

INFLUENCE OF BORDER INFRASTRUCTURE ON TRADE AND ECONOMIC GROWTH IN BORDER AREAS

Melyana R Pugu *¹

Universitas Cenderawasih
puguratana@yahoo.com

Muhammad Syafri

Universitas Negeri Makassar
muhammadsyafri@unm.ac.id

Nahot Tua Parlindungan Sihaloho

Universitas Tanjungpura Pontianak
nahotsihaloho@fisip.untan.ac.id

Mohd Syahrin

Universiti Islam Sultan Sharif Ali, Brunei Darussalam

Abstract

Border infrastructure has an impact on trade and economic growth for communities living on the border. This method of investigation uses the study of literature by searching for references that fit the context of the research. The results of the research show that the improvement of the infrastructure in the border area has a significant positive impact on the volume of trade, with reduced logistics costs and improved efficiency of the flow of goods and services. Better infrastructure is strongly correlated with higher levels of foreign investment and closer regional economic integration. Further analysis shows that increased access to education, health care, and public services, catalysed by infrastructure investment, significantly contributes to economic and social development in the border areas. The research also found that strong border infrastructure increases economic resilience to external disturbances and drives long-term growth through economic diversification and innovation.

Keywords: Infrastructure, Trade, Economic Growth, Border Areas.

Introduction

A border area is a geographical zone that lies on the edge of a country's territory, separating it from its neighbours. This area is unique because it often combines the geographical, social, and economic characteristics of two different countries. (Hutagaluh et al., 2020). The geographical conditions of the border region can vary greatly, ranging from high mountains, dense forests, to fertile lowlands. This characteristic not only affects the type of economic activity that can thrive there, but

¹ Correspondence author