

THE AUSTRALIAN NATIONAL UNIVERSITY

First Semester Examinations 2001

ECHI2109/2119 ASIAN GIANTS: China, India and Japan: Alternative paths to prosperity

(Pass and Honours)

Study Period: 15 minutes duration

Writing Period: 2 (TWO) hours duration

Permitted Materials: Dictionary (English/Foreign Language), dictionaries should be unmarked

Answer ONE question from EACH section

Section A. JAPAN

1. Without the presence of various institutions in the Tokugawa economy, after 1868 the Japanese economy would have grown more slowly than actually was the case.
Assess this assertion.
2. In what ways did the Japanese government in the Meiji period attempt to overcome market failures in the Japanese economy in the late nineteenth and early twentieth centuries?
3. Why has the Japanese economy grown at such a relatively slow rate since about 1990 up to the present?

Section B. INDIA

1. 'India had not achieved the essential preconditions for modern economic growth by the middle of the nineteenth century, while Japan had experienced some of the basic preconditions for modern economic growth by that time.' What were among the most fundamental preconditions that India lacked by the mid-nineteenth century? Identify some possible reasons why India had failed to achieve these pre-conditions for modern economic growth.
2. 'The second five year plan represented a significant turning point in India's recent economic history'. Do you agree? If so, give reasons for your answer. If not, explain why you disagree.
3. Discuss how the economic reforms introduced from mid-1991 improved India's economic performance. Do you think that further reform of India's economy is necessary? Give reasons for your answer.

Section C. CHINA

1. It has been argued that by 1840 China's agricultural economy was caught in, or was about to be caught in, a high level equilibrium trap where the growth of food output was incapable of supporting the food needs of her growing population. Explain what was meant by 'a high level equilibrium trap'. How and when do you believe China escaped from that trap? Consider, where possible, alternative explanations of the events and processes you have discussed.
 2. The reform of China's agricultural sector since 1978 has been far more successful in reaching its aims than has the reform of the state owned manufacturing sector. Outline the characteristic features of reform in both sectors and account for the success achieved in one, and the lack of success in the other. How do you explain the fact that industrial output in China has grown rapidly since 1978 in spite of the failure of the state owned manufacturing sector to respond positively to reform?
 3. "There is no one to blame but me." (Mao Tse-tung speaking of the disastrous consequences of the Great Leap Forward). Explain.
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