

INDEX

A

AA items, 167
 Abramovitz, Moses, 4, 5
 administrative support for export promotion, 36
 agricultural import liberalization, 464
 agricultural policy of Japan, 464
 agricultural sector, 464
 American Chamber of Commerce in Korea (AmCham), 488
 animal spirits, 40
 anti-dumping, 469n, 501n, 502, 504
 anti-establishment groups, 74
 Article 8 country of the International Monetary Fund (IMF), 463
 Article XVIII (Clause B), 463
 ASEAN, 21
 ASEAN 4's exports of labor-intensive manufactures, 402
 August 3 (1972) Presidential Emergency Decree, 191n
 autogenous(self-generated) dynamism, 11, 12, 23, 33
 automatic approval, 426, 443
 balance of payments, 47
 Balassa, Bela, 346, 347n, 350, 356n

B

Baldwin, Robert, 16, 211, 509n
 Bolestra, Pietro and Mauro Baranzini, 233
 banking, 65
 banking system, 43
 bank-loan to value-added ratio, 281
 Bark, Tae-ho, 470n
 Barro, Robert J., 3
 Baumol, William J., 11, 12
 Bertrand, T., 504
 Beseler, J. F. and Williams, A. N., 502n, 503
 best information available, 470
 Bhagwati, Jagdish N., 92, 97n, 295,

296, 297, 303, 419, 511n
 Bhagwati, Jagdish N., and Krueger, Anne O., 29, 295, 303, 415n, 417
 big business groups, 44, 60n
 Bliss, C. J., 236
 bounded market economy, 45
 bond markets, 354
 Brecher, Richard A., and Carlos F. Diaz-Alejandro, 416n
 Brecher, Richard A., and Ronald Findlay, 416n
 bureaucracy, 36, 37, 164
 business groups (Jae-bul), 57
 Buy American Act, 481

C

Cairncross, A. K., 309n
 Cambridge models, 236
 Capital gains, 56n, 57, 62, 63n, 64, 65, 74, 75
 capital goods, 21
 capital intensity, (shift in), 110, 116, 143, 145, 146, 178, 182, 279, 283
 capital-intensive, 21
 capitalists propensity to save, 234
 capital-labor ratio, 108, 213
 capital-labor substitution, 184, 207
 capital mobility, 8n, 10n
 capital stock, 139, 180, 182
 capital stock per worker, 212
 Cass, David, 3
 catch-up, 3, 4, 7, 11, 13
 Chen, Edward, K. Y., 386, 388
 Chenery, H. B., 309n, 310, 310n, 311, 313, 329n
 Chenery, H. B. and Eckstein, P., 131, 131n
 Chenery, H. B., Shishido, S., and Watanabe, T., 315n
 China, 21, 404
 Chinese economy, 395
 China's manufactures exports, 403
 Cho, Dong-Sung, 57, 60, 67

Choo, Hakchoong and Yoon, J., 55
 Clark, Colin, 309n
 class savings behavior, 233
 Cobb-Douglas, 10
 Cole, D. C., and Lyman, P. N., 189
 colonial heritage, 340
 colonial period, 32, 40
 colonial rule, 31, 340
 command economy, 65
 commodity composition of production, 214
 commodity composition of trade, 115
 commodity exports of China, 393n
 comparative static, 105, 117
 competitive imports, 112, 298
 competitively imported inputs, 304
 composition of NICS 4's exports, 407
 concentration of national energies, 34
 confederation of the powers of production, 16, 20
 constructed value, 501
 consumption-goods sector, 449
 Corden W. Max, 30, 415, 419
 countervailing duties, 504, 506, 507
 credit fungibility, 262, 263, 272
 credit rationing, 65, 67, 73, 188, 232, 237, 254, 273, 289, 379
 credit subsidy, 256
 cross-holdings, 66
 crossover point, 107, 109
 curb loan markets, 61, 66, 68, 69, 353
 curb market loans, 68
 currency overvaluation, 164
 customs practices, 476
 customs user fees, 472

D

Davies, Stephen W., and McGuinness, A. J., 415n
 Deardorff, Alan V., 105, 108n, 116, 125, 126n, 277
 debt-equity ratios, 66n, 67
 decentralized industrialization, 347n

