

# EC 464 The Pacific Rim – Economic and Political Orders

## “Dragons, Tigers & Flying Geese”

### Course Outline

**Instructor Name:** Dr. Andrew Mack

**Contact Hours:** 40

**Course Credits:** 4

### Course Description

EC464 focuses on the sources and dynamics of the Asia Pacific region's 'miracle' economic growth, emphasising the way this growth has impacted Australia's political economic system. The Asia Pacific region has been the crucible for this 'miracle' growth that drove a global shift of political, economic and strategic power from the 'developed' western economies to East Asia. It is argued that the example of East Asian development was the prime catalyst for China's rise, that has become threat to the US dominance in the Asia Pacific region. The political economic history presented in this course shows how the 1970s Tiger, and later, South East Asian economies and China, provided Western consumers and firms with cheap goods and investment opportunities. It shows how this has led to international trade imbalances and the relative decline of western manufacturing production, markets, incomes and jobs. These global changes forced minerals and agricultural producer countries such as Australia to undergo major economic restructuring to maintain standards of living.

These global supply, production, and marketing dynamics result from the historical economic development of the region - from Western colonial extraction, via the Japanese 'roll back' of colonial dominance, and Cold War superpower struggles; to the consequent national demands for political and economic sovereignty. The Post-Cold War political and economic realignments are seen in the changing character and 'world view' of regional organizations such as ASEAN+3, RCEP and APEC. This re-shaping of the regional political and economic order is now strongly evident in national responses to a competition between China and the West's political, economic and strategic systems. A crucial focus of this regional change is on the threats to economic growth posed by economic crises, the pandemic and environmental destruction. The course sums up with some predictions of how the Chinese and US' battle for regional influence will evolve.

### Course Objectives

The prime objective of this course is to investigate how the countries of the Asia Pacific region have created and distributed wealth (national surplus), and how this wealth-generation process is necessarily linked into the operations of the world system. Our primary aim is find out how, and how effectively, these countries have answered the 'economic question'. This method of approach is to explain:

- The core concepts used to illuminate the processes at work: the mode of production, the cycle of accumulation, the 'world system', the economic question.
- The character of the 'Asia Pacific' and the reasons for studying this region

- The state & commercial systems and organisations seen as influential agencies of wealth generation and social development
- The facts and tendencies of – and for - systemic rupture and change
- Predictable future outcomes from these wealth-generation processes

**In summary, the course covers:**

- A political economic history of regional development, specifically how foreign powers created a massive wealth production and extraction process in the Asia Pacific region;
- How Asia Pacific countries seized national sovereignty over wealth creation and distribution;
- How the East Asian massive wealth creation system impacts on, and responds to, the world political economic and strategic system.
- The tectonic shift towards China's regional economic power and influence.

## **Question-driven Course Description**

### **How have international politico-economic processes, such as trade, investment and finance, driven East Asia and China's 'miracle' growth?**

This course examines the historical forces and mechanisms that drove East Asian economies to become the crucible for a new global political & economic order.

### **What have been the impacts of this massive growth on both the US' economic strength and the *Pax Americana* in the Asia Pacific?**

This course explains the character of the competing economic systems that created the contemporary political, economic and strategic challenges facing the US' and its allies especially Australia in the Asia Pacific. It covers the role of the US in addressing these challenges, focusing on a rising China and growing strategic threats of great power competition.

### **What are the potential constraints to orderly growth posed by this massive Asia Pacific regional development?**

This course considers the relationship between the dynamics of this systemic change on economic crises, environmental destruction, and political conflict.

### **What are the professional or scholarly career-advancement opportunities provided by this course?**

The global significance of Asia Pacific regional development provides a substantial underpinning for future research and career opportunities not only in the region' but in global fields of international relations, diplomacy and economic management.

### **The ways students will answer.**

This course provides an extensive array of assessment criteria to answer these questions. A primary focus is on critical analysis of these core questions through small groups and workshops with major issues addressed in 'role play' presentations and written work. Whilst extensive text readings and other source material is provided by the professor, students are encouraged to investigate a variety of other source material in the construction of innovative audio-visual presentations and essays. There is also a 2-hour final examination which takes the form of short essay responses.

