INDEX

Agriculture
Asia, 281–296
bimodal development, 289
gross domestic product share, 290, 291
growth structure coefficient, 274
productivity, 273, 277
subsidies, 320
trade liberalization, 312
value added, 268

Asia (contd.)
direct foreign investment, 7
domestic saving, 13, 14
economic growth, 2
economies, structural transformation, 4
education, 295
exports, 2
commodity composition, 7, 8
imports, 2, 8
industrial sector, 12
industry, structure of, 12–13
inflation, 2
land holdings, 284
land reform, 284, 286, 288
saving rates, 5
Asia (contd.)
savings and investment ratios, 15
service sector, 12
trade, 3, 7, 8, 17
Asia-Pacific
economic development, 3–8
Asian Agricultural Survey, 285, 286
Association of Southeast Asian Nations
(ASEAN), 312, 313, 315
agriculture, 288, 289
customs union, 303
economic cooperation, 299–305
employment, 292
exports, 294
food security reserve system, 301
Industrial Complementation, 301
Joint Industrial Venture, 303, 304
margins-of-preference, 302, 304, 305
Market Liberalization Initiative, 303
Preferential Trading Arrangements
(PTA), 301, 302, 304, 305
Swap Arrangement, 301
tariffs, 300, 301, 302, 303

Balance of payments, 166
Bangladesh
agriculture, 287, 292, 293
Bilateralism, 315–316
Brunei, 300
Burma
agriculture, 282, 287, 290

Capitalism, 159, 160, 161
Cereal imports, 268
Chad
agricultural growth, 267
China, 48, 49, 50, 51, 308
agricultural sector growth, 13
agriculture, 287, 288, 289, 292, 293
economic prospects, 10
foreign borrowing, 7
gross domestic product growth, 4, 49
housing, 294
infant mortality rate, 41
international trade, 17
per capita income, 12, 49
talent pyramid, 52
trade deficit, 16
Commodity agreements, 310

Confucian ethics, 25, 31, 49, 50
Consumption, 163
Currency
devaluation, 264
overvaluation, 264

Debt
external, 328–329
Asian developing countries, 6
Indonesia, 7
Malaysia, 7
Philippines, 7
Thailand, 7
management, external, 256–265
servicing, 261
Development economics, 34
Domestic savings, 258, 259
Dutch disease, 122, 123, 124, 130, 132, 133, 134, 135
Duties, countervailing, 314, 315

East Asia
employment, agriculture, 5
gross domestic product
agricultural sector, 4
service sector, 5
Economic development
Asia-Pacific, 3–8
world, 2–8

Economic growth
Asia, 2
world, 2, 18
Employment, 159, 160, 161, 162
Engel’s law, 290
Europe
exports, 2
European Economic Community (EC), 312, 315, 320, 327
Exchange rates, 323, 324
adjustments, 18
Exports, 281
Asia, 2
Europe, 2

Floating-rate instruments, 259
Food
consumption, 269, 270, 271, 273
self-sufficiency ratio, 274
Foreign
  borrowing, 259–260, 262
  capital, 258, 259
  exchange limits, 165–166
  exchange reserves, 258
  saving
    Hong Kong, 7
    Indonesia, 6
    Korea, 7
    Malaysia, 6
    Philippines, 6
    Singapore, 7
    Taiwan, 7
    Thailand, 6

General Agreement on Tariffs and Trade (GATT), 307–317
  Tokyo Round, 308, 313
  Uruguay Round, 307, 308, 310–315, 316, 320, 326
Generalized System of Preferences (GSP), 46, 309, 310, 311, 328
  Germany, 18, 323, 329
  currency convertibility, 238
Government intervention, 30, 31, 33
Green Revolution, 285, 286, 290
Gross domestic product growth, 11
  China, 4, 49
  Hong Kong, 3, 22
  Indonesia, 4, 10
  Japan, 22
  Korea, 3, 22
  Philippines, 4, 10
  Singapore, 3, 22, 61, 62, 64
  Taiwan, 3, 22
  Thailand, 4, 10, 106, 108, 110, 111, 186
Gross national product
developing economies, 22
Group of Seven (G-7), 319, 320

