regression test in table 6, the multiple linear regression analysis equation for this study is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \mu$$

$$PE = 9{,}578053 - 0{,}0000249\ ULN - 0{,}0000391\ PMA - 0{,}240092\ INF + 0{,}0000322\ Ex\ Non\text{-}Migas$$

The regression result equation can be explained as follows:

a) The constant value of 9.578053 indicates that without changes in foreign debt, foreign investment, inflation, and non-oil and gas exports, economic growth is estimated to increase by 9.578053 percent.

b) The regression coefficient of foreign debt is negative -0.0000249, meaning that an increase in foreign debt of 1 million USD causes economic growth to decrease by -0.0000249. And vice versa.

c) Meanwhile, the regression coefficient of foreign investment also shows a negative number of -0.0000391, where an increase of 1 million USD reduces economic growth by -0.0000391. And vice versa.

d) The regression coefficient of inflation is recorded as negative -0.240092, stating that a 1% increase in inflation reduces economic growth by -0.240092. And vice versa.

e) Meanwhile, the regression coefficient for non-oil and gas exports shows a positive figure of 0.0000322, where every increase of 1 million USD will increase economic growth by 0.0000322. And vice versa.

Hypothesis Testing

t-test (Partial Test)

Table 7. Partial Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9,578053	0,986099	9,713075	0,0000
Utang Luar Negeri	-0,0000249	7,88E-06	-3,165442	0,0040
Penanaman Modal Asing	-0,0000391	4,79E-05	-0,815649	0,4224
Inflasi	-0,240092	0,028898	-8,308219	0,0000
Ekspor Non-Migas	0,0000322	1,25E-05	2,583518	0,0160

Sumber: Data Diolah, 2024

The results of the t-test can be seen in Table 7 above. If the probability value of t count is greater than 0.05, then it can be concluded that the independent variable does not have a significant effect on the dependent variable. The following is an explanation of the results of the t-test for each independent variable:

a) The Foreign Debt variable has a t-value of -3.165442 with a Prob. (significance) value of 0.0040 (<0.05) so it can be concluded that H0 is rejected and H1 is accepted, indicating that Foreign Debt has a negative and significant effect on Indonesia's Economic Growth.

b) The Foreign Investment variable has a t-value of -0.815649 with a Prob. (significance) value of 0.4224 (>0.05), so H0 is accepted and H1 is rejected, meaning that Foreign Investment has a negative and insignificant effect on Economic Growth.

c) The Inflation variable has a t-value of -8.308219 with a Prob. (significance) of 0.0000 (<0.05), so H0 is rejected and H1 is accepted, indicating that Inflation has a negative and significant effect on Indonesia's Economic Growth

d) The Non-Oil and Gas Export variable has a t-value of 2.583518 with a Prob. value (significance) of 0.0160 (<0.05) so H0 is rejected and H1 is accepted, indicating that Non-Oil and Gas Exports have a positive and significant effect on Indonesia's Economic Growth.

F-Statistic Test (Overall Test)

The impact of independent variables such as foreign debt (X1), foreign investment (X2), inflation rate (X3), and non-oil and gas exports (X4) simultaneously on the dependent variable, namely economic growth (Y) can be analyzed by comparing the probability value of the F-statistic with $\alpha = 0.05$. Based on table 6, the probability of the F-statistic has a value of 0.000000 which is smaller than $\alpha = 0.05$. This means that H0 is rejected and H1 is accepted. Thus, these variables simultaneously have a significant influence on Indonesia's economic growth.

Analysis of the Determination Coefficient (R-Square / R2)

The purpose of testing the coefficient of determination is to see how well the model explains the differences in the variables studied. The adjusted R2 figure is used to assess the optimal regression model, because its value can change with the addition or reduction of independent variables. The test results show that the adjusted R2 is 0.732340 or 73.2%, which means that 73.2% of the variation in Indonesia's economic growth can be explained by foreign debt, foreign investment, inflation, and non-oil and gas exports, while 26.8% is caused by other factors.

