

ТРИКУТНИК ЗРОСТАННЯ «ІНДОНЕЗІЯ-МАЛАЙЗІЯ-ТАЇЛАНД»: ПРОБЛЕМИ ТА ПЕРСПЕКТИВИ

Анотація

У сучасному глобалізованому світі філософія регіонального розвитку різко змінюється, і Україна потребує зовсім нової парадигми розвитку, як адекватно відповіді на глобальні системні проблеми і протиріччя. Зважаючи, що глобальні системні суперечності сучасного регіонального розвитку є поєднанням викликів, загроз і можливостей на різних рівнях, існує необхідність вивчення світового досвіду виникнення і функціонування зон економічного зростання. У дослідженні розглядається світовий досвід розвитку зон економічного зростання на прикладі трикутника зростання «Індонезія-Малайзія-Таїланд». У роботі здійснюється аналіз основних характерних рис розвитку даного трикутника та надаються рекомендації для України.

Ключові слова: регіональне економічне співробітництво, економічна інтеграція, трикутник зростання, зона економічного зростання, сталий розвиток, економічне зростання.

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ТРЕУГОЛЬНИК РОСТА «ИНДОНЕЗИЯ-МАЛАЙЗИЯ-ТАИЛАНД»: ПРОБЛЕМЫ И ПЕРСПЕКТИВЫ

Аннотация

В современном глобализованном мире философия регионального развития кардинально меняется, и Украина нуждается в абсолютно новой парадигме развития как адекватного ответа на глобальные системные проблемы и противоречия. Учитывая, что глобальные системные противоречия современного регионального развития – это совокупность вызовов, угроз и возможностей на разных уровнях, существует необходимость изучения мирового опыта возникновения и функционирования зон экономического роста. В исследовании рассматривается опыт развития зон экономического роста на примере треугольника роста «Индонезия-Малайзия-Таиланд». В работе анализируются основные характерные черты развития данного треугольника и предлагаются рекомендации для Украины.

Ключевые слова: региональное экономическое сотрудничество, экономическая интеграция, треугольник роста, зона экономическо гороста, устойчивое развитие, экономический рост.

Problem statement. At present we have to recognize that the philosophy of regional development in world is changing and the Ukrainian regional

system faces global systemic challenges and contradictions and needs a completely new development paradigm. Nowadays, regional cooperation is a multi-vector convergence of various wide of the elements (economic, political, social, technological, scientific, legal, cultural, religious, etc.), having a significant impact on all aspects of the development of the regions. The global systemic contradictions of modern regional development present a mix of challenges, threats and opportunities at different levels. The regional development is not a just general sum of natural resources, actors and institutions, but a synergy of the unique possibilities, the particularities and realities, values, experience and knowledge accumulated in these regions through active cooperation and exchange of values and results, permanently promoting and developing its own region phenomenon. Ukraine needs to use the new forms of regional cooperation and economic integration to provide socio-economic innovation growth as a basis for sustainable development of the country.

Analysis of resent studies. Regional cooperation and economic integration are now considered the means of enhancing economic development and providing national security within the countries. The scholars like Bunnell T. [1], Grundy-Warr C. [1], Sidaway J. D. [1], Sparke M. [1], Nor-Afidah Abd Rahman [2],Majid R. [3], Kivikari U.[4] have analyzed the features, benefits, problems and prospects of regional cooperation and economic integration through growth triangles in the different regions of the world. Despite the recognition of the need to develop different forms of regional cooperation and economic integration, many aspects because of its complexity and contradiction are not investigated. Because Ukraine lags behind European countries considerably in economic development, creation of the growth triangles has enormous potential. As U.Kivikari (2001) noticed "a growth triangle provides a solution to the strategic and administrative problems of regional cooperation between countries differing in their stages of social and economical development and other features. Areas close to each other but different in their production fundamentals can, as parts of a growth triangle, utilize their comparative advantages by means of strategic alliances and other forms of cooperation. The geographical proximity of the partners is an essential prerequisite for the achievement of savings by trade and industry in their expenses arising from transport, time and information costs. A growth triangle aims at attracting investment and promoting sales in outside markets" [4].

