

THE AUSTRALIAN NATIONAL UNIVERSITY
FACULTY OF ECONOMICS AND COMMERCE
SCHOOL OF ECONOMICS

**ECHI2109/2119 Asian Giants: Japan, China and India:
Alternative Paths to Prosperity (P) and (H)**

Course Handbook for 2006

Second Semester – 17 July – 27 October

**The Australian National University
Faculty of Economics and Commerce
School of Economics**

**Asian Giants
Japan, China and India: Alternative Paths to Prosperity
(ECHI2109 and ECHI2119)**

Course information - Second Semester 2005

1. Content and purpose

The course provides an analysis of the long-term growth of three of the largest economies in Asia: Japan, China and India. It is designed to satisfy the interests of a wide range of students in and outside the Faculty of Economics and Commerce.

The main focus of study will be on identifying and comparing the relative importance of those factors that appear to have hindered or promoted economic growth in each of the three economies. Analytical emphasis will be on identifying and comparing long-run determinants of each country's success (or the lack of it) in achieving economic growth and development. In this regard, some attention will be devoted to the issue of institutions and their importance for the development of these countries – an issue that recently has received some detailed attention in the general literature on economic development.

2. Teaching staff

The course convenors for this course are Associate Professor Selwyn Cornish and Dr Alan Martina. The lecturers in the course in order of appearance are:

Dr Alan Martina(H.W. Arndt Building, room 2011, phone 6125 3671)

Email: Alan.Martina@anu.edu.au

Mr Selwyn Cornish (H.W. Arndt Building, room 1011, phone 6125 3703.

Email: Selwyn.Cornish@anu.edu.au

The lecturers will also take the tutorials. They can be contacted during tutorials or at their offices. Office hours are listed on lecturers' doors. Any other times inquiries can be arrange by contacting the relevant lecturer by email.

General enquiries should be directed to the School Administrator, Mrs Zann Miranda (H.W. Arndt Building room 1014, phone 6125 3590) or the Student Administrator, Mr Terry Embling (Arndt Building room 1013, phone 6125 0384).

3. Teaching hours

There are two lectures and one tutorial each week. Lectures will be held at 9 a.m. on Wednesdays and Fridays in Lecture Theatre 1, H.W. Arndt Buidling.

There will be no lectures or tutorials during the week (beginning the 28th August) when the mid-term test will be held.

All lectures are recorded on the CT Web system (if the system is in operation), or on tape recordings that will be lodged at the Short Loans section of the Chifley library.

Tutorial times are Wednesday between 2 and 3 p.m. and 3 and 4 p.m. and Friday between 3 and 4 p.m.. The first tutorial on Wednesday will be in Haydon-Allen room 1205 and the second in Copland Building 1106. The Friday tutorial will be in Crisp Annex 5. During the first week you are expected to sign up for the tutorials by putting your name on one of the lists on the Asian Giants noticeboard. Be early to select the tutorial of your preference. Tutorials will start during the second week of the semester.

4. Administration

A *total* fee of \$40 is payable for photocopied materials for this course. This includes three reading bricks, one for each module, with reading guides. The bricks can be collected from the School Administrator of the School of Economics. Orders must be accompanied by the receipt. Copies of each brick will also be placed in the Short Loans section of the Chifley library.

5. Communications

Relevant notices will be announced during lectures and/or tutorials and placed on the noticeboard outside the School office under 'Asian Giants' and on the School of Economics web page.

6. Assessment

You are expected to attend both lectures and tutorials. You will be required to make one oral tutorial presentation, submit an essay and sit two written examinations. The basis of the assessment will be 20% mid-term examination, 40% final examination, 30% essay and 10% tutorial presentation. Up to 5 marks will be subtracted from your **final mark** for non-attendance at tutorial. One mark will be deducted for each tutorial not attended and for which a satisfactory reason (such as medical condition for which a medical certificate is provided) has not been given.

Results awarded are:

High Distinction 80% and over

Distinction	70% and under 80%
Credit	60% and under 70%
Pass	50% and under 60%
Fail	Under 50%

A supplementary examination can be written if between 45 and 49%.

7. Course Modules:

The course is divided into three modules by country: Japan, China and India. The purpose of each module is outlined under each country heading below.

There will be 6 lectures on Japan, 9 on China and 7 on India.

Japan Module:

The objective of this module is to give students a rudimentary working knowledge of Japan's economic history, in particular, of the historical conditions which contributed to the country's development between 1870 up to 1930s and how this economic development set the pattern for the rapid growth of this economy after 1950. This is a remarkable piece of economic history as Japan is the only large country that has gone from being a poor developing country to a rich one. For this reason at least, the economic history for this country is of some interest.