Decree of 3 August, 66
 deficits in Korea's commodity trade balance with Japan, 460
 dependency on foreign entrepreneurship, 388n
 depreciation allowance, 186
 discretion-cum-competition market system, 351
 discretionary loans, 255
 disguised unemployment, 33
 disparities in capital intensities, 284, 286
 dispersion indices, 285
 distributional equity, 127
 distribution of income, 55, 62, 73, 75, 132
 division of labor, 16, 20
 domestic-content ratios, 437
 domestic demand, 99, 120
 domestic farm support programmes, 504
 domestic savings, 69, 459
 dual labor markets, 282
 dumping, 501
 dynamic trade models, 125, 132

E

early phase of industrialization, 313
 earning versus saving foreign exchange, 417
 East Asian countries, 326
 East Asian NICs, 21
 education, 5, 40, 340, 341, 342
 Edwards, Sebastian, 416n
 effective protection rates, 177
 effective rate of property tax, 64n
 effective rates of protection (ERP), 175, 278, 279, 439, 443
 elasticity of factor substitution, 114, 204
 employment, 172, 198, 206
 endogenous perpetual balanced growth models, 3

end-users, 448
 entrepreneurs, 30, 35, 38, 61, 75
 entrepreneurship, 12, 38, 39, 60n
 Epstein, Larry G. and Hynes, J. Allan,
 6n
 exchange rates, 170
 exchange settlement certificate (ESC),
 345n
 Exclusion Order, 508
 Expanded Meeting for Export Promotion, 37, 167
 export credit, 188, 347n
 export drive of the ROC Taiwan government, 345n
 export financing system, 253, 254
 Export First, 34, 43, 45
 export/GDP ratios, 130, 131, 369
 export incentives, 165
 export link policy, 332
 exports of Asian NICs, 368
 exports of manufactured products, 331,
 326
 export-oriented economy, 23, 31
 export-oriented growth, 28, 29, 70, 74
 export-oriented growth strategy, 5, 9,
 28, 34, 44, 53, 130, 165, 425
 export pattern, 333, 335
 export promotion (EP), 12, 27, 48,
 332, 167, 344, 345, 415n
 export-promotion regime, 43, 417
 export structure, 328
 export subsidies, 505, 507
 export surplus, 382
 external economies, 13, 28, 296
 externalities, 4, 16, 18, 19, 20, 33, 409

F

factor content of trade, 114, 119
 factor intensity, 109, 110, 111, 117,
 139, 145, 166, 178, 179, 207
 factor intensity of noncompeting imports, 179
 factor market distortions, 116, 184

factor price equalization, 53, 81, 93
 factor proportions, 215
 factor substitution, 207
 facts available, 503
 Fazi, Elido and Neri Salvadori, 234n,
 236, 241
 FDI (foreign direct investment), 21
 financial institutions, 67, 68
 financial market, 237
 financial system in Taiwan, 352
 Findlay, Ronald, 125, 231n
 Finger, J. M., 510n, 512n
 Finger, J. M., and Nogués, J., 500
 First Five-Year Economic Development Plan, 43, 165
 Five-Year Tariff Reduction Program,
 457, 458
 Food Security Act, 486
 foreign-exchange constraint, 419
 fixed exchange rate of ¥360 to a dollar,
 406
 foreign capital, 170
 foreign direct investment (FDI), 21, 38
 foreign exchange earning, 34
 foreign investment, 191
 foreign loans, 189
 foreign savings, 8n, 10n
 Fourth Five-Year Plan, 166
 Frank, C. R. Jr.; Kim, K. S.; and
 Westphal, L. E., 159, 213n, 296,
 427, 428n

G

Galenson, Walter, 33, 342
 GATT, 497
 GATT dumping code, 499n
 GATT Subsidies, Code, 505
 Gini coefficient, 55, 56, 129
 Ginsburg, Norton S., 341
 global income tax, 62, 63
 global land tax, 64
 Gold, Thomas B., 351
 government, (role of), 8, 12, 39, 42,

