

**Government 4194
Asian Political Economy
Fall 2026**

Professor Thomas Pepinsky
pepinsky@cornell.edu

Class Time

Wednesday

2:00 – 4:30

Goldwin Smith Hall 350

Office Hours

Tuesday and Thursday, 2:00 – 4:00

White Hall 322

Sign up at calendly.com/thomas-pepinsky

Overview

This seminar is an advanced introduction to the political economy of East and Southeast Asia. Our central objective is to understand the political underpinnings of economic performance across countries and over time. Along the way, we will address issues such as the role of the state in economic development, corruption and rent-seeking, labor activism and repression, democracy, institutions, and the politics of economic reform.

Course Goals

This course fulfills the Government department's Major Seminar requirement, and as such, should form the capstone of an undergraduate Government major. By the end of the course, I expect that students will have a firm grasp on the basic debates about politics and economic performance in Asia. Students will be able to evaluate critically various theoretical explanations for why particular countries have grown or stagnated, and will understand how to examine the internal logic of these explanations using careful empirical methods.

Requirements

Prerequisites: Enrollment is at the instructor's discretion, and priority will be given to seniors majoring in Government, followed by juniors majoring in Government, followed by seniors in any other major. Students must have successfully completed at least one 2- or 3000-level course in the Government department to be eligible to enroll. Students who have not yet fulfilled this requirement must meet with the instructor to discuss their background and preparation.

Class Format: The class is a seminar meeting once a week. Course enrollment is strictly capped at 15 students. Attendance is mandatory, and class participation comprises a significant proportion of the final course grade. Students should arrive to each class already having done the

readings for that class, and afterwards, review the readings in the context of the class discussion. The course requires a substantial amount of reading outside of class: on average, you can expect 200 pages of reading per week. You should not enroll in this course if you do not anticipate being able to complete this much reading, and your class participation and in-class writing grades will depend on your ability to demonstrate to me that you have completed the reading and that you understand it.

Assignments and Grading: Your final grade is composed of the following parts.

In-class writing:	20%
Class participation:	20%
Presentations:	20%
Final paper:	40%

We will spend 15 minutes each class on individual free-writing, by hand, in response to our readings. Writing prompts will be announced at the beginning of each class.

Class participation grades will be assigned based on attendance and contributions to class discussion.

Each student is responsible for leading one class discussions during the semester. Each discussion leader will prepare his or her own discussion memo, and memos will be graded on an individual basis. Discussion leaders are also responsible for updating the course wiki for the topics that they cover, and will be graded on that basis. Presentation grades will encompass the five-page discussion memos, discussion leadership, and the course wiki.

The final paper is a 20-25 page research paper due on December 9 at 4:30pm. The assignment is to choose two countries, one of which may be a non-Asian country, and to use them argue how variation in one of the topics that we cover in class (i.e., the developmental state, corruption, political institutions, decentralization) explains why the countries differ with respect to either (a) their long-term economic trajectories or (b) their short-term growth outcomes in response to some common economic challenge.

Course Policies

Late Assignments: Please consult the syllabus for information about the due dates for your assignments. These dates are firm: extensions will only be given in the case of sickness (requiring a doctor's note), family emergency (requiring a Dean's note), or religious observance (requiring prior approval from the instructor). Late papers will lose one full letter grade. Papers later than 24 hours will receive a grade of 0/100. There are no exceptions.

Grade Appeals: Any student who believes that a grade does not reflect his or her performance can always dispute his or her grade. All grade appeals should be made in writing. A student disputing a grade must write a brief memo explaining why he or she should have received a higher grade on that assignment. This must be done in a week after the grade is announced, and submitted after class or in office hours. I will respond in writing.

Cheating and Plagiarism: Each student in this course is expected to abide by the Cornell University Code of Academic Integrity. Cheating and plagiarism will be treated according to Cornell University regulations, which I will strictly observe. The penalty for violating the Code of Academic Integrity is a grade of zero for the assignment.

Artificial Intelligence: Because original writing comprises 40% of your final grade, students are strictly forbidden from using AI at any point during their writing process. Any work submitted by a student in this course for academic credit will be the student's own original writing. This policy is firm, and any violation will be treated as a violation of the Code of Academic Integrity.

