# The East Asian Developmental State Model

— Its Relevance in the Contemporary World ?—

GRIPS Development Forum August 7, 2023

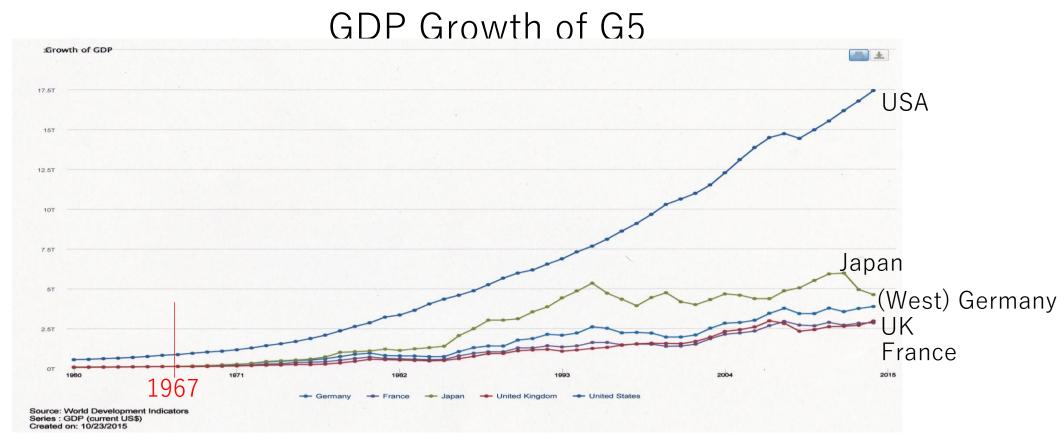
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# Outline of the Presentation

- 1. Concept of the Developmental State
  - 1-1. Origin of the concept
  - 1-2. Development of the model
- 2. Current Arguments: Durability and Applicability
- 3. Developmental States in the era of democratic backsliding

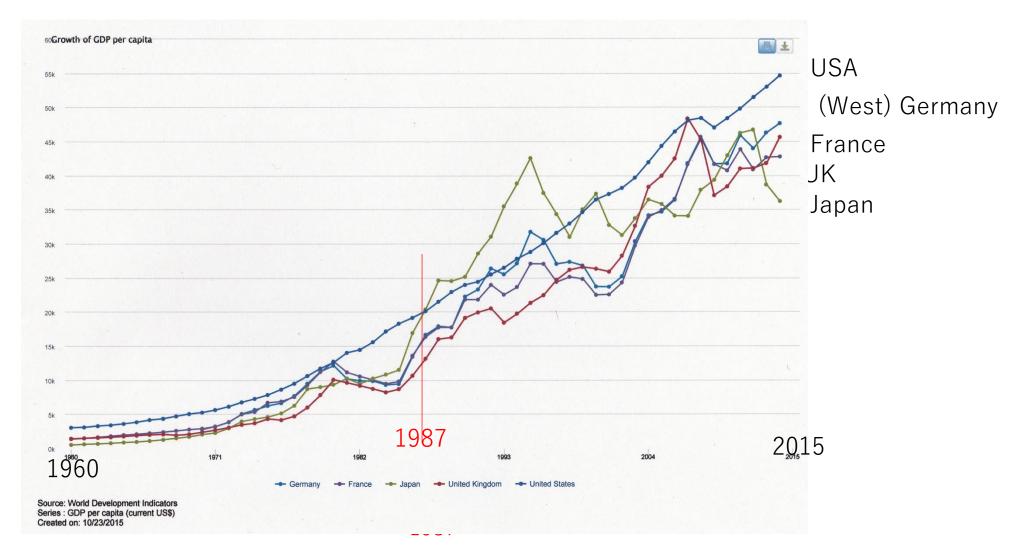
# 1. Concept of the Developmental State

## 1-1. Origin: *The Japanese Miracle*



(drawn by Horikane based on Word Dev't Indicators 2015)

## GDP per capita Growth of G5



(by Horikane based on WDI 2015)

## Chalmers Johnson (1982), MITI and the Japanese Miracle

Role of the state was different: Regulatory vs Developmental

Japanese Model of the Developmental State

- 1. Existence of a <u>small, inexpensive</u>, but elite bureaucracy staffed by the best managerial talent available in the system
- 2. A political system in which the bureaucracy is given sufficient scope to take initiatives and operate effectively
- 3. Perfection of <u>market-conforming methods of state intervention</u> in the economy

  No discussion about
- 4. A pilot organization like MITI

⇒⇒ applied to Korea and Taiwan first, and then to others as well

authoritarianism

## 1-2. Development of the model: *The East Asian Developmental States*

Major components of the Developmental State (DS) Model

- theorized mostly based on the East Asian experience in order to explain their state-led & sustained *high growth with equity*
- 1. A determined developmental elite
- 2. A powerful, competent and insulated econ. bureaucracy
- 3. Relative autonomy of the elite & the state institutions
- 4. Strong states and weak/repressed civil society
- 5. Effective management of non-state econ. interests public-private connectedness/*embedded autonomy*
- 6. Repression and legitimacy by (good econ.) performance
- 7. External threats

authoritarianism



Issue of democracy

(Leftwich 1995 and others)

#### DS and Democratization

#### **Growth & Development!**

Living standard ↑

**₹** 

**Education** ↑

Desire for more freedom & democracy

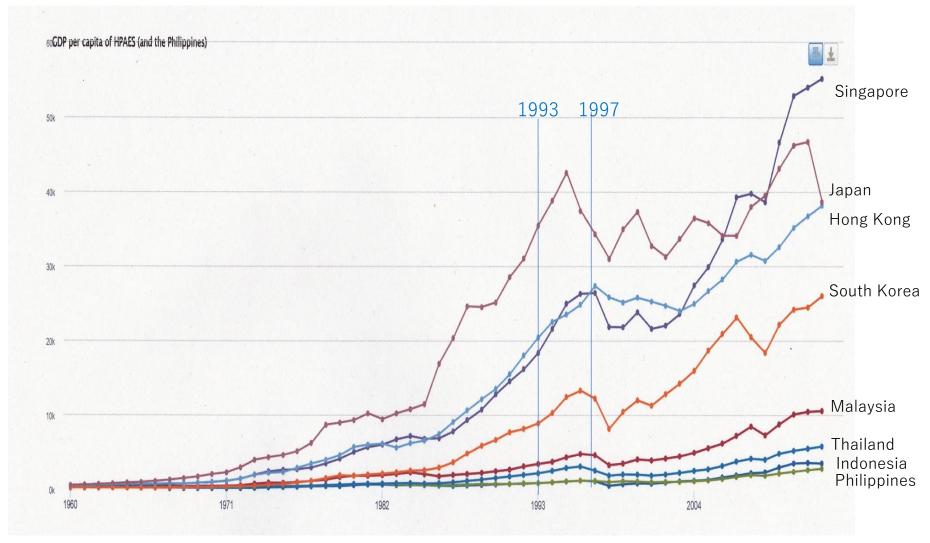
DS as its own grave digger! (Evans 1992)

South Korea, Taiwan • • •

regime egitimacy 1

