

The Analysis of Effect of Foreign Direct Investment and Domestic Investment on Economic Growth and Unemployment Rate in ASEAN

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ASEAN (Association of Southeast Asian Nations), which consists of the countries in Southeast Asian has developed into a promising market for investors, particularly foreign investors. In the last decade, the community has been improving to be better in terms of creating a favorable climate for investment. These efforts support the realization of ASEAN's mission in the economic sector; to accelerate economic growth in the region. This study focuses on the analysis and determines the effect of foreign direct investment and domestic investment on economic growth and unemployment rate in ASEAN during 2011-2016. This research analyses the data of foreign investment, domestic investment, economic growth and unemployment rate in every country in ASEAN during 2011-2016. The investment is a factor that affect economic growth and unemployment rate. Foreign direct investment and domestic investment are considered important to increase economic growth and to reduce unemployment in the ASEAN.

Keywords: Foreign direct investment, domestic investment, economic growth, unemployment