

**UNIVERSITI TEKNOLOGI MARA**

**GOVERNMENT EXPENDITURE COMPONENTS  
THAT AFFECTS ECONOMIC GROWTH  
IN MALAYSIA**

**AHMAD SHAH FITRI BIN MOHAMMAD  
2016668458**

Final Year Project Paper submitted in fulfillment  
of the requirements for the degree of  
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## **AUTHOR'S DECLARATION**

I declare that the work in this final year project paper 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 Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.


Name of Student : Ahmad Shah Fitri Bin Mohammad

Student I.D. No. : 2016668458

Programme : Bachelor of Business and Administration (Hons)  
Finance.

Faculty : Business and Management

Thesis : Government Expenditure Components That Affects  
Economic Growth in Malaysia

Signature of Student :  .....

Date : December 2018

## **ABSTRACT**

The purpose of the study is to investigate the relationship between the government expenditure and the economic growth in Malaysia for period of 30 years from year 1987 to 2016. There were three government expenditure components had been listed which are Education Expenditure (EDU), Health Expenditure (HEA), Defense and Security Expenditure (DAS) as independent variables and Economic Growth (GDP) as dependent variable. This study used 30 years secondary data for each variable from year 1987 to 2016 on yearly basis. This study used Eviews9 software as a statistical tool for the data analysis. All the results obtained portrayed all the variables which are EDU, HEA, and DAS towards GDP. This study would be beneficial to the researcher, to the public, and policy makers for them to shape the future of a country without wasting any resources.

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