

Comparative Study of Sky-Line Diagram for Economic Development in Thailand and Malaysia : 1965—1990

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The Thai and Malaysian economies, which differ significantly with regard to the scale of population, GDP and per capita GDP, the existence of colonial experience, the government intervention for developing policy etc., have achieved the high performances of economic development. The objectives of this paper are first to identify the great contribution of export for both economies in the input-output analysis, and second to compare the sky-line diagrams for both economies and to explain the relationship between the structure of production and the international trade in the economic developing processes.

The increase of each industry's production is explained, in the input-output analysis, by the changes in four elements, that is, (1)self-support ratio, (2)domestic final demand, (3)export, and (4)intermediate input structure. The contributions of export change for total production in both economies were increasing over time. Recently, the 60.7% of export contribution in Malaysia was larger than the 31.2% in Thailand. It was found that the Malaysian economic development was more export-oriented than the Thai development.

By comparing the both economies' time-series of sky-line diagrams, which indicates the relation between domestic production and import-substitution for final demand, it was found again that both economies'

development was export-oriented. The textile sector of Thailand went through the import-substitution period and export-substitution period, and was a leading industry of economic development as was the case in Japan, Taiwan and the Republic of Korea. But the Malaysian economy had different leading industries from the Thai economy, and showed the developing pattern as inherited from the colonial economy.