



The Influence of International Trade on Indonesia's Economic Growth

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ABSTRACT

International trade is trade carried out by a country with other countries to meet the needs of their respective countries. One thing that determines a country's economic growth is international trade which includes export activities imports that encourage a country to specialize in producing goods and services cheap. The purpose of this study is to determine the effect of international trade on Indonesia's economic growth by using a qualitative and descriptive approach ingredient study which obtained from results study which already there is called secondary data. Results This study shows that exports have a very positive and significant effect on growth economy in Indonesia. Meanwhile, imports have no effect on economic growth in Indonesia. However export and import in a manner together could influence growth Indonesian economy. It is expected that the government should be able to take policies to stabilize economy Indonesia like reduce export and import of raw materials and improve export goods so so that could Upgrade price goods for well-being Public.

INTRODUCTION

Growth economy is the most common economic indicators for describe progress something country within a certain period. Growth economy show exists increase mark plus which more big from period previously. Wrong one matter which determine growth economy something country is trading international which covers activity export-import (Wulandari & Saifudin, 2019). Benefit from trading international could form increase national income, foreign exchange reserves, transaction capital and increase opportunity work. With exists trading international so products in country no only marketed domestically however also marketed to outside country matter i this causes income national something country experience increase (Wulandari, Saifudin, 2019).

The strategy used for Upgrade results Indonesian exports is through diversification product industry, enhancement production agriculture, plantation, exploration source power gold, technology appropriate To use, modernization management, give help promotion and tax breaks for exporters, as well Upgrade power competitive product (Fitriani 2019). Level export which tall will give income which tall for something country, so that the more high exports will be make balance sheet state payments Becomes surplus and influential positive to development economy country. The more tall imports, the higher a consumption country thereby causing the balance sheet payment country the more deficit which on finally influential negative to development country's economy.

THEORETICAL REVIEW

Trading International

Mankiw in Fitriani (2019), state that trading between country in world based on superiority comparative, it means is trading the profitable because make each country is speculating. (Budiono, 1999), trade international is activity relating to the supply (export) and demand (import) between countries. On moment export, country receive foreign exchange for payment. Foreign exchange used for finance import. Export something country is import for country other, so vice versa.

Halwani in Wulandari, Saifudin, (2019), In the initial process international trade is trading power work with goods service other, which followed by trade in goods and services now (moment happening transaction) with compensation goods and service later.

Growth Economy

Mankiw in Fitriani 2019, Growth economy could said as increase GDP real a country in a given year show rise income per capita in the economy. According to Sukurno (2010), growth economy could defined as development activity in economy which cause goods and service which will produced by Public increased. (Afandi, 2014), Growth economy is an increase in output total in period long regardless of whether the increase is more small or more big from total growth followed population by change structure economy or not.

METHODOLOGY

Study this use method qualitative and characteristic descriptive. Method Qualitativeis give descriptiondata which there is, form theory, practical, Policy, problems social, and action which analyzed from incident, phenomenon which aim for obtain description about growth economics and Export, Import. Source data study this use data secondary. Data secondary is the data obtained from existing sources from various research results, literature,media social, source reference otherwhich relevant.

RESULTS AND DISCUSSIONS

Trading international is activity or activity economy involving two countries or more or the place he didexchange goods and service with aim for Fulfill needPublic country the. Matter this because work same tradingthe done by various country and exists desire for promote something goods and services for free. By doing trading international, matter the will giveprofit and make growth economy country the in a manner live form influence to allocation source power nor in a manner no live like many investors which enter. Trading international also important because it can help creating jobs. Something country couldspeed up rate growth the economy with Upgradeand promote export goods and service. According to Dance in Fauziah & Abd, 2019 theory economy base is rate growth economy in something region which determined by the size of the increase export in the region.

Export Affects Growth Economy Indonesia

Export influential positiveor in the same direction with growththeconomy. When level the exporttall will give incomewhich tall for something Country, so that the more high exports will be create the country's balance of payments Becomes surplus. And on the contrary, when level export low could make balance sheet payment deficit which where mark import more tallthan the export value. Supported with various resultsresearch and theory (Son, 2012) say export influential positive to growth economy. Whereas(Wuladari & Zuhri, 2019), Export no influential to growth economy. (Rinaldi, Jamal, 2017) state that Export which be measured with current account has a negative effect on economic growth.

According to Diana Rizky (2013) in study previously export very influential significant to growth economy, matterthis because activity export could provide a very large foreign exchange.Export widely to various countries possible enhancement totalproduction which pusheconomic growth. Monireh Dizaji and Arash Ketabforoush (2014), enhancement capacity export will Upgradeproduct domestic, matter this causedbecause activity export iswrong one component expenditure aggregate, exports can affect level income national which will be achieved. Import Affected Growth Economy Indonesia Import influential negative on economic growth whichwhere the more tall import,the more tall consumption something Country thereby causing the balance sheet payment Country the more deficit. Can be viewed from the formula Income National that imports show negative sign or no effect in the same direction to Income Country,that the more tall import will lower Income National because

has flooded with products from outside country so that producer or company can go bankrupt can't compete. Supported by research results and theory (Ismanto et al., 2019) state from results his research that import have influence positive to growth economy. Whereas results study by (Son, 2012), (Pridayanti, 2014) argue that import influential negative to growth economy. And results study which done by (Fitriani, 2019) which argue that import no influential on economic growth.

CONCLUSIONS AND RECOMMENDATIONS

Based on results study and discussion about Influence Trading International to Growth Economy Indonesia could concluded that export very influential and positive significant to growth economy in Indonesia. Whereas import no have influence to growth economy in Indonesia. However in a manner simultaneous exports and imports have an influence to growth economy Indonesia. Growth Economy Indonesia will Upgrade well-being Public, where when growth economy country Indonesia experienced an increase in this could Becomes description condition Indonesia's economy is stable and develop further. In effort Upgrade growth economy in Indonesia, expected government could take Policy which could stabilize economy country Indonesia like Upgrade exports and reduce imports with create opportunity which there is for industry with Upgrade infrastructure export product in country. With Upgrade domestic production and manufacture market new which more effective and efficient in order to increase prices goods for well-being people.

FURTHER STUDY

Export influential positive or in the same direction with growth economy. When level the export tall will give income which tall for something Country, so that the more high exports will be create the country's balance of payments Becomes surplus. And on the contrary, when level export low could make balance sheet payment deficit which where mark import more tall than the export value.

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