

**DO GOVERNMENT EXPENDITURE AND POPULATION GROWTH
CONTRIBUTES TO THE MALAYSIA'S ECONOMIC GROWTH? AN
EMPIRICAL INVESTIGATION**

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**A graduation Exercise Submitted to the Faculty of
Business Management Universiti Teknologi MARA, Kota
Kinabalu, Sabah As a Partial Fulfillment of the
requirement For Bachelor of Busines Administration
(Hons) Business Economics**

JUNE 2013

ACKNOWLEDGEMENT

The completion of this thesis has been possible through the guidance and helps from several individuals and organizations, either directly or indirectly. First and foremost, I would like to take this opportunity to express my gratitude to my supervisor, Tuan Hj. Wahi Bin Ismail who continuously encouraged, guided and helped me with patience on this study. Thanks a lot for his teaching and guidance especially during the beginning of this study until the end. Not to forget my thankful to Dr. Imbarine Bujang for his guideline for me in subject Research and Methodology and this possible for me to complete my study. My deepest thank to my classmates, for their altruistic sharing of valuable and precious ideas relevant to my study. I would also like to thank my family especially to my parent for their understanding, support and for being my inspirations as I hurdled through all the difficulties for the completion of this study. Many thanks to all the staff of the Yayasan Sabah which is the place that I do my Industrial Training (practical) especially Mr. Clarence Estrop which is my supervisor at workplace for his helps on my queries concerning to the requirements of this study such give me several hour a week to meet my supervisor. Also my sincere thanks to the Statistic Department of Malaysia, the Accountant Department of Malaysia, the Economic Planning Unit Malaysia, the Ministry of Finance Malaysia, and the International Monetary Fund and any other organizations or individuals that I may not have mentioned their names here, for their valuable contributions to this study especially the benefit information that I get. Last but not the least, the one above all others, Allah, for extending His grace and bless besides giving me the strength to deliver this achievement, thank you so much my Dear God.

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ABSTRACT

This study attempts to investigate the relationship between government expenditure and population growth toward the Malaysia's economic growth. Malaysia is one of the countries in ASEAN that have been through up and down of economic growth especially crisis economic in 1997 and 2008 that experience by many of the country in the world. Many researchers believe that government expenditure and population growth is one of the contributors to the economic growth. In case of Malaysia, the previous study have been come out with the mixed conclusion about it relationship and still open for debate. This study covers from 1971 – 2010 and before applying any econometric method, unit root test which is Augmented Dickey-Fuller will be done in order to get the stationary data. The relationship between the government expenditure and population growth seen have the insignificant relationship toward the economic growth whether in single regression or multiple regression. After all, it back to government itself on how to play their role and responsibility especially in corrected with more pleasant policies and actions.