Discussion of Research Results

The Effect of Foreign Debt (X1) on Indonesia's Economic Growth (Y) 1994-2023

Referring to table 7, the foreign debt variable (X1) shows a probability of 0.0040 which is smaller than 0.05 and a t-value of -3.165442. This indicates that the foreign debt variable has a negative and significant effect on economic growth (Y) in Indonesia. The regression coefficient for the foreign debt variable is recorded at -0.0000249, which means that an increase in foreign debt will reduce Indonesia's Economic Growth by -0.0000249. This study shows that the foreign debt variable has a significant negative impact partially on Indonesia's Economic Growth. This result is not in line with the hypothesis proposed, which argues that foreign debt has a positive partial effect on economic growth.

The findings of this study are in line with the results stated by Syaparuddin et al., (2015), which revealed that the effect of foreign debt on the economic growth of ASEAN countries is negative and significant. This result is also in line with the study by Saputra and Kesumajaya (2016), and Yuliana et al., (2023), which emphasized that foreign debt has a negative and significant effect on economic growth.

The Effect of Foreign Investment (X2) on Indonesia's Economic Growth (Y) 1994-2023

Based on the existing table, the foreign investment variable (X2) shows a probability of 0.4224 which is greater than 0.05 and a t-value of -0.815649. This means that we can conclude that foreign investment has an insignificant negative impact on economic growth (Y) in Indonesia. The regression coefficient for the foreign investment variable is recorded at -0.0000391, which indicates that every time foreign investment increases, Indonesia's economic growth will decrease by -0.0000391. This finding contradicts the hypothesis that foreign investment has a negative and insignificant effect individually on Indonesia's economic growth. This result is also inconsistent with the hypothesis that suggests that foreign investment has a positive effect individually on economic growth.

This study shows that foreign investment (PMA) has a negative and insignificant effect on Gross Domestic Product and economic growth, in line with the findings of Rofii and Ardyan (2017), Andriani et al., (2021) and Asiyan's research (2013) which states that foreign investment does not have a significant impact on economic growth in East Java. Fluctuations in PMA reflect the low confidence of domestic investors in East Java, caused by problems with infrastructure governance and communication between entrepreneurs and the government. Good infrastructure, especially transportation, is essential to increasing economic efficiency and reducing distribution costs**.**

The Effect of Inflation (X3) on Indonesia's Economic Growth (Y) 1994-2023

Based on table 7, the inflation variable (X3) has a probability of 0.0000 <0.05 and a calculated t value of -8.308219, so it can be concluded that the inflation variable has a negative and significant effect on Indonesia's economic growth (Y). The regression coefficient of the inflation variable is -0.240092, which means that if inflation increases, it will reduce Indonesia's Economic Growth by -0.240092. The results of this study are in accordance with the hypothesis proposed that inflation has a negative and significant partial effect on Indonesia's economic growth.

The results of this study are in line with research conducted by Ardiansyah (2017) which states that the inflation variable has a significant and negative effect on economic growth in Indonesia. Likewise, research conducted by Rofii and Ardyan (2017) stated that the inflation variable has a negative and significant effect on economic growth in East Java, as well as research conducted by Syafi'i et al., (2021) which states that inflation partially also has a negative and significant effect on economic growth on the economic growth of ASEAN countries.

The Effect of Non-Oil and Gas Exports (X4) on Indonesia's Economic Growth (Y) 1994-2023

Data from table 7 shows that the non-oil and gas export variable (X4) has a probability of 0.0160 <0.05 and a t-value of 2.583518. This shows that non-oil and gas exports have a positive and significant impact on economic growth (Y) in Indonesia. The regression coefficient for non-oil and gas exports is 0.0000322, which shows that an increase in non-oil and gas exports will increase Indonesia's economic growth by 0.0000322. The results of this study are in accordance with the hypothesis proposed that non-oil and gas exports have a positive and significant partial effect on Indonesia's economic growth.

