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DECLARATION OF ORIGINAL WORK

I, Noor Riha Binti Rafien, I/C Number: 840502-03-5046 hereby, declare that:

1. This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degree.
2. This project paper is result of the independent investigation of the analyst, except where otherwise stated.
3. All verbatim extracts has distinguished by quotation marks and sources of information have specifically acknowledged.

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ABSTRACT

This project paper is conducted to analyze the relationship between the Foreign Direct Investment (FDI), export and government expenditure with Malaysian economic growth. Methodology used is multiple regression technique using Statistical Programming for Social Science Students (SPSS) program for analyzing the Foreign Direct Investment, export, government expenditure and Gross Domestic Product (GDP). GDP is used as an indicator for Malaysian economic growth. The purpose of this study is to determine the relationships of FDI inflows, export and government expenditure to GDP in Malaysia. The dependent variable in this study is economic growth while the independent variables are export, FDI and government expenditure. This study only covers twenty eight years of period from 1978 until 2005. This study is limited to secondary data on the yearly basis of economic growth, export and government expenditure in Malaysia that is gathered from the Bank Negara Malaysia and data of foreign direct investment from the Malaysian Industrial Development Authority (MIDA).Based on the findings, only export has a significant relationship with GDP while FDI and government expenditure has no significant relationships with GDP.

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