I strongly recommend that students avoid using AI to read or to summarize the readings for our seminar meetings.

For information on how to cite materials properly, please consult Joseph Gibaldi, *MLA Handbook for Writers of Research Papers* (New York: MLA).

In this course, we will be using Turnitin.com software. I will submit electronic versions of your final essay to Turnitin.com, which in turn produces an "originality report." This report shows the writer and teacher the results of Turnitin.com's comparison of the essay to content on the Web, to Turnitin.com's database of student writing, and to some databases of common full-text journals.

By registering for the course, students agree that all required papers may be subject to submission for textual similarity review to Turnitin.com for the detection of plagiarism. All submitted papers will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such papers. Use of the Turnitin.com service is subject to the Usage Policy posted on the Turnitin.com site. Please note: all writing assignments (including the final paper abstract and final paper drafts, should you choose to submit them) are held to the University's Code of Student Rights, Responsibilities, and Conduct and to the department's policies on plagiarism.

University Policies: I respect and uphold Cornell University policies and regulations pertaining to the observation of religious holidays; assistance available to the physically handicapped, visually and or/hearing impaired student; sexual harassment; and racial or ethnic discrimination.

- *Students with Disabilities:* In compliance with the Cornell University policy and equal access laws, I am available to discuss appropriate academic accommodations that may be required for student with disabilities. Students are encouraged to register with Student Disability Services to verify their eligibility for appropriate accommodations. Students seeking accommodations should submit to me an accommodation letter from Student Disability Services within the first two weeks of the semester.
- *Religious Observances:* Students may ask for reasonable and timely accommodations for sincerely held religious beliefs. Please review the syllabus closely to determine if your religion will present any scheduling conflicts with any

of the assignments. You must inform me of any conflicts within the first two weeks of the semester.

- *Classroom Behavior:* Students and faculty each have responsibility for maintaining an appropriate learning environment. Students will treat one another with respect and courtesy. I will ask disruptive students to leave the class.

Other Policies: This is a technology-free class, which means no laptops, no tablets, no smart phones, no smart glasses. You should come to class with a printed version of the readings (which I will provide), a notebook, and a pen.

Office Hours: I encourage students to see me during office hours with any questions or comments. I hold office hours for two hours every week, on Tuesdays and Thursdays from 2:00 to 4:00 in 322 White Hall. If you wish to speak with me during office hours, please sign up online at calendly.com/thoomas-pepinsky.

Texts

Our readings are all available at printed files which I will provide for you. In the course outline below, you will find the reading assignments listed for a particular class meeting.

Course Outline

Important dates

October 28: Final paper abstract due in class
December 9: Final paper due

August 26: Introduction and housekeeping

September 2: No class meeting, individual office hours appointments

September 9: Economic Performance

Our first set of readings asks how much Asia has grown since WWII, whether it is normal, and whether it is sustainable.

- **The World Bank.** 1993. *The East Asian Miracle: Economic Growth and Public Policy*. Washington, DC: The World Bank. pp. 1-26, 79-103.
- Paul **Krugman**. 1994. "The Myth of Asia's Miracle." *Foreign Affairs* 73(6), 62-78.
- Edmund **Malesky** and Jonathan **London**. 2014. "The Political Economy of Development in China and Vietnam." *Annual Review of Political Science* 17, 395-419.
- Richard F. **Doner** and Ben Ross **Schneider**. 2016. "The Middle-Income Trap: More Politics than Economics." *World Politics* 68(4), 608-644.

- D. Hugh **Whittaker**, Timothy J. **Sturgeon**, Toshie **Okita**, and Tianbiao **Zhu**. (2020). *Compressed Development: Time and Timing in Economic and Social Development*. New York: Oxford University Press, pp. 1-18.

September 16: The Developmental State (1): Logic and Outcomes

The developmental state has historically been the dominant paradigm for explaining long-run economic growth in Asia. These readings ask what the developmental state is, offer friendly critiques of its explanatory power, and contrast it with some alternative modes of economic organization.

