



FINAL EXAMINATION
MARCH 2024

COURSE TITLE	ECONOMICS OF INNOVATION
COURSE CODE	TECO2313
DATE/DAY	21 JUNE 2024 / FRIDAY
TIME/DURATION	09:00 AM - 11:00 AM / 02 Hour(s) 00 Minute(s)

INSTRUCTIONS TO CANDIDATES :

1. Please read the instruction under each section carefully.
2. Candidates are reminded not to bring into examination hall/room any form of written materials or electronic gadget except for stationery that is permitted by the Invigilator.
3. Students who are caught breaching the Examination Rules and Regulation will be charged with an academic dishonesty and if found guilty of the offence, the maximum penalty is expulsion from the University.

(This Question Paper consists of 2 Printed Pages including front page)

DO NOT OPEN THE QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of Three (3) questions. Answer ALL questions in the answer booklet provided. [100 MARKS]

Read the following abstract from the OECD working paper entitled Boosting Productivity in Malaysia and answer the following three questions.

Productivity growth is essential to providing sustainable increases in living standards. Malaysia has reached a development stage where growth needs to be driven more by productivity gains than the sheer accumulation of capital and labour inputs. The 11th Malaysia Plan (2016-20) sets an ambitious labour productivity growth target of 3.7% per year, well above the 2% average growth recorded from 2011 to 2015. Co-ordinated structural reforms will be necessary to achieve the productivity improvements needed to attain high-income country status. Areas where reforms would deliver the greatest boost to productivity include increasing the quality of education and skills training, spurring innovation, adopting information technology more widely, fostering a well-functioning competition policy framework, improving the functioning of the labour market and the regulatory framework for small and medium-sized enterprises, fostering regional integration and raising public sector productivity. (OECD, 2017)

QUESTION 1 (30 Marks)

Discuss and explain the meaning of productivity in general. In your discussion, pick one common measure of productivity by relating to Malaysian examples.

QUESTION 2 (30 Marks)

According to the report, spurring innovation is one of the reform areas to boost productivity in Malaysia. Discuss ways to spur innovation by relating to Malaysian experiences.

QUESTION 3 (40 Marks)

In your opinion, what is the most important area to reform to boost productivity in Malaysia. Explain your answer.

***** END OF QUESTION PAPER *****