



**THE EFFECT OF PUBLIC DEBT TOWARDS ECONOMIC GROWTH IN  
MALAYSIA**

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## **DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION  
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“DECLARATION OF ORIGINAL WORK”**

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- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

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## **ABSTRACT**

This study will determine the effect of public debt towards economic growth in Malaysia. Other than that this study also examines whether other variable such as domestic debt (DD), external debt (ED), inflation (INF), investment (INV) and real exchange rate (RER) have an impact towards economic growth in Malaysia. The time period of examined is from 1980 until 2015 which is 36 years data observation in total. Based from the result it showed that domestic debt (DD), inflation (INF) and real exchange rate (RER) has negative relationship with economic growth. Meanwhile external debt (ED) and investment (INV) has positive relationship with economic growth in Malaysia. From this study it will showed the effect of public debt towards economic growth in Malaysia.

Keywords: GDP, domestic debt, external debt, inflation, investment and real exchange rate