

THE IMPACT OF ACTIVITY ASSOCIATED WITH PALM OIL INDUSTRY TO THE ECONOMIC GROWTH IN MALAYSIA

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DECLARATION OF ORIGINAL WORK



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ABSTRACT

The research study seek to determine the relationship between production of palm oil, import of palm oil, export of palm oil and Malaysia's economic growth. Industry of palm oil is significantly contributes to development of countries' economic growth. This study aims to examine whether palm oil industry including production of palm oil, import of palm oil and export of palm oil gives impact toward Malaysia's economic growth. Data used in this study is time series data within 38 years starting from 1982 until 2019. Research has shown that production of palm oil is related significantly toward Malaysian economic growth. In addition, Johansen-Juselius Cointegration Test shows that at least one cointegration among the variables at 1 lag and long-run relationship is exists among the variables. Further research needed to be carried out to identify other variables that could contributes to the country economic growth.

Keywords: Palm oil, Malaysia, Production, Import, Export