Politics 377

Rise of Asia: Political Economy of Development

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Course Description: The economies of many Asian countries have grown rapidly over the last several decades. Some of them, like South Korea, have even joined the ‘rich man’s club,’ the Organization for Economic Cooperation and Development. This course will study the political and economic pathways travelled by select Asian countries on their road to prosperity. The focus will be on three specific countries: South Korea, China and India. We will analyze comparatively the models of development pursued in these countries, especially the state’s role in promoting growth and distribution. While learning about specific cases, we will also address such general issues: role of states and markets in development; importance of democratic versus authoritarian regimes as agents of growth and distribution; and the significance of a country’s global setting for its developmental trajectory. The course will compare and contrast Asian models of development by combining historical, political and economic analysis.

In addition to course lectures, students will be expected to read regularly and to participate in precepts. I have tried to keep weekly readings to around 150 pages. The grade for the course will be determined by one mid-term take-home exam (30%) and one final take-home exam (50%). The quality of participation in the precepts will also be graded (20%). The reading material for the course will be available both as books ordered at the University bookstore and as e-readings.

The following books ought to be available at the bookstore or from amazon.com:


I. **Introduction to the course (two weeks)**

During the first two weeks, we will explore what the course is about (lecture one; no reading assigned), review the state versus market debate as it has been rehearsed in the Asian context (two lectures), and then I will provide some background on the Japanese model of development (lecture four), because it was the first Asian country to industrialize successfully.

**Required reading:**


**Recommended reading:**


World Bank, *The East Asian Miracle*, 1993 (an effort by the World Bank to reconcile the statist versus the market interpretations of East Asian economic success; the focus is more on the ‘first generation’ successful economies, such as South Korea and Taiwan and less on China or India).

*World Development*, Vol. 22, #4, Various articles on the World Bank’s, “The East Asian Miracle Report.” (a number of articles that criticize the World Bank’ report are brought together; especially notable is the essay by Dani Rodrik).

Helen Hughes, *Achieving Industrialization in East Asia*, 1988 (an interpretation of East Asian economic success that is more sympathetic to a pro-market approach).

Atul Kohli, *State-Directed Development*, 2004 (a statist interpretation of South Korea’s rapid industrialization and of India’s sluggish growth up to 1980; Brazil and Nigeria are also analyzed but can be ignored for this course).
Narcis Serra and Joseph Stiglitz, eds., The Washington Consensus Reconsidered, 2008 (an effort to move beyond the ‘Washington consensus’ that had emphasized open economies and minimal state-intervention as recipes for economic success in the developing world).

Pranab Bardhan, Awakening Giants, Feet of Clay, 2010 (a comparative analysis of problems facing the two Asian giants, China and India).

Anthony D’Costa, edited, Globalization and Economic Nationalism in Asia, 2012 (a collection that analyzes the role of economic nationalism across Asian cases, including Korea, China and India).

Joe Studwell, How Asia Works: Success and Failure in the World’s Most Dynamic Region, 2013 (a recent, readable account of success and failure in East and South East Asia; does not include India).

II. South Korea: (three weeks)

During these three weeks the focus will be on the two decades (the 1960s and the 1970s) during which South Korea industrialized rapidly. We will begin with some background material on the Japanese colonial influence on Korea, move on to the civil war and the Syngman Rhee period (about two lectures), and then focus on the key period of rapid industrialization facilitated by a Japanese-style developmental state (three lectures), and conclude with some observations on the more recent, ‘liberal’ South Korea (one lecture).

Required Reading:


Alice Amsden, Asia’s Next Giant: South Korea and Late Industrialization, 1989, pp. 3-156.


**Recommended Reading:**


Meredith Woo-Cumings, ed., *The Developmental State*, 1999 (a useful collection of essays on the origins, evolution and possible decline of the developmental state).


David Hundt, *Korea’s Developmental Alliance: State, Capital and the Politics of Rapid Development*, 2009 (the book argues that the statist literature on Korea has underestimated the power of business groups in that country).


**III. China: (three weeks)**

The focus during these three weeks will be on the political economy of development in the post-Cultural Revolution China (late 1970s to the present). I will provide background to pre-communist China (one lecture), devote two lectures to Maoist China, and then concentrate on the recent decades of rapid economic growth and growing inequalities under the control of the communist party (three lectures).

**Required Reading:**


Recommended Reading:


Loren Brandt and Thomas Rawski, eds., *China’s Great Economic Transformation*, 2008 (an important collection of essays on the Chinese economy, mostly by economists.)


Kellee Tsai, *Capitalism without Democracy: The Private Sector in Contemporary China*, 2007 (based on detailed field work, this book challenges the view that capitalists favor democracy over authoritarianism; the book demonstrates that Chinese capitalists make every day adjustment to authoritarian politics and co-exist with it quite comfortably).

Minxin Pei, *China’s Trapped Transition: The Limits of Developmental Autocracy*, 2009 (the book argues that political reform in China lags behind rapid economic growth and that, this in turn, is creating numerous political problems, such as rampant corruption, weakening state capacity and a growing legitimacy crisis).

Dali Yang, *Remaking the Chinese Leviathan*, 2004 (a study that is more sympathetic to the efforts of Chinese leaders to reform the state in light of rapid economic growth; it documents key state reforms and suggests that, though a ‘work in progress,’ Chinese leaders are making good progress in synchronizing developments in the state and society).

Linda Yueh, *China’s Growth*, 2013 (a readable account of the Chinese economic growth by an economist who uses micro evidence to generate macro insights).

Andrew Nathan, Larry Diamond, Marc F. Plattner (eds), 2013, *Will China Democratize?* (an edited compilation of Journal of Democracy essays; focus is on the interplay between growth and political change)

IV. **India (three weeks)**

The focus during this section will be on the political economy of post-1980 growth acceleration. After a brief introduction to the British colonial legacy in India (one lecture) and two lectures on the slow growth phase in India (say, 1950 to 1980), we will
concentrate our discussion on how rapid growth and significant poverty coexist within a mobilized democracy.

**Required reading:**


**Recommended reading:**


Paul Brass, *The Politics of India since Independence*, 1994 (a good text book of sorts on Indian politics; though a bit outdated, the arguments remain relevant and insightful).

Atul Kohli, eds., *The Success of India’s Democracy*, 2001 (a collection of essays on the dynamics of Indian democracy).

Stuart Corbridge, John Harriss and Craig Jeffrey, *India Today: Economics, Politics and Society*, 2013 (brand new book that examines recent political and economic changes in India by answering thirteen separate questions that can be raised about the issues facing that country).


Pranab Bardhan, *Awakening Giants, Feet of Clay*, 2010 (a comparative analysis of China and India that underlines weaknesses facing each of the ‘giants.’)


Kanchan Chandra, ed. *Democratic Dynasties: State, Party and Political Families in India*, forthcoming (documents and explains the extensive role of political dynasties in India; introduction and conclusion is available on request).
V. Conclusion (one week)

We will conclude the course by comparing the country cases to each other, especially asking how the role of state in economic development varies across these three cases (one lecture), but then also, briefly, situate Asian pathways in a global context (one lecture).

Required reading:
