ABSTRACT

The potential of oil and gas resources is one of the biggest sources income for several countries in the world, including Indonesia. This income can increase economic growth in the country itself. Oil and gas energy sources that continue to be produced will bring results and increases the contribution of oil and gas to economic growth, therefore this study was conducted to analyze the first, the causal relationship between the variables of economic growth to the variables of oil and gas exports, oil and gas imports, gloal price oil and gas or vice versa. Second, analyze the long-term and short-term relationship between the dependent variable and the independent variable.

This study uses time series data from the first quarter of 2010 to the third quarter of 2021. The data used is secondary data, taken from the Central Statistics Agency, Bank Indonesia, and the Federal Reserve Economic Data. The analytical method used is the Granger Causality test to see the causal relationship. Another test that is carried out is the Error Correction Model (ECM) test to see the long-term and short-term effects of the dependent variable on the independent variable.

The results showed that the export variable and economic growth only had a one-way causality relationship. Economic growth significantly affects exports but not vice versa. Import variables and global oil prices both have a one-way causal relationship with economic growth. Imports and global oil prices have a significant effect on economic growth but not vice versa. The variables of global gas prices and economic growth have a two-way causality. Global gas prices significantly affect economic growth and economic growth significantly affects global gas prices. The results of the analysis of the long-term and short-term effects are that there is a long-term balance with evidence of cointegration between variables. The ECM model for the short term used has proven valid because the results of the Error Correction Term (ECT) are significant. Export and import variables have inverse results, exports have a negative effect while import have a positive effect on economic growth, which means that if exports increase, economic growth will decrease and when imports increase, economic growth also increases. In the long and short term, the variables of exports and imports are significant. Variable global oil and gas prices do not have a significant effect on economic growth both in the long and short term.

Keywords: Economic Growth, Exports, Global Prices, Imports, Oil and Gas