Main aim of the article is an attempt to study the world experience of the emergence and functioning of the growth triangles for further using in Ukraine in the context of sustainable development based on existing trends.

Basic material. Economic growth zone is a concept of mutual cooperation between countries that is aimed at promoting faster economic growth through

regional economic cooperation and the integration of economic activities among the participating countries. The countries make the different contributions, exploiting cooperative opportunities. As Majid Rahimah (2010) noticed: "through growth triangles, differences and similarities in endowments of factor of production and comparative advantages in the participating countries can be exploited to promote external trade and investment. By optimizing the economic complementarities between them would enable the region to attract both domestic and foreign investment and in promoting exports" [3].

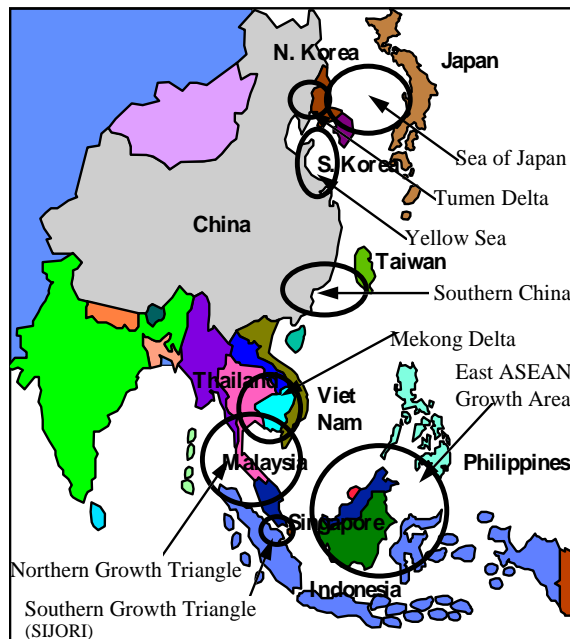


Figure 1. Asia's growth "triangles" *

*Source: [10]

It should be acknowledged that examples of growth triangles in the world show how important it is to take into account global tendencies and national traditions demonstrating a region's uniqueness and regional competitiveness. For example, according to the WTEC Panel Report on Electronics Manufacturing in the Pacific Rim [10] Singapore has concentrated on becoming the technology center for Southeast Asia, sending labor-intensive operations to low-cost neighboring countries like Malaysia and Indonesia in special mutual cooperative trade and development arrangements known as growth triangles or growth polygons. The Southern Growth Triangle, also known as SIJORI (Singapore, the Johore state of Malaysia, and Riau Province of Indonesia), was formed in 1989 and covers a population of about 6 million people. It attracted \$10 billion in private sector investments during its first

five years. Such regional economic cooperation has occurred in other Asian regions as well, spurring economic development (fig. 1) [10].

So, let's consider the key distinguishing features of development of Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT). Moreover, the Master Plan for ASEAN Connectivity (MPAC) launched in 2010 has explicitly recognized the important role of the three major subregional programs (the IMT-GT, Brunei Darussalam-Indonesia-Malaysia-Philippines Growth Area (BIMP-EAGA), and the Greater Mekong Subregion (GMS)) as building blocks to the physical, institutional, and people-to-people connectivity that is essential to ASEAN community building [8]. IMT-GT idea was initiated by former Prime Minister of Malaysia, H.E. Tun Dr. Mahathir Mohammad. In 1993, the former President of Indonesia, H.E. Suharto, Prime Minister of Thailand, H.E. Chuan Leekpai and H.E. Tun Dr. Mahathir Mohammad was endorsed the formalisation of IMT-GT in Langkawi, Malaysia.

