# The Evolving Pacific Basin <sup>in the</sup> Global Political Economy

## Domestic and International Linkages

edited by Cal Clark and Steve Chan

Lynne Rienner Publishers 

Boulder & London

## Contents

List of Tables and Figures Preface		xi xiii
1	Changing Perspectives on the Evolving Pacific Basin: International Structure and Domestic Processes Steve Chan and Cal Clark	1
	The Changing Nature of the State in the Pacific Basin The International Product Cycle and Economic Dynamism Models of Pacific Basin Political Economies The Pacific Basin Political Economy References	
2	The Rise of the East Asian NICs: Confucian Capitalism, Status Mobility, and Developmental Legacy Steve Chan and Cal Clark	27
	The Rise of the NICs and the Political Economy of Development The Structure of the International Political Economy in the 1980s Developmental Legacies Among the Pacific Rim Countries Status Mobility and Developmental Legacy References	

3	Japan's Post–Cold War Challenges and Opportunities in Asia Pacific <i>Tsuneo Akaha</i>	49
	Postwar Japanese Foreign Policy: Key Dimensions Recent Changes in Japanese Foreign Policy Changing Asia Pacific Alliance and Alignment Japan-Soviet Relations Relations with North and South Korea Improving Relations with China Strained Japan-U.S. Relations Deepening Relations with Southeast Asia Conclusions Notes References	
4	China in the Twenty-First Century Global Balance: Challenge and Policy Response James C. Hsiung	67
	The Post–Cold War Order Defined Asia Pacific A Rational PRC Policy Response Conclusions Notes References	
5	Thailand's Political Economy: Change and Persistence <i>Gerald Fry</i>	83
	Migrating Images of the Thai Political Economy New Images: Is Thailand a Pacific Basin Tiger and NIC? Emerging Political Realities The July 1988 Election: A New Transition The "Saturday Surprise" Coup of February 1991 March 22, 1992, National Election Changing Economic Realities Reasons for Thai Economic Success The Thai Model of Political Economy and Its Broader Theoretical Implications Prospects for the Future Note References	

6	Guerrilla Capitalism and the Limits of Statist Theory: Comparing the Chinese NICs Danny Kin-Kong Lam and Ian Lee	107	
	Chinese Capitalism and Guerrilla Capitalism Textile Exports and Their Consequences Capital Ownership Patterns Blend of Chinese and Western Management Skills Guerrilla Capitalism Multinational Corporations and Technology Guerrilla Industrialism The Impact of the PC Revolution Conclusions Notes References		
7	Leadership Change and Government Size in East Asian Authoritarian Regimes <i>Chi Huang</i>	125	
	A Hypothesis About Leadership Turnover and Government Size in Authoritarian Regimes Research Design Leadership Change in Taiwan and South Korea Operationalization and Data Collection Empirical Analysis Leadership Change and Government Size in Taiwan Leadership Change and Government Size in South Korea Does Leadership Change Make a Difference? Conclusions Note References		
8	The State, Foreign Investment, and Sustaining Industrial Growth in South Korea and Thailand Russell Mardon and Won K. Paik	147	
	Theoretical Discussion South Korea: A Case of Economic Nationalism Thailand: An Open Policy Toward Economic Development Conclusion References		

9	ASEAN State Industrial Policies and Japanese Regional Production Strategies: The Case of Malaysia's Motor Vehicle Industry <i>Kit G. Machado</i>	
	Malaysian Heavy Industrial and Motor Vehicle Policies Japanese Regional and Global Strategies Malaysian Policies and Japanese Strategies in the Transformation of Malaysia's Motor Vehicle Industry Japanese Strategies, Malaysian and ASEAN Policies, and Regional Complementation in the Motor Vehicle Industry Conclusion: Global and Domestic Factors in the Development of Malaysia's Motor Vehicle Industry Notes References	I
10	Lessons from East Asia Cal Clark and Steve Chan	203
Aboi Index	ut the Contributors x	215 219

maex	L17
About the Book	226

# Tables and Figures

,

#### Tables

2.1	Global Division of Labor: 1981 and 1988	34
2.2	Models of Development in the Pacific Region	42
5.1	Regional Income Distribution in Thailand, 1960–1987	87
5.2	The Diversification of Thailand's Exports, January-June 1989	95
7.1	Leadership Change and Government Expenditures in Taiwan	138
7.2	Leadership Change and Government Expenditures in	
	South Korea	140
8.1	Major Economic Indicators, South Korea, 1967–1987	152
8.2	Major Economic Indicators, Thailand, 1967–1988	160
9.1	Cumulative Japanese Investment in ASEAN and All	
	East Asia	175
9.2	Rationalization of the Malaysian Passenger Car Industry	183

### Figures

7.1	Total Government Expenditures as Percent of GDP in Taiwan	133
7.2	Per Capita Real Government Expenditures in Taiwan	134
7.3	Total Government Expenditures as Percent of GDP in Korea	134
7.4	Per Capita Real Government Expenditures in Korea	135