

UNIVERSITI TEKNOLOGI MARA

**FACTORS THAT INFLUENCE
ECONOMIC GROWTH IN MALAYSIA**

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degree of **Bachelor of Business Administration (Hons)**
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AUTHOR'S DECLARATION

I declare that the work in this project was carried out in accordance with the regulations of Universiti Teknologi Mara. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Universiti Teknologi Mara, regulating the conduct of my study and research.

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ABSTRACT

Economic growth is an increase in the capacity of an economy to produce goods and services, compared from one period of time to another. Traditionally, aggregate economic growth is measured in terms of gross domestic product (GDP). Economic growth is usually brought about by technological innovation and positive external forces. Malaysia's economic growth is likely to slow and depreciation of Ringgit getting worse nowadays. Poor economic growth will influence the performance of business entity and individual life in Malaysia. This paper aims to explore the relationship between foreign domestic investment (FDI), export, inflation, population, labor force and economic growth in case of Malaysia. The factors are indicating that level affect the economic growth. This study uses multiple regression models and using time series data. The data collected from the World Bank Data Bank and the data from year 1980 to 2015 annually for empirical analysis. The results indicate that the positive significant relationship between foreign domestic investment (FDI), export, inflation and economic growth in Malaysia. However, the negative significant relationship between interactive variables (population and labor force) and economic growth indicates that the effect of Malaysia.

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