The lectures begin with period from the early 17 century up to the 1850s during which time various institutions were developed that contributed to the subsequent development of the Japanese economy. The development experience of Japan between 1870 up to 1918 proved to set the pattern for what occurred afterwards. This period is important because a number of important lessons were learnt by Japan on how to go about developing an industrial base for a country's economy. These lessons have been applied at various later stages in Japan's economic development and in a number of following countries in East (including China) and South-East Asia.

The discussion of Japan's economic history in the module does not attempt to be comprehensive, but rather (as just indicated) attempts to outline what important lessons can be learnt from its experiences.

China Module:

The purpose of this module is to introduce students to the economic history of modern China. The discussion begins by attempting to answer the question why China did not experience more rapid economic development during the 14th to 16th centuries and certainly before the 19th century. This lack of economic development is despite the fact that China in the 14th century was by far the most technologically advanced country in the world at that time. This discussion indicates that there were a number of blocks to China's development that were added to in the 19th and early to mid 20th centuries. Attention then focuses on the economic history of China since the foundation of the People's Republic of China. The first two lectures examine difficulties that emerged as the Chinese government began a policy of developing a heavy industrial sector. The last 5-6 lectures examine aspects of recent moves to reform the Chinese

economy since 1978. The last five lectures will concentrate on such issues as the link between economic development and poverty, how China negotiated the transition from a controlled towards a market economy, education, industrial development and environmental pollution in China.

This is a most remarkable period of economic development that has attracted the attention of many scholars. As a consequence the volume of reading material on all aspects of China's economic history is large and of a comparatively high quality. As with other modules in this course, the listed reading forms only a small fraction of the amount that could be read.

India Module:

The purpose of this module is to introduce students to the economic history of modern India. The focus will centre on the period from the mid-19th century to the present. The module will begin with an examination of the impact of colonial rule on the traditional Indian economy. With the advent of independence in 1947, the Indian government embarked upon a comprehensive program of economic development based on a series of five year plans. At its centre was an inward-looking strategy that emphasised rapid capital accumulation, industrialisation (especially heavy industry), and public sector ownership of key industries. Associated with this program was an extensive arrangement of controls and regulations that dominated the economy from the 1950s to the early 1990s, but which are currently in the process of dismantlement.

The post-independence period from 1947 will form the major part of the India module. A major aspect of this part of the course will be an examination of how economic policy was formulated and the consequences of policy implementation for economic performance.

8. Course reading

There is no set text for this course. The three bricks for the modules of the course contain introductory readings and further references to assist you in preparing for the lectures and tutorials. These readings provide the basis for the lectures provided. These readings are meant to supplement the material covered in lectures and indicate to students where certain ideas covered in lectures come from. The contents of the lectures will indicate the relative importance of the materials found in the reading brick and thereby indicate what materials should be read for further details.

There are three background texts that are worth consulting:

Flath, D. (2000), *The Japanese Economy* (Oxford: Oxford University Press).

Lin Y., Cai F. and Li Z. (2003) *The China Miracle: Development Strategy and Economic Reform* (Hong Kong: The Chinese University Press).

T. N. Srinivasan (2000), *Eight Lectures on India's Economic Reforms*. (New Dehi: Oxford).

Lecture Reading:

All items in the following reading list are contained in the reading brick.

Reading List for Japan:

1. Tokugawa legacy and Meiji reforms

Ito, T. (1992), Historical Background of the Japanese Economy, in *The Japanese Economy* (Cambridge: MIT Press) pp.7-28.

2. Meiji agricultural development and early industrialisation

Hayami, Y. *et al.* (1991), Institutional Aspects of Agricultural Development, in *The Agricultural Development of Japan. A Century's Perspective* (Tokyo: University of Tokyo Press) pp.61-83.

Ranis, G. (1970), The Financing of Japanese Economic Development, in Ohkawa, K. *et al.* (eds.) *Agriculture and Economic Growth: Japan's Experience*. (Princeton: Princeton UP) pp.37-57

3. Development of a modern industrial sector

Otsuka, K., Ranis, G. and Saxonhouse, G. (1988), *Comparative Technology Choice in Development: The Indian and Japanese Cotton Textile Industries* (London: Macmillan), Ch. 3, pp. 21-42.

Odagiri, H., and Goto, A. (1996), *Technology and Industrial Development in Japan*, (Oxford: Clarendon Press), ch.2 and 6.

