



SDI Review Form 1.6

Journal Name:	
Manuscript Number:	2014_AJAEES_10536
Title of the Manuscript:	REINVESTIGATING THE EXPORT-LED GROWTH EVIDENCE IN MALAYSIA: BOUND TEST APPROACH
Type of the Article	

General guideline for Peer Review process:

This journal's peer review policy states that **NO** manuscript should be rejected only on the basis of '**lack of Novelty**', provided the manuscript is scientifically robust and technically sound.

To know the complete guideline for Peer Review process, reviewers are requested to visit this link:

(<http://www.sciencedomain.org/page.php?id=sdi-general-editorial-policy#Peer-Review-Guideline>)



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PART 1: Review Comments

	Reviewer's comment	Author's comment <i>(if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>
<u>Compulsory</u> REVISION comments	Line 11-12: the few policies recommended should be summarized here and the empirical ground for their justification (salient study results) should be highlighted. Line 48-49: what does it mean that GDP granger causes real imports? The theoretically relationship between GDP and imports should be recalled, and indication should be given as to whether the causality reported makes sense or not. Line 76-78: Authors should indicate which of the findings of previous studies are not congruent with the theory, and whether the disagreement should be attributed to quality of data or to wrong model specification or to wrong application of the Granger test. Line 78-82: The relationships (according to macroeconomic theory) between export and economic growth, and between Labor, Capital, exchange rate and import and economic growth should be recalled first before going to section 2.0. Line 88: the conventional symbol of "capital" is K, not CP. Line 88 and 95: there is problem of consistency in the symbol of the variable "exports": X or E? The conventional symbol is X, as written in the model specification (1).	Thank you very much for your constructive comments. We have made some improvement in this paper. We have rewritten the model in more precise way. Besides, we have checked back all the errors that we have done before.



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	Line 94: country i or country I ? There is no I in the model specification. Line 118-120: I don't think Pesaran (2001) is the author of the vector autoregression (VAR) model applied in the growth function. Original author should be mentioned. Line 120-121: Make sure z is written uniformly in both sides of the equation: either lower case or upper case. It is also not clear how a vector z can represent both vector y (of the dependent variable GDP) and vector x (of independent variables). Line 126: explain how this equation derives from line 120. Line 140: Correct the writing of (t-1) for GDP into subscript (t-1) as for all other variables in the right-hand side of the equation. Line 142: indicate how the first-difference operator is measured in the practice. Is it yearly change in either variable x or y, or is it a temporarily computer-generated variable otherwise calculated? Line 152-153: Cite the source (author). Line 169-172: According to above explanation on F-statistic, F will indicate whether growth (GDP) is related to the explanatory variables or not. No direction (negative or positive) of the overall relationship can be provided. F indicates the fitness of the model, while the parameter (coefficient) of each explanatory variable would help know the direction of the relationship between this variable and the dependent (GDP). I think this precision is worth	
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	mentioning. Line 181-182: Explain why the '1980-2011' period was chosen for the analysis. Indicate whether there was any event (political, social, economic crisis) that might have affected growth, or whether the period witnessed political and economic stability that make all data comparable from one year to another. Line 196: I have concern about the variable "labor". Explain how "total labor force" was measured. Is it the commonly computed "active population"? The 'qualified labor/total labor' ratio is not the same in all sectors of the economy, and the meaningfulness of "total labor force" or "active population" as aggregated labor variable for the present study is therefore questioned. Author should raise this limitation, if there is no way he can get the adjusted total labor force, after sector-specific 'qualified labor/total labor' ratio or employment rate or reciprocal of migration rate is applied by sector (agriculture, industry and mining, trade and services) of the economy. Line 209: Explain why the lag order was set to 2. Line 210-220: very good! Line 235-237: I can't understand this sentence! What is significant at 1% level, and what is at 10%? Please reformulate. Line 235-254: very good! Line 255: Asterisks for significance levels should be the other way round: ***1%, **5% and *10%, in the sense of	
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	very significant, significant and not significant at 5% level respectively. Line 269-270: recall the countries where these studies were conducted, and indicate how the periods compare in terms of economic and political stability. Line 274-290: very good! Consider talking about a few limitations of the study, especially regarding the measurement of some variables (e.g. labor) as to the technique of their aggregation across sectors of the economy.	
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<u>Minor</u> REVISION comments	Line 7: what is ARDL? Spell out fully as done for ELGH in line 17. Same at line 111. Line 8: write “annual data range” instead of “annually...” Line 11: write “important...” instead of “importance...” Line 29: write “another study” instead of “another studies” Line 30: “opinion” instead of “opinio” Line 34: “which is in accordance with” instead of “which is accordance to” Line 43: “In another study” instead of “In the other study” Line 44: “The results obtained indicate” instead of “The results obtained indicates” ... Line 52: “granger causality test, exports and imports does granger cause GDP in Fiji”: write “do” instead of “does” Line 56-59: the sentence is not correct. Commas (,) and semi-colons (;) are missing. THERE ARE TOO MANY GRAMMAR ERRORS THROUGHOUT THE TEXT, ALMOST IN EVERY PARAGRAPH. AUTHOR SHOULD HAVE THE PAPER EDITED BY AN ENGLISH TEACHER. Line 274: remove “indeed”. Open an empty line between lines 290 and 291.	
<u>Optional/General</u> comments	This is a very good paper. In order to upgrade it, authors should have grammar errors corrected; attention should be paid to sentences’ readability with regard to verbs’ tense, and to the positions of commas, semi-colons, and full stops. Provide a few background information where indicated. Theoretical justification, according to macroeconomic theory, of predicted relationships between the key variables should be also provided.	