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### Notations used

- 1 A small triangle on the left of a variable indicates a first differencing operation. For example,  $\Delta \text{GDP} = \text{GDP} - \text{GDP}(t-1)$ , and  $\Delta L/L$  is the labour force growth rate.
- 2  $(t-1)$  attached to a variable indicates a lagged value (by one period).
- 3 When reporting regression results, t statistic(s) is always given in brackets, underneath the relevant explanatory variable(s).
- 4 The notation  $\partial Y/\partial X$ , where Y is any explained variable and X is any explanatory, indicates a partial derivative. It shows the effects of a change in Y brought about by a change in X with other explanatory variables remained unchanged.

## ABBREVIATIONS

2SLS	two stage least squares
AID	grants and concessional loans
APS	average propensity to save
BNM	Bank Negara Malaysia
CX	exports
DC	developed country
DEBT	external borrowings
FCI	foreign capital inflows
FDI	foreign direct investment
GDP	gross domestic product
GNP	gross national product
GNS	gross national saving
IMF	International Monetary Fund
LDC	less developed country
M3	broad money
MITI	Ministry of International Trade and Industry
MPS	marginal propensity to save
NEP	New Economic Policy
OLS	ordinary least square
OPEC	Organization of Petroleum Exporting Countries
TT	terms of trade