

Impact of Economic and Social Infrastructure on Economic Growth: Evidence from South Asia

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ABSTRACT

Introduction - In an economy invests in variety of infrastructures like economic infrastructure, social infrastructure, etc. This study investigates the impact of economic and social infrastructure on economic growth in South Asia for the period of 1980 to 2018.

Design/Methodology/Approach - Data was gathered from World Bank indicators of South Asia over the 1980 to 2018. As independent variables to measure economic infrastructure proxies such as transport, energy and telecommunication are used and to measure social infrastructure proxies such as health and education are used. Gross domestic production is used as the dependent variable. Capital formation, labour productivity and trade openness are used as controlling variables. Descriptive, multiple regression and correlation analysis were used for analysing data. And also used panel least square regression to analyse the collected data.

Findings - The findings of this study revealed that economic and social infrastructure has positive and significant relationship between economic growth. Furthermore, the results revealed that in economic infrastructure, transport and energy variables are positive and have a significant relationship with economic growth. In social infrastructure, health and education variables are positive and have a significant impact to economic growth.

Conclusion - This study provides valuable information for the policy makers to develop sound decisions to increase the economic growth. This study will contribute to the development of economic growth in Asian Countries.

Keywords: *infrastructure, economic infrastructure, social infrastructure, economic growth*