

**PRODUCTIVITY CONVERGENCE IN ASIA'S ELECTRONIC INDUSTRY**

A.M Dayang-Affizzah, Faculty of Economics and Business, Universiti Malaysia Sarawak, Malaysia  
Chin-Hong Puah, Faculty of Economics and Business, Universiti Malaysia Sarawak, Malaysia  
A.R Rossazana, Faculty of Economics and Business, Universiti Malaysia Sarawak, Malaysia

[dx.doi.org/10.18374/EJBR-13-3.14](http://dx.doi.org/10.18374/EJBR-13-3.14)

**ABSTRACT**

By employing Phillips and Sul (2007) of non linear time varying factor, the paper examines the productivity convergence of high tech electronic industry in Asian countries. The result shows that the divergence in aggregate of all the countries has lead to 4 convergence clubs, lead by India, Indonesia and Korea as core cluster. Philippine and Singapore diverge from the rest of the groups. Such intra-sectoral convergence within the high tech industry might indicate greater specialization within the cluster, thus sharing similar economic structure that leads to possibility to converge among them.

Keywords: *Intra-convergence, Non linear time varying factor, Productivity*