

THE IMPACT OF TRADE OPENNESS TOWARD ECONOMIC GROWTH IN MALAYSIA

MOHD RAFFIE ROY AU BIN HERRY

2016565369

BACHELOR OF BUSINESS ADMINISTRATION WITH HONOUR (BUSINESS ECONOMICS) FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA

JUNE 2019

DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSINESS ADMINISTRATION WITH HONOUR (BUSINESS ECONOMICS) FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA "DECLARATION OF ORIGINAL WORK"

I, Mohd Raffie Roy Au Bin Herry, (IC Number: 950331-12-5289)

Hereby, declare that:

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

Signature:		
Date:		

TABLE OF CONTENT

	Page
TITLE PAGE	Ι
LETTER OF SUBMISSION	II
DECLARATION OF ORIGINAL WORK	III
ACKNOWLEDGEMENT	IV
TABLE OF CONTENTS	V-VI
LIST OF FIGURES	VII
LIST OF TABLES	VIII
LIST OF ABBREVATIONS	IX
ABSTRACT	Х

CHAPTER 1 INTRODUCTION

1.0 Background of Study	1
1.1 Problem Statement	2
1.2 Objective of Research	3
1.3 Limitation of the Research	3-4
1.4 Significance of the Problem	4
1.5 Organization of the Study	5

CHAPTER 2 LITERATURE REVIEW

2.0 Literature Review	6-8
2.1 Theoretical Framework	8-9

LIST OF TABLES

Table:		Page
Table 1.0	The source of independent and dependent variables	17
Table 2.0	Result of descriptive statistic	20
Table 3.0	Result of Correlation Coefficient Test	21
Table 4.0	Result of panel unit root test	23
Table 5.0	Result Regression	25
Table 6.0	Result of Diagnostic Check	27
Table 7.0	Result of Newey Test	29
Table 8.0	Result of Hypothesis Testing	30

ABSTRACT

Trade openness has contribute in Malaysia economic growth and has been in the economic literature subject of several theoretical and empirical studies. This research will analyzes the impact of trade openness on economic growth in the case of Malaysia using OLS method over the period of 1980-2017. The result show that trade openness has exert positive and significant effect on economic growths but different respond with other variable such as domestic credit, inflation and population.