

ABSTRACT

The shift in the economic structure from the agriculture-based sector to the industrial sector has made the industrial sector play an important role in the economy of a country. The industrial sector is a leading sector that can drive other growth (Arifin, 2012). Currently industrial development is a development strategy and government policy in each country with the aim of increasing economic growth and ultimately achieving the status of a developed country (Loto, 2012). The objectives of this study are to analyze the influence of trade openness, foreign direct investment, labor and technology on industrial growth in 8 Asia emerging market countries. The method used in this research is regression method by using fixed effect panel data. The data used in this research is industrial data of ISIC 10-15 divisions and includes manufacturing division ISIC 15-37 period 2010-2018.

The results showed that trade openness, foreign direct investment, labor and technology simultaneously have a significant impact on industrial growth in 8 Asia emerging market countries (China, India, Indonesia, Korea, Malaysia, Pakistan, Philippines, and Thailand). Meanwhile, partially foreign direct investment and technology both have a positive and significant impact on industrial growth, while trade openness and labor both have a negative and significant impact on industrial growth.

Keywords: *Industrial growth, emerging markets, panel data regression, trade openness, Cobb-Douglas production function*