Course Description

This course will provide an overview of the key factors influencing the rapid growth and development of Asian economies since the 1960s, with a focus on developments since the Asian financial crisis (1997/98). It will examine a range of development issues and challenges that the region has faced, and the response made by various economies. The course will draw on diverse country, sub-regional, and regional experience to identify policies that seem to have contributed most significantly to growth and development, examine why they “worked,” and how they might be applied in other developing economies. It will consider current policy debates on a host of “hot” topics including poverty, macroeconomic management, trade and FDI, human capital and labor, financial market development, regional economic integration, health and the environment. At the end of the course, students should understand the key drivers of Asian economic growth, development and integration in the past 50 years and be familiar with a range of development issues likely to influence future policy options in the region.

The course will be divided into a 45-minutes lecture and 60-minutes discussion. Students are expected to attend all lectures, prepare a discussion paper prior to every lecture, participate actively in class discussions, write an essay on any topic related to economic development that can be used as a foundation of the term paper, write a term paper, and make a presentation on the term paper.

Assessment

Each student will be assessed with the criteria as follows:

1. Discussion paper (10%) – Submission deadline: one day prior to each lecture, 12 NN at the latest

   The discussion paper to be made by each student should demonstrate understanding of the following week’s lecture and readings. It should be submitted one day prior to each lecture at 12 NN. The discussion paper should be maximum of 1 page (using Arial font, 1.5 space, 11 pt.) including tables and figures. Moreover, it should serve as the preparation for the class discussion.

2. Contribution to class discussion (15%)

   The class discussion is an integral part of the course. The purpose of the class discussion is to engage the students into deeply understanding the topic of the lectures.

3. Essay (15%) – Submission deadline: 31 October 2019, 12 NN at the latest

   Students should submit an essay about any topic related to economic development that they are interested in. The essay should be a maximum of 10 pages (Arial font, 1.5 space, 11 pt.) including figures and tables. This essay should serve as a foundation for the development of the term paper.

4. Written term paper (35%) – Submission deadline: Final draft (8 January 2020, 12 NN at the latest); Revised term paper (22 January 2020, 12 NN at the latest)

   The students should write a term paper under the guidance of one ADBI professional staff / lecturer. The paper should be maximum of 20 pages (using Arial font, 1.5 space, 11 pt.) including tables and figures. For more details on the term paper see the “Essay and Term
Lecturer and Course Coordinator

- Lecturer-in-charge: Masahiro Kawai
- Assistant Lecturer-in-charge: Erica Paula Sioson

Submission of Assignments

The assignment should be submitted to Erica Paula Sioson (esioson@adbi.org). The subject of the email should be as follows:

1. The subject line for the submission of discussion paper: “AEDI – Discussion Paper (number) – Name (Student Number)”.
2. The subject line for the submission of essay: “AEDI – Essay – Name (Student Number)”. 
3. The subject line for the submission of term paper final draft and revised term paper: “AEDI – Term Paper Final Draft / Revised Term Paper – Name (Student Number)”. 
4. The subject line for the submission of presentation material: “AEDI – Presentation material – Name (Student Number)”.

Lecture Topics and Readings

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<tr>
<th>Lecture Topics and Readings</th>
<th>Lecturer (Date/Time)</th>
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The lecture will discuss the meaning of development, the sources of the East Asian miracle (i.e., successful economic growth and development in the region), the impact of the Asian financial crisis, and the process and form of Asian economic integration.

**Required readings**


**Other readings**

Fukasaku, Kiichiro, Masahiro Kawai, Michael G. Plummer, and Alexandra

**[2] Structural Transformation and Convergence in Regional Productivity Growth in Japan**

In pre-war Japan (1874–1940), regional convergence was primarily driven by productivity growth in the secondary sector. The rapid productivity convergence within the secondary and tertiary sectors relative to that in the primary sector between 1890 and 1940 provided an important base for the large convergence effects of structural transformation in the post-war years through a larger sectoral productivity gap in the lagging regions compared to the leading regions. This lecture will discuss the structural transformation and convergence in regional productivity growth in Japan.

**Required readings**


**[3] Title: Infrastructure and SME finance for Sustainable Growth**

Infrastructure plays an important role in economic development. However, private sectors are not eager to invest into infrastructure since lots of risks are associated with and the rate of return from infrastructure is low. The lecture will provide the new financing methods for infrastructure investment which can attract private investors. SME is another important factor for economic growth since many developing countries are dominated by small scale companies. Big data can make credit rating for SMEs. SME can enhance the impact of infrastructure investment to its regional economy. The lecture covers the financing methods of hometown investment trust funds for startup businesses.

**Required reading**

Naoyuki Yoshino, Matthias Helble, and Umid Abidhadjaev. 2018. *Financing*
Infrastructure in Asia and The Pacific - Capturing Impacts and New Sources-


The lecture will examine issues of financial inclusion, financial literacy and financial education in Asia, including their implications for economic and financial development and financial stability.

Required reading


Other readings


[5] **Sustainable Development Goals**

In this lecture on sustainable development goals, we will discuss the lessons learned from successes and failures in urban sanitation projects and options for policy makers to accelerate progress towards achieving the sanitation SDG target.