This study shows that non-oil and gas exports have a positive and significant impact on economic growth, in accordance with the findings of Ramadhan et al., (2023) and other studies by Siregar (2019), Nurdani and Puspitasari (2023), and Ginting (2017). According to Nurdani and Puspitasari (2023), more goods and services exported will increase domestic production and export revenues. In other words, higher non-oil and gas export values will increase production and foreign exchange earnings, which will support resources and investment, thereby driving higher economic growth.

4. CONCLUSION

Based on the analysis that has been carried out, there are several conclusions that can be conveyed as follows:

1. Simultaneously, the variables of foreign debt, foreign investment, inflation, and non-oil and gas exports have a significant effect on Indonesia's economic growth in 1994-2023.
2. Partially, the variables of foreign debt (X1), inflation (X3), non-oil and gas exports (X4) have a significant effect on Indonesia's economic growth. Meanwhile, the variable of foreign investment (X2) does not show a significant effect on Indonesia's economic growth in 1994-2023.

References

[1] Andriani, V., Muljaningsih, S., & Asmara, K. (2021). Analisis Pengaruh Penanaman Modal Asing, Ekspor, Utang Luar Negeri, dan Tingkat Inflasi Terhadap Produk Domestik Bruto Indonesia. Equilibrium: Jurnal Ilmiah Ekonomi, Manajemen dan Akuntansi, 10(2).

[2] Ardiansyah, H. (2017). Pengaruh Inflasi Terhadap Pertumbuhan Ekonomi di Indonesia. Jurnal Pendidikan Ekonomi, 5(3).

[3] Arsyad, L. (2004). Ekonomi Pembangunan, Bagian Penerbitan STIE YKPN.

[4] Asiyan, S. (2013). Pengaruh Penanaman Modal Dalam Negeri, Penanaman Modal Asing, dan Ekspor Terhadap Pertumbuhan Ekonomi Jawa Timur. Jurnal Pendidikan Ekonomi (JUPE), 1(3).

[5] Badan Koordinasi Penanaman Modal, "Data Statistik," diakses 28 Agustus 2024, https://nswi.bkpm.go.id/data_statistik.

[6] Badan Pusat Statistik, "Nilai Ekspor Migas-NonMigas," diakses 28 Agustus 2024, https://www.bps.go.id/id/statistics-table/2/MTc1MyMy/nilai-ekspor-migas-nonmigas.html.

[7] Badan Pusat Statistik, "Posisi Utang Luar Negeri Indonesia Menurut Kelompok Peminjam (juta US$) 2005-2016," diakses 28 Agustus 2024.

[8] Bank Indonesia, "Data Inflasi," diakses 28 Agustus 2024. https://www.bi.go.id/id/statistik/indikator/data-inflasi.aspx.

[9] Bank Indonesia. (2020). Vol: X Desember 2020 Statistik Utang Luar Negeri Indonesia. Bank Indonesia dan Kementerian Keuangan.

[10] Bonokeling, D. E. (2016). Pengaruh Utang Luar Negeri, Tenaga Kerja, dan Ekspor Terhadap Produk Domestik Bruto di Indonesia tahun 1986-2015. Jurnal Pendidikan dan Ekonomi, 5(5), hal. 427–435. https://journal.student.uny.ac.id/index.php/ekonomi/article/view/4165/3822

[11] Didu, S. (2017). Pengaruh Utang Luar Negeri dam Penanaman Modal Asing (PMA) terhadap Pertumbuhan Ekonomi di Indonesia. Jurnal Ekonomi-Qu, 7(2). www.bps.go.id

[12] Direktorat Jenderal Pengelolaan Pembiayaan dan Risiko Kementerian Keuangan Republik Indonesia, "Statistik Utang Luar Negeri Indonesia," diakses 28 Agustus 2024.

