

Graduate School of Public Policy
The University of Tokyo

CASE STUDY (FINANCE AND DEVELOPMENT IN EMERGING ASIA I)

Course No. 5140723
A Semester (A1/A2) 2016

COURSE SYLLABUS

Time: Period 2, 10:25-12:10, Mondays (unless otherwise announced)
Location: Seminar room No. 3 (Room 710), 7th floor, Administration Bureau Building 2
Instructor: Toshiro NISHIZAWA, Project Professor
Credits: 2 credits
Language: English
Office: Room 624, 6th floor, Administration Bureau Building 2
Office hours: By appointment
Contact info: tnishizawa@pp.u-tokyo.ac.jp; 03-5841-1343

Please feel free to send me e-mails with any question about the course or if you want to make an appointment. To help me not to miss your incoming e-mails, **please start the subject line with "5140723" (Course No.) when you send e-mails.*

1. Course objectives

The course will cover various development issues in emerging Asia with a focus on financing aspects. We will discuss policy issues, such as infrastructure development, SME promotion, green investment and inclusive growth, in the context of the finance-development nexus. The underlying motivation is to investigate how emerging economies in Asia could achieve the fundamental transformation towards a more advanced stage of development. Thus, upon successful completion of the course, students will be prepared for future positions engaged in finance for development either in the public or private sector. Students are required to write a term paper on a country case study or a topic of their choice, which might help students prepare for a research paper or thesis at a subsequent stage. As a practical training course, students will have the opportunity to debate, work in a team, make oral presentation and produce memos and reports.

The course consists of three components, each of which corresponds to the following questions.

First, we will revisit performance of Asia's emerging economies since the 1980s to ask how and why they have been able to show good performance despite some interruption and whether the achievements so far will be sustainable. Contributing factors and mechanisms, both endogenous and exogenous, will be sought in the political, social, and economic domains from historical and global perspectives. Second, we will discuss

whether there are any challenges and pitfalls in their development model by focusing on current issues identified by students themselves as a case study. Third, we will discuss how to correct any shortcomings in the finance-development nexus through public policy with an effective incentive design and minimum market distortions.

Country case studies on China and India will be presented by guest speakers.

This course is designed to give working knowledge to students who have been or wish to be engaged in finance for development either in the public or private sector, such as government in emerging economies, development financial institutions, aid agencies, consulting firms or NPOs, or in development projects/programs in emerging economies.

2. Schedule

A tentative course schedule is as follows.

Day 1	Monday, September 26	Introduction	Nishizawa
Day 2	Monday, October 3	Debate on the East Asian Miracle and lessons from the Asian Financial Crisis	Nishizawa
...	Monday, October 3 - Friday, October 7—course registration period		
Day 3	Saturday, October 8 Period 5 (14:55-16:40)	Changes in development finance in Asia	Nishizawa
...	Monday, October 10 National Holiday "Sports Day"	No class	...
Day 4	Monday, October 17	Growth accounting and productivity	Nishizawa
...	Monday, October 17 - Thursday, October 20—course withdrawal period		
Day 5	Monday, October 24	Country case exercise—identifying factors of growth and challenges	Nishizawa
Day 6	Monday, October 31	Student mid-term presentation on term paper proposal	Nishizawa
Day 7	Monday, November 7	Debate—selected issues based on student mid-term presentation	Nishizawa
Day 8	Monday, November 14	Guest speaker session "Chinese economy: short- and longer-term challenges" (TBC)	Nishizawa Otani [†]
...	Monday, November 21	No class	...
Day 9	Monday, November 28	Debate—the role of development financing institutions	Nishizawa
...	Monday, November 28 - Friday, December 2—individual consultation on term paper will be arranged during the period		
Day 10	Monday, December 5	Guest speaker session (TBA)	Nishizawa

			Guest†
Day 11	Monday, December 12	Guest speaker session "India: opportunities and challenges" (TBC)	Nishizawa Koda†
Day 12	Friday, December 19	Student term paper presentation	Nishizawa
...	Monday, December 26	No class	...
Day 13	Thursday, January 5	Feedback on student final presentations and follow-up discussion	Nishizawa
...	Thursday, January 5	End-of-semester evening gathering to be held jointly with Course 5123433 (tentative and optional)	...
...	Monday, January 16	Term paper due by 18:00	...

† Guest speakers: Mr. Ichiro Otani (a former Head of IMF Office in China) and Ms. Madoka Koda (Senior Economist, Japan Center for International Finance).

3. Teaching methods

This course will be organized as a seminar with introductory lecture followed by class discussion. *Active participation in discussion* is expected based on student different backgrounds, life-experiences, knowledge, skills, motivation, and reading of assigned materials. The working language is English.