# Hub Learning Outcomes

## BU Hub Units: CAS EC464 1 HUB UNIT CRITICAL THINKING

### Learning Outcome - Criteria

*The ability to think critically is the fundamental characteristic of an educated person. It is required for just, civil society and governance, prized by employers, and essential for the growth of wisdom. Critical thinking is what most people name first when asked about the essential components of a college education. From identifying and questioning assumptions, to weighing evidence before accepting an opinion or drawing a conclusion— all BU students will actively learn the habits of mind that characterize critical thinking, develop the self-discipline it requires, and practice it often, in varied contexts, across their education.*

### How does the Course achieve this outcome?

EC464 course-work cultivates students' capacity for critical thinking by investigating the conceptual basis of, research-methods used, and motivations driving the various competing explanations of how the region developed and the sources and impacts of conflict in the region. The contemporary dispute between the US, PRC and Taiwan over Taiwan's independence provides a context for building a critical approach to our source material. This builds a capacity for students to determine:

- The rationality for the motivations driving the protagonists' approaches, perspective and conclusions, i.e. whether they 'make sense'.
- The utility (usefulness) of the various models, various theories and conceptual approaches— i.e. how helpful they are in explaining 'real-world' phenomena, social conflict and change. For example, can 'market-forces' explain the competition between the US and the PRC?
- The interests served by the various arguments and the prognosis drawn from them – for example, do these serve the interests of US, PRC, or Taiwan's economic, political & strategic interests?

### Techniques of critical thought

The key techniques of critical thought as the essential basis for a student's analysis of the competing arguments and explanations are outlined below. These various critical thinking techniques and methods enable the students to determine the most compelling (reasoned) understandings of the underlying forces and processes that have defined the contemporary character of the Asia Pacific region. The course teaching and readings provide more detail of these techniques.

1. **Deduction and Induction**<sup>1</sup>. The course develops student's capacity to distinguish between deductive and inductive modes of inference, and to apply the appropriate mode to resolve a question or thesis. In the context of economic development, the EC464 course material and teaching program provides students with both general (theoretical) observations on how wealth has been generated to drive economic development in the Asia Pacific region, and specific

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<sup>1</sup> The main difference between deductive and inductive reasoning is that deductive reasoning involves moving from general observations to specific conclusions, while inductive reasoning involves moving from specific observations to general explanations. Deductive reasoning and inductive reasoning are two opposite processes of reasoning: <https://pediaa.com/what-is-the-difference-between-deductive-and-inductive-reasoning/>

(empirical) observations on the evidence of this development. Thus, with the US/PRC Taiwan conflict, deductive and inductive reasoning is applied to test 'actors' positions on the dispute. Do their theoretical approaches logically explain the forces at work? Does the empirical evidence confirm the theories?

2. **Logical fallacies, fallacy of composition and cognitive bias.** The course develops students' capacity to recognise and demolish those logical fallacies and cognitive biases that serve to distort political, economic and strategic decision-making. In the example of the US/PRC conflict over Taiwan's sovereignty, students determine whether there are logical fallacies in the protagonists' policy-positions. Students consider the possibility of the emergence of an 'objective truth' through the testing of the validity of the evidence. An elementary part of this clear-thinking process is to clarify the generalised position statements by translating them into formal argument.
3. **Distinguishing factual from normative statements.** This technique continues the process of affirming and applying the concept of an 'objective truth' as opposed to an 'alternative truth'. The technique enables the students to ascertain what is a normative (value-laden) element, and what is the objective truth of an exposition or report. This technique is designed to facilitate each student's capacity to sort empirically-defined claims about matters of fact from normative or evaluative judgments. In the PRC, US & Taiwan sovereignty context, students will assess the various government's explanations for their position on the political control of Taiwan. The objective being to differentiate between propaganda and the hard facts and power relations obscured by the propaganda. For example: does China's public stance reflect domestic political & economic interests or solely the nationalist aim to 'bring Taiwan back under the PRC flag'.
4. **Internalist & externalist analysis.** This develops the clear-thinking process from a critique of theoretical approaches that are 'internalist' to a critique that is 'externalist'. The internalist approach examines theories' and concepts' internal consistency and the rationality of the assumptions on which they are built. An externalist critique determines whether the theories and concepts account the workings of the system within which they operate, and the tendency for rupture and collapse of that system. For example, the changing nature of global capitalism and its world political economic system – from the Washington Consensus of neo-liberalism to ....what? Thus in the Taiwan context, we assess the theories said to explain the forces driving the US' involvement in the issue of Taiwan's future sovereignty. Does a theory, for example, explain the conflict as largely driven by the character of the PRC's leadership and/or the struggle for regional power and influence (internalist logic)? Or, is the conflict a function of the character of US capitalism and its 'state of play' within the world system (externalist)?