Shay, T. (1994), The level of living in Japan, 1885 – 1938, in Komlos, J. (ed.) *Stature, Living Standards, and Economic Development* (Chicago, University of Chicago Press, 1994).

4. Postwar reform, recovery and high-speed growth

Abe, Etsuo (1997) 'The State as the "Third Hand": MITI and Japanese Industrial Development after 1945' in Etsuo, Abe and Gourvish, Terry (eds.) *Japanese Success? British Failure?* (Oxford: Oxford UP) pp.17-44.

Kosai, Y. (1988), The Postwar Japanese Economy, 1945-1973, in Duus, P. (ed.) *The Cambridge History of Japan. Volume 6: The Twentieth Century*. (Cambridge: Cambridge UP) pp.494-537.

Odagiri, H., and Goto, A., (1996), *Technology and Industrial Development in Japan*, (Oxford: Clarendon Press), ch. 3.

Pilat, D., (1994), *The Economics of Rapid Growth: The Experience of Japan and Korea* (London: Edward Elgar), pp.66-76.

Yoshikawa, H. (2000) Technical progress and the growth of the Japanese economy – past and future, *Oxford Review of Economic Policy*, 16(2), 34 – 44.

Reading List for China:

All items listed below are included in the module reading brick.

1. Why did the first industrial revolution not take place in China in the 14th to 16th centuries?

Lin, Y.F. (1995), The Needham puzzle: why the industrial revolution did not originate in China, *Economic Development and Cultural Change*, 43, 269 – 291.

Elvin, M. (1973), *The Pattern of the Chinese Past* (London: Eyre Methuen), 215 – 225.

2. The economic implications of contact between China and Foreign countries 1840 - 1949.

Dernberger, R. F. (1975), The role of the foreigner in China's economic development 1840 – 1949, In Perkins, D.H. (ed.) *China's modern economy in historical perspective* (Stanford: Stanford University Press).

3. China's economic development 1949 – 1978.

Lin, YF, Cai, F. and Li Z. (2003), *The China Miracle: Development strategy and economic reform* (The Chinese University Press), Chs 2 and 3.

4. Economic Reform 1978 to the present

Chow, G. C. *China's Economic Transformation* (Oxford, Blackwell, 2002), Ch 3.

Lin, YF, Cai, F. and Li Z. (2003), *The China Miracle: Development Strategy and Economic Reform* (The Chinese University Press), Ch 5.

Qian, Y. and Wu, J. (2003) China's transition to a market economy: how far across the river?, in Hope, N. C., Yang, D. T. and Mu Yang Li (eds) *How Far Across the River: Chinese Policy Reform at the Millennium* (Stanford: Stanford University Press), 31 – 63.

5. Some of the results from economic reform and possible reasons for these results

Lin, YF, Cai, F. and Li Z. (2003), *The China Miracle: Development Strategy and Economic Reform* (The Chinese University Press), Chs 6 and 7.

Johnson, D. G. (1996), China's rural and agricultural reforms: success and failures, Chinese Economic Research Unit, University of Adelaide.

Heckman, J. (2005), China's human capital investment' *China Economic Review*, 16, 50 -70.

Qian, Y. (2003), 'How reform worked in China', in Rodrik, D. (ed) *In Search of Prosperity* (Princeton, Princeton University Press).

6. Poverty in China: its measurement and its mitigation

- Yao, S. (2000), Economic Development and poverty reduction in China over 20 years of reform, *Economic Development and Cultural Change*, 48, 447 – 473.
- Park, A. and Wang, S. (2001), China's poverty statistic, *China Economic Review*, 12, 384 – 398.
- Fan, S., Zhang, L. and Zhang, X. (2004), Reforms, investment and poverty in Rural China, *Economic Development and Cultural Change*, 52, 395 – 421.
- Yang, D. and Cai Fang, The political economy of China's rural-urban divide, in Hope, N. C., Yang, D. T. and Mu Yang Li (eds) *How Far Across the River: Chinese Policy Reform at the Millennium* (Stanford: Stanford University Press), 389 – 416.

