

Asian Economics History and Development**ECON 5430/6430-001 Spring 2015****Thursday 6-9PM MLI 1160**

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Course Description:

This course focuses on Economic Development experience of East Asian and Southeast Asian economies in the post-World War era. We will examine some academic debates such as the origin of East Asian Miracle as well as emerging areas of research in recent years including the rise of China. The course heavily relies on Macroeconomics views by looking through the lens of various approaches when dealing with all topics. While the course concentrates on East Asia, we will always juxtapose its experience against other regions and consider its success and failure as the long term economic development of human history.

Course Objective:

By the end of the semester, students are expected to become familiar with themes, issues and approaches in East Asian Economic Development. They are expected to understand the crux of essential debates regarding Economic Development of the region. In addition, they will have developed skills and experience in presentation, discussion and writing professional-quality critical essays.

Credits: 3 semester credit hours

Prerequisites: Principle of Microeconomics/Macroeconomics (ECON2010/2020)

Required Books:

- The World Bank, The East Asian Miracle, Oxford University Press, 1993 (**WB**)
- Indermit Gill and Homi Kharas, An East Asian Renaissance: Ideas for Economic Growth, the World Bank, 2007 (**G&K**)
- Robert Wade, Governing the Market: Economic Theory and the Role of Government in East Asian Industrialization, Princeton University Press, 1990 (**Wade**)

- Alice Amsden, The Rise of the Rest: Challenges to the West from Late-Industrializing Economies, Oxford University Press, 2001 (**Amsden**)
- Ha-Joon Chang, The East Asian Development Experience: the Miracle, the Crisis and the Future, Zed books, 2006 (**Chang**)

Note that there will be some additional articles and chapters. All articles will be posted on Canvas. See below for more information.

Grading Policy:

Reflection (5%)

To understand your feeling and perspective towards the course are important for me to improve and adjust this course to meet our mutual goals. You will be asked to write a Reflection paper at the beginning, in the middle, and at the end of course.

Participation (5%)

I will check the attendance at the beginning of every class. Moreover, to get full credits you must participate in class discussion as well. Participation should be appropriate and intellectual by voicing your thoughtful opinions and showing respect to your classmate at the same time.

Discussions (15%) (drop two lowest ones)

You are expected to participate in weekly discussions throughout the semester. Some discussions will be randomly picked for the exams. In each discussion, the rubric will be provided, so you will know what I expect to see in your answer and response. Active participation and responses are highly encouraged. All comments must be related to the topic and showing respect to your classmates. I want this Discussion board to be the place that you freely exchange opinions, questions, and logical answers to prepare for the exams.

Presentation (25%)

I will set up groups of 3-5 people. Each group needs to do two things. First, you need to present two supplementary articles on different weeks. Second, I will pair each group with other two presentations. What you need to do is to write a one-page critical essay, prepare questions/comments and address them after the presentations in class. Rubrics of presentation and peer-review question will be provided.

Midterm Exam (20%) + Final Exam (30%)

There are two in-class exams. The study guide will be provided a week before each exam. It will contain a pool of questions that will be randomly picked in the exam room. Make-up exam is not allowed. The exams are closed books and notes.

Grading Scale:

93-100 = A	90-92.99 = A-	
87-89.99= B+	83-86.99= B	80-82.99= B-
77-79.99= C+	73-76.99= C	70-72.99= C-
67-69.99= D+	63-66.99= D	60-62.99= D-
Below 60= F		

Course Policy:

- Do not read outside material such as newspaper or use your cell phone during class time.

This course heavily uses Canvas for communication, scheduling and discussions. If you haven't set up Canvas to forward your Canvas Message and Announcement to your regular email, you should do so immediately.

- The University expects regular attendance at all class meetings. Instructors must communicate any particular attendance requirements of the course to students in writing on or before the first class meeting. Students are responsible for acquainting themselves with and satisfying the entire range of academic objectives and requirements as defined by the instructor.
- Academic dishonesty (cheating, plagiarism, etc) or disruptive behavior in the classroom will not be tolerated and might lead to expulsion, failure of the course and other possible penalties. Any behavior judged by the instructor as disrespectful or not adequate for the class environment could force him to ask the responsible student to leave the classroom immediately.
- The instructor reserves the right to make adjustments to this syllabus. Any change will be notified at least one week in advance. But it is your responsibility to stay informed if you do not attend all the classes.
- **The University of Utah seeks to provide equal access to its programs, services and activities for people with disabilities. If you will need accommodations in the class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Olpin Union Building, 581-5020 (V/TDD). CDS will work with you and the instructor to make arrangements for accommodations. All information in this course can be made available in alternative format with prior notification to the Center for Disability Services.**

Schedule of Topics and Readings

Note that topics and readings may change to suit the pace of the course and the interests of students (please check Modules in Canvas for updated information):

Topic 1: Overview of East Asian Development: why we should study East Asian experience?