Guest speakers will be invited to discuss specific issues from various perspectives and/or based on different fields of professional expertise.

4. Course requirements and grading

Students are required to make oral presentations at least twice in the middle and toward the end of the course *either (a) on a country case study of her/his choice, (b) on one of his/her choice from the subjects given by the instructor or (c) on a topic of his/her own interest in the context of the course objective as described above*. Each student is also required to submit a proposal and term paper based on his/her presentations in the middle and at the end of the course.

Furthermore, students are required *from time to time to make a brief oral presentation and/or write a short note (up to 400 or 600 words) about a particular subject*.

The course grade will be based on:

Oral presentations 35% (10% for mid-term and 25% for final)

Term paper 35% (10% for proposal and 25% for term paper)

Participation in discussion 20%

Class attendance 10%

5. Course materials

Required readings, mainly excerpts taken selectively from the following reference books or other materials, will be either made available electronically or handed out in class.

Asian Development Bank (ADB). 2015. *Asian Economic Outlook 2015: Financing Asia's Future Growth*. Manila: ADB.

Asian Development Bank (ADB). 2016. *Asian Economic Outlook 2016: Asia's Potential Growth*. Manila: ADB.

Gill, Indermit, Homi Kharas, Deepak Bhattasali, Milan Brahmbhatt, and Gaurav Datt. 2007. *An East Asian Renaissance: Ideas for Economic Growth*. Washington, DC: World Bank.

International Monetary Fund (IMF). 2015. *The Future of Asian Finance*. Washington, DC: IMF.

Ito, Takatoshi. 2007. "Asian Currency Crisis and the International Monetary Fund, 10 Years Later: Overview" *Asian Economic Policy Review*. Volume 2, Issue 1 (June): 16-49.

Krugman, Paul. 1994. "The Myth of Asia's Miracle." *Foreign Affairs* 73, no. 6 (Nov/Dec): 62-78.

Nishizawa, Toshiro. 2011. "Changes in Development Finance in Asia: Trends, Challenges, and Policy Implications." *Asian Economic Policy Review*. Volume 6, Issue 2 (December): 225-244.

Rodrik, Dani. 2012. *The Globalization Paradox: Why Global Markets, States, and Democracy Can't Coexist*. New York: Oxford University Press.

World Bank. 1993. *The East Asian Miracle: Economic Growth and Public Policy*. New York: Oxford University Press.

I would suggest that you read chapters (particularly, Chapters 1, 2, 5, 6 and 7) of the following reference book. This is one of the widely-known classical reference books to help students or professionals to do research and to write a good research paper. You can easily purchase one from amazon.com (¥1,777) or borrow one from Nishizawa.

Turabian, Kate L. Revised by Booth, Wayne C., Gregory G. Colomb, Joseph M. Williams, and the University of Chicago Press Editorial Staff. 2013. *A Manual for Writers of Research Papers, Theses, and Dissertations*. 8th ed. Chicago: University of Chicago Press.

Attachment (1) Detailed Course Schedule (to be provided separately)

Attachment (2) Titles of student final papers submitted in AY2013-AY2015

Attachment (3) About the instructor

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Case Study (Finance and Development in Emerging Asia I)
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A Semester 2016

Titles of Student Final Reports Submitted in AY2013-AY2016

Case Study (Paradigm Change for Asia's Emerging Economies) in Winter 2013

- Capital account openness and the lessons drawn from financial crisis: a new legitimacy for capital controls as a tool for Asian emerging economies?
- How to restructure the banking sector in Vietnam?
- Possible contribution of government to the expansion of electronic retail payments in Asia
- The analysis of the effectiveness of PBOC's sterilization to neutralize the impact of foreign reserve accumulation on money supply
- The integration of capital markets in Asia
- The vicious cycle of North Korea economy

Case Study (Paradigm Change for Asia's Emerging Economies II) in Summer 2014

- Analysis of shadow banking system in China
- Can we transform rice sector in Thailand to be a leading sector that can thereby driving country to become more advanced economy?
- Effectiveness of government policies in enhancing the potential of Thai rice sector
- Financially empowering the Filipino farmers
- Government's efforts on MSMEs: can they lead to economic growth?
- Paradigm change of the industry in Thailand: innovation of agriculture industry
- The role of private and public sectors under the weak governance: how to implement the effective labor standards in Bangladesh
- Towards a sustainable service sector growth in the Philippines: an analysis of the BPO-IT industry's potential as a key growth driver

Case Study (Paradigm Change for Asia's Emerging Economies I) in Winter 2014

- Accumulation of foreign exchange reserves and growth
- ASEAN banking integration: challenges to Philippine banking system
- China's TFP research (1952-1990) and comparative analysis of Japan (1970s) and China (2002-2007)

