

# Start Up Nations and Society Welfare: ASEAN Study Case

Mazmur B.H.A. Damanik

Faculty of Economics and Business, University of Indonesia

[mazmurdamanik@hotmail.com](mailto:mazmurdamanik@hotmail.com)

Nofa F. Rakhman

Faculty of Economics and Business, University of Indonesia

Dimas Wibowo

Faculty of Economics and Business, University of Indonesia

Systemic economic problems can deteriorate the ability of a government to prevent any recessions coming. This condition has pushed the government to increase the competitiveness by diversifying the private sector business portfolio, so that the nations can be more agile on handling the recessions effect. To reach this condition, government intervention as policy maker is important to stimulate the society awareness and ability to create more business entrepreneur entity (start-up nation). The existence of start-up nations is believed to not only be effective on reducing any systemic effect of economics slow down, but also to equally distribute the society income and reducing the society welfare inequalities. Some policies that can be made by the government are accessible capital funding, easiness to get license, and encourage the incentive of having a start-up. The relation among the government policies, equally distributed income, and risk of systemic effect on economics slow down, will be an interesting case to monitor especially in ASEAN, with the commitment of ASEAN countries to be an open economy for one another. This research will use the multiple regression to assess the significance of each variable and the model. The dependent variable will be the gini ratio (income distribution) and systemic economic risk. We aim to see that the government policies that stimulate the society to create start up nations will increase the equality of income distribution and reduce the systemic economic risk.

Keywords: Start-up, Economics Risk, ASEAN, Income Distribution