7. Industrial Reform: Ownership and Welfare Issues

- Chow, G. C. *China's Economic Transformation* (Oxford, Blackwell, 2002), Chs 15 and 16.
- Jefferson, Gary and Inderjit Singh (Editors) (1999) *Enterprise Reform in China: Ownership, Transition and Performance*, Chapter 1, Oxford University Press, New York.
- Huang, Yiping (1999) "State-owned enterprise reform", Chapter 5 in Garnaut, Ross and Ligang Song (Editors) *China: Twenty Years of Economic Reform*, Asia Pacific Press, Canberra.
- Solinger, Dorothy J. (2002) "Labour Market Reform and the Plight of the Laid-Off Proletariat". *China Quarterly* Volume 170, June: 304-326.
- Garnaut, Ross, Ligang Song and Yang Yao (2006) "Impacts and significance of state-owned enterprises restructuring in China", *The China Journal*, 55, 35 - 63.

8. Industrial development and pollution

- Economy, E. C. *The River Runs Black: The Environmental Challenge to China's Future* (Cornell University Press, 2004), Ch 3.
- World Bank (1997) *China 2020, China's Environment in the New Century: Clear Water, Blue Skies*, Chapters 1,2,3,5 and 8, The World Bank, Washington D.C.
- Wheeler, David, Hua Wang and Susmita Dasgupta (2003) "Can China Grow and Safeguard Its Environment? The Case of Industrial Pollution", Chapter 12 in Hope, Nicholas, Dennis Tao Yang and Mu Yang Li (Editors) *How Far Across the River? Chinese Policy Reform at the Millennium* (Stanford: Stanford University Press), 353 – 388.
- Peng, C., Wu, X. Liu, G. Johnson, T. et. al. (2003) Urban air quality and health in China, *Urban Studies*, 39 (12), 2283 – 2299.

Reading List for India:

1. The Colonial Economy

- Maddison, Angus (1995), 'The Historical Origins of Indian Poverty', reprinted in Angus Maddison, *Explaining the Economic Performance of Nations*, (London: Edward Elgar).
- Morris, M.D., Matsui, T., Chandra, B., and Raychaudhuri, T., (1969), *The Indian Economy in the Nineteenth Century: A symposium*. (New Delhi: Indian Economic and Social History Association), especially the two articles by Morris, M.D.
- Charlesworth, Neil (1982), *British Rule and the Indian Economy*, (London: Macmillan).
- Tomlinson, B.R. (1993), *The Economy of Modern India 18670-1970*, (Cambridge: Cambridge University Press), ch.1-3.
- Rothermund, Dietmar (1993), *An Economic History of India*, (London and New York: Routledge), ch.2-9.
- Maddison, Angus (1971), *Class Structure and Economic Growth: India and Pakistan Since the Moghuls*. (London: Allen and Unwin), ch.3.

2. The Planning Era

- Bhagwati, Jagdish (1993), *India in Transition. Freeing the Economy* (Oxford: Clarendon Press), ch. 1, 2.
- Vaidyanathan, A. (1983), 'The Indian Economy Since Independence (1947-70)', in *Cambridge Economic History of India*, Vol.2.
- Srinivasan, T. N. (2000), *Eight Lectures on India's Economic Reforms* (New Delhi: Oxford University Press), ch. 1, 2, 3, 8.
- Rothermund, Dietmar (1993), *An Economic History of India* (London and New York: Routledge), ch.10-15.
- Tomlinson, B.R. (1993), *The Economy of Modern India, 1860-1970*, (Cambridge: Cambridge University Press), ch.4.
- Maddison. Angus (1971), *Class Structure and Economic Growth, India and Pakistan Since the Moghuls*, (London: Allen and Unwin), ch.V and VI.

3. Economic Liberalisation

- Srinivasan, T. N. (2000), *Eight Lectures on India's Economic Reforms* (New Delhi: Oxford University Press), ch 1,2,3.
- Bhagwati, Jagdish, *India in Transition. Freeing the Economy*, (Clarendon Press: Oxford), ch. 2 and 3.
- Joshi, Vijay and Little, I.M.D. (1994), *India. Macroeconomics and Political Economy 1964-1991* (Washington: World Bank), especially ch. 7.
- Ahluwalia, M. S. (1995), 'India's Economic Problems' in Casseb, R. and Joshi, V. (eds), *India: The Future of Economic Reform*. (Delhi: Oxford University Press) pp.13-29.
- Cassen, Robert and Joshi, Vijay (eds.) (1995), *India: The Future of Economic Reform*, (Delhi: Oxford University Press).

- Joshi, Vijay, and Little, I.M.D. (1996), *India's Economic Reforms 1991-2001*, (Clarendon Press: Oxford).
- Bhagwati, Jagdish and Srinivasan, T.N. (1993), *India's Economic Reforms*, (New Delhi: Ministry of Finance). Photocopy available at Short Loans.
- Little, I.M.D. (1996), 'India's Economic Reforms 1991-96', *Journal of Asian Economics*, Vol.7, No.2, pp.161-176.

