



اُونِيُوَسِيْتِي تِيكُونُو لَوِي مَارَا
UNIVERSITI
TEKNOLOGI
MARA

**THE FACTORS THAT CONTRIBUTES TO POVERTY IN MALAYSIA
FROM 1986 TO 2017**

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WITH HONOURS (BUSINESS ECONOMICS)
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DECLARATION OF ORIGINAL WORK



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- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
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ABSTRACT

The aim of this study is to determine the factors that contribute to the poverty rate in Malaysia. The independent variables for this study are education expenditure, debt, gross domestic products, inflation, population and unemployment. Meanwhile, the dependent variable for this study is poverty rate. This study used secondary data and collected for 31 years of period from 1986 to 2017. Ordinary Least Square (OLS) result shows that all of the variables except for population are insignificant but other studies prove that the variables are actually significant with each other. In addition, the Granger-Causality test also used in this study to identify the variables whether in short or long run relationship. The result shows that all of the variables are in long run relationship.