[13] Fedihartono, C. M., Virjannah, N. A., & Yasin, M. (2023). Pengaruh Kurs Terhadap Pengangguran, Utang Luar Negeri, Neraca Perdagangan, dan Pertumbuhan Ekonomi di Indonesia. Trending: Jurnal Ekonomi, Akuntansi Dan Manajemen, 1(3), hal. 01–13. https://doi.org/10.30640/trending.v1i3.1111

[14] Ginting, A. M. (2017). Analisis pengaruh ekspor terhadap pertumbuhan ekonomi Indonesia. Buletin Ilmiah Litbang Perdagangan, 11(1), hal. 1-20.
[15] Haryani, & Asrida. (2021). Pengaruh Investasi Asing Langsung Dan Nilai Tukar Terhadap Ekspor Di Indonesia. Jurnal Ilmiah Sains, Teknologi, Ekonomi, Sosial Dan Budaya, 5(5), hal. 25–28.
[16] Hasmarini, M. I., & Murtiningsih, D. (2017). Causality Analysis of Non-Oil Exports by Economic Growth Method Using Final Prediction Error. Journal of Economic Development: Economic Issues and Development Studies, 4 (2), 147-161.
[17] International Monetary Fund, "Indonesia: Data Mapper - Nominal GDP," diakses 28 Agustus 2024, https://www.imf.org/external/datamapper/NGDPD@WEO/IDN.
[18] Khair, M., & Rusydi, B. U. (2016). Analisis Pengaruh Utang Luar Negeri (Foreign Debt) Dan Penanaman Modal Asing (PMA) Terhadap Nilai Produk Domestik Bruto (PDB) Indonesia. Economics, Sosial, and Development, 3(1), 82.
[19] Khodaparasti, Ramin Bashir and Reza Mohammadpour. (2016). The Effect Of External Debt On Real Economic Sector In Selected CESEE Countries. Journal Amfiteatru Economic, 18(43), 548-556.
[20] Nirmaya, D. N., Farabi, F. F., & Lumbantobing, I. A. (2020). Pengaruh Krisis Moneter dan Nilai Tukar terhadap Inflasi di Indonesia. Jurnal Pendidikan Ekonomi Indonesia, 2(1), 129–141.
[21] Nopirin. (1997). Ekonomi Internasional (Edisi Ketiga). Yogyakarta: BPFE.
[22] Nurdani, A. S., & Puspitasari, D. M. (2023). Pengaruh ekspor impor terhadap pertumbuhan ekonomi pada tahun 2009–2019 di Indonesia. Fair Value: Jurnal Ilmiah Akuntansi dan Keuangan, 5(8), 3450-3455.
[23] Nurdiansyarani, R. E. (2024). Utang Pemerintah Melonjak 36%, Ini Tanggapan Pakar Ekonomi UNAIR. Diakses pada 31 Januari 2025 dari https://unair.ac.id/utang-pemerintah-melonjak-36-ini-tanggapan-pakar-ekonomi-unair/#:~:text=%E2%80%9CJumlah%20utang%20yang%20terus%20meningkat,besar%2C%E2%80%9D%20jelas%20Prof%20Ria.
[24] Purwanti, N., & Anggini, M. D. (2024). Telaah Manajemen Utang Luar Negeri Indonesia Dan Rekomendasi Kebijakan Dalam Perspektif Ekonomi Syariah. Jurnal Ilmiah Manajemen, 15(3), 639–648.
[25] Ramadhan, R. W., Iqbal, F., Utamy, N. P., & Ananda, A. N. (2023). Pengaruh Ekspor Sektor Migas dan Nonmigas Terhadap PDB Indonesia. JEMeS-Jurnal Ekonomi Manajemen dan Sosial, 6(2), hal. 62-71. https://doi.org/10.56071/jemes.v6i2.602
