

THE IMPACT OF FOREIGN DIRECT INVESTMENT TOWARDS SERVICES AND AGRICULTURAL SECTORS IN MALAYSIA

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ABSTRACT

This paper is to determine the implication of foreign direct investment (FDI)

towards two different sectors in Malaysia and also to determine which of these

sectors affected more by the FDI. We are focusing on services and agricultural

sectors in Malaysia which give so much benefit to country and also the FDI to

achieve the objectives of the study. Based on this study, simple-regression

analysis had been used to measure the significant of the variables. This study is

using the time series data from 1980 to 2010. The methods that we used to

examine the aim of this study are Unit Root Test and Ordinary Least Squared

(OLS). As conclusion, the result shows that there is a positive relationship of both

independent variables with the FDI and the most affected by the FDI was the

services sectors.

Keywords: Foreign Direct Investment (FDI), Services Sectors, Agricultural Sectors,

Ordinary Least Squared (OLS).

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