UNIVERSITI TEKNOLOGI MARA

DETERMINANTS OF ECONOMIC GROWTH BEFORE AND AFTER FINANCIAL CRISIS IN MALAYSIA

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AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA, Johor Branch, Segamat Campus. 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.

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ABSTRACT

Economic growth is a popular topic that study by researchers. The objective of this study is to know the factors that can affect towards economic growth before and after financial crisis in Malaysia. In this study, export, foreign direct investment (FDI), government expenditure and inflation are more important towards economic growth in Malaysia. Researcher used time series data about 34 years from 1980 to 2015, where data for before financial crisis from year 1980 until 1996 and after financial crisis from year 1999 to 2015. For this study, researcher use ordinary least square, Ramsey' rese test, Breusch-Godfrey test to get the result. Economic growth for every country can be measured by gross domestic product. Factors include foreign direct investment, export, government expenditure and inflation know as important tools towards economic growth. Export, foreign direct investment (FDI), government expenditure and inflation will be positive relationship with economic growth in Malaysia either before and after financial crisis.

Keywords: economic growth, gross domestic product, foreign direct investment, government expenditure, inflation.

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