- Chalmers **Johnson**. 1999. "The Developmental State: Odyssey of a Concept." in *The Developmental State*, ed. Meredith Woo-Cumings. Ithaca: Cornell University Press, pp. 33-60.
- Ha-Joon **Chang**. 1999. "The Economic Theory of the Developmental State." in *The Developmental State*, ed. Meredith Woo-Cumings. Ithaca: Cornell University Press, pp. 182-199.
- Juhana **Vartiainen**. 1999. "The Economics of Successful State Intervention in Industrial Transformation." in *The Developmental State*, ed. Meredith Woo-Cumings. Ithaca: Cornell University Press, pp. 201-234.
- Peter B. **Evans**. 1989. "Predatory, Developmental, and Other Apparatuses: A Comparative Political Economy Perspective on the Third World State." *Sociological Forum* 4(4), 561-584.
- Yin-wah **Chu**. 2021. "Democratization, globalization, and institutional adaptation: the developmental states of South Korea and Taiwan." *Review of International Political Economy* 28(1), 139-160.

September 23: The Developmental State (2): Origins and Absences

These readings continue our discussion of the developmental state. Where does the developmental state come from, and if it is so successful, why doesn't every country have one? These readings bring the Northeast Asian cases into conversation with China and Southeast Asia.

- Atul **Kohli**. 2004. *State-Directed Development: Political Power and Industrialization in the Global Periphery*. New York: Cambridge University Press. pp. 1-24.
- Richard F. **Doner**, Bryan K. **Ritchie**, and Dan **Slater**. 2005. "Systemic Vulnerability and the Origins of Developmental States: Northeast and Southeast Asia in Comparative Perspective." *International Organization* 59(2), 327-361.
- Tuong **Vu**. 2010. *Paths to Development in Asia: South Korea, Vietnam, China, and Indonesia*. New York: Cambridge University Press, pp. 1-24.
- Lynette H. **Ong**. 2012. "Between Developmental and Clientelist States: Local State-Business Relationships in China." *Comparative Politics* 44(2), 191-209.
- Ho-fung **Hung**. 2024. "China's 'state capitalism' in comparative and historical perspectives." *Economy and Society* 53(3), 376-399.

September 30: Governments, Bureaucrats, and Firms

These readings examine more closely the relationships between governments, bureaucrats, and firms in developmental and other types of states.

- J. Mark **Ramseyer** and Frances McCall **Rosenbluth**. 1993. *Japan's Political Marketplace*. Cambridge: Harvard University Press. pp. 99-141.
- Yoshihara **Kunio**. 1988. *The Rise of Ersatz Capitalism in South-East Asia*. New York: Oxford University Press. pp. 5-67.
- Yue **Hou**. 2019. *The Private Sector in Public Office: Selective Property Rights in China*. New York: Cambridge University Press, pp. 1-42.
- Meg **Rithmire**. 2023. *Precarious Ties: Business and the State in Authoritarian Asia*. New York: Oxford University Press, pp. 1-32.

October 7: Rents and Rent-Seeking

Government intervention creates “rents.” These readings explore the origins and consequences of rents and rent-seeking; they also suggest the dark side of government-business relations which we will discuss the subsequent week.

- Mushtaq H. **Khan**. 2000. “Rents, Efficiency and Growth.” In *Rents, Rent-Seeking, and Economic Development: Theory and Evidence in Asia*, eds. Mushtaq H. **Khan** and **Jomo** Kwame Sundaram. New York: Cambridge University Press, 21-69.
- David C. **Kang**. 2002. *Crony Capitalism: Corruption and Development in South Korea and the Philippines*. New York: Cambridge University Press. pp. 1-60.
- Andrew H. **Wedeman**. 2003. *From Mao to Market: Rent Seeking, Local Protectionism, and Marketization in China*. New York: Cambridge University Press. pp. 27-81.
- Michael **Ross**. 2004. *Timber Booms and Institutional Breakdown in Southeast Asia*. New York: Cambridge University Press, pp. 1-53.
- Yuen Yuen **Ang**. 2020. *China’s Gilded Age: The Paradox of Economic Boom and Vast Corruption*. New York: Cambridge University Press, pp. 1-22.