Primary Readings:

- **Amsden** Chapter 1-4/ **Wade** Chapter 2
- Suehiro, Akira, “Chapter 1: Perspectives: Governments, Markets and Institutions,” in *Catch-Up Industrialization: The Trajectory and Prospects of East Asian Economies*, 2008
- Akyuz, Yilmaz, Ha-Joon Chang and Richard Kozul-Wright, “New Perspectives on East Asian Development,” *Journal of Development Studies*, 2007

Supplementary Readings:

- Storm, Servaas and Naastepad, C.W.M., “Strategic Factors in Economic Development: East Asian Industrialization 1950-2003,” *Development and Change*, 2005
- Palma, Gabriel, “The Latin American Economies During the Second Half of the Twentieth Century—from the Age of ‘ISI’ to the Age of ‘The End of History’,” in *Ha-Joon Chang, Rethinking Development Economics*, Anthem Press, 2003

Topic 2: the East Asian Miracle explained: the Controversial World Bank Report

Primary Readings:

- **WB** Overview/ **Chang** Chapter 7/ **Wade** Chapter 3
- Rodrik, Dani, “King Kong Meets Godzilla: The World Bank and The East Asian Miracle”, in *Miracle or Design? Policy Essay No. 11*, Overseas Development Council, 1994
- Amsden, Alice, “Why Isn’t the Whole World Experimenting with the East Asian Model to Develop?: Review of the East Asian Miracle,” *World Development*, 1994

Supplementary Readings:

- Krugman, Paul, “The Myth of Asia’s Miracle,” *Foreign Affairs*, 1994

- Fishlow, Albert and Catherine Gwin, “Overview: Lessons from the East Asian Experience,” in *Miracle or Design? Policy Essay No. 11*, Overseas Development Council, 1994

Topic 3: the East Asian Miracle explained: revisiting the growth debate

Primary Readings:

- **WB** Chapter 1 and 5
- Young, Alwyn, “The Tyranny of Numbers: Confronting the Statistics Realities of the East Asian Growth Experience,” *Quarterly Journal of Economics*, 1995
- Felipe, Jesus, “Total Factor Productivity Growth in East Asia: A Critical Survey,” *Journal of Development Studies*, 2007

Supplementary Readings:

- Felipe, Jesus and J.S.L. McCombie, “Biased Technical Change, Growth Accounting, and the Conundrum of the East Asian Miracle,” *Journal of Comparative Economics*, 2001
- Collins, Susan and Barry Bosworth, “Economic Growth in East Asia: Accumulation Versus Assimilation,” in *William Brainard and George Perry (eds), Brookings Papers on Economic Activity*, 1996

Topic 4 : Industrialization and Structural Change

Primary Readings:

- **Chang** Chapter 2 and 3/ **Amsden** Chapter 5 and 6/ **Wade** Chapter 1 and 4
- Rodrik, Dani, “Getting Interventions Right: How South Korea and Taiwan Grew Rich,” *Economic Policy* 20, 1995
- Felipe, Jesus and Gemma Estrada, “Benchmarking Developing Asia’s Manufacturing Sector,” *ERD Working Paper*, 2007

Supplementary Readings:

- Lin, Justin and Yang Yao, “Chinese Rural Industrialization in the Context of the East Asian Miracle,” in *Joseph Stiglitz and Shahid Yusuf (eds) Rethinking the East Asian Miracle*, Oxford University Press, 2001
- Timmer, Marcel and Adam Szirmai, “Productivity Growth in Asian Manufacturing: the Structural Bonus Hypothesis Examined,” *Structural Change and Economic Dynamics*, 2000

Topic 5: International Trade Policy

Primary Readings:

