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INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA
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**DIRECT FOREIGN INVESTMENT AND EMPLOYMENT
CREATION IN THE MANUFACTURING SECTOR.
A CASE STUDY OF MALAYSIA IN
THE DECADE OF 1980's**

BY

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KULLIYAH OF ECONOMICS AND MANAGEMENT**



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**SUBMITTED TO THE GRADUATE COMMITTEE KULLIYAH OF
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RESEARCH PAPER

This is certify that Bro./Sis ZURAIH, YAACUB
has written the Master of Economics research paper entitled:
DIRECT FOREIGN INVESTMENT AND EMPLOYMENT
CREATION IN THE MANUFACTURING SECTOR
A CASE STUDY OF MALAYSIA IN THE DECADE OF 1980'S

under my supervision. The relevant comments made on the paper during its presentation have been incorporated in the present version of the paper to my full satisfaction.

I have pleasure in recommending that the graduate committee may approve the paper in partial fulfilment of the requirements for the degree of Master of Economics.

Name of Supervisor: DR. TAHIR BEG

Date : 16.6.92



(Signature)

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**FORRIGN INVESTMENT AND EMPLOYMENT CREATION IN THE
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OF 1980'S.**

INTRODUCTION.

The purpose of this paper is to evaluate the impact of direct foreign investment (DFI) in creating employment and to shed some lights on the trend and profile of foreign investment in Malaysia. Focus will be on the manufacturing sector in the decade of 1980's. The paper will be divided into 7 sections. Section 1 is the literature review. Section 2 is a brief review of DFIs in Malaysia and section 3 is the objective and methodology. Section 4 discuss on the trend and profile of DFIs in the manufacturing sector while section 5 deals with the factors contributing to the flow of DFIs. Section 6 analyse the implication of DFIs on employment and section 7 is the summary and conclusion.