9. Lecture topics

There will be 21 lectures. The first lecture on Monday 19 July will be an introductory lecture to explain the content, purpose and requirements of the course. The three reading bricks will contain detailed reading guides to each of the lecture topics listed below

Japan module (6 lectures on 8 topics):

1. Tokugawa legacy and Meiji reforms
2. Meiji agricultural development
3. Development of a modern industrial sector
4. Measures of social benefits flowing from economic development

China module (9 lectures on 6 topics):

1. Lack of economic development prior to and including the 19 century
2. The 1949 – 1978 period
3. The economic reforms in the post-1978 period
4. Poverty in China
5. Industrial reform
6. Industrial development and pollution

India module (6 lectures on 3 topics):

1. The colonial economy
2. The planning era
3. Economic liberalisation

10. Tutorials

You are expected to make one tutorial presentation to your tutorial group on one of the topics listed below. During the first tutorial in the second week of the semester you will have to nominate a topic for your presentation. Study the list below before attending the first tutorial. Given the possibility that there are more students than topics in each tutorial, two or three students may prepare a topic together.

Presentations will start in the third week of the semester. They must be succinct, should focus on relevant issues and should last about 20 minutes. If your presentation contains data in tabulated or graphic form to enhance the general argument, make sure that photocopies of tables

and graphs are distributed to the group at the presentation. Visual aids to presentation - graphs, pictures, overhead slides etc. - can help to make an interesting and bright presentation.

Each presentation will be followed by opportunities for discussion. The presentation will be largely assessed on oral presentation, but the notes (about 1,000 words) have to be handed in as well. Failure to give a presentation will result in the loss of the 10 percent of the final mark, unless a medical certificate is provided.

In addition to the tutorial presentation, time will be set aside to discuss subjects discussed in the previous week's lectures and reading. Students are encouraged to take the opportunity to raise these issues and other matters they feel have not been fully clarified either in the lectures or in the reading.

Attendance at tutorials will be marked. Non-attendance at a tutorial by a student will result in one (1) mark being deducted from the student's final mark for the course. Up to five (5) will be deducted if a student fails to attend five (5) or more tutorials. If unable to attend tutorials because of ill-health or some other reason then documented evidence must be provided.

11. Tutorial topics

(1) Introduction to the course
(week beginning 24 July)

(2) Food for Growth: Japan's economic development in the Meiji era
(week beginning 31 August)

Why do differences in the estimated rates of agricultural growth matter to the interpretation of the wider process of economic change in Meiji Japan? If Japan's economic history is a paragon for the development of today's less-developed countries, what consequences do these different interpretations have for economic policy?

- Rosovsky, H. (1967/68) 'Rumbles in the Ricefields: Professor Nakamura vs. the Official Statistics', *Journal of Asian Studies*, 27, pp.347-360.
- Hayami, and Yamada, S. (1969), 'Agricultural productivity at the beginning of industrialization' in Ohkawa, K. et al. *Agriculture and Economic Growth: Japan's Experience* (Tokyo, University of Tokyo Press).
- Crawcour, E. S. (1969), 'Japan 1868 – 1920' in Shand, R. T. (ed.) *Agricultural Development in Asia* (Canberra, ANU Press).

(3) Acquiring new technology in Meiji Japan and later
(week beginning 7 August)

Discuss the methods used (i) for introducing new technology into Japan and (ii) exploiting this technology after 1860 up to the Second World War. Illustrate your answer with relevant history for the Japanese textile industry.

- Nakamura, K. (1977), 'Success Illgotten? The Role of the Meiji Militarism in Japan's Technological Progress', *Journal of Economic History*, 37 (1), 113 – 35.
- Okochi, A. and Yonekawa, S.-I. (eds) (1982) *The Textile Industry and its Business Climate* (Tokyo: Tokyo University Press), especially pp. 1 – 38, and 277 – 86.
- Odagiri, H., and Goto, A. (1996), *Technology and Industrial Development in Japan* (Oxford: Clarendon Press), ch. 3 and 6.
- Otsuka, K., Ranis, G. and Saxonhouse, G. (1988), *Comparative Technology Choice in Development: The Indian and Japanese Cotton Textile Industries* (London, Macmillan).
- Minami, R. et al. (1994) *Acquiring, Adapting and Developing Technologies: Lessons from the Japanese Experience* (New York: St Martin's Press).
- Tolley, S. (ed.) *The Economic Development of Modern Japan, 1868 – 1945: From the Meiji restoration to the Second World War*, Vol. 1 (Cheltenham, Elgar, 2001). There are a series of articles from p. 591 on.

