

## **The Economic Impact of Infrastructure Investment on Regional Development: Evidence from ASEAN Countries**

by

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### **Abstract**

This study investigates the economic effects of infrastructure investment on regional development within ASEAN member states. It has focused on how infrastructure investment affects GDP growth, regional inequality, and sustainable development. The study has considered panel data collected over almost 20 years from six ASEAN nations. The study has shown that infrastructure spending has a major impact on economic growth. The research findings indicate that although infrastructure expenditures exhibit a positive correlation with GDP growth, their effects are contingent upon regional differences and sustainability issues. More specifically, the analysis has demonstrated that gains in accessibility to basic services, like clean cooking fuels, do not always result in immediate economic gains and may instead be a sign of underlying systemic problems. Furthermore, there is a need for efficient implementation of sustainable practices because the sustainability of infrastructure projects, as determined by environmental policy scores, has not shown a substantial direct impact on GDP growth. The study has emphasised how critical it is to combine infrastructure expenditures with more comprehensive regional integration policies, pointing out that the stability and collaboration of the regional economy depend heavily on having high-quality infrastructure. It has also highlighted difficulties that impede the efficient use of infrastructure resources, such as budgetary limitations and governance problems. To maximise the benefits of infrastructure for fair and sustainable economic growth in ASEAN countries, research has generally argued for a balanced approach to infrastructure investment that tackles regional inequities, emphasises sustainability, and supports regional integration.

**Keywords:** *Infrastructure investment, Regional Development, ASEAN Countries*



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