



**DO CORRUPTION AND ECONOMIC GROWTH LEAD TO INCOME INEQUALITY
IN INDONESIA?**

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2017662736

**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
MELAKA**

JANUARY 2020

DECLARATION OF ORIGINAL WORK



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UNIVERSITI TEKNOLOGI MARA

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ABSTRACT

The objective of the present study is to examine the factor that most affected on income inequality in Indonesia for the period between 1984 and 2017 using times series framework. To answer 3 objectives under this investigation, through ARDL method. Gross domestic product per capita, corruption, foreign direct investment and trade openness are having significant relationship towards inequality, while inflation shows otherwise. This study is conducted by using time series analyses by utilizing the Autoregressive Distributive Lag (ARDL) techniques. Overall, based on the result driven from the long run coefficient analysis, the gross domestic product, foreign direct investment and trade openness has negative relationship which mean an increase in the variables, the inequality of income distribution may decrease while for the corruption is vice versa.