

The Effect of Macroeconomics Variable on Life Expectancy in Malaysia

Abstract

The global average life expectancy has increased astonishingly. However, problems such as household income inequality, high unemployment and the continuous impact of economic growth have prevented Malaysia's life expectancy from increasing. This paper studies the effect of macroeconomic variables on life expectancy in Malaysia from 1991-2019. The data was collected from the World Bank and the Department of Statistics Malaysia. For this purpose, the analysis of the study is to use the Autoregressive Distributed Lag (ARDL) approach. The results show that household income variables and economic growth variables have a positive and significant effect on life expectancy in the long run, while only the economic growth variables have a significant effect on life expectancy in the short run. Therefore, the country needs to allocate greater expenditure on economic development because it can increase Gross Domestic Product (GDP) and reduce the inflation rate. Besides, people can have extra money to get better health.