- **WB** Chapter 3 and 6/ **Amsden** Chapter 7/ **Wade** Chapter 5/ **G&K** Chapter 2
- Frankel, Jeffrey and Romer, David, “Trade and Growth in East Asian Countries: Cause or Effect,” *NBER Working Paper*
- Akyuz, Yilmaz, William Milberg and Robert Wade, “Developing Countries and the Collapse of the Doha Round,” *Challenge*, 2006

Supplementary Readings:

- Lawrence, Robert and Weinstein, David, “Trade and Growth: import-led or export-led?” Evidence from Japan and Korea,” *NBER Working Paper*, 1999
- Felipe, Jesus and Joseph Anthony Lim, “Export or Domestic-led Growth in Asia?,” *Asian Development Review*, 2005

Topic 6: Institution

Primary Readings:

- **WB** Chapter 4/ **Chang** Chapter 4/ **G&K** Chapter 7
- Chang, Ha-Joon, “Institutions and Economic Development: Theory, Policy and History,” *Journal of Institutional Economics*, 2011
- Acemoglu, D., S. Johnson and J. Robinson, “Institutions as the Fundamental Cause of Long-Run Growth,” in *Aghion, P. and S. Durlauf (eds.) Handbook of Economic Growth*, 2004

Supplementary Readings:

- Grabowski, Richard, “Modes of Long-run Development: Latin America and East Asia,” *Journal of Institutional Economics*, 2008
- Easterly, William and Ross Levin, “Tropics, Germs and Crops: How Endowments Influence Economic Development,” 2003

Topic 7: Institution: the Flying Geese Model

Primary Readings:

- **Wade** Chapter 7 and 8
- Kasahara, Shigehisa, “The Asian Developmental State and The Flying Geese Paradigm,” *UNCTAD Discussion Papers*, 2013
- Kojima, K, “The Flying Geese Model of Asian Economic Development” Origin, Theoretical extensions, and regional policy implications, *Journal of Asian Economics*, 2000

Supplementary Readings:

- Jomo, K.S., “Rethinking the Role of Government Policy in Southeast Asia,” in *Joseph Stiglitz and Shahid Yusuf (eds) Rethinking the East Asian Miracle*, Oxford University Press, 2001
- Park, PH, “The Collapse of the Flying Geese Development Model: Advent of New Order in East Asia and Foreign Policy Alternative for the Republic of Korea,” *The Review of Korean Studies*, 2009

Topic 8: Globalization and the Rise of China

Primary Readings:

- **Amsden** Chapter 9
- Whyte, Martin, “The Social Roots of China’s Economic Development,” *The China Quarterly*, 1995
- Eichengreen, B., Y. Rhee and H. Tong, “The Impact of China on the Exports of the other Asian Countries,” *NBER Working Paper*, 2004
- Khor, Martin, “Globalization and the South: Some Critical Issues,” *UNCTAD Discussion Papers*, 2000

- Braunstein, Elissa and Gerald Epstein, “Bargaining Power and Foreign Direct Investment in China: Can 1.3 Billion Consumers Tame the Multinationals?”, *PERI Working Paper Series*, 2002

Supplementary Readings:

- Mercereau, Benoit, “FDI Flows to Asia: did the Dragon Crowd Out the Tigers?” *IMF Working Paper*, 2005
- You, Jong-Il and Ju-Ho Lee, “Economic and Social Consequences of Globalization: The Case of South Korea,” *CEPA Working Paper Series*, 2000
- Boltho, Andrea and Maria Weber, “Did China Follow the East Asian Development Model,” *European Journal of Comparative Economics*, 2009

Topic 9: Exchange Rate and Financial System

Primary Readings:

- **Chang** Chapter 6 and 8/ **G&K** Chapter 4
- Epstein, Gerald, Ilene Grabel and Jomo K.S., “Capital Management Techniques in Developing Countries: An assessment of experience from the 1990s and lessons for the future,” in *Gerald Epstein (ed.) Capital Flight and Capital Controls in Developing Countries*, 2005
- Singh, Ajit, “Savings, Investment and the Corporation in the East Asian Miracle,” *MPRA*, 1997

Supplementary Readings:

- Crotty, James and Kang-Kook Lee, “From East Asian “Miracle” to Neoliberal “Mediocrity”: The Effects of Liberalization and Financial Opening on the Post-Crisis Korean Economy,” 2005
- Palma, Gabriel, “The Three Routes’ to Financial Crisis: Chile, Mexico and Argentina(1); Brazil (2); and Korea, Malaysia and Thailand(3)”, in *Ha-Joon Chang (ed) Rethinking Development Economics*, 2003