**Required reading**


[6] **Urbanization in Asia: The Causes and Consequence**

Asia is experiencing an unprecedented urbanization in human history. This lecture will discuss the urbanization process and its impacts on Asian society. It will cover several topics, such as the drivers of urbanization, how urbanization relates to development indicators including inequality and the environment and infrastructure demands for urbanization.

**Required reading**


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<tr>
<th>Reading</th>
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<tr>
<td>Required reading</td>
<td>Road to ASEAN Financial Integration, IMF Working Paper</td>
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<td>ASEAN Strategic Action Plans (SAPs) for Financial Integration 2016-2025; <a href="http://asean.org/storage/2012/05/SAP-for-Financial-Integration-2025-For-publication.pdf">http://asean.org/storage/2012/05/SAP-for-Financial-Integration-2025-For-publication.pdf</a></td>
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<tr>
<td>Other readings</td>
<td>Briefing note on the ASEAN Secretariat's website; <a href="http://asean.org/asean-economic-community/asean-finance-ministers-meeting-afmm/overview/">http://asean.org/asean-economic-community/asean-finance-ministers-meeting-afmm/overview/</a></td>
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<td>Financial inclusion means that “individuals and businesses have access to useful and affordable financial products and services that meet their needs”. It improves people’s income-earning potential and thus reduce poverty. With access to financial resources, people can manage financial emergencies, like a job loss or crop failure in a much easier way. The successful fintech cases have proven that unmet consumer demand, combined with easy to use technology platforms and suitable high-quality financial products, can support financial inclusion and result in profitable growth. In this lecture, we will discuss the fintech development and its impact on financial inclusion in Asian context.</td>
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<tr>
<td>Required readings</td>
<td>Lee Deng, Handbook of Blockchain, Digital Finance and Inclusion, vol 1 &amp;2 Mckinsey Global Institute, DIGITAL FINANCE FOR ALL: POWERING INCLUSIVE GROWTH IN EMERGING ECONOMIES</td>
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<td>This lecture will provide an overview of the organization and the role of the Multilateral Development Banks (MDBs), taking an example of the Asian Development Bank (ADB) established in 1966 to foster economic growth and cooperation in the Asia-Pacific region. The main features of the ADB, its organization, its role of the Development for the Asia-Pacific region will be explained and discussed with the participants.</td>
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### Required readings


### Other readings


1. **Labor Migration and Remittances in Asia**

   Asia sends and receives the most migrants in the world. This course will look at the position of migration in the development discourse, particularly the role of labor migration and remittance. As comprising majority of the foreign inflows for many migrant-sending countries, remittances are comprising bigger and bigger proportions of their gross domestic product. However, whether remittances really do facilitate development is still a largely debated topic in the field of development.

   **Required readings**

   **Other readings**

2. **Welfare implications of global value chains**

   This seminar will discuss (i) the evolution of global value chains and (ii) how such evolution have affect the welfare of various players in the economy. We will look at measurements of global value chains, tools for analyzing the value chains. We will further learn how value chains have changed the
production process and its implications for workers and for the economy in terms of job availability, income and wage inequality.

**Required readings**


**Other readings**

Shingal, A. "Labour market effects of integration into GVCs: Review of literature" Available at [https://www.wti.org/media/filer_public/3d/bb/3dbb96b1-8765-4e60-b3bd-785952b1071d/wp_2015_10_gvc.pdf](https://www.wti.org/media/filer_public/3d/bb/3dbb96b1-8765-4e60-b3bd-785952b1071d/wp_2015_10_gvc.pdf)


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**[12] How to design a framework of regional integration: a case study on the Belt and Road Initiative**

This presentation aims to further understand how to design a framework of a regional integration studying a case of the Belt and Road Initiative that the World Bank has contributed. The question here is what considerations are needed to maximize the benefits of regional integration while mitigating the risks of it.

**Required readings**


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**Hiroshi Naka**

(December 13 / 16:50 – 18:35)

Emerging economies, particularly those in Asia, have grown fast over the last two decades. Due to the high potential for further economic development, an ADB-commissioned report predicted the 21st century to be an "Asian century," where Asia produces more than 50% of global GDP and China's economic success has been key. But, the success of China's economic development has created tension between the US and China. Will the "Asian century" scenario be realized? What are alternative scenarios? What needs to be done to realize a true Asian century?

Required readings


Guidelines on the term paper:

In preparing their term paper students should consider the following guidelines.

- The paper should ask a question(s) that is (are) interesting and relevant to economic growth, development and integration in Asia and the Pacific. It can be on a sub-topic e.g. macro, finance, trade, environment, labor, health, infrastructure, etc., but the paper must pose clear questions and present a hypothesis that it wants to support or reject.

- The paper should attempt to answer the question(s) in a methodical/analytical way. Basic econometrics is sometimes useful to answer the question(s) but is not always necessary. Simple analysis of trends, or a good analysis of what others have done before, can sometimes be appropriate. The student must show that he/she has an ability to define and think about an issue, analyze it in some depth using evidence, and draw important policy implications and conclusions from his/her investigation.

- The paper should include a review of literature that places the research in the context of what other people have done and makes clear why this paper is a contribution (no matter how small) to the body of knowledge. Through the review, the student should explain why the paper is worth doing. The review is not a simple listing of other people’s work. It should examine how this work relates to the issues the student is investigating.