[26] Rofii, A. M., & Ardyan, P. S. (2017). Analisis Pengaruh Inflasi, Penanaman Modal Asing (PMA) Dan Tenaga Kerja Terhadap Pertumbuhan Ekonomi di Jawa Timur. JEB 17 Jurnal Ekonomi & Bisnis, 2(1), hal. 303–316. https://jurnal.untag-sby.ac.id/index.php/JEB17/article/view/1100
[27] Rudi, M. I., Rotinsulu, T. O., & Tenda, A. (2016). Pengaruh Utang Luar Negeri Dan Penanaman Modal Asing Terhadap Pertumbuhan Ekonomi Indonesia Periode Tahun 2009.3-2014.4. Jurnal Berkala Ilmiah Efisiensi, 16(2), hal. 325–333.
[28] Rudriger, Dornbush. (2006). Ekonomi Makro. Edisi Kedelapan. Jakarta: Media Global Edukasi
[29] Saputra, I. G., & Kesumajaya, I. W. W. (2016). Pengaruh utang luar negeri, ekspor, dan impor terhadap pertumbuhan ekonomi indonesia periode 1996-2013. E-Jurnal Ekonomi Pembangunan Universitas Udayana, 5(4), hal. 385-412.
[30] Siregar, I. M., Pratiwi, I., Nurhasanah, & Sinaga, S. (2019). Pengaruh Ekspor Terhadap Pertumbuhan Ekonomi dI Indonesia Periode Tahun 2013-2017. Jurnal Ekonomi Pendidikan, 7, 46–54.
[31] Sugema, I. (2012). Krisis Keuangan Global 2008-2009 dan Implikasinya pada Perekonomian Indonesia. Jurnal Ilmu Pertanian Indonesia (JIPI), 17(3), 145–152.
[32] Sukirno, Sadono. (2011). Ekonomi Pembangunan Proses, Masalah dan Dasar Kebijakan. Prenada Media Grup : Jakarta.
[33] Syafi'i, I., Syakur, F. A., & Wibowo, M. G. (2021). Pengaruh Utang Luar Negeri, Inflasi, Dan Pendapatan Negara Terhadap Pertumbuhan Ekonomi: Studi Di 6 Negara Asean. Jurnal Ilmu Ekonomi, 2(1), hal. 36–43.
[34] Syaparuddin, Umiyati, E., & Kusuma, J. (2015). Pengaruh Hutang Luar Negeri Terhadap Pertumbuhan Ekonomi Indonesia, Thailand, Malaysia, Filipina, Vietnam Dan Burma Periode 1990-2013. Jurnal Paradigma Ekonomika, 10(01). https://doi.org/10.22437/paradigma.v10i1.3650
[35] Todaro, M. P. dan Smith, S. C. (2003). Pembangunan Ekonomi di Dunia Ketiga. Munandar dan Puji [Penerjemah]. Jakarta: Erlangga.
[36] Todaro, M. P., & Smith, S. C. (2006). Pembangunan ekonomi. Jakarta: Erlangga.
[37] Warer, I. R., & Setyari, N. P. W. (2021). Pengaruh Ekspor Migas, Penanaman Modal Asing, Utang Luar Negeri, Dan Inflasi Terhadap Pertumbuhan Ekonomi Indonesia. E-Jurnal Ekonomi Dan Bisnis Universitas Udayana, 10(12), hal. 1063-1076. https://doi.org/10.24843/eeb.2021.v10.i12.p02
[38] Yudiarti, T., Emilia, & Mustika, C. (2018). Pengaruh utang luar negeri, tingkat suku bunga dan neraca transaksi berjalan terhadap nilai tukar Rupiah terhadap Dolar Amerika Serikat. E-Journal Perdagangan Industri Dan Moneter, 6(1), hal. 14–22. https://doi.org/10.22437/pim.v6i1.4448
[39] Yuliana, S., Aida, N., Taher, A. R., & Suparta, I. W. (2023). The Effect Of Foreign Debt, Foreign Direct Investment, And Inflation On Economic Growth In 7 Asean Countries For The Period 2012-2020. International Jurnal Islamic Education, Research and Multiculturalism, 5(2), hal. 247–257.