(4) Increasing protection: Japan's agriculture after World War II
(week beginning 14 August)

What have been the key arguments for steadily increasing and maintaining agricultural protection in Japan after World War II? What have been the economic gains and losses of this policy stance?

- Hara, Y. (1990) 'Agricultural Development and Policy in Modern Japan' in C.H. Lee and I. Yamazawa (eds.) *The Economic Development of Japan and Korea: A Parallel with Lessons*. (New York: Praeger) pp.123-135.
- George, A.(2000), *The Politics of Agriculture in Japan* (London: Routledge).
- Hayami, Y. (1988), *Japanese Agriculture under Siege: The Political Economy of Agricultural Policies* (London: St Martina's Press).
- Bull, T. and Roberts (2001), I. *Agricultural Trade Policies in Japan: The Need for Reform* (Canberra: ABARE).
- Tolley, S. (ed.) *The Economic Development of Modern Japan, 1868 – 1945: From Occupation to the Bubble Economy*, Vol. 11 (Cheltenham, Elgar, 2001). There are two relevant articles from p. 516 on.

(5) The Great Leap Forward and the Cultural Revolution
(week beginning 21 August)

What were the main aims of the Great Leap Forward? What factors led to its failure? How did the Great Leap Forward contribute to the great famine of 1959-61? What effect did the Cultural Revolution have on Chinese economic growth and development up 1978?

- Chow, G. C. *China's Economic Transformation* (Oxford, Blackwell, 2002), Ch. 2.

- Lippit, V.D., (1997), 'The Maoist Period, 1949-78: Mobilisation, Collectivism, Primitive Accumulation, and Industrialisation' in Hudson, C., (ed.) *The China Handbook*. (London: Fitzroy Dearborn), pp.3-18.
- Ashton, B., et al. (1984) 'Famine in China, 1958-61', *Population and Development Review*, 10, pp.614-645.
- Kung, J. K.-S. et al. (2003) The Causes of the China's Great Leap Famine, 1959 – 61, *Economic Development and Cultural Change*, 52 (1), 51 – 73.
- Lin, J.Y. and Yang, D.T. (2000), Food, availability and entitlements and Chinese famine of 1959 – 61, *Economic Journal*, 110(46), 136 – 158.
- Lin, J. Y., Cai, F. and Li, Z. (2003) *The China miracle Second Edition* (Hong King: Chinese University Press), relevant Chs 2 and 3.

(6) Post-1978 economic reforms in China and the level of reduction of poverty in China
(week beginning 18 September)

What were the circumstances that led to the adoption of more market based principles in the Chinese economy after 1978? What were the main elements making up these reforms between 1978 and 2000? In what ways have these reforms, and other relevant changes in China influenced the level of poverty in China between 1978 and the late 1990s?

- Blecher, M., (1997) 'The Dengist Period: the Triumph and Crises of Structural Reform, 1979 to Present' in Hudson, C., (ed.) *The China Handbook*. (London: Fitzroy Dearborn), pp.19-38. in the reader to answer these questions.
- Chow, G. C. *China's Economic Transformation* (Oxford, Blackwell, 2002), Ch. 3.
- Chow, G., "How and Why China Succeeded in Her Economic Reform", *China Economic Review*, 2, 1993, pp. 117 - 128.
- Fan, S., Zhang, L. and Zhang, X. (2004), Reforms, investment and poverty in rural China, *Economic Development and Cultural Change*, 52 (2), 395 – 421.
- Gustafsson, B. and Wei, Z. (2000), Why and how has poverty in China Changed? A study based on microdata for 1988 and 1995, *China Quarterly*, no. 164, 983 – 1006.
- Lin, J. Y. (1996), 'Success in early reform: setting the stage', in Garnaut, et al. (eds), *The third revolution in the Chinese countryside* (Cambridge University Press).
- Lin, J. Y., Cai, F. and Li, Z. (2003) *The China miracle Second Edition* (Hong King: Chinese University Press), relevant Chs 5 and 6.
- McMillan, J. and Naughton, B. (1992), How to reform a planned economy; lessons from China, *Oxford Review of Economic Policy*, 8, 130 - 43.
- Park, A. and Wang, S. (2001), China's poverty statistic, *China Economic Review*, 12, 384 – 398.
- World Bank, China: Strategies for reducing poverty in the 1990s (Washington: The World Bank 1992).
- Yang, D. and Cai Fang, The political economy of China's rural-urban divide, in Hope, N. C., Yang, D. T. and Mu Yang Li (eds) *How Far Across the River:*

Chinese Policy Reform at the Millennium (Stanford: Stanford University Press), 389 – 416.

