

ABSTRACT

Literature on political economy argues that political competition affects economic growth. In particular, political parties offer policies that enhance economic growth to attract voters and to win an election. In order to investigate the argument empirically, this study employs district legislative data from the 2014 district legislative election in Indonesia. It measures political competition using the Herfindahl Hirschman Index (HHI). The empirical results show that the relationship between political competition and economic growth has a negative sign and does not have a significant effect.

Keywords : Political Competition, Economic Growth

JEL Classification: D78; H71; H72; O1