As a matter of fact, IMT-GT provides a subregional framework for accelerating economic cooperation and integration of the member states and provinces in the three countries by exploiting their underlying complementarities and comparative advantages. The IMT-GT promotes private sector led economic growth and facilitates the development of the subregion as a whole by exploiting the underlying complementarities and comparative advantages of the member countries. Since its establishment in 1993, IMT-GT has expanded to its present geographic scope of 32 provinces and states—14 provinces in Southern Thailand, 8 states in Peninsular Malaysia, and 10 provinces in the island of Sumatra in Indonesia. With southern Thailand and northern Malaysia sharing a land border, and separated from Sumatra, Indonesia only by the narrow Straits of Malacca, these three Southeast Asian nations also share vibrant and growing economic linkages. It is home to about 78 million people inhabiting a surface area of about 615125 sq. km (table 1). The region is situated along the Melaka Straits, one of the world's busiest shipping lanes, in the ASEAN region characterized as of diverse physical, social, economic, and cultural makeup. The member states and provinces in this subregion form a natural bloc for economic cooperation given their many complementarities; geographical proximity; and close historical, cultural, and linguistic ties [5-8].

The data presented in the official documents [5-10] indicate that the IMT-GT has achieved progress in the past years in terms of sustaining the economic exchanges and commercial ties among the participating states and provinces. Working closely with IMT-GT's private sector, the Joint Business Councils (JBC), CIMT acts as a nodal for interaction with external investors, potential donor agencies, and development partners. The Asian Development

Table 1

Basic indicators of IMT-GT economies, 2012 [6]

Area	Population		Land area		Population density		GDP at current prices		GDP at PPP valuation		Growth rate of real GDP		International trade	
	thousand	sq. km	persons per sq. km	US\$ million	international dollars million	percent	US\$ million							
IMT-GT	78,181	615,125	127	345,917	523,024	5.8	490,568							
Indonesia-GT	53,056	480,793	119	170,779	233,694	5.8	87,881							
Malaysia-GT	15,540	63,617	244	139,027	225,674	6.5	373,517							
Thailand-GT	9,585	70,715	136	36,111	63,656	3.1	29,170							
IMT	344,644	2,754,361	125	1,572,177	2,382,522	6.4	1,282,842							
Indonesia	247,214	1,910,931	85	878,266	1,201,819	6.3	381,714							
Malaysia	29,518	330,290	89	304,704	494,607	5.6	423,861							
Thailand	67,912	513,140	132	389,207	686,096	7.1	477,266							
Share of Indonesia-GT to total IMT-GT	67.9	78.2	n/a	49.4	44.7	n/a	17.9							
Share of Malaysia-GT to total IMT-GT	19.9	10.3	n/a	40.2	43.1	n/a	76.1							
Share of Thailand-GT to total IMT-GT	12.3	11.5	n/a	10.4	12.2	n/a	5.9							
Share of Indonesia-GT to Indonesia	21.5	25.2	n/a	19.4	19.4	n/a	23.0							
Share of Malaysia-GT to Malaysia	52.6	19.3	n/a	45.6	45.6	n/a	88.1							
Share of Thailand-GT to Thailand	14.1	13.8	n/a	9.3	9.3	n/a	6.1							
Share of IMT-GT to total IMT	22.7	22.3	n/a	22.0	22.0	n/a	38.2							

Notes: GDP at purchasing power parity (PPP) current international dollars is computed based on PPP conversion rates from the IMF-WEO database as of October 2013. Aggregate growth rates of real GDP are indicative estimates using GDP at PPP shares as weights. Real GDP growth rate of Indonesia and Malaysia is based on GDP at constant prices in national currency terms while that of Thailand is based on the GDP chain volume measure in national currency terms.
Source: IMT-GT Trade, Investment, and Tourism Database

Bank (ADB), IMT-GT's key development partner, actively supports IMT-GT especially in the area of economic research and developmental studies, technical advice and financial assistance. An exemplary flagship project initiated by CIMT and ADB "IMT-GT Trade, Investment and Tourism Database (ITITD)" would provide a tool for qualitative and quantitative assessment of progress in trade and investment cooperation [6; 7] (fig. 2).

According to information [5-9], supported by the active dynamism of the private sector, several key initiatives were implemented in trade, travel, and tourism, as well as in physical connectivity improvements within the IMT-GT subregion. The private sector has been particularly active and has established well-functioning business networks that are helping to boost trade and investment in the subregion. Early progress in the IMT-GT subregional cooperation initiative, however, was stalled by the 1997 Asian financial crisis, compounded by constraints in the setting up of effectively functioning institutional mechanisms. Around the late 1990s to the early 2000s, IMT-GT experienced a hiatus. But the onset of economic recovery and continuing favorable economic performance in most of the Asian region in early 2000 triggered renewed interest in subregional cooperation initiatives in Asia, including the IMT-GT. The globalization of production and accelerating pace of regional economic integration in Asia have increased the strategic importance of subregional cooperation as a means to leverage national development efforts on linking with external markets [7-9].