- Yao, S. (2000) Economic Development and Poverty in China over 20 years of reform, *Economic Development and Cultural Change*, 28, 447 – 473.
- Zhang, L. Huang, J. and Rozelle, S. (2003), China's war on poverty: assessing targeting and growth impacts on poverty programs, *Journal of Chinese Economic and Business Studies*, 1(3), 301 – 317.
- World Bank (Search the homepage website.)

(7) Internal migration in China since 1978.

(week beginning 25 September)

How has the *hukou* system evolved in China from 1950 up to the present? What have been the economic causes and consequences of internal migration in China from 1978 to the present?

- Chan, K.W. and Zhang, L. (1999) The *Hukou* system and rural-urban migration, migration in China: processes and change, *China Quarterly*, 160, 818 – 871.
- Cai Fang (2000), The invisible hand and visible feet: internal migration in china http://www.cass.net.cn/chinese/s06_rks/chrrsite/paper/working%20paper%205.pdf
- Li, H. and Zahnister, S. (2002), The determinants of temporary rural-to-urban migration in China, *Urban Studies*, 39(12), 2219 – 2235.
- Liu, Z. (2005), 'Institutions and inequality: the *hukou* system in China', *Journal of Comparative Economics*, 33, 133 – 157.
- Murphy, R. *How Migrant Labor is Changing Rural China* (Cambridge, Cambridge University Press, 2002).
- Wang, F.-L. (2004), Reforming migration control and new targeted people: China's *Hukou* system in the 2000s, *China Quarterly*, 177, 27 – 37.
- Wu, Z. and Zhu Y. (2004) Income differential and out-migration: the impacts of between-gap and within-gap, *Journal of Chinese Economic and Business Studies*, 2 (1), 27 – 37.
- Zhang, K.H. and Song, S. (2003), Rural-urban migration and urbanization in China: evidence from time-series and cross-section analyses, *China Economic Review*, 14, 386 – 400.

(8) Environmental Pollution and Economic Development in China

(week beginning 2 October)

What has been the extent of environmental pollution in China over the period say 1990 to the present? What economic costs are imposed by this pollution? What attempts have been made to contain this pollution? Any other question you might think is relevant.

Economy, E. C. *The River Runs Black: The Environmental Challenge to China's Future* (Cornell University Press, 2004), Ch 3.

World Bank (1997) *China 2020, China's Environment in the New Century: Clear Water, Blue Skies*, Chapters 1,2,3,5 and 8, The World Bank, Washington D.C.

Wheeler, David, Hua Wang and Susmita Dasgupta (2003) "Can China Grow and Safeguard Its Environment? The Case of Industrial Pollution", Chapter 12 in Hope, Nicholas, Dennis Tao Yang and Mu Yang Li (Editors) *How Far Across the River? Chinese Policy Reform at the Millennium* (Stanford: Stanford University Press), 353 – 388.

Peng, C., Wu, X. Liu, G. Johnson, T. et. al. (2003) Urban air quality and health in China, *Urban Studies*, 39 (12), 2283 – 2299.

(9) Economic impact of colonial rule in India

(week beginning 9 October)

What was the economic growth experience of India before Independence in 1947? Was British rule in India responsible for the retardation of the Indian economy? If so, what were the particular policies introduced by the British authorities which served to impede economic progress in India? And how did these particular policies operate to impede progress? If British policy was not responsible for the slow rates of economic growth experienced in India during the colonial period, what was responsible?

- Morris, M.D. (1969) 'Trends and Tendencies in Indian Economic History' and 'Towards a Reinterpretation of Nineteenth Century Indian Economic History' in M.D. Morris, et al. (eds.) *The Indian Economy in the Nineteenth Century*. (New Delhi: Indian Economic and Social History Association) pp.1-15 and 101-170.
- Morris, M. D. (1967), 'Values as an Obstacle to Economic Growth in South Asia: An Historical Survey', *Journal of Economic History*, 27, pp.588-607.

(10) Economic consequences of planning control and regulation in India

(week beginning 16 October)

Why did India introduce economic planning? Were the reasons entirely economic? What were the major economic controls implemented and maintained in India from the 1950s to the early 1990s? What was their purpose and what were their consequences, both economic and political? Was planning a success or failure?