#### **Four pillars approach<sup>2</sup>**

A core element of this course is the 'Four Pillars' conceptual approach, whereby both deductive and inductive approaches are employed to understand phenomena specific to the Asia Pacific region. The Four Pillars approach encourages linking the evidence and ideas to discover the drivers for international political and economic relations: specifically, the **material**, **ideological**, **systemic** and **structural** determinants that define international political and economic relations.

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<sup>2</sup> Political systems reflect the way we generate wealth; all ruling systems apply a self-justifying values (ideology); Wealth generation systems define our international relations; Change is endemic in all systems

## Learning Outcome 2

*Drawing on skills developed in class, students will be able to evaluate the validity of arguments, including their own.*

### How does the Course achieve this outcome?

The course is designed around a variety of texts and learning tools intended to build an appreciation of the relative perspectives and contentions describing Asia Pacific regional phenomena. Particular texts, and other source material – Blackboard Learn, audio, audio-visual and social media – are employed to illuminate both the general scholarly principle of clear thinking – determining facts from values – and the qualitative *vis-à-vis* quantitative research methods. These approaches enable students to effectively assess the usefulness of available course material as well as the veracity of their own arguments.

## Program Learning Outcomes

**At the completion of this subject, students will be able to:**

- Show how international political economic processes (trade, investment, finance & labour migration) have driven ‘miracle’ regional growth.
- Explain the impact and role of major institutions (such as the IMF, World Bank, WTO, G20, Boao Forum for Asia) in bringing the region into the international political and economic system.
- Understand the major and continuing role of the US in this process, and the threat to this role posed by a rising China and populist protectionism.
- In sum, to appreciate the immense importance of the Asia Pacific region’s massive development for the US’ – and other ‘Western’ developed countries’ - economic and political status and influence.
- To link Asia Pacific developments and impacts on the world system to enhanced professional or scholarly career-advancement opportunities.

## Instructional Format, Course Pedagogy, and Approach to Learning

Instructional Format: Lectures, workshops, case studies, role-play, seminars, focus on examination preparation.

### Program Learning Outcome:

This course contributes to the Program Learning Outcome to be achieved by every student: that is to demonstrate knowledge of Australian culture and society with respect to a combination of the following areas: Australian politics, industry, economics, social policy, environmental policy, literature and the arts, film, marketing, advertising, and mass media.

## Format

Two lots of teaching per week, as above.

## Books and Other Course Materials

Whilst the Course Outline draws students' attention to the variety of reading and research material readily available on the web or in the library, there are no specific texts that adequately cover the full purview of this course.

Most of each seminar's research content is incorporated in either PowerPoint or Word files on the BU Blackboard site. This is 'starting point' material, and students are encouraged to take advantage of the hard texts in the library, and the variety of journal and article sites available via the Boston University Search engines.

It is important for you to carry out independent research. Make use of the many relevant academic journals and social science indexes (e.g. APAIS). Also consider the major print and audio-visual media related to the various topics, such as the Australian Government broadcasting media (ABC) programs such as Lateline, ABC TV Foreign Correspondent, and Radio National Asia Pacific as well as the SBS TV programs 'Dateline' and PBS News Hour.