- Environmental sustainability in East Asian economy: a case of Singapore
- How can urbanization policy influence the housing price in China?
- Impact of global economic slowdown and labor supply in economic growth of China
- Microfinance, growth and public policy: evidence from the Kyrgyz Republic
- Reassessing the effectiveness of income tax holiday as policy instrument for attracting investments: the case of the Philippines
- Rationale for Myanmar Economic Bank as a state-owned bank
- Revitalizing farming business: comparative study of Japanese and Korean agricultural policies
- The actors in social protection delivery after Asian Financial Crisis in the ASEAN countries
- The legacy and future of Japanese SMEs: challenges informing opportunities for growth and international linkages
- The Philippine mining industry: impediments and opportunities

Case Study (Finance and Development in Emerging Asia II) in 2015S

- Economic development and social impact of remittance in Philippines
- E-commerce in China—a possible route to economic growth in rural areas
- Evaluation of the scheme of "Infrastructure System Export" for Japanese high speed rail
- Gujarat under Modinomics: a model for regional development in India?
- High speed railways in West India as targets to export Japanese railway system
- MDBs in Indonesia's renewable energy sector
- The Jakarta Smart Card Program: an impact evaluation

Case Study (Finance and Development in Emerging Asia I) in 2015A

- ADB's energy sector operations: implications for development banking in China
- FDIs: one of the financial resources available for Myanmar's sustainable and equitable development
- Financial institutions and microfinance development in Myanmar "institutional and operational priorities and challenges"
- Is China ready for RMB internationalization?: an assessment of current progress
- Islamic Finance: a new paradigm for development
- RMB internationalization in the process of East Asian financial integration

Case Study (Finance and Development in Emerging Asia II) in 2016S

- A study of the “100 Smart Cities” mission of the Government of India—a paradigm change in how cities are financed
- Finance and development of Vietnam—sustaining the growth: building on assets (foreign direct investment) & cutting off hindrances (state-owned enterprises)
- How could China avoid middle income trap through industry upgrade?

About the instructor

Mr. Toshiro NISHIZAWA is Project Professor at the Graduate School of Public Policy (GraSPP) of the University of Tokyo. Immediately prior to taking his current position, he was Professor at the GraSPP from July 2013 to July 2015 after serving as Director General of Country Credit Department at the Japan Bank for International Cooperation (JBIC) from April 2011 to June 2013. He also served as Deputy Director General of JBIC Institute (the research department) and Director of Asia Department II at the Japan Center for International Finance (JCIF).



He was involved in JBIC's country operations as Deputy Director General of International Finance Department I (Asia and Oceania) (2004-06), and served as Chair of the UNEP FI Asia Pacific Task Force Outreach Group (2005-06). He held various positions including: loan officer in charge of lending operations at the Export-Import Bank of Japan; researcher in the Economic Cooperation Bureau of the Ministry of Foreign Affairs; economist in the Policy Development and Review Department of the International Monetary Fund (IMF); and advisor in the Private Sector Development Department of the World Bank.

He has been actively engaged in policy dialogue and research activities with the main focus on emerging and developing economies in Asia. Mr. Nishizawa has published a number of articles and written a chapter in a few publications on economic and financial issues, including Asian economies, financing for development, Public-Private Partnerships (PPPs) and sovereign risk assessment.

Mr. Nishizawa was a guest lecturer and professor at the Osaka School of International Public Policy (OSIPP) of Osaka University (2004-14) and was a visiting lecturer at Kobe University and Chuo University. He was also a part-time practitioner faculty member to teach PPPs at GraSPP from October 2010 to June 2013. He was invited as a visiting professor by Chulalongkorn University in Thailand in March 2014 and by the Escola de Administração de Empresas de São Paulo da Fundação Getulio Vargas (EAESP-FGV) in Brazil in July 2014.

He served as a member of the Expert Group on Financial Cooperation with Asian Countries under the Council on Customs, Tariff, Foreign Exchange and Other Transactions (December 2013-September 2014), and has been a member of the IMF Study Group and a senior visiting fellow at Policy Research Institute (PRI) of Japan's Ministry of Finance (MOF). He was also invited by the Japan International Cooperation Agency (JICA) to serve as a member of the Support Committee for the Project for Capacity Building of Public Private Partnership in Mongolia (April 2014-May 2016).

Mr. Nishizawa holds a BA in Latin American studies from Tokyo University of Foreign Studies (1982), a BA in economics from the University of Tokyo (1984) and an MSc in economics from the University of Wisconsin-Madison (1988).

Mr. Nishizawa was born in Tokyo, Japan in 1959 and is married with two children.