It should be noted the Mid-Term Review (MTR) of the Roadmap [9] in 2009 maintained that the strategic thrusts of the roadmap remained relevant but project implementation has lagged behind. The MTR observed that the Action Plan Matrix (APM) supporting the roadmap needed to be transformed effectively into results to realize concrete benefits from cooperation under the IMT-GT program. The blueprint 2012-2016 [8] as a framework document to guide IMT-GT cooperation beyond 2011 reflects IMT-GT's commitment to an action-oriented agenda for the next five years. Each project in the IB has a well-defined project concept and rationale linked to the relevant underlying strategy, with estimated cost, identified source of funding, and an accountable implementer. Specific milestones and results will also be specified [8; 9].

It is worth noting that this subregion has the potential to transform their territories into a powerful growth magnet and substantially improve the quality of life.

So, we propose to create the projects of growth triangles with participation of Ukrainian regions that can promote economic growth through the realization of the regional potential in various spheres. The world experience demonstrates that the growth triangles have the following benefits and opportunities for

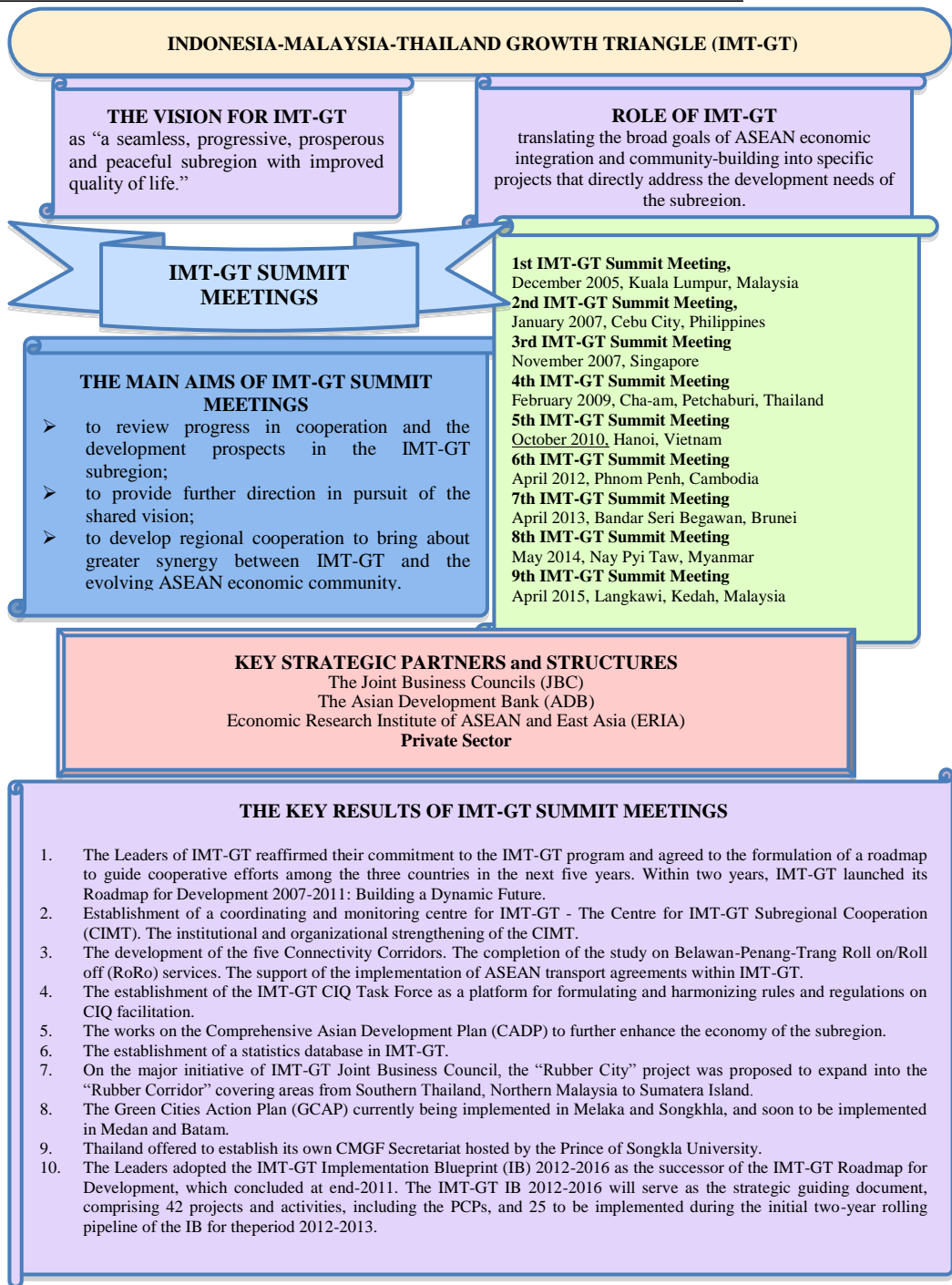


Figure 2. The key results of IMT-GT Summit Meetings, 2005-2015*

*Source: developed by author on the basis of [5-9]

Ukrainian regions: to strengthen the regional economic links and to optimise and exploit the complementarity between the adjacent areas within the growth triangle; to combine capital, technology, management expertise, infrastructure, labour, land and natural resources of the neighbouring regions; to provide a competitive model to attract investment and technology; to reduce transaction costs and to provide greater access to the domestic as well as the world market; to accelerate the growth of lagging border areas so that they can take advantage of the opportunities from regional cooperation and economic integration; new employment opportunities, new products and services, new forms of business, new knowledge and experience; attractive additional advertisement of a region; new technology and innovation.

Conclusions and directions of further researches. We can summarize, the post-2016 development of Ukraine will require the accumulation of a wide array of domestic and international resources from different sources with the purpose of catalysing inclusive growth. Finally, Ukraine has to enrich the modern system of regional development with new organizational structures and management technologies, which will be an actual significant step in the development of regions. In order to achieve the integration of Ukrainian