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UNIVERSITI SAINS MALAYSIA

First Semester Examination  
Academic Session 2012/2013

January 2013

**SBU325E - Industrialization and International Development**  
***[Perindustrian dan Pembangunan Antarabangsa]***

Duration: [3 hours]

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Please make sure that this examination paper comprises **FOUR** printed pages before you begin this examination.

*Sila pastikan bahawa kertas peperiksaan ini mengandungi **EMPAT** muka surat yang bercetak sebelum anda memulakan peperiksaan ini.*

Answer **THREE (3)** questions. Section A is **compulsory** and section B answer **TWO [2]** out of 4 questions. You can answer the questions either in English or in Bahasa Malaysia.

*Jawab **TIGA (3)** soalan. Bahagian A adalah **wajib** dan seksyen B jawab **DUA [2]** daripada 4 soalan. Anda boleh menjawab soalan sama ada dalam Bahasa Inggeris atau Bahasa Malaysia.*

In the event of any discrepancies in the examination questions, the English version shall be used.

*Sekiranya terdapat sebarang percanggahan pada soalan peperiksaan, versi Bahasa Inggeris hendaklah diguna pakai.*

**Section A: Compulsory**  
**Sektion A: Wajib**

**Question 1/Soalan 1** (40 marks/markah)

Please refer to Table 1. Analyse the data below and explain the factors that have contributed to the pattern of widening GDP gap among the different regions of the world.

*Sila rujuk Jadual 1. Analisis data di bawah dan terangkan faktor yang telah menyumbang kepada pola peningkatan jurang pendapatan KDNK antara kawasan-kawasan di dunia.*

**Table 1: GDP as percentage of aggregate GDP for 156 market economies**  
**Jadual 1: KDNK sebagai peratusan KDNK agregat untuk 156 ekonomi pasaran**

	1960	1970	1980	1990	1999
Industrialised countries (21)	83.2	83.2	78.4	83.3	84.3
Sub-Saharan Africa (50)	2.5	2.3	2.8	1.4	1.1
South Asia (8)	3.9	3.1	2.2	2.0	2.3
ME and N, Africa (9)	1.8	2.6	5.5	3.1	1.8
Latin America and Caribbean (41)	6.7	6.8	7.7	5.9	6.7
E. Asia and the Pacific	2.0	2.1	3.3	4.4	3.8

Source/Sumber: World Development Indicators and World Development Report, several years in Petras and Veltmeyer (2007), "Multinationals on Trial: Foreign Investment Matters".

**Section B: Answer 2 out of 4 questions**  
**Seksyen B: Jawab 2 dari 4 soalan**

**Question 2/Soalan 2** (30 marks/markah)

Choose one country from Latin America and one from among the first generation newly industrialising economies (NIE). Compare and contrast the experience of export-orientated industrialization in the two countries chosen.

*Pilih sebuah negara dari Amerika Latin dan sebuah negara perindustrian baharu (NIE) generasi pertama. Bandingkan pengalaman perindustrian berorientasikan eksport di kedua-dua negara yang dipilih.*

**Question 3/Soalan 3** (30 marks/markah)

Explain the mechanisms that were used to promote the investment liberalisation policy in the manufacturing sector in Malaysia commencing in 2003. Discuss the impact of the investment liberalization policy on Malaysia's capacity to increase economic growth and redistribute income.

*Terangkan mekanisme yang digunakan untuk mempromosikan dasar liberalisasi pelaburan dalam sektor pembuatan di Malaysia bermula pada tahun 2003. Bincangkan impak dasar liberalisasi pelaburan terhadap kemampuan Malaysia dalam meningkatkan pertumbuhan ekonomi dan mengagihkan pendapatan.*

**Question 4/Soalan 4** (30 marks/markah)

What is the role of Foreign Direct Investment (FDI) in peripheral economies post 1980's? Identify the advantages and disadvantages of FDI to the host-country.

*Apakah peranan Pelaburan Langsung Asing (PLA) dalam ekonomi negara-negara pinggir pasca 1980an? Nyatakan kebaikan dan keburukan PLA kepada negara tuan-rumah.*

**Question 5/Soalan 5** (30 marks/markah)

Please refer to Table 2. Explain the factors that have led to the different rates of growth of real wages in the manufacturing sector in the Newly Industrialising Economies (NIE) from 1948-1985. What were the policies enacted by Korea and Taiwan to maintain the growth of real wages in the manufacturing sector.

*Sila rujuk Jadual 2. Jelaskan faktor yang telah menyumbang kepada perbezaan dalam kadar pertumbuhan pendapatan benar dalam sektor pembuatan di Negara-Negara Baharu Industri (NIE) 1948-1985. Nyatakan dasar yang telah digubalkan oleh Korea dan Taiwan untuk menjaga pertumbuhan pendapatan benar dalam sektor pembuatan.*

**Table 2: Growth of Real Wages in Manufacturing (1970 = 100)**

**Jadual 2: Pertumbuhan Pendapatan Benar dalam Sektor Pembuatan (1970 = 100)**

Year/Tahun	Korea	Taiwan	Singapore	Hong Kong
1948	-	-	-	59.9
1954	-	56.0	-	-
1960	-	55.7	90.0	62.9
1962	59.6	-	-	-
1965	55.7	72.9	-	94.0
1968	-	-	-	-
1970	100.0	100.0	100.0	100.0
1975	130.3	124.2	100.0	116.2
1980	192.7	192.1	120.0	151.5
1985	251.2	252.8	-	-

Iyanatul Islam and Anis Choudry (1993) *Newly Industrializing Economies of East Asia*.