Course Summary & Objectives
This course examines economic developments in Japan, South Korea, Taiwan, and China in the post-war period. It emphasizes the institutions and historical conditions that have contributed to, slowed, and shaped development in those economies. We will consider similarities and differences in their experiences of economic development, and examine some of the challenges facing each economy today.

The first half of the course looks at Japan’s post-war economy. We will consider how Japan moved from impoverishment and military defeat to industrial, technological, and financial superpower. While we will discuss some of the costs of development, the focus will be on the economic and political factors that allowed Japan to grow in such an astounding way throughout much of the post-war period. We will also address at length the problems of the Japanese economy since the early 1990s, and the issue of why Japanese institutions have done such a poor job of addressing them.

The second half looks at Korean and Taiwanese post-war development, as well as more recent developments in China and in the regional economy. This section of the course considers several key questions: What do the experiences of Korea, Taiwan, and China tell us about the role of government policies in economic growth? Why were the effects of the Asian Financial Crisis on Korea and Taiwan so markedly different? What have been the main drivers for China’s extraordinary recent growth? And how have processes of globalization and regionalization changed the economies of Japan, Korea, Taiwan, and China?

Requirements
Students are expected to attend all classes and keep up with the weekly reading assignments (approximately 80-100 pp. per week). There will be one in-class midterm, a group presentation, and a final exam. Attendance will be taken regularly. Students are also required to attend at least three on-campus Asia-related events as designated by the instructor. The weights are as follows:

- Attendance/Participation: 10%
- Asia-Related Events: 5%
- Midterm: 30%
- Group Presentation: 15%
- Final Exam: 40%

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NOTE: If you miss class for any reason, it is your responsibility to ensure that you obtain any notes, assignments, or handouts. All assignments and handouts, as well as the syllabus, will be made available through Blackboard (https://learn.bu.edu).

Readings


The above books are on sale at the bookstore and on reserve in the library. Photocopies of all other chapters and articles in the syllabus are available through the BU Library system, either through the E-Journals resource, through Blackboard, or on reserve in either Mugar or Pardee (SMG) library.

Please note that finding articles in academic journals is a basic skill that all college students should have. For that reason, I have not uploaded to Blackboard any articles that are in journals to which BU has an online subscription (e.g. *Journal of Asian Economics*). To find these articles, go to the BU Library’s E-Journals search page, type in the journal name, and proceed from there.

Academic Integrity

All members of the University are expected to maintain the highest standards of academic honesty and integrity, and the CAS Academic Conduct Code will be strictly enforced. The Conduct Code can be found at http://www.bu.edu/academics/policies/academic-conduct-code/.
Course Outline

Wed. 9/7 East Asia: Historical and Geographical Overview

**Part I: Post-War Japanese Development**

Fri. 9/9 Occupation to Oil Shocks
Flath, Chapt. 4.

Mon. 9/12 Labor Relations and Labor Movement
Flath, Chapt. 16, pp. 127-137.

Wed. 9/14 Current Issues in Labor Relations

Fri. 9/16 Review

Mon. 9/19 Savings and Investment
Flath, Chapt. 5.

Wed. 9/21 Fiscal Policy
Flath, Chapt. 10, 11.

Fri. 9/23 Review

Mon. 9/26 Industrial and Technology Policy

Wed. 9/28 Trade Patterns
Flath, Chapt. 8.

Fri. 9/30 Trade Frictions

Mon. 10/3 Exchange Rates & Outward Investment
Flath, Chapt. 7.

Wed. 10/5 Finance and Financial Policy in the 1980s: Bubble and Crash

Fri. 10/7 Review
Tues. 10/11 Finance and Financial Policy after the Crash
Thomas Cargill, Michael Hutchison, and Takatoshi Ito, Financial Policy and Central Banking in Japan (MIT, 2000), Chapt. 5.

Wed. 10/12 Financial Supervision Reforms
Thomas Cargill, Michael Hutchison, and Takatoshi Ito, Financial Policy and Central Banking in Japan (MIT, 2000), Chapt. 3.

Fri. 10/14 Abenomics
Reading TBA

Part II: Korea and Taiwan in the Post-War Period

Mon. 10/17 Korea and Taiwan: From Import-Substitution to Export-Led Growth
Robert Wade, Governing the Market (Princeton, 1990), Chapt. 2.

Wed. 10/19 Industrial Policy in Park-Era Korea
Edward Graham, Reforming Korea's Industrial Conglomerates (IIE, 2003), Chapt. 2.

Fri. 10/21 Review

Mon. 10/24 MIDTERM

Wed. 10/26 State and Finance in Korea and Taiwan

Fri. 10/28 Korea and Taiwan: From Smokestacks to Computer Chips
Charles Harvie and Hyun-Hoon Lee, Korea’s Economic Miracle: Fading or Reviving? (Palgrave, 2003), Chapt. 6; Suzanne Berger and Richard Lester, eds., Global Taiwan (M.E. Sharpe, 2005), Chapts. 4, 5.

Mon. 10/31 Case Study: Samsung Electronics

Wed. 11/2 Industrial Organization in Japan, Korea, and Taiwan: Keiretsu, Chaebol and Guanxi Chiye
Fri. 11/4  Asian Financial Crisis

Mon. 11/7  After the Asian Financial Crisis – Korea

Wed. 11/9  Group Presentations

**Part III: The Rise of China**

Fri. 11/11  China’s Market Transition
Naughton, Introduction and Chapt. 4.

Mon. 11/14  Growth and Structural Change in China
Naughton, Chapt. 6.

Wed. 11/16  Industry and Ownership in China
Naughton, Chapt. 12, 13.

Fri. 11/18  China in World Trade
Naughton, Chapt. 16.

Mon. 11/21  Review/Film: “Manufactured Landscapes”

Mon. 11/28  Foreign Investment in China
Naughton, Chapt. 17.

Wed. 11/30  China's Financial System
Naughton, Chapt. 19.

Fri. 12/2  Review

Mon. 12/5  Inequality and Social Safety Net in China
Naughton, Chapt. 9.
Part IV: The Transformation of East Asia

Wed. 12/7               Production Networks in East Asia
                           Naoko Munakata, *Transforming East Asia* (Brookings, 2006), Chapt. 3;
                           William Grimes, *Currency and Contest in East Asia* (Cornell, 2009),
                           Chapt. 2.

Fri. 12/9                Aging Society Issues
                           Kenichiro Kashiwase, Masahiro Nozaki, and Kiichi Tokuoka, “Pension

Mon. 12/12               Overall Review of Post-War East Asian Economies

FINAL EXAM – MONDAY, DECEMBER 19, 9:00-11:00 a.m.