

**ECONOMIC
DEVELOPMENT
IN SARAWAK, MALAYSIA
AN EMPIRICAL INQUIRY**

ECONOMIC DEVELOPMENT IN SARAWAK, MALAYSIA AN EMPIRICAL INQUIRY

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DEDICATION

To my friends and teachers in my alma mater, Soka University, especially to Professor Noboru Yamamoto who taught me about economic development in Southeast Asia and the importance of learning through going to and living with the people.

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LIST OF ABBREVIATIONS

AIC	Akaike Information Criterion
ASEAN	Association of Southeast Asian Nations
AFTA	ASEAN Free Trade Area
ADF	Augmented Dickey-Fuller
DOF	Department of Fisheries
DOS	DOS Department of Statistics
G 7	Group of Seven
GDP	Gross Domestic Product
ECM	Error Correction Model
ELG	Export-led Growth
FDI	Foreign Direct Investments
IRF	Impulse Response Function
ICT	Information and Communication Technologies
LNG	Liquefied Natural Gas
NIEs	Newly Industrializing Economies
PP	Phillips-Perron
RM	Ringgit Malaysia
TFP	Total Factor Productivity
UK	United Kingdom
UNDP	United Nations Development Programme
U S	United States
USAID	United States Agency for International Development
VAR	Vector Autoregression
VECM	Vector Error Correction Model

PREFACE

This book is an outcome of my teaching, learning and research activities at Universiti Malaysia Sarawak (UNIMAS) from February 1999 to July 2003. UNIMAS was established in 1992; it is the eighth Malaysian public university. The Faculty of Economics and Business at UNIMAS was opened in 1996. I joined as one of the faculty members three years later. Since then, economic development in Sarawak has become one of my main research interests.

In 2002, I wrote my first paper on the economic development in Sarawak which examined the relationship between primary commodities trade and economic performance. The paper was subsequently published in the *Sarawak Development Journal*, a publication of the Sarawak Development Institute. Since then, I have written several papers on various issues pertaining to Sarawak's economic development. Many of these studies were published in the *Sarawak Development Journal* and presented at various international conferences.

When I joined UNIMAS, the Dean of the Faculty of Economics and Business was Professor Dr Rajah Rasiah, who is a well-known economist. I embarked on the path of economic research under his academic guidance, and I am very grateful to him for the advice and encouragement he gave me. In the ensuing years, Professor Dr Osman Rani Hassan and Professor Dr Shazali Abu Mansor became the faculty's deans. As a researcher, I have greatly benefited from the advice, encouragement, guidance and academic camaraderie of these three distinguished academicians and the rich intellectual environment in UNIMAS.

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