Hong Kong, 23, 324, 325, 327
  agriculture, 287, 292
  consumption, 139
  currency, 324
  demand deposits, 143
  devaluation, 147
  direct foreign investment, 190
  domestic saving, 14
  economic prospects, 10

Hong Kong (contd.)
  economy, 138–147
  education, 52
  employment, 142
  exports, 140, 141
  fixed capital formation, 140
  foreign saving, 7
  government investment, 147
  gross domestic product growth, 3, 22
  hourly wages, 64
  imports, 141
  investment ratio, 6
  labor cost, 65
  manufacturing, 69, 141–142
  monetary sector, 142–143
  noninterventionism, 146
  per capita income, 12
  price index, 142
  saving deposits, 143
  saving rate, 6
  service sector, 13
  structural change, 57
  technology transfer to Thailand, 195
  wage increase, 59
  wage rate, 142

Import substitution, 22, 23, 281, 282, 309
Imports
  Asia, 2, 8
  India, 21, 24, 275, 276
  agricultural growth structure
    coefficient, 274
  agriculture, 282, 287, 288, 289, 292, 294
  food self-sufficiency ratio, 274
  Indonesia, 121–135, 275, 276, 300, 301, 303, 304, 305, 308
  agricultural growth structure
    coefficient, 274
  agriculture, 282, 284, 287, 288, 289, 293, 294
  budget, 127
  devaluation, 122, 130–133
  direct foreign investment, 190
  external debt, 7
  financing, 14
  food self-sufficiency ratio, 274
  foreign saving, 6
  gross domestic product growth, 4, 10
  income, 293
Indonesia (contd.)
industrial sector, 12
industrialization, 292
manufactured exports, 16
money supply, 128, 129, 132, 133, 134
oil price increase, 133–134
oil production, 16
per capita income, 12
saving rate, 5
saving-investment gap, 14
unemployment, 5
Infant mortality rate, 41
Inflation, 165
Asia, 2
developed countries, 2
Intellectual property rights, 321
International Monetary Fund (IMF),
260, 321
Investment ratios
Hong Kong, 6
Korea, 6
Malaysia, 6
Philippines, 6
Singapore, 6
Taiwan, 6
Japan, 18, 50, 315, 317, 320, 321, 323, 326,
327, 328, 329, 330
agriculture, 282, 289, 290, 293
currency
appreciation, 324
convertibility, 238
education, 53
exchange rate, 44
External Trade Organization (JETRO),
317
gross domestic product growth, 22
import discrimination, 45
investment
in Korea, 180, 181, 182
in Taiwan, 204
in Thailand, 185–199
land reform, 284
saving rate, 322
Korea, 27, 28, 50, 275, 276, 324, 325, 326,
327, 329, 330
agricultural growth structure
coefficient, 274
Korea (contd.)
agriculture, 74, 282, 286, 287, 289, 290,
292, 293
authoritarianism, 31
balance of payments, 178
Bank of Korea, 236, 237, 238
banking, 82, 239
coal mining, 86–92
Construction Industry Promotion
Law, 78
currency
appreciation, 324
convertibility, 238
direct foreign investment, 169–183, 190
domestic saving, 14
economic prospects, 10
education, 52
employment, 75–76
exports, 8, 74, 76
food self-sufficiency ratio, 274
Foreign Capital Inducement Law,
173, 175
foreign debt, 74
foreign exchange
market, forward, 228–232, 235–240
rate determination, 235–240
foreign ownership, 174
foreign saving, 7
General Guideline for Foreign Direct
Investment, 174
government intervention, 33, 70, 73,
77–83, 175, 176, 240
gross domestic product growth, 3, 22
gross national product, 74
hourly wages, 64
import discrimination, 45
income distribution, 292
Industrial Development Law (IDL),
80, 81
industrial policies for declining
industries, 72–92
industrial sector, 12
infant mortality rate, 41
investment ratio, 6
labor cost, 65
land reform, 284
manufactured exports, 16
manufacturing, 74
trends, 74–75
Korea (contd.)
  money market, 239
  overseas construction, 78, 79
  per capita income, 12, 74
  saving
    rate, 6
    ratio, 74
  service sector, 13
  shipbuilding, 78, 79, 83–86
  shipping, 78, 79
  Shipping Promotion Act, 78
  Shipping Rationalization Program, 78, 79
  structural change, 57
  technology transfer, 171, 178, 179, 180, 181
  telegraphic transfer, 231, 236, 237
  trade balance, 17
  wage increase, 59
  wages and labor productivity, 76–77