Topic 10: Asian Crisis

Primary Readings:

- **Chang** Chapter 5
- Frankel, Jeffrey, “The Asian Model, The Miracle, The Crisis and the Fund,” Delivered at: the US International Trade Commission, 1998
- Krugman, Paul, “What Happened to Asia?,” 1998
- Singh, Ajit, “Asian Capitalism and the Financial Crisis,” *CEPA Working Paper Series III*, 1998
- Khor, Martin, “The Economic Crisis in East Asia: Causes, Effects, Lessons,” *Third World Network*, 1998

Supplementary Readings:

- Kaplinsky, R., “If You Want to Get Somewhere else, You Must Run at Least Twice as Fast as That!: the Root of the East Asian Crisis,” *Competition and Change: the Journal of Global Business and Political Economy*, 1999
- Wade, R. and Veneroso, F, “The Asian Crisis: the High Debt Model Versus the Wall-Street-Treasury-IMF Complex,” *New Left Review*, 1998

Topic 11: Labor Market and Informal Sector

Primary Readings:

- Amin, A.T.M. Nurul, “The Informal Sector in Asia from the Decent Work Perspective,” *ILO Employment Paper*, 2002
- Lewis, W. Arthur, “Economic Development with Unlimited Supplies of Labour,” *The Manchester School*, 1954
- Packard and Nguyen, “East Asia Pacific at Work: Employment, Enterprise, and Well-Being, ” Part 1, *the World Bank*, 2014

Supplementary Readings:

- Cheng and Gereffi, “The Informal Economy in East Asian Development,” *International Journal of Urban and Regional Research*, 1994

- Park, Albert, Wu Yaowu and Yang Du, “Informal Employment in Urban China: Measurement and Implication,” *World Bank Working Paper*, 2012

Topic 12: Inequality, Poverty and Growth

Primary Readings:

- **G&K** Chapter 6
- Quibria, M.G., “Growth and Poverty: Lessons from the East Asian Miracle Revisited,” *ADB Institute Research Paper 33*, 2002
- Birdsall, Nancy, David Ross, and Richard Sabot, “Inequality and Growth Reconsidered: Lessons from East Asia,” *The World Bank Economic Review*, 1995
- Jomo, K.S., “Growth with Equity in East Asia?” *DESA Working Paper No. 33*, 2006

Supplementary Readings:

- You, Jong-Il, “Income Distribution and Growth in East Asia,” *Journal of Development Studies*, 2007
- Meng, Xin, “Poverty, Inequality, and Growth in Urban China, 1986-2000,” *IZA DP No. 1452*, 2005

Topic 13 : Gender Inequality

Primary Readings:

- Seguino, Stephanie, “Accounting for Gender in Asian Economic Growth,” *Feminist Economics*, 2000
- Berik, Gunseli, “Growth with Gender Inequity: Another Look at East Asian Development,” 2005
- Braunstein, Elissa, “The Efficiency of Gender Equity in Economic Growth: Neoclassical and Feminist Approaches,” *GEM-IWG*, 2007

Supplementary Readings:

- Seguino, Stephanie, “Gender Wage Inequality and Export-Led Growth in South Korea,” *Journal of Development Studies*, 1997
- Matthews, R. and Nee, V., “Gender Inequality and Economic Growth in Rural China,” *Social Science Research*, 2000.

Topic 14: East Asia before and after the 2008 Crisis: is there any future?

Primary Readings:

- **Chang** Chapter 9/ **Wade** Chapter 11
- Jomo, K.S., “Growth After the Asian Crisis: What Remains of the East Asian Model?,” *G-24 Discussion Paper Series*, 2001
- Stiglitz, Joseph, “From Miracle to Crisis to Recovery: Lessons from Four Decades of East Asian Experience,” in *Joseph Stiglitz and Shahid Yusuf (eds) Rethinking the East Asian Miracle*, Oxford University Press, 2001

Supplementary Readings:

- Eichengreen, B. , “Global Imbalances and the Asian Economies: Implications for Regional Cooperation,” *ADB Working Paper Series on Regional Economic Integration No. 4*, 2006
- Eichengreen, Barry, Dongyun Park and Kwanho shin, “When Fast Growing Economics Slow Down: International Evidence and Implications for China,” *NBER Working Paper Series*, 2011