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Review of "Rethinking Asia's Economic Miracle: The Political Economy of War, Prosperity and Crisis"

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Stubbs, R. 2005: *Rethinking Asia's economic miracle: the political economy of war, prosperity and crisis. Rethinking world politics series*. Basingstoke: Palgrave Macmillan. xii + 276 pp. £5.00 cloth, £18.99 paper. ISBN: 0 333 96460 8 (cloth), 0 333 96461 6, (paper).

Su-Mei Ooi

The brilliance of Richard Stubbs' book lies in the simplicity of its argument. Noting that neoclassical economic, statist, cultural, Japan-centered and American-hegemony centered explanations for the similar growth trajectories of the Asian 'miracle economies' are partial explanations that have largely failed to take into account their shared geopolitical environment, Stubbs argues that war has been an essential shaping force. The security imperative that shaped the political and economic institutions of Japan, Taiwan, South Korea, Hong Kong, Singapore, Thailand and Malaysia allowed for similar patterns of rapid economic growth and development. Further, changes in the security environment at the end of the Cold War forced upon these countries a process of institutional change that explains the resulting Asian Economic Crisis of 1997.

The book is divided into chapters that describe the impact of the Second World War, the Korean War, the Cold War, and the Vietnam War on each of the 7 countries' political and economic institutions in chronological order. The overall effect of these regionally significant wars was to stimulate the development of centralized bureaucracies, which were sometimes backed by strong militaries. This not only determined the capacity to implement economic policies, it influenced the direction of those policies. Economic and military aid and expertise that the US poured into the region, as well as open markets were also major stimulants of early growth. Further, these wars created a security mentality that made it much easier to mobilize society towards the hegemonic project of economic growth and development.

Two further chapters treat of Japan's subsequent influence in the region, and the post-Cold War period of liberalization and regionalism. Stubbs argues that Japan's own growth into the world's second largest economy kept up the momentum of growth in the region, especially as it became an exporter of capital and technology in lieu of the US. By the end of the 1980s, however, the shift away from the Cold War paradigm meant that political and economic institutional adjustments had to be made – the dissonance between the institutional legacies of the Cold War and this liberalization process resulted in the Asian Crisis of 1997. Shared experiences during the Cold War have also created a strong sense of regional identity that has driven economic regionalism.

This is a very approachable text suitable for new students of the region who are unfamiliar with its history – the bulk of its content consists of reinterpreting widely known historical material. Simple as such a project sounds, the nuances of Stubbs' argument should not be overlooked. In keeping with the historical institutionalist approach, the timing and sequence of events is very important. Thus, the order of the chapters is important because it holds to a particular

explanatory logic – Stubbs highlights the importance of the prior destructive effects of the Second World War, before the formative effects of the Korean War and the Cold War on the political and economic institutions of each of the seven economies could be felt, for example.

That this book has been crying out to be written cannot be overstated, not least because the pressing question of whether Asia's experience can be replicated in other parts of the developing world has long been asked. The answer that one gets from this book may be disappointing, and yet realistic – unless the geopolitical conditions of a particular time and place can be replicated, this is unlikely to be possible. Indeed, the fact that these Asian economies have rapidly outstripped those economies of Africa and Latin America better placed than they in the immediate post-war years, makes Stubbs' argument all the more convincing. In this way, Stubbs' argument also tends towards a sense of 'Asian Exceptionalism.'

Stubbs' work is further significant because it belongs to a genre of literature that takes seriously the interaction between international and domestic factors in the shaping of political and economic institutions and outcomes. Artificial boundaries between international relations and domestic politics are broken down so that a more complete explanation of East Asia's 'economic miracle' is made possible. Yet, in placing emphasis on the external environment and significant international events mostly influenced by the superpowers, Stubbs does not lose sight of the agency of these 7 countries' policy-makers. Choices were made to maximize the political and economic opportunities and work around the constraints presented by these geopolitical conditions as they arose.

The most glaring shortcoming of this book is the superficiality of its treatment of each case study. This is a somewhat serious shortcoming not least because this project aims to locate explanations for the region's economic miracle and subsequent crisis at the interface of international and domestic politics. The causal mechanisms linking domestic and international factors have to be considered in sufficient detail and with adequate nuance in order to do so. However, key domestic political developments or policy choices are either left out on occasion or fail to be treated with sufficient depth, when their interaction with external factors are vitally important in explaining the growth trajectories of these countries. At other times, the security rationale in Stubbs' narrative of certain domestic developments is lost and the link between domestic and international factors becomes unclear.

This is due largely to the rather large number of cases that Stubbs has chosen to examine within a limited number of pages. While the short space allocated for each of the many cases has largely contributed to the failure to treat of each case sufficiently, the reasons for which the cases of the Philippines and Indonesia have been left out are not entirely convincing either. An examination of the different paths they have taken to the rest of the cases, contrary to Stubbs' claim to be a distraction from 'the important similarities between the growth of the three most successful Southeast Asian governments and economies...and the four Northeast Asian governments and economies...' (p. 24), would have further enhanced our understanding of why the 7 countries chosen have taken the similar trajectories that they have. A chapter examining the deviant cases

of the Philippines and Indonesia would most likely have revealed differences that would further strengthen Stubbs' argument.