

**Econ 296/496:**  
**Economic Aspects of Business Environment: East Asian Countries**

Fall 2019

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Office Hours: Monday, Tuesday, Wednesday 2:00-3:00 pm

**Course Information:** This course aims to understand East Asian economies surrounding Korea. For each country, economic growth patterns and socio-economic differences will be emphasized. Basic knowledge in principles of micro and macroeconomics (Econ 103 and 104) is required as a prerequisite. This course is offered particularly for non-econ majors such as management, accounting, finance, global affairs, as well as exchange students who are interested in understanding East Asian economies. Economics majors are suggested to register for Econ 496 that additionally requires a term paper; however, non-econ majors may register either Econ 496 that requires a term paper or Econ 296 that does not require a term paper. The semester grade is based upon one final exam, presentation, and with/without a term paper. Regular attendance is important to be successful in this course. **NO MAKE-UP EXAMS ALLOWED.**

Exceptions: Exceptional cases are medical reasons such as hospitalization, i.e. inpatient cases only who stay overnights in a hospital (doctor's certificate is required after being discharged from a hospital). Another exception is an official trip as a representative of our university or your nation (official documents should be handed in prior to your trip).

<b>Assessment Scheme:</b>	<u>Econ 296</u>	<u>Econ 496</u>
Final exam	60	40
Presentations (2)	40	30
Term Paper		30
Total	100	100

**Final exam:**

The final will be a 24-hour take-home exam. Your answer should be typed with font size 12, double-spaced.

### **Presentations:**

1. Each student has 2 presentations throughout the semester. Each of you selects two countries from the reading list below and presents in the class for 20-30 minutes. A one-page summary should be given to the whole class prior to your presentation. Any topic on the selected country is acceptable, but presentation on its culture, history and economic characteristics are suggested to discuss.
2. Country selection will be done in the first class meeting.
3. Dress code: smart casual.

### **Term Paper (only for Econ 496 students):**

1. Select your own topic that is related to one of East Asian economies. The term paper should be empirical that provides evidence using statistics in tables and figures.
2. Find 1-2 key references that are related to your topic, and conduct research as much as you can.
3. Alternatively, you find a journal article first that interests you, and read the paper again and again until you find something to extend the paper.
4. Term paper can be the extension of your presentations above, or it can be totally different from your presentations.
5. Term paper in English should be readable, and its length must be maximum 20 pages, double-spaced, font size 12, including tables and figures. For example, a main text can be about 10 pages, while some relevant tables and figures can be another 5-10 pages. Students need a special attention on citations and plagiarism.
6. A typical term paper may consist of 5-6 parts.
  - 1) Introduction: includes objectives, research motivations, and a brief literature review.
  - 2) Data: graphical inspection of data and descriptive statistics.
  - 3) Empirical Results: may include whatever you find from data analysis.
  - 4) Conclusion: conclude with major findings and policy implications.
  - 5) References: more references and citations often impress readers.
  - 6) Tables and Figures: any relevant data and information to show readers.
7. Proposal due: 1-2 pages proposal should be submitted in advance. The due date will be announced in the class.
8. Term Paper due: December 6 (F) 5:00 pm. No extension allowed. Early submission is strongly recommended to avoid any conflict with your other final exams.

## Course Outline

### 1. Introduction

Wu, Y (2002) *The Macroeconomics of East Asian Growth*, ch.1.

### 2. Korea

Lim (1999) *Technology and Productivity: the Korean Way of Learning and Catching Up* (Cambridge MA: MIT Press), selected chapters.

Kim, L. (2003) "The dynamics of technology development: Lessons from the Korean experience," in Lall and Urata (eds), *Competitiveness, FDI, and Technological Activity in East Asia*, ch. 6, pp. 143-167.

Jin, Jang C. and Dan-A Kim (forthcoming). "Higher Education in Korea: Recent Changes in School Competitiveness and Research Productivity," *Journal of Asian Public Policy*.

Data Sources: International Monetary Fund (IMF), World Bank (WB), Organization for Economic Co-operation and Development (OECD), Asia Development Bank (ADB)

Movie: 국가부도의 날 ("Default"; this movie is about economic crisis in Korea in 1997)

### 3. Japan

Goto and Odagiri (2003) "Building technological capabilities with or without inward direct investment: the case of Japan," in Lall and Urata (eds), *Competitiveness, FDI, and Technological Activity in East Asia*, ch 4, pp. 83-102.

Wilson (2000) "Japan's slow-down: monetary versus real explanation," *Oxford Review of Economic Policy*, 16(2), pp.18-33.

Jin, Jang C. (2010). "Research Publications, Economic Growth and Causality: Japan's Experience." *Pacific Economic Review* 15(5): 666-673.

