

**EXPORT BEHAVIOR IN 5 ASEAN COUNTRIES:
AN ECONOMETRIC INVESTIGATION**

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fulfillment of the requirements for the degree
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by

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ABSTRAK

Kebanyakan kajian lepas terhadap gelagat eksport agregat mangabaikan perhubungan keserentakan antara kuantiti dan harga. Dalam kajian ini, kita mangambil kira spesifikasi model persamaan serentak bagi permintaan dan penawaran eksport. Model ini dianggar dengan kaedah penganggar serentak untuk mewakili lima negara ASEAN. Keputusan menunjukkan bahawa keanjalan harga relatif permintaan eksport adalah kecil bagi sampel ASEAN5. Didapati kecerunan fungsi penawaran eksport adalah positif bagi majoriti negara dalam sampel.

ABSTRACT

Many previous studies on the behavior of aggregate exports have ignored the simultaneous relationship between quantity and price. In this study, we have taken explicit account of this simultaneity specifying well-defined models of export demand and supply, and by estimating these models simultaneously for five ASEAN countries. The results indicate that export demand relative price elasticities are smaller for the sample of ASEAN5. A positively sloped function of export supply is found to exist for a majority of countries in the sample.

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CHAPTER ONE:

INTRODUCTION

The remarkable record of consistently high growth for the ASEAN countries in the past three decades is well known. The group's four 'growth economies' (i.e., Singapore, Malaysia, Thailand and Indonesia), have consistently outperformed most other regions over the past 25 years. On the other hand, The Philippines has shown a remarkable recovery since 1993. Table 1.1 illustrates this economic dynamism particularly from 1970s. The growth rates of the ASEAN5 had averaged around 7 percent significantly well above the world average growth rate (around 2 percent).

The economic development in ASEAN5 is diverse with nominal GDP (Gross Domestic Product) per capita ranging from as high as US\$ 32,810 (1997) for Singapore to as low as US\$ 1,110 (1997) for Indonesia. In particular, Indonesia and The Philippines, which are politically unstable, have miserably failed to develop their economies while Singapore, Malaysia and Thailand have been successful in restructuring their economies after the 1997 economic crisis.

Most of the ASEAN member nations were experiencing mild economic slow down in 1996 and exposed to the regional economic crisis in mid-1997.

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