



**UNIVERSITI TEKNOLOGI MARA**

**ECONOMIC PERFORMANCE AND  
GOVERNMENT POLICY AFFECTING  
UNEMPLOYMENT RATE  
IN OECD COUNTRIES**

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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.

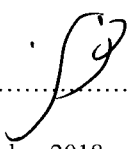
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## ABSTRACT

The intention of this study is to identify the connection between economic performance and government policy affecting unemployment rate in OECD Countries. Unemployment rate is used as dependent variable while independent variables is used for finding the determinants of unemployment which are GDP per capita growth, foreign direct investment, general government final consumption expenditure, trade openness, political stability and control of corruption. Panel Data will be used in this research that include 15 years starting from 2002 until 2016 and involve 4 countries from OECD Countries. Methodology used for this research is by Multiple Linear Regression with Panel Data sourced come from World Data Bank and DataStream. E-views 10 would be used for testing and analyzing the data collected.

Keywords: GDP per capita growth, foreign direct investment, general government final consumption expenditure, trade openness, political stability and control of corruption

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