

Graduate School of Public Policy
The University of Tokyo

CASE STUDY (FINANCE AND DEVELOPMENT IN EMERGING ASIA I)

Course No. 5140723
A1/A2 2017

COURSE SYLLABUS

Time: Period 2 (10:25-12:10), Mondays (unless otherwise announced)
Location: Seminar Room D (1219), 12th floor, International Academic Research Building
Instructor: Toshiro NISHIZAWA, Project Professor
http://gsdm.u-tokyo.ac.jp/en/curriculum_coach_Toshiro_Nishizawa.html
<http://pari.u-tokyo.ac.jp/gsdm/en/publication/982/>
Credits: 2 credits
Language: English
Category: Practical training
Office: Room 1120, 11th floor, International Academic Research Building
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 when you send e-mails.*

1. Objectives

This course covers development issues in emerging Asia with a focus on financing aspects. An underlying question is whether emerging economies in Asia could achieve the fundamental transformation towards a more advanced stage of development. We will discuss policy issues to enhance the finance-development nexus through public policies. Thus, the course aims to prepare students for future positions engaged in finance for development either in the public or private sectors. 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 is designed to cover the following perspectives, which are subject to change depending on the scope of student interest.

First, we will revisit performance of Asia's emerging economies since the 1980s to ask how and why they have been able to demonstrate a relatively good performance, despite some interruption, and whether the achievements so far will be sustainable going forward. 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 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.

Overall, the course will seek implications for the roles of institutions and of public policy to achieve the fundamental transformation for emerging economies in Asia towards a more advanced stage of development.

2. Schedule

| | | | |
|--------|---|--|---------------------------------|
| Day 1 | Monday, September 25 | Introduction | Nishizawa |
| Day 2 | Monday, October 2 | Historical perspectives—debate on the East Asian Miracle and lessons from the Asian Financial Crisis | Nishizawa |
| ... | Wednesday, October 4 - Tuesday, October 10—course registration period | | |
| Day 3 | Saturday, October 7 Period 4 (14:55-16:40) | Growth accounting and finance-development nexus—identifying factors of growth and development challenges | Nishizawa |
| ... | Monday, October 9 National Holiday "Sports Day" | No class | ... |
| Day 4 | Monday, October 16 | An overview of finance in Asia | Nishizawa |
| ... | Monday, October 16 - Thursday, October 19—course withdrawal period | | |
| Day 5 | Monday, October 23 | Financing infrastructure | Nishizawa |
| Day 6 | Monday, October 30 | A case of community-based financing for sustainable development | Nishizawa |
| Day 7 | Monday, November 6 | Student mid-term presentation on term paper proposal | Nishizawa |
| Day 8 | Monday, November 13 | Guest speaker session (China) | Nishizawa Otani [†] |
| Day 9 | Monday, November 20 | Country case study (Laos) | Nishizawa |
| Day 10 | Monday, November 27 | Guest speaker session (India) | Nishizawa Koda [†] |
| Day 11 | Monday, December 4 | Selected issues (including Public-Private Partnerships in Asia) | Nishizawa |
| Day 12 | Monday, December 11 | One-to-one interview and | Nishizawa |

| | | | |
|--------|---------------------|---|-----------|
| | | consultation on the subject chosen for term paper | |
| Day 13 | Monday, December 18 | Student final presentation | Nishizawa |
| ... | Monday, December 18 | End-of-semester evening gathering to be held jointly with Course 5123433 (tentative and optional) | ... |
| ... | Monday, January 15 | Final report 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. Guest speakers will be invited to discuss specific issues from various perspectives and/or based on different fields of professional expertise. The working language is English.

4. Course requirements and grading

Students will be required to make brief oral presentations occasionally on a given topic or one of his/her choice either individually or as a team depending on the total number of registered students. 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.

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 and other materials, will be either made available electronically or handed out in class.

Asian Development Bank (ADB). 2017. *Meeting Asia's Infrastructure Needs*. Manila: ADB.

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

Callen, Tim. 2012. "Gross Domestic Product: An Economy's All," *Finance & Development*, IMF.

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

IMF.

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.

Sarel, Michael. 1996. *Growth in East Asia—What We Can and What We Cannot Infer*. Economic Issues 1. Washington, D.C.: IMF.

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

Attachment (1) Titles of student final papers submitted in AY2013-AY2016

Attachment (2) About the instructor

Titles of student final papers 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 S1/S2 2015

- 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 A1/A2 2015

- 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 S1/S2 2016

- 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?

Case Study (Finance and Development in Emerging Asia I) in A1/A2 2016

- An assessment of the Philippines' disaster risk financing framework
- Asian Financial Crisis in Thailand and its relevance to Myanmar
- Comparative analysis of Thailand's new financial incentives and renewable energy industry
- FinTech and financial inclusion in Myanmar
- Green bond in China
- How could North Korea boost its economy? – The possibility of informal economy
- Mongolia's long term development policy reform in financial aspects to support agriculture and livestock export in order to ensure sustainable economic growth
- The AIIB: China's financial architecture
- The role of telecommunication in Myanmar's economic development

TOSHIRO NISHIZAWA

Mr. Toshiro Nishizawa is Project Professor at the Graduate School of Public Policy (GraSPP) of the University of Tokyo. Immediately prior to his current position, he was Professor at the GraSPP (2013-15) after serving as Director General of Country Credit Department at the Japan Bank for International Cooperation (JBIC). 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 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.

Mr. Nishizawa has been actively engaged in policy dialogue and research activities with the main focus on emerging and developing economies in Asia. He has published a number of articles and written a chapter in a few publications on 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 lecturer to teach PPPs at GraSPP (2010-13) and invited as a visiting professor by Chulalongkorn University in Thailand and by the Escola de Administração de Empresas de São Paulo da Fundação Getulio Vargas (EAESP-FGV) in Brazil, both in 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 (2013-14), 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.

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.