Labor supply, 282
Lee Hsien Loong, Brig. General, 62
Lee Kuan Yew, 58, 64
Leutwiler Report, 311, 312, 313, 317

Malaysia, 275, 276
  agricultural growth structure
    coefficient, 274
  agriculture, 282, 287, 289, 292, 293, 294
  currency convertibility, 238
  direct foreign investment, 190
  domestic saving, 14
  external debt, 7
  food self-sufficiency ratio, 274
  foreign saving, 6
  gross domestic product growth, 10
  industrialization, 292
  investment ratio, 6
  manufactured exports, 16
  per capita income, 12
  saving rate, 6
  service sector, 13
  trade surplus, 16
Manufacturing productivity, 277
Mexico, 308
Monopolization, 162

Nepal
  agriculture, 287
  land distribution, 284
New International Economic Order (NIEO), 310
Newly industrializing economies (NIEs), 320, 321, 324–330
  current surplus, 6
  economic growth, 10
Nigeria
  agricultural growth, 267
Oil crisis, 2, 3
Pacific Basin, 26, 27, 30, 32
Pakistan, 22, 275, 276
  agricultural growth structure
    coefficient, 274
  agriculture, 287, 289, 294
    growth, 267
  food self-sufficiency ratio, 274
Papua New Guinea
  currency convertibility, 238
Paraguay
  agricultural growth, 267
Pasinetti, 157, 158
People's Action Party (PAP), 58
Per capita income, 10, 12, 273
Philippines, 155–157, 275, 276, 299, 301, 304, 305, 308
  agricultural growth structure
    coefficient, 274
  agriculture, 282, 284, 287, 289, 293, 294
    growth, 269
  coconut oil monopsony, 294
  direct foreign investment, 190
  economy, 156, 157
  exports, 8
  external debt, 7
  farm household income, 285
  financing, 14
  food self-sufficiency ratio, 274
  foreign saving, 6
  gross domestic product growth, 4, 10
  import substitution, 156
  industrialization, 292
  investment ratio, 6
  manufactured exports, 16
### Philippines (contd.)
- **per capita income**, 12
- **saving rate**, 5, 14
- **saving-investment gap**, 14
- **trade deficits**, 16
- **unemployment**, 5

### Protectionism
- 309, 310, 313–314, 315, 326–328

### Regionalism
- 18

### Rent-seeking
- 155–167

### Ricardian economy
- 157

### Rice cultivation, wet
- 283

### Saving rates
- 5
  - **Hong Kong**, 6
  - **Indonesia**, 5
  - **Korea**, 6
  - **Malaysia**, 6
  - **Philippines**, 5, 14
  - **Singapore**, 6
  - **Southeast Asia**, 5
  - **Taiwan**, 6
  - **Thailand**, 6

### Services, trade in
- 312

### Singapore (contd.)
- **industrial**
  - **employment**, 66, 67
  - **establishments**, 66, 67
  - **restructuring**, 57–70
- **investment ratio**, 6
- **labor productivity**, 60, 64
- **manpower training**, 61
- **manufacturing**, 58, 61
- **value added**, 66, 67