43, 45
 government expenditure system, 70
 government intervention, 4, 23, 48,
 348, 418
 government procurement, 480
 Grossman, Gene M., 388
 gross unemployment, 32
 growth and equity, 63
 growth elasticity, 115
 growth performance of the ASEAN4,
 394
 growth-potential, 340
 growth-promoting redistribution
 policies, 75
 growth rate of the Korean economy, 32
 GSP benefits, 507

H

Hamilton, Alexander, 12, 14
 Han-BOK data, 182n
 Han, K. C., 180
 hard-core NTB, 498n
 heavy and chemical industrialization,
 13, 45, 46
 heavy and chemical industries, 43, 46,
 434
 Heckscher-Ohlin, 21, 28, 33, 81, 91,
 93, 105, 108n, 116, 126, 156, 211,
 295, 309, 409
 high interest policy in Taiwan, 353
 Hilgerdt, F., 309n
 Hirschman, A. O., 309n
 Hoffman, W. G., 309n, 310, 310n
 Hong Kong, 328, 332, 371, 385, 386,
 416, 511
 Hong, Wontack, 10, 64, 68
 Ho, Samuel P. S., 347, 348, 348n
 Hou, Chi-ming, 345, 349, 352n, 355n
 Hou, Chi-ming and Chang, Ching-hsi,
 341
 household saving rate, 67n
 Hufbauer, G. C., and Schott, J. J., 500n
 human capital, 3, 4, 5, 8n, 9, 10, 11

human resources, 36

I

immiserizing, 416n, 423
 import dependency, 146
 import dependence on Japan, 401
 import liberalization, 46, 47, 425, 427,
 441, 443, 449, 457, 462
 import liberalization of agricultural
 products, 461
 import-liberalization ratio, 428, 429,
 442, 446
 imports for export production, 147
 import source diversification and
 localization program, 460, 462
 import-substitution (IS), 12, 13, 27, 28,
 47, 111, 165, 296, 320, 345, 349
 import-substitution (IS) regime, 29, 31,
 415n, 418
 import surveillance, 442, 462
 indeterminacy, 81, 84, 98, 120
 indigenous entrepreneurial class, 388
 individual energies, 11, 33
 induced-growth gain, 30, 419
 induced imports, 147, 150, 152
 industrialization, 310, 315
 industrial structure policy, 12
 infant industry, 13, 17, 28, 47, 415
 infinite effective demand, 31
 inflation, 172
 initial conditions of Korea, 339
 initial conditions of Taiwan, 339
 innovations, 5
 institutionalized monopsonistic capital
 market, 237, 241
 intellectual property protection, 484
 interest rate, 6, 191, 233, 237, 244,
 255, 256, 256n, 281n, 347
 interest rate reform, 65
 interest subsidies, 69, 195, 196, 207,
 253, 281
 intermediate and investment goods, 47
 intermediate inputs, 21, 147

internal demand patterns, 91, 92
 international (price-quality) competition, 8, 12, 22, 23
 intertemporal time preference, 6
 intra-NICS 4 trade, 398
 investment barriers, 483
 investment licensing, 73
 Ito, Takatoshi and Ueda, Kazuo, 236n

J

Jae-bul, 57, 60, 67
 Jaffé, W., 85n
 Japan, 314, 333, 369, 416
 Japanese colonial rule, 31
 Japanese FDI, 404, 409
 Japanese industrialization, 326
 Japanese intermediate and capital goods, 395
 Japanese textile exports, 315
 Japan's domestic market for labor-intensive manufactures, 372
 Japan's exports to the ASEAN 4 and China, 398
 Japan's imports of manufactures, 406
 Japan's industrial structure, 333
 Japan's per capita income, 314
 Japan's self-sufficient industrialization, 406n
 Japan's share of the U. S. import market, 372
 Japan's trade pattern, 404
 Johnson, H. G., 303, 419
 Jones, Ronald W., 105, 106, 107n, 119n, 277

K

Kaldor, Nicholas, 234n, 241
 Kang, M. S., et al., 68
 Kaoshung Export Processing Zone, 347
 Keesing, Donald B., 29, 219, 220, 303,

