

OF CORRUPTION ON PUBLIC INVESTMENT AND ECONOMIC GROWTH IN NEPAL

A Thesis

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Master Degree of Arts

In

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LITTER OF RECOMMENDATION

This thesis entitled **Impact of Corruption on Public Investment and Economic Growth in Nepal** has been prepared by **Mr. Madan Raj Naunyal** under my supervision. I hereby recommend this thesis for examination by the thesis Committee as a partial fulfillment of the requirements for the **Degree of Master of Arts in Economics**.

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APPROVAL LETTER

We clarify that this thesis entitled **Impact of Corruption on Public Investment and Economic Growth in Nepal** submitted by **Mr. Madan Raj Naunyal to the** Central Department of Economics, Faculty of Humanities and Social Sciences, Tribhuvan University, in partial fulfillment of the requirements for the Degree of **Master of Arts in Economics** have been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of the Degree.

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Acknowledgement

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I take sole responsibility for any errors and discrepancies that might have been occurred in this study.

Madan Raj Naunyal

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ABBREVIATIONS

ADF	-	Augmented Dickey Fuller Test
CPI	-	Corruption Perception Index
CPI2	-	Consumer Price Index
CIAA	-	Commision for Investigation of Abuse of Authority
CBS	-	Central Bureau of Statistics
ECM	-	Error Correction Model
GCT	-	Granger Causality Test
GE	-	Government Expenditure
GFCF	-	Gross Fixed Capital Formulation(Investment)
H_0	-	Null Hypothesis
H_1	-	Alternative Hypothesis
M2	-	Broad Money Supply
MoF	-	Ministry of Finance
NA	-	National Accounting
NGDP	-	Nominal Gross Domistic Product
NRB	-	Nepal Rastra Bank
OAG	-	Office of Auditor General
OLS	-	Ordinary Least Squar Method
PI	-	Public Investment
RGDP	-	Real Gross Domistic Product
WB	-	World Bank
TSC	-	Tax Settlement Commission
TI	-	Transparancy International