

UNIVERSITI SAINS MALAYSIA

Second Semester Examination  
Academic Session 2004/2005

March 2005

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

Duration: 3 hours

Please check that this examination paper consists of FOUR pages of printed material before you begin the examination.

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

**Instruction:** Answer **Question 1** and **TWO (2)** other questions. You may answer each question in English or Malay.

**Arahan:** *Jawab Soalan 1 dan DUA (2) soalan lain. Anda dibenarkan menjawab setiap soalan dalam Bahasa Inggeris atau Bahasa Malaysia.*

**Question 1/Soalan 1** (20 marks/markah)

Briefly explain four (4) of the following:

- a. developmental state
- b. 'learning to operate'
- c. own design manufacturing
- d. 'governing the market'
- e. internationalization of production
- f. floating foreign exchange rates

*Dengan ringkas huraikan maksud empat (4) perkara daripada senarai yang berikut:*

- a. *pemerintah berasaskan pembangunan*
- b. *'mempelajari cara beroperasi'*
- c. *pembuatan rekabentuk diri*
- d. *'memerintah pasaran'*
- e. *pengantarabangsaan pengeluaran*
- f. *kadar pertukaran wang asing yang terapong*

**Question 2/Soalan 2** (40 marks/markah)

With reference to changes in the 'international environment' mentioned below, discuss the potential and problems associated with late industrialization in East Asia:

The international environment for industrialization is a changing one and while it may provide opportunities for some countries to do what South Korea and Taiwan have done, it imposes almost insuperable obstacles for others (Kemp 1989: 16).

*Bersabit dengan perubahan 'persekitaran antarabangsa' yang tersebut di bawah, bincangkan potensi dan masalah berkaitan dengan pengindustrian lewat di Asia Timur:*

*Persekitaran antarabangsa berubah-ubah bagi pengindustrian. Sementara memberi peluang kepada sesetengah negara supaya menurut pengalaman Korea Selatan dan Taiwan, persekitaran antarabangsa sedemikian mewujudkan halangan yang hampir-hampir tidak dapat diatasi negara lain (Terj. drp. Kemp 1989: 16).*

**Question 3/Soalan 3 (40 marks/markah)**

Discuss the combination of internal economic factors and external developments (in the global financial market) that caught several East Asian economies in the 'vicious cycle' (in 1997–98) described below:

A crisis can give rise to a vicious cycle wherein banks cut back on their finance, leading firms to cut back on their production, which in turn leads to lower output and lower incomes. As output and incomes plummet, profits fall, and some firms are even forced into bankruptcy. When firms declare bankruptcy, banks' balance sheets become worse, and the banks cut back lending even further, exacerbating the economic downturn (Stiglitz 2002: 114).

*Bincangkan kombinasi faktor ekonomi dalaman dengan perkembangan luaran (dalam pasaran kewangan antarabangsa) yang memerangkap beberapa ekonomi Asia Timur dalam 'kitaran ganas' (pada 1997–98) seperti yang dikatakan di bawah:*

*Sesuatu krisis mungkin membangkitkan suatu 'kitaran ganas': bank-bank mengurangkan kredit dan firma-firma pula mengurangkan pengeluaran mereka. Apabila keluaran dan pendapatan menjunam, keuntungan menurun dan sesetengah firma dijadikan muflis. Tatkala firma muflis, keadaan kewangan bank turut merosot. Jadi sekali lagi bank mengurangkan kredit dan kemelesetan ekonomi bertambah buruk (Terj. drp. Stiglitz 2002: 114).*

**Question 4/Soalan 4 (40 marks/markah)**

With reference to the excerpt provided below, and using suitable examples, discuss the 'process of industrializing by learning' that was the basis of successful industrialization in South Korea.

HHI [Hyundai Heavy Industries] built its first ship with the tested designs and proven capital equipment of an experienced European shipbuilder, replication was not 100% successful [and] little by little, HHI acquired capability in design modifications, but it still lacked capability in basic design ... [subsequently] HHI took the strategic decision to invest in an engine shop at the same time that it invested in a basic design capability (Amsden 1989: 278–79).

*Berpandukan petikan di bawah, dan dengan menggunakan contoh-contoh yang sesuai, bincangkan 'proses pengindustrian melalui pembelajaran' yang menjadi asas kejayaan perindustrian Korea Selatan.*

*HHI [Hyundai Heavy Industries] membina kapalnya yang pertama dengan menggunakan rekabentuk teruji dan kelengkapan modal terbukti yang datangnya daripada pembina kapal Eropah yang berpengalaman, tetapi cara ulangan (pereplikaan) tidak berjaya 100% [dan] sedikit demi sedikit, HHI memperoleh keupayaan ubahsuaian rekabentuk ... [akhirnya] HHI mengambil keputusan strategik menubuhkan kilang injin dan memperoleh keupayaan rekabentuk asas pada masa yang sama (Terj. drp. Amsden 1989: 278–79).*

**Question 5/Soalan 5 (40 marks/markah)**

Robert Wade has argued that ‘the key feature of industrial policy in Korea and Taiwan was a “governed market”’ (Wade 1995: 119). Would you agree that a ‘governed market’ solved the problem of whether the state should be ‘leading the market [or] following the market’ (Wade 1995: 133) to achieve successful industrialization? (Your answer should offer arguments supported by suitable examples.)

*Robert Wade telah berhujah bahawa ‘ciri terpenting dasar perindustrian di Korea dan Taiwan ialah suatu “pasaran yang terperintah”’ (Wade 1995: 119). Setujukah anda bahawa ‘pasaran yang terperintah’ telah menyelesaikan masalah pilihan pemerintah – antara ‘memimpin pasaran [atau] menurut pasaran’ (Wade 1995: 133) – supaya mencapai pengindustrian yang berjaya? (Jawapan anda harus memberi alasan yang disokong dengan contoh yang sesuai.)*