415n, 417
 Kemp, Murray, 13, 297
 Kennedy Round, 499n
 Kim, E. Han, 66n
 Kim, Kwang Suk, Park, J. K., and Hong, S. D., 155
 Kim, Linsu, 340, 342n
 Komiya, Ryutaro, 13
 Korea, 5, 313
 Korean exports, 326
 Korean government, 348
 Korean Reconstruction Bank, 189
 Korean War, 32, 40, 342
 Korea's protectionist regime, 429
 Korea's trade surplus, 458
 Krueger, Anne O., 73n, 105, 106, 107, 116, 117, 212, 277, 396n
 Kuo, Shirley, W. Y., 347
 Kuo, Shirley, W. Y., and Fei, C. H., 347
 Kuo, Shiley, W. Y., Ranis, Gustav, and Fei, John C. H., 346, 347n, 353n
 Kwack, Tai Won and Lee, Kye Sik, 62, 63
 Kwon, Soonwon, 56, 63n

L

labor-intensive, 5, 12
 labor-intensive manufacture, 20, 344
 labor-relations, 71
 labor union, 42, 351, 358
 laissez-faire system, 385, 386
 Land Committee, 56
 land ownership, 56, 57
 land speculations, 64
 landlord class, 12
 land reforms, 12, 345
 land-man ratio, 107n
 Leamer, Edward E., 105n, 107n, 119, 120
 Lee, Joong-Koon, 131, 131n
 Lee, T. H., 91n
 Lee, Young Ki, 57, 60n, 66n

Leontief, W. 211, 215, 219, 220, 295
 Lewis, A. W., 20, 44n, 72n, 106, 107,
 109, 118
 Liang, Kuo-shu and Liang, Ching-ing
 Hou, 341, 347, 348, 381, 384
 liberalization in the financial sector,
 354
 liberalization of service and agricultur-al sectors, 465
 Li, Guoqiang and Luo, Yuanzheng,
 403
 Li Kwok-ting and Yeh, Wan-an, 343
 Linder, S. B., 91, 92, 93, 97, 99, 101
 List, Friedrich, 12, 16, 19
 Little, Ian M. D., 344, 349
 loan allocation, 199
 loans for exports, 188
 loan-value-added ratios, 257
 local content restrictions, 462
 lock-in effect, 64n
 long-term import liberalization
 schedule, 444, 458
 long-term loans, 250
 long-term tariff reduction scheme, 443
 Lucas, Robert E., Jr., 3, 10, 11
 Luedde-Neurath, R., 444
 Lundberg, Erik, 383n
 luxury excise tax, 472

M

machinery, 19n, 318, 335
 Magee, Stephen P., 278n
 Maizels, Alfred, 131, 309n, 310n, 311,
 313, 319, 329
 major policy tools, 34
 man's latent energies, 33
 manufactures exports, 283, 284, 335
 manufactures exported by Asian NICs,
 367
 manufactures exported by developing
 countries, 367
 manufactures exports by the ASEAN
 4, 394

manufacturing, 5
 manufacturing power, 16, 17
 manufacturing employment, 284
 marginal gains from trade, 303
 market distortion, 288
 market failures, 4
 market for Korean exports, 164
 market mechanism, 45, 73, 379
 market principle, 41n
 Mason, Edward S., 31n, 340, 348
 MCI (Ministry of Commerce and
 Industry), 167
 McKenzie, L. W., 82, 94n
 McKinnon, Ronald I., 236n
 mechanism of sustained high growth,
 11, 33
 mental powers of the nation, 16, 17
 MFN (Unconditional Most-Favoured-
 Nation Treatment), 497
 military government, 34
 military training, 342
 minimize the international transaction,
 84
 minimum efficient scale, 101
 minimum-value-of-trade, 85, 86, 97
 Minister of Trade and Industry (MTI),
 36
 Ministry of Commerce and Industry
 (MCI), 164
 mobility of factors, 219
 monopsonistic capital market, 232,
 233n, 234, 236
 monopolistic export industries, 425
 multicommodity trade model, 277
 Multifibre Arrangement (MFA), 497,
 501
 multilateral trade negotiations (MTN),
 509
 Myint, Hla, 12, 13, 20, 48n

