The Varieties of Capitalism in East Asia: Politics of Economic Reforms  
Winter Quarter, 2008 

Instructor: Dr. Myung-koo Kang  
Class time & place: Tues & Thurs, 3:15~5:05/ Bld. 116-318  
Office: Encina Hall C332  
Office Hours: Tues & Thurs, 2:00~3:00 or by appointment  
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COURSE DESCRIPTION  
This course examines the interaction between states and markets in modern Japan, South Korea, and China, paying special attention to the similarities and differences in each government's attempt to reform its economy in response to globalization. We will explore the similar institutional arrangements that spurred rapid economic growth in East Asia. Similarly, we will explore how each country developed substantially different models of economic development and reforms due to their unique institutional settings, and cultural and sociopolitical contexts. Then, we will ask, how have the governments of these three countries responded to globalization in different and similar ways? How have global and regional politics determined the pace and sequence of these nations’ economic reforms? Students will explore these questions by reviewing recent economic reforms or attempted reforms in each country. 

COURSE REQUIREMENTS  
No pre-requisites, but some background in economics or the history of each country recommended. 

Two critical review essays 30%  
Web site postings 15%  
Attendance & Class participation 15%  
One comparative research paper 40%  

Books for purchase:  
I. MARKETS & STATE: COMPETING VIEWS

** Required readings
* Recommended readings
# Further reference

Week One: What Has Happened in East Asia during the past Five Decades?

a. Introduction: Why East Asia? (1/8)

b. Economic Miracle: Perspiration vs. Inspiration (1/10)

Week Two: Rival Views on Markets and Capitalism (I)

# Articles are available at [Barma & Vogel] (2007)

a. The Classic View (Smith, Marx & List) (1/15)

b. Liberal Paradigm / Alternative Views (1/17)
   **Friedman, Milton (1962), Capitalism and Freedom: 22-36.
   **Williamson, Oliver (1985), The Economic Institutions of Capitalism: 15-23, 41-42.
   *Gilpin, R. and J. M. Gilpin (2003). Global political economy: understanding the international economic order, Orient Longman: chs. 5 & 6 (pp.103~147)
Week Three: Rival Views on Markets and Capitalism (II)

# Articles are available at [Barma & Vogel] (2007)

a. Historical Perspectives/ Political Science and Political Economy (1/22)
   ** Johnson, Chalmers (1982), MITI and the Japanese Miracle: 3-34.

b. The East Asian “Developmental State” and Its Critics (1/24)

1/29: class recess (preparation of the first critical review paper + paper topic)

II. CASE STUDIES: JAPAN

Week Four: Japan (I): Origins of the Japanese Model

a. Pre-WWII System (1/31)

# First critical review paper + research paper topic due
c. Post-WWII System: Continuity vs. Discontinuity (2/5)

Week Five: Japan (II): Japan Remodeled? Or End of the Japanese Model?

a. The Lost Decade Debate (2/7)

b. Recent Reforms: Japan rebounding? (2/12)

# Mid-term evaluation on the course and individual performance

III. CASE STUDIES: SOUTH KOREA

Week Six: South Korea (I): Economic Growth and Government Intervention

a. Origin of the developmental dictatorship (2/14)
Week Seven: South Korea (II): Crisis and Reforms


b. Post-crisis Reforms (2/26)

# 2nd Critical Review Paper Due

IV. CASE STUDIES: CHINA

Week Eight: China (I) :The Rise of Chinese Economy

a. Why no industrial revolution in China? (2/28)

b. Growing out of the Plan: Gradualism (3/4)

**Week Nine: China (II): Perils ahead? Or Sustainable Growth?**

a. Uneven Development (3/6)


**Final Class (3/13):** Student Presentation of Research Paper
WRITTEN ASSIGNMENTS

WEBSITE POSTINGS & READING MEMOS (each class): 15%
You are expected to write short reading memos (200 words maximum) on the readings for each class and post it to the course web site by 11 p.m. every Mondays and Wednesdays. The memos may take a variety of forms: 1) Critique one or more of the readings, 2) Relate the readings to a recent news story or news commentary, 3) Write your own question on the readings and answer it, 4) Propose a topic for discussion that relates to the readings, 5) Answer one of the discussion questions raised by the instructor or other students. You are encouraged to experiment with this assignment.

# Keep the deadline (11:00 p.m.) because we will discuss based on your postings in class. Late or skipped postings will not be counted in the final grade.

TWO CRITICAL REVIEW ESSAYS (15% Each)
Write a 1500-2000 word (about 5-7 pages) critical review essay. Do not summarize the main arguments, but try as much as possible to criticize and synthesize the assigned readings with a coherent theme and argument. The first review paper is about the theoretical discussions on markets and the role of the state you have learned during the second to the third week [see the class schedule]. The second review essay should discuss how politics has molded different economic policies in Japan, Korea, or China. You should include at least one of three textbooks we use in the class: Vogel (2006), Chung & Eichengreen (2004), Naughton (2007), in addition to other supplementary readings.

# First review paper is due by Jan. 31 (Tues.)
# Second review paper is due by Feb 26 (Tues.)
# All written work must be completed and submitted in class on the day they are due. Late assignments will be penalized one third of a grade for each day past the original due date. If an A paper is turned in two days late, the grade will drop to a B+. If you have any illness or personal emergency due to which you find it difficult to meet a deadline, please speak with me in advance. I will accommodate all legitimate and reasonable requests for extension for such cases.

RESEARCH PAPER AND PRESENTATION (40%)
Write at least 15 page (double-spaced) research paper that compares at least two countries focusing on specific economic reforms in a specific sector in each country. Base your paper primarily on course readings plus additional reference materials. Focus on the political dynamics in addition to economic nature of the issue, not on advocating a particular policy stance. What kinds of policy were adopted to deal with certain economic reforms? Which interest groups, government agencies, and political parties are involved in setting policy in this area? What are their respective positions on the issue? How do they interact? Try to articulate the commonalities and differences in policy formation and implementation of each country. Link your argument to theories and analytical perspectives introduced in the course.

# Submission of paper topic by Jan. 31 (Thursday)
  * Submit which countries or sector or policy you are going to compare, and if possible, with one key research question (theoretical or empirical) and one core argument.
* Then, each of you is expected to talk with the instructor about your research topic.
* After consulting with the instructor, you can change your research topic.

# Paper presentation in class: Maximum 10 minute presentation and 5 minute Q & A session
* Last class: March 13 (Thursday)

# Paper Due by midnight of March 20 (e-mail submission): strict deadline (no extension or postponement is allowed due to the deadline of grade submission)

**Academic Dishonesty and Plagiarism**
Plagiarism or any other form of academic dishonesty will not be tolerated in this class. Please visit [http://www.stanford.edu/dept/vpsa/judicialaffairs/students/plagiarism.sources.htm](http://www.stanford.edu/dept/vpsa/judicialaffairs/students/plagiarism.sources.htm) for further information on the plagiarism.