October 14: Corruption and Cronyism

From a normative perspective, rents may be either good or bad, but corruption and cronyism are almost uniformly considered to be bad. Many argue that the expansion of market economies has been paralleled by corruption, cronyism, and inequality. These readings focus on the dark side of government-business relations, and their political consequences.

- Benjamin A. **Olken** and Rohini **Pande**. 2012. “Corruption in Developing Countries.” *Annual Review of Economics* 4, 479–509.
- Benjamin **Nyblade** and Steven R. **Reed**. 2008. “Who Cheats? Who Loots? Political Competition and Corruption in Japan, 1947-1993.” *American Journal of Political Science* 52(4), 926-941.
- Christopher **Carothers**. 2022. “Taking Authoritarian Anti-Corruption Reform Seriously.” *Perspectives on Politics* 20(1), 69-85.
- Jong-sung **You**. 2021. “The changing dynamics of state–business relations and the politics of reform and capture in South Korea.” *Review of International Political Economy* 28(1), 1-23.
- Ward **Berenschot**. 2018. “The Political Economy of Clientelism: A Comparative Study of Indonesia's Patronage Democracy.” *Comparative Political Studies* 51(12), 1563–1593.

October 21: Labor

These readings turn away from businesses, governments, and bureaucrats to examine the position of labor in Asia. This is especially important because the repression (or at least cooptation) of labor is held by many scholars to be an important feature of successful developmental states.

- Teri L. **Caraway**. 2009. “Labor Rights in East Asia: Progress or Regress?” *Journal of East Asian Studies* 9(2), 153-186.
- Mathew Y. H. **Wong**. 2023. “Comparing Minimum Wage Policies in East Asia: Political Competition and Labor Incorporation,” *Journal of Comparative Policy Analysis* 25(2), 194-222.
- Teri L. **Caraway**, Michele **Ford**, and Oanh K. **Nguyen**. 2019. “Politicizing the Minimum Wage: Wage Councils, Worker Mobilization, and Local Elections in Indonesia.” *Politics & Society* 47(2), 251-276.
- Garry **Rodan** and Sreang **Chheat**. 2026. “Political Coalitions of Labour Control: Comparing Singapore and Cambodia.” *Journal of Contemporary Asia* 56(3), 477-503.

- Diana **Fu**. 2017. “Disguised Collective Action in China.” *Comparative Political Studies* 50(4), 499-527.

October 28: Democracy; Final Paper Abstract Due in Class

Democracy refers—at minimum—to the peaceful alternation of executive power as a result of free and fair elections. These readings discuss why democracy emerges in developing economies, chart the consequences of democracy (and its absence) for economic outcomes, and probe the inner workings of democratic political economies.

- Haeran **Lim**. 2009. “Democratization and the Transformation Process in East Asian Developmental States: Financial Reform in Korea and Taiwan.” *Asian Perspective* 33(1), 75-110.
- Mary E. **Gallagher**. 2002. “‘Reform and Openness’: Why China’s Economic Reforms Have Delayed Democracy.” *World Politics* 54(3), 338-372.
- Jie **Chen** and Bruce J. **Dickson**. 2010. *Allies of the State: China’s Private Entrepreneurs and Democratic Change*. Cambridge: Harvard University Press, pp. 38-104.
- Dan **Slater** and Joseph **Wong**. 2013. “The Strength to Concede: Ruling Parties and Democratization in Developmental Asia.” *Perspectives on Politics* 11(3), 717-733.
- Vedi R. **Hadiz** and Richard **Robison**. 2013. “The Political Economy of Oligarchy and the Reorganization of Power in Indonesia.” *Indonesia* 96, pp. 35-57.

November 4: Institutions and Electoral Rules

Institutions and electoral rules shape the way that politics works, and in turn, politicians’ incentives to (and strategies of) intervening in the economy. Economic events, in turned, affect political outcomes through the filter of political institutions. These readings focus on various interesting political institutions in Asia, and their effects.