### National Wages Council (NWC)
- 59, 65

### Payroll tax
- 64

### Per capita income
- 12, 59

### Private foreign investment
- 28

### Saving rate
- 6

### Second Industrial Revolution
- 58, 60, 66

### Services
- 13, 58, 62

### Skills Development Fund
- 64

### Talent pyramid
- 52

### Tourism
- 61

### Trade balance
- 17

### Trading
- 61

### Unemployment
- 59

### Wage
- **correction policy**, 60, 68, 69
- **increase**, 59
- **reforms**, 64–65
- **structure**, 63, 64

### Smith, Adam
- 33

### South Asia
- **agriculture**, 288, 289
- **industrialization**, 292

### Southeast Asia
- **employment**, 5
- **agriculture**, 5
- **fuel exports**, 16

### Sri Lanka
- 273, 276

### Subsidies
- 314, 315

### Subsidies Code
- 314
Taiwan, 28, 324, 325, 326, 327, 328, 329, 330
agriculture, 282, 286, 287, 289, 290, 292
interest rate, 242–254
growth, 269
investment in Thailand, 194
Japanese occupation, 42–43
American aid, 43
investment ratio, 6
authoritarianism, 31
labor
cost, 65
productivity, 42
balance of trade, 46
land reform, 284
Central Bank, 233, 234, 245, 246, 247, 248, 250, 253
commercial banks, 250, 251
consumer imports, 40
money market, 246
consumption, 208
oil crises, 209
contributions to net domestic
per capita income, 12, 38, 42, 48, 49
product, 39
population, 39, 42
currency appreciation, 248, 250, 324
propensity to save, 51
current account balance, 245
quality of life, 40–41
current account surplus, 7
real income growth, 42
direct foreign investment, 202–215
saving
entrepreneurship, 47–48
function, 51–52
exchange rate, 43–44
rate, 6
exports, 49, 205, 208, 213, 245
service sector, 13
fixed capital formation, 203
settlement by Chinese, 47–48
foreign exchange, 242–254
stock price, 253
market, forward, 232–235
rate determination, 232–235
reserves, 40, 249
foreign exchange
foreign saving, 7
government intervention, 70
gross domestic product growth, 3, 22
gross national product, 245
hourly wages, 64
gross domestic product growth
illiteracy rate of work force, 52
gross national product, 245
import discrimination, 45
import-stubstitution policy, 44–45
value added, 205, 213
import, 245
wage increase, 59
income distribution, 40
working population, 39, 49
industrial development, 292
Taliffs. See General Agreement on Tariffs
industrial sector, 12
and Trade (GATT)
infant mortality rate, 41
Thailand, 24, 104–119, 301, 302, 306
interbank
call rates, 247
interest rate, 242–254
exchange rate, 233
agriculture, 106, 186, 282, 287, 289, 292, 294
share in GDP, 13
balance of payments, 108
capital import, 100
construction, 189
debt service ratio, 110, 111
devaluation, 110
direct foreign investment, 111, 112,
development, 113, 187, 188, 189, 190, 194
electronics industry, 197
employment, 187, 198
Thailand (contd.)
exchange rate system, 110
exports, 8, 105, 108, 109, 110, 111, 116, 196, 198
promotion, 115–118
external debt, 7
farm household income, 285
fiscal deficit, 110
foreign saving, 6
functional specialization, 194, 197
gross domestic product
by economic sector, 107
growth, 4, 10, 106, 108, 110, 111, 186
import substitution, 105, 108,
113–115, 194
imports, 111
industrial sector, 12
industrialization, 116, 292
inflation, 108
investment incentives, 115
Japanese investment, 185–199
labor force, 106
manufactured exports, 16
manufacturing, 105, 106, 108, 110, 111,
114, 117, 186, 189, 194
oil crises, 108
per capita income, 10
private investment, 106
saving rate, 6
saving-investment gap, 14, 110
service sector, 13
tariff structure, 113
technology transfer, 195, 196–197
textile industry, 194, 196
trade deficits, 16, 110, 111
United States investment, 189, 191, 192,
193, 194, 195
Toronto Summit, 319, 320
Trade
Asia, 3, 7, 8
free, 300, 305
See also General Agreement on
Tariffs and Trade (GATT)

United States, 45, 46, 102, 103, 320, 321,
322, 323, 324, 327, 328, 329
agriculture, 266, 267
budget, 322
current account, 322, 323
foreign debt, 322
investment
in Korea, 180, 181, 182
in Taiwan, 204
in Thailand, 189, 191, 192, 193,
194, 195
Omnibus Trade Bill, 315, 327
propensity to save, 52
protectionism, 326
regionalism, 308, 312, 315
saving rate, 322
technology transfer to Thailand, 195
trade, 27
deficit, 18, 321, 323

Vietnam, 49, 50
agriculture, 98, 99
banking, 100
collectivization, 98
components of the economy, 99
economic cooperation, 99
economic developments, 94–103
exchange rate, 100
population, 95
pricing, 98, 99
socialism, 95, 96
state capitalism, 99
structural gross investment, 97
taxation, 100

Wage rate, 158, 159
West Germany. See Germany
World
economic developments, 2–8
economic growth, 2, 18
World Bank, 260