THE DETERMINANTS FACTOR OF ECONOMIC GROWTH: IN THE CASE OF MALAYSIA

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DECLARATION OF ORIGINAL WORK

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ABSTRACT

This paper aim to investigate further the determinant factors that stimulate and effect the economic growth in Malaysia. The determinant factors that has been studied in this paper are government expenditure, foreign direct investment, export of goods and inflation from the year of 1970 until 2017. The result of the data analysis shows that there is positive, significant relationship between export and Foreign Direct Investment to Gross Domestic Product. Meanwhile the government expenditure and inflation shows negative, insignificant relationship with Gross Domestic Product. Johansen Co-integration test found that there exist a long run relationship between Government Expenditure, Exports, Foreign Direct Investment and Inflation with Gross Domestic Product. The Granger causality test shows the unidirectional granger between Gross Domestic Product and Government Expenditure and also Government Expenditure and Inflation.