Data Sources: International Monetary Fund (IMF), World Bank (WB), Organization for Economic Co-operation and Development (OECD), Asia Development Bank (ADB)

### 4. Taiwan

Aw (2003) "Technology acquisition and development in Taiwan," in Lall and Urata (eds), *Competitiveness, FDI, and Technological Activity in East Asia*, ch 7, pp. 168-190.

Kuo and Liu (1998) "Taiwan," in McLead and Garnaut (eds) *East Asia in Crisis: From being a Miracle to Needing One?* ch.11, pp. 179-188.

Data Sources: International Monetary Fund (IMF), World Bank (WB), Organization for Economic Co-operation and Development (OECD), Asia Development Bank (ADB)

## 5. China

Yao (2003) "In search of balance: technological development in China," in Lall and Urata (eds), *Competitiveness, FDI, and Technological Activity in East Asia*, ch 9, pp. 239-67.

Song (1998) "China," in McLead and Garnaut (eds) *East Asia in Crisis: From being a Miracle to Needing One?* ch.6, pp. 105-119.

Jin, Jang C. (2004). "On the Relationship between Openness and Growth in China: Evidence from Provincial Time Series Data." *The World Economy* 27(10): 1571-1582.

Data Sources: International Monetary Fund (IMF), World Bank (WB), Organization for Economic Co-operation and Development (OECD), Asia Development Bank (ADB)

## 6. Hong Kong and Singapore

Young (1992) "A tale of two cities: factor accumulation and technical change in Hong Kong and Singapore," *NBER Macroeconomics Annual*, 13-54.

Cheng, Wong, and Findlay (1998) "Singapore and Hong Kong," in McLead and Garnaut (eds) *East Asia in Crisis: From being a Miracle to Needing One?* Ch.10, pp. 162-178.

Jin, Jang C. (2011). "The Effects of Tourism on Economic Growth in Hong Kong." *Cornell Hospitality Quarterly* 52(3): 333-340.

Data Sources: International Monetary Fund (IMF), World Bank (WB), Organization for Economic Co-operation and Development (OECD), Asia Development Bank (ADB)

## 7. North Korea

Noland, Marcus. (2012) "The Current State of the North Korean Economy," *Korea's Economy 2012*, 103-108.

Jin, Jang C. (2003). "Openness and Growth in North Korea: Evidence from Time Series Data." *Review of International Economics* 11(1): 18-27. Also appears in *North Korea and the World Economy*, edited by Kwan E. Choi et al., 2003, Ch. 16.

Jin, Jang C. (2019). "Perspectives on North Korea's Economic Openness: Two Countries and One Economy as a Proposal." GMU Korea Working Paper.

Final Exam: December 9<sup>th</sup> (M) 5:00 pm – 10<sup>th</sup> (T) 5:00 pm.

Term Paper due (only for Econ 496 students): December 6 (F) 5:00 pm

**Reminder:**

1. No mobile phones and no photos
2. No chewing gum
3. No eating
4. No side talk
5. No email attack
6. No laptop computers
7. No other disturbances

**Penalty:**

1. Any misconduct mentioned above (“Yellow Card”) = -10% from overall semester grade.
2. Two Yellow Cards (= “Red Card”) = F.
3. Cheating = F.
4. Plagiarism = F.
5. If absent **five (5)** times = F

**ACADEMIC INTEGRITY**

*It is expected that students adhere to the George Mason University Honor Code as it relates to integrity regarding coursework and grades. The Honor Code reads as follows: “To promote a stronger sense of mutual responsibility, respect, trust, and fairness among all members of the George Mason University community and with the desire for greater academic and personal achievement, we, the student members of the university community, have set forth this Honor Code: Student members of the George Mason University community pledge not to cheat, plagiarize, steal, or lie in matters related to academic work.” More information about the Honor Code, including definitions of cheating, lying, and plagiarism, can be found on the Committee of Academic Integrity’s website at <https://masonkorea.gmu.edu/mkaa/cai>.*

## **Regulation on the Use of Electronic Devices**

Mason Korea also aims to provide a positive learning environment that requires active attention, class participation, and respect for fellow students and professors. As such, no electronic devices, including mobile phones, smart phones, tablets, or laptops, are to be used during lecture unless professors specifically authorize their uses for class-related purposes. Violating this policy will result in a substantial penalty to your semester grade.

## **Email Etiquettes**

1. Identify your name.
2. Use your school email, not your off-campus emails.
3. Start with “Dear ...” or “Hi ...”, and end with your name again.
4. For email discussions, make your questions simple. If your questions are complex and long, please visit my office to discuss them face-to-face. It will save your time, as well as mine. Do not attempt to clarify your questions via email discussions back and forth again and again.
5. To make an appointment, call me first. If I am not in my office, you can use an email. Please note that telephone calls are more efficient than email discussions because students normally exchange 4-5 emails and even more, which takes several days to confirm one appointment. Instead, one phone call takes 2-3 minutes to find a mutually agreeable date and time.

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Protect your right, and respect other people’s right as well.  
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