N

Nam, C. H., 505, 506
 national energies, concentration of, 34

natural-resource-based trade, 211
 National Trade Estimate Report, 470
 necessary initial conditions, 4, 5, 11
 negative bank interest rate, 67
 negative list system, 167, 426, 427n
 negative real interest, 67, 69
 neoclassical growth models, 3, 8
 neo-Keynesian models, 236n
 new tariff schedule, 460, 461
 NICS 4's imports of machinery & equipment, 401
 NICs-Japan relationship, 373
 NICs phenomenon, 27, 48
 Nineteen-Point Program of Economic and Financial Reform, 343, 346
 non-competing imports, 140, 179, 213, 214, 215, 225, 300, 302
 non-monetary financial institution, 68, 273
 non-productive activities, 11
 normal value, 501

O

Orderly Market Arrangements, 501
 open-ended model, 12
 opening to trade, 130
 opening up an economy to trade, 5, 30, 132
 outward-looking approach, 13

P

Park, Chung-hee, President, 35, 36, 41, 60
 Pasinetti, Luigi L., 231, 234, 236, 241
 pattern of specialization, 101
 per capita imports of manufactures of an advanced country from developing countries, 377
 Perry, W. E., 502n
 personal saving, 67
 photo albumn, 469, 503

physical capital-intensity, 140, 145, 282, 288
 physical capital stock, 152, 155
 planning, in Korea, 380
 point elasticity of substitution, 288
 polarization, 278, 289
 policy-cum-structural factor market distortions, 277
 political leadership, 4, 22
 population density, 330, 331
 positive list of quantitative restrictions, 428
 potential advantage, 28
 preconditions, 11
 Pre-War Japan, 12
 price-quality competition, 12, 17, 29
 primary exports, 330
 primary export structure, 328
 procedural protectionism, 502
 productive activities, 75
 property taxes, 57, 63, 64
 protection, 19n
 protection-cum-second-best-policy, 420
 protectionist agricultural policies, 56n, 504
 protectionist policies of advanced countries, 375
 protectionist system of Japan, 376
 Pyo, Hak-Kil, 139

Q

quantitative import controls, 427
 quantitative restrictions (QRs), 415, 473, 500n

R

R & D, 9, 375, 408
 Ranis, Gustav, 356
 rate of intervest, 234
 rate of return on capital, 6, 22, 194,

195, 206, 257n
 rates of return on investment, 8, 237, 256, 281
 rate of time preference, 7, 125n
 ratio of capital to labor, 110
 ratio of gross tax burden to GNP, 70
 rationing, 68
 real interest rate, 66n
 real names in financial transactions, 62n, 63
 reinforcing distortion, 423
 relative risk aversion rate, 9
 rent-seeking, 11, 73
 repayment guarantees, 191
 representative demand, 92, 100, 101
 representative tariff rate, 461
 repressed financial regime, 379
 resource-poor countries, 48, 329, 331, 399
 restricted import items, 426, 434
 restructuring the rates of return on various economic activities, 75
 revealed comparative advantage (RCA) indexes, 373n
 revealed protectionist effects (RPE), 377, 499
 Rivera-Batiz, L. A. and Romer, Paul M., 8n
 Romer, Paul M., 3, 5, 8, 10
 Robinson, Joan, 425
 Rybczynski, Tadeusz N. 105, 107n, 119, 422

S

safeguards clause (Section 201), 508n
 Samuelson, P. A., 53, 82, 97, 125, 126
 savings propensity, 6, 69, 127, 128, 131, 131n
 savings rate, 130, 132
 scale economies, 29
 school enrollment, 5
 Schumpeterian entrepreneurship, 73
 Scitovsky, Tibor, 33, 67, 69, 340,