- Bhagwati, J. (1993) 'The Model That Couldn't' and 'What Went Wrong' in *India in Transition*, (Oxford: Clarendon Press) pp.5-69.
- Srinivasan, T. N. (2000), *Eight Lectures on India's Economic Reforms*, (New Delhi: Oxford University Press), various chapters, but especially chapters 1 and 8.

(11) Economic background to economic liberalisation in India

(week beginning 24 October)

What were the circumstances which led to the liberalisation of the Indian economy? What has been achieved to date? What benefits have resulted from liberalisation? What still needs to be done? Will the process be impeded by political and economic forces in India?

- Bhagwati, J. (1993) 'What Is to Be Done' in *India in Transition*, (Oxford: Clarendon Press) pp.71-99.
- Ahluwalia, M.S. (1995) 'India's Economic Problems' in Cassen, R. and Joshi, V. (eds.) *India: The Future of Economic Reform*, (Delhi: Oxford University Press) pp.13-29.
- Srinivasan, T. N. (2000), *Eight Lectures on India's Economic Reforms* (New Delhi: Oxford University Press), various chapters.

12. Essay topics

You may elaborate upon your tutorial presentation as your essay for the course. Alternatively, you may choose one of the other tutorial topics. Or you may prefer to write an essay of your own choice. If you wish to do so, you must discuss the topic with the appropriate lecturer *before* commencing work to determine that there is enough suitable literature available to enable a student to write an acceptable essay. Rather than rehearsing the arguments raised in the literature, as in the tutorial presentation, you are expected to make your own case in your essay. The references for lectures and tutorials are *starting points only*. You should be able to locate substantial amounts of extra material on each of the topics in the university library. You are expected to read as much as you feel is necessary to address adequately the questions asked.

The essay should not exceed 2,500 words. For guidelines on the writing of essays, see the pamphlet *Notes on the Writing of Essays*, which can be obtained from the course administrator of the School of Economics. If this is your first essay, please consult: J. Clanchy and B. Bollard, *Essay Writing for Students* (1991), which is a very useful booklet available from the ANU Academic Skills and Learning Centre and the Cooperative Bookshop.

The essays should be placed in the essay box at the door of the course administrator of the School of Economics no later than 9:00 am on Monday 24 October. Where the essay is submitted after the set time, two marks will be deducted for each weekday or part thereof that the essay is late, except where an extension is granted. Applications for extensions should be made in advance of the due date and should be accompanied by a medical certificate. Extensions will only be granted to students whose work is affected by persistent illness or on compassionate grounds. Students writing an essay on tutorial topic Economic background to economic liberalization in India must submit their essays by 9.00am on Monday 31 October.

13. Making Use of Search Engines:

Students are encouraged to take advantage of the remarkably rapid improvements in the quality of the electronic search tools available on the ANU library website. The use of these search facilities allows the rapid identification of books and articles that may be useful in the research required in the writing of any of the essays listed below.

To identify articles, on to the homepage for the library go to ‘electronic collections’. In this collection go to ‘databases’ where are to be found a number of data bases that are useful – especially The Web of Science (where also is found the more general Web of Knowledge), and ECONLIT. Depending on the essay you are attempting, other databases also may be useful. (If you are not confident in the use of any of these databases, you should seek the assistance of members of the library staff who are skilled in the use of these search engines.)

There are a number of search engines – such as Google. However, it is preferred that you do **not** make use of non-academic material when writing any of the essays listed below. (The reason is that this material does not contain an adequate level of referencing and, therefore, may contain material that is of dubious quality.) That said some of this material might be relevant for your purposes. You are left, therefore, to use your own judgement on this matter. (If you have any doubts about the worth of a particular relevant piece of non-academic literature consult the lecturer.)

For books, make use of the ANU library electronic catalogue. Since, in the ANU libraries, in recent years the acquisition of new books has been rather limited, you may find it useful, as well, to consult the electronic catalogue for the National Library of Australia. This catalogue is available at the ANU library website. (At ‘catalogues’ go to ‘other libraries’. Scroll down to the National Library of Australia.)

14. The course at honours level

Students taking the course at the honours level must write a longer essay of up to 5,000 words. They should compare the topic of their choice for at least two of the countries covered by the course. Examples are: comparisons of the role of agriculture in the process of economic development of India and Japan, or the impact of foreign intrusion on economic development in prewar India and China, or the differences in industrial policies in the 1950s and 1960s in India and Japan, or the circumstances leading to the economic reforms in India and China in recent years.