

TABLE OF CONTENTS

	Page
LIST OF TABLES	iv
 Chapter	
I. THE CONSTITUTIONAL FRAMEWORK	1
Introduction	1
Brief Political Background	1
Special Provisions for Borneo States	5
Financial Provisions	6
 II. FINANCIAL RELATIONSHIPS	 9
Brief Account of Development since 1950	9
The Scope for Monetary Management	12
Existing Financial Institutions	14
 III. INTER-REGIONAL TRADE	 18
Extent of the Trade	18
Trade between Malaya and Sabah	25
Trade between Malaya and Sarawak	27
Trade between Sabah and Sarawak	28
Prospects for inter-regional trade	29
 IV. THE COMMON MARKET AND ECONOMIC INTEGRATION	 31
The Economic 'rational' for a common market	32
Progress towards a Common Market	33
Other measures towards Economic integration	39
 V. THE DEVELOPMENT ASPECTS (CONCLUSION).	 41
Fiscal Relationships	41
Allocations of Federal Funds	44
Relative needs for development	48
The First Malaysia Plan	50
 Appendix	
I. Malaysia - area and land use by country, 1960-61	54

Appendix

II.	Malaysia - population by age group end - 1961	55
III.	Economically active population of Malaysia, by country, 1960	56
IV.	Malaysia - Road Mileage 1965	57
V.	Malaysia - Number of Persons per Motor Vehicle	57
VI.	Malaysia - Ratio of Doctors and Hospital Beds to Population, 1963	57
	Bibliography	58

LIST OF TABLES

Table	Page
2-1.	Malaysia and Singapore: Commercial Banking Offices, 1964 and 1965 14
2-2.	Post Office Savings Banks 15
3-1.	Trade Between (i) Malaya and Sabah (ii) Malaya and Sarawak 18
3-2.	Trade Between Sabah and Sarawak 19
3-3.	Principal Trading Partners - Sabah 20
3-4.	Principal Trading Partners - Sarawak 21
3-5.	Principal Trading Partners - Malaya 21
3-6.	Main Imports 1963 - Sabah, Sarawak and Malaya 22
3-7.	Main Exports - Sabah, Sarawak and States of Malaya 23
5-1.	Flow of Federal Funds to Sabah and Sarawak, 1964 46
5-2.	Federal Revenue 1964: Contributions and Shares by Regions 47
5-3.	Malaysia: Public Development Expenditure 47
5-4.	Public Expenditure on Transport and Communications 49