

The Political Economy of International Financial Crisis

Interest Groups, Ideologies, and Institutions

Edited by Shale Horowitz and Uk Heo

ROWMAN & LITTLEFIELD PUBLISHERS, INC.
Lanham • Boulder • New York • Oxford

Contents

List of Figures and Tables	vii
Part I: Introduction, Theoretical Overview, and Economic Background	
1 Explaining Precrisis Policies and Postcrisis Responses: Coalitions and Institutions in East Asia, Latin America, and Eastern Europe <i>Shale Horowitz and Uk Heo</i>	3
2 The Persistent Liberalizing Trend in Foreign Economic Policies: The Role of Dispersed Interest Groups, Policy Legacies, and Ideologies <i>Shale Horowitz</i>	15
3 The World Financial Crisis: Are the IMF Prescriptions Right? <i>W. Max Corden</i>	41
Part II: Southeast Asia Comparative Case Studies	
4 Thailand: Episodic Reform, Regulatory Incapacity, and Financial Crisis <i>James LoGerfo and Gabriella R. Montinola</i>	65
5 Malaysia: Ethnic Cleavages and Controlled Liberalization <i>A. Maria Toyoda</i>	91
6 Indonesia: Cronyism, Economic Meltdown, and Political Stalemate <i>Kimberly J. Niles</i>	111

Part III: East Asia Comparative Case Studies

- 7** Japan: Prosperity, Dominant Party System, and Delayed Liberalization 133
Eric C. Browne and Sunwoong Kim
- 8** South Korea: Democratization, Financial Crisis, and the Decline of the Developmental State 151
Uk Heo
- 9** Taiwan: Sustained State Autonomy and a Step Back from Liberalization 165
Alexander C. Tan

Part IV: Latin America Comparative Case Studies

- 10** Mexico: Crises and the Domestic Politics of Sustained Liberalization 179
Aldo Flores Quiroga
- 11** Brazil: Political Institutions and Delayed Reaction to Financial Crisis 199
Jeffrey Cason
- 12** Argentina: The Political Economy of Stabilization and Structural Reform 213
Walter T. Molano

Part V: Central and Eastern Europe Comparative Case Studies

- 13** Poland, Hungary, and the Czech Republic: National Identity and Liberalizing Consensus 225
Shale Horowitz
- 14** Russia: Entrenched Elites Ride Out the Crisis 243
Peter Rutland

- Appendix: Economic Indicators 265
- Bibliography 271
- Index 285
- About the Contributors 295

Figures and Tables

FIGURES

2.1. Prelearning, "Old Regime" Interventionist Coalitions	27
2.2. Postlearning, "Liberal" Adjustment Coalitions	27

TABLES

2.1. Four Types of Interest Group Cleavages over Postcrisis Policy Responses	24
4.1. Key Indicators of the Thai Economy, 1970–1996	68
5.1. Privatization Transactions in Malaysia, 1988–1997	100
5.2. Equity Participation by Foreigners in Manufacturing Projects	101
5.3. Shares of Foreign and Domestic Equity in Malaysian Publicly Held Companies	101
9.1. Taiwan Economic Summary	167
9.2. Comparison of Korean and Taiwanese Conglomerates, 1983	168
9.3. Taiwan's Top Ten Business Groups, 1991	172
A.1. Argentina Economic Indicators	266
A.2. Brazil Economic Indicators	266
A.3. Czech Republic Economic Indicators	266
A.4. Hungary Economic Indicators	267
A.5. Indonesia Economic Indicators	267
A.6. Japan Economic Indicators	267
A.7. South Korea Economic Indicators	268
A.8. Malaysia Economic Indicators	268
A.9. Mexico Economic Indicators	268
A.10. Poland Economic Indicators	269
A.11. Russia Economic Indicators	269
A.12. Thailand Economic Indicators	269