Most ABC broadcasts are backed by Web Site downloadable transcripts as well as podcasts. You should also explore other websites. (For instance, *The Far Eastern Economic Review*, *the Diplomat*, and *The East Asia Forum* (<http://www.eastasiaforum.org>) always provide useful articles. The inclusion of items of contemporary relevance into seminar discussions will advance your knowledge and your overall assessment mark.

## Courseware

[www.bu.edu/learn/E464](http://www.bu.edu/learn/E464)

This is an active online link to all materials including course outline, criteria sheets, due dates of assignments, secondary sources, online links, and announcements. There are also required viewing texts, and discussion platform responses on Blackboard which are required for the course.

ALL STUDENTS SHOULD TAKE ADVANTAGE OF THE BU EC464 BLACKBOARD SITE'S LECTURE NOTES, POWERPOINT, MEDIA & INFORMATION FILES. ACCESSING AND USING THESE FILES IS CRITICAL FOR YOUR SCHOLARSHIP AND HIGH GRADES.

## Assignments and Grading

Assignment & weighting summary
○ Group Role Play – paper (15%)
○ Group Role Play – presentation (10%)
○ Case Studies (25%)
○ Essay (25%)
○ Final Examination (25%)

## Assessment Descriptions

Summary of assessment requirements	Due date	description
Role Play – paper		500 words
Role Play – presentation		Twenty minute presentations
Case Studies		Half-hour presentation
Essay		2,500 words
Final Examination		2 hour exam

### Resources/Support/How to Succeed in This Course:

There is the opportunity of students meeting professors face-to-face either ahead of or following class times; students can also make contact for longer meeting times via email or submit questions via email. The most effective way to succeed in this course is to keep reading along the time line of required readings.

Being prepared for each scheduled class will mean students gain more from lectures and interactive class discussions. Time management is crucial to such success, as is an open and enquiring mind.

There is also ample material on the BU learn site for students to expand their contextual knowledge of set texts and the BU Sydney library has books and visual material for research.

When writing or presenting it is crucial that students are guided by the Grading Criteria Sheets provided as a means to successful navigation of requirements.

Professors are notified of students with documented disabilities or special needs ahead of first classes and offer assistance to these students in line with BU policy, which is also BU Sydney policy.

### Community of Learning: Class and University Policies

Course members' responsibility for ensuring a positive learning environment (e.g., participation/discussion guidelines).

It is the responsibility of both the professor and all student members of the class to ensure a positive learning environment. It is thus understood that any member of the class who demonstrates behavior which undermines this positive learning environment will: firstly, be questioned and counseled regarding this behavior, seeking a satisfactory outcome; secondly, upon further recurrence, be brought into the delivery of the class material in an effort to involve them more; lastly, in light of the behavior continuing, the student will be expelled from the learning space for the rest of that day's class, and a grade deduction will be implemented as for "missing class without verifiable extraordinary reasons". (There is no precedent for this behavioral model thus far on our programs.)

## **Course Matters**

### **Attendance at all classes is mandatory.**

Any absence for medical reasons or other misadventure must be supported by a medical certificate or a letter offering a satisfactory explanation. Strict penalties apply, on a pro rata basis, for any unapproved absence. Missing one class without reason would attract as much as a 10% penalty.

### **Statement on Plagiarism**

All students are responsible for having read the Boston University statement on plagiarism, which is available in the Academic Conduct Code. Students are advised that the penalty against students on a Boston University program for cheating on examinations or for plagiarism may be "... expulsion from the program or the University or such other penalty as may be recommended by the Committee on Student Academic Conduct, subject to approval by the Dean".

### **Late Work**

In general, there will be no extensions granted for any coursework. The exception is where there are clear and acceptable reasons for late submission. In this case a written statement outlining any serious illness or misadventure together with supporting documentation (e.g. medical certificates) must be provided or a strict penalty of 5% per day will apply.