- Andrew **MacIntyre**. 2001. “Institutions and Investors: The Politics of the Economic Crisis in Southeast Asia.” *International Organization* 55(1), 81-122.
- Edward **Aspinall** and Allen **Hicken**. 2020. “Guns for hire and enduring machines: clientelism beyond parties in Indonesia and the Philippines.” *Democratization* 27(1), 137-156.
- Yusaku **Horiuchi** and Jun **Saito**. 2003. “Reapportionment and redistribution: Consequences of electoral reform in Japan.” *American Journal of Political Science* 47(4), 669-682.
- Joel Sawat **Selway**. 2011. “Electoral Reform and Public Policy Outcomes in Thailand: The Politics of the 30-Baht Health Scheme.” *World Politics* 63(1), 165-202.
- Edmund **Malesky**, Regina **Abrami**, and Yu **Zheng**. 2011. “Institutions and Inequality in Single-Party Regimes: A Comparative Analysis of Vietnam and China.” *Comparative Politics* 43(4): 409-427.

November 11: Decentralization

These readings ask if devolving political authority to local governments is the key to national economic success, as some analysts advocate based on the experiences of countries like the United States, Germany, and China.

- Gabriella **Montinola**, Yingyi **Qian**, Barry R. **Weingast**. 1995. “Federalism, Chinese Style: The Political Basis for Economic Success in China.” *World Politics* 48(1), 50-81.
- Thomas B. **Pepinsky** and Maria M. **Wihardja**. 2011. “Decentralization and Economic Performance in Indonesia.” *Journal of East Asian Studies* 11(3), 337-371.
- Paul D. **Hutchcroft** and Joel **Rocamora**. 2003. “Strong Demands and Weak Institutions: The Origins and Evolution of the Democratic Deficit in the Philippines.” *Journal of East Asian Studies* 3(2), 259-292.
- Daniel C. **Mattingly**. 2016. “Elite Capture: How Decentralization and Informal Institutions Weaken Property Rights in China.” *World Politics* 68(3), 383-412.

- Edmund J. **Malesky**, Cuong Viet **Nguyen**, and Anh **Tran**. 2014. “The Impact of Recentralization on Public Services: A Difference-in-Differences Analysis of the Abolition of Elected Councils in Vietnam.” *American Political Science Review* 108(1), 144-168.

November 18: Deep History

These readings explore the “deep” origins of contemporary political economies.

- Daron **Acemoglu**, Simon **Johnson**, and James A. **Robinson**. 2002. “Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution.” *Quarterly Journal of Economics* 117(4), 1231-1294.
- Melissa **Dell**, Nathan **Lane**, and Pablo **Querubin**. 2018. “The Historical State, Local Collective Action, and Economic Development in Vietnam.” *Econometrica* 86(6), 2083-2121.
- Melissa **Dell** and Benjamin A. **Olken**. 2020. “The Development Effects of the Extractive Colonial Economy: The Dutch Cultivation System in Java.” *Review of Economic Studies* 87(1), 164-203.
- Dean **Dulay**. 2022. “The Search for Spices and Souls: Catholic Missions as Colonial State in the Philippines.” *Comparative Political Studies* 55(12), 2050-2085.
- Yuhua **Wang**. 2022. *The Rise and Fall of Imperial China: The Social Origins of State Development*. Princeton: Princeton University Press, pp. 3-58.

November 25: No Class (Thanksgiving)

December 2: Reform

Reform is about changing the direction of entire national economies. These readings ask how reform happens in a few critical cases.

- Susan **Shirk**. 1992. *The Political Logic of Economic Reform in China*. Berkeley: University of California Press. pp. 23-51, 129-145.
- Nathan **Lane**. 2025. “Manufacturing Revolutions: Industrial Policy and Industrialization in South Korea.” *Quarterly Journal of Economics* 140(3), 1683-1741.
- Jeffrey M. **Chwieroth**. 2010. “How Do Crises Lead to Change? Liberalizing Capital Controls in the Early Years of New Order Indonesia.” *World Politics* 62(3), 496-527.
- Jeremy L. **Wallace**. 2022. *Seeking Truth and Hiding Facts: Information, Ideology, and Authoritarianism in China*. New York: Oxford University Press, pp. 162-192.
- Steven K. **Vogel**. 2019. “Japan’s ambivalent pursuit of shareholder capitalism.” *Politics & Society* 47(1), 117-144.

December 9: Research Paper Due (4:30PM)

- Hard copy to 322 White Hall
- Submit an electronic copy to pepinsky@cornell.edu