

UNIVERSITI TEKNOLOGI MARA

**FOREIGN DIRECT INVESTMENT, FOREIGN
REMITTANCES, FOREIGN IMPORTS AND
ECONOMIC GROWTH: EVIDENCE FROM
TUNISIA**

**NURUL FARRAHIN LIANA BINTI ABD JALIL
2016577997**

Final Year Project Paper submitted in fulfillment
of the requirements for the degree of
**Bachelor of Business Administration
(Finance)**

Faculty of Business and Management

December 2018

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.

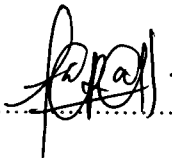
Name of Student : Nurul Farrahin Liana binti Abd Jalil

Student I.D. No. : 2016577997

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

Faculty : Business and Management

Thesis : Foreign Direct Investment, Foreign Remittances,
Foreign Imports and Economic Growth: Evidence
from Tunisia

Signature of Student : 

Date : December 2018

ABSTRACT

Economic growth is considered as one of the most important indicators of a healthy economy. One of the biggest effects of long-term growth of a country is that it has a positive effect on national income and the level of employment, which increases the standard of living. As the country's GDP is increasing, it is more productive, which leads to more people being employed. This increases the wealth of the country and also its population. Like all developed and developing countries, small and low middle income economies country like Tunisia is also striving hard to achieve and sustain the long run economic growth. However, most of the previous study have not provided consistence evidence in favour of a robust relationships between external determinants and economic growth. Therefore, further investigation of the significant relationship between external determinants and economic growth is indeed necessary. This study focus on analysing the external factors that could influence the economic growth in Tunisia proxies by their indices between the years 1978 to 2016. This study uses the collection of data from secondary data and the sample is based on annual data from year 1978 to 2016. All data is obtained from World Development Indicators. Other than that, this study expect that external factors such as foreign direct investment and foreign remittances will have significant and positive relationship towards economic growth in Tunisia while foreign imports will have adverse effect towards the economic growth of Tunisia.

Keywords: Gross Domestic Product, Foreign Direct Investment, Foreign Remittances, Foreign Imports

ACKNOWLEDGEMENT

Assalamualaikum w.b.t

In this research, I would like to thank my Creator for giving me a healthy body and mind in order to live life and learn and the most important thing is to work and complete on this project paper, hereby completing my Degree's studies.

I would like to grab this opportunity to give my special thanks and respectful towards the people who had been with me, give their support and effort and also has spending their time in giving guidelines and advice for me in order to completing this research project.

First and foremost, I would like to express my gratitude appreciation to my advisor, Madam Zuraidah binti Ahmad for her guidance, supervision and help throughout this project paper. Endless thanks from me to her who has assist me by providing a lot of knowledge, supporting me throughout the whole research process and also give a valuable guideline as well as improve me to be a better person.

Special appreciation to my parents and family, who always supportive, patience and blessed with the life of happiness that cannot be replaced. Thank you for being understanding and send prayers for making things become easy.

Lastly, thanks to all my friends who always supported me from the beginning until the submission of this project paper. Lastly, thanks to all staff of UiTM Cawangan Segamat who are involved directly or not in order to completed this project paper especially to the librarians of UiTM Cawangan Segamat.

Thank you.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF SYMBOLS	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE INTRODUCTION	1
1.1 Introduction	1
1.2 Background of the study	1
1.3 Problem statement	6
1.4 Research questions	8
1.5 Research objectives	8
1.6 Significance of the study	9
1.7 Scope of the study	10
1.8 Limitations of the study	10
1.9 Definition of key terms	11
1.10 Summary	13
CHAPTER TWO LITERATURE REVIEW	14
2.1 Introduction	14
2.2 Theoretical literature	15
2.3 Empirical literature	17
2.4 Theoretical framework	23
2.5 Summary	23