

## ***ABSTRACT***

*The availability of adequate infrastructure is a substantial factor to drive economic growth. One of the important infrastructures is transportation. This study aimed to analyze the influence of road transport to economic growth in Indonesia during the period 2009-2013. To respond the research goals, this study uses Ordinary Least Square (OLS) regression with Panel Data-Fixed Effect Least Square Dummy Variable (LSDV) Model. Meanwhile, the data used in this research covers 31 provinces with a total sample in the panel set are 155. In addition to the length of the road as a representation variable of the infrastructure, the study also includes public spending on infrastructure and the number of motor vehicles in the regression model.*

*The results of this study show that the length of the road, the number of motor vehicles and the government spending for the road transport sector has positive and significance influence on economic growth in Indonesia. It supports the paradigm of infrastructure led growth. In addition, the estimation results also indicate the importance of government spending to support the good quality of infrastructure. An adequate infrastructure, finally, will provide a positive spillover toward others economic activities.*

*Keyword: economic growth, infrastructure, road transportation, panel data, Fixed Effect LSDV Model*