regions into world economic space and increasing competitiveness, Ukraine has to use new forms of regional cooperation and economic integration. Thus, as mentioned above, the growth triangle can be an effective instrument for achieving local socio-economic innovation growth. However, as Majid Rahimah (2010) noticed "successful economic cooperation and integration in this growth area requires collaborative efforts and close cooperation among the participating countries — the government as well as the private sector. The extent of mutual benefits also depends upon the degree of exploitation of economic complementarities, geographical proximity, and infrastructure development in those countries"[3]. In a changing context of the world tendencies, challenges and contradictions include a growing role of regions for development of the country and undoubtedly it's very important to study the world experience as a tool for implementing sustainable development strategy in Ukraine through the improving the use of existing geo-economic and scientific potential in conditions of global challenges.

Further research should be focused on developing and implementing of world experience in Ukraine based on a comprehensive analysis of complex problems and their solutions in the context of the integration of Ukrainian regions into world economy and increasing regional competitiveness. The proximity of the EU has prompted the need to accelerate the growth of lagging areas within Ukraine so that they can take advantage of the opportunities from further regional cooperation and economic integration.

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INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE (IMT-GT): PROBLEMS AND PROSPECTS

Abstract

At present, in the modern globalized world, the philosophy of regional development is changing dramatically, and Ukraine requires a completely new development paradigm as the appropriate response to global systemic problems and contradictions. It should be noted that the global systemic contradictions of modern regional development present a mix of challenges, threats and opportunities at different levels, thus it is necessary to study the world experience of the emergence and functioning of the economic growth zone. The experience of the development of growth areas on the example of the growth triangle "Indonesia-Malaysia-Thailand" is examined in this study. The key distinguishing features of Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) are analyzed in the article and therecommendations for Ukraine are suggested.

Keywords: regional economic cooperation, economic integration, growth triangle, economic growth zone, sustainable development, and economic growth.

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