349n, 353, 356n
 second best nature of tariff protection, 15
 Second Five-Year Plan, 332
 Section 301 of the Trade Act, 507
 self-generated dynamicsm, 11
 services barriers, 481
 share of Japan in the U. S. labor-intensive manufactures import market, 403
 share of the NICS 4 in total world exports, 393
 Shaw, Edward S., 236n
 short-term export credits, 250, 255, 259, 279
 Singapore, 371, 386, 387, 416
 skill endowments, 219, 220
 skill intensity, 220, 226
 small and medium-size firms, 60
 Smith, Adam, 20, 156, 418, 492
 Smithsonian multinational currency adjustment, 406n
 social capability, 4, 5
 Solow, Robert M., 3, 10
 Song, Daehee, and Kwon, Soonwon, 70
 special laws, 445, 460, 462
 special tariff law, 428
 standards, testing, labelling and certification, 478
 static efficiency gain, 30, 419
 static inefficiency, 296
 Statue for the Encouragement of Investment, 343, 346, 350
 Stiglitz, Joseph E., 125, 234
 Stiglitz, Joseph E. and Andrew Weiss, 231n
 strong government, 4
 strcultural adjustment, 72
 Structural Impediments Initiative, 487
 subcontracting arrangements, 21
 subsidy, 258
 subsidy on capital use, 184, 191, 207, 208

subsidy rate associated with credit rationing, 281
 subsidized capital financing, 208
 subsidized loans, 259
 supply capacity, 31
 surplus in Korea's commodity trade balance with the United States, 460
 surveillance list of import, 460n

T

Taiwan, 63n, 64n, 313, 328, 331, 371, 381, 382, 384, 416
 Taiwan Agricultural Four Year Plan, 343
 Taiwan model, 66, 67
 Taiwan government, 345, 349, 350, 351, 355, 357
 Taiwan's export-promotion, 349
 Taiwan's financial system, 356, 357, 383
 Taiwan's First Four-Year Economic Reconstruction Program, 343
 Taiwan's government-dominated undeveloped financial regime, 382
 Taiwan's sugar export, 344n
 tariff barriers, 471
 tariff drawback, 439
 tariff exemption, 187
 tariff protection, 415, 430
 tariff rates, 174, 175, 428n, 445, 457, 460
 taxation, 61, 62
 tax burden, 70
 tax-cum-subsidy, 15
 tax reduction & refunds, 346
 tax system, 75
 technology imports, 374
 technology-intensive manufactures, 21, 407, 408
 textiles, 317, 333, 335
 Third Five-Year Economic Development Plan, 434
 30 largest business groups, share of, 66

three-factor, two-sector model, 117
 thrift-demonstration effect, 127
 time preference, 132
 time-preference structure, 126, 128
 Tokyo Round, 497n
 total capital intensity, 143, 286, 288
 total-loan/value-added ratios, 288
 trade barriers in Korea, 469
 trade deficits with respect to Japan, 401

transitional stage, 314, 319
 transition dynamics, 5
 Tsiang, S. C., 344n, 346, 351, 354n
 two-gap analysis, 131n
 Tyers, R., and Anderson, K. 504
 typical pattern, 310, 311, 313, 315, 319

U

undervalued yen, 13
 unemployment, 32
 unequal treaty on airline services, 490
 United States aid, 161
 Uruguay Round, 508
 U. S. Agricultural Adjustment Act, 475
 U. S. agricultural export promotion program, 486
 U. S. aid, 331
 U. S. countervailing duty law, 506
 U. S. Customs, 477, 478n
 USDA quarantine regulations, 479
 U. S. grant-in aid, 342
 U. S. intervention on import liberalization, 458
 U. S. market for labor-intensive manufacturers, 372
 U. S. Merchant Marine Act, 476
 U. S. pressure to open up and liberalize, 488
 USTR, 489
 U. S. tariff rates, 472n
 U. S. trade barriers, 471
 Uzawa, H., 6n, 85n

V

- Vanek, J., 119, 297, 298n
vent-for-surplus, 19
vested interests, 54
volume of total world exports, 393
voluntary export restraints, 501

W

- Wade, Robert, 383n, 385n
wage rate, 53, 54, 113, 199, 282, 283
wage-rental ratio, 107, 108n, 182, 204,
 206
waiver for GATT obligations, 475
wasteful export expansion, 297
Watanabe, T. and Kajiwara, H., 373n,
 406n
Westphal, L. E., and Kim, K. S., 159,
 175, 177, 178, 179
Wolf, M., 511

Y

- Yamazawa, I., Hirata, A., and
 Taniguchi, K., 401n
Yoo, Jong Goo, 55
Yoo, Seong-min, 60
Young, Soogil, 416n, 439, 446
Yu, Tzong-shian and Chen, Ting-an,
 346, 348, 350n