

ABSTRACT

This research was purposed to analyze the the influence of demographic transition towards economic growth in ASEAN. This research using Solow Swan method to explain economic growth through capital accumulation, population growth and technology progress in steady state and Bloom and Williamson (1998) theory, that shows demographic transition effect the dependent and working age population growing at different rate. The working age population will trigger the demand of productive working age population, improve the quality of life and increase the saving and investment for rapid economic growth.

The source of data comes from data panel that embrace five countries in ASEAN that is Philipines, Indonesia, Malaysia, Singapore and Thailand in 1968-2012. The analysis method using Fixed Effect Method. Dependent variable is measured by income per capita growth and independent variable measured by population growth, young age population growth, working age population growth ,elderly population growth and natural log working age, and control variable are gross capital formation, gross domestic product per capita towards US's gross domestic product, and life expectancy.

The result shows that the influence of population growth and young age population significantly negative, working age population growth at first model influence significantly positive but for the second model become insignificant, natural log working age ratio influence positive insignificant, elderly age population growth, gross capital formation, GDP ratio per capita towards US's GDP influence positively insignificant towards economic growth, the life expectancy had negatively affect insignificant towards economic growth.

Keywords : Economic growth, demographic transition, income per capita, young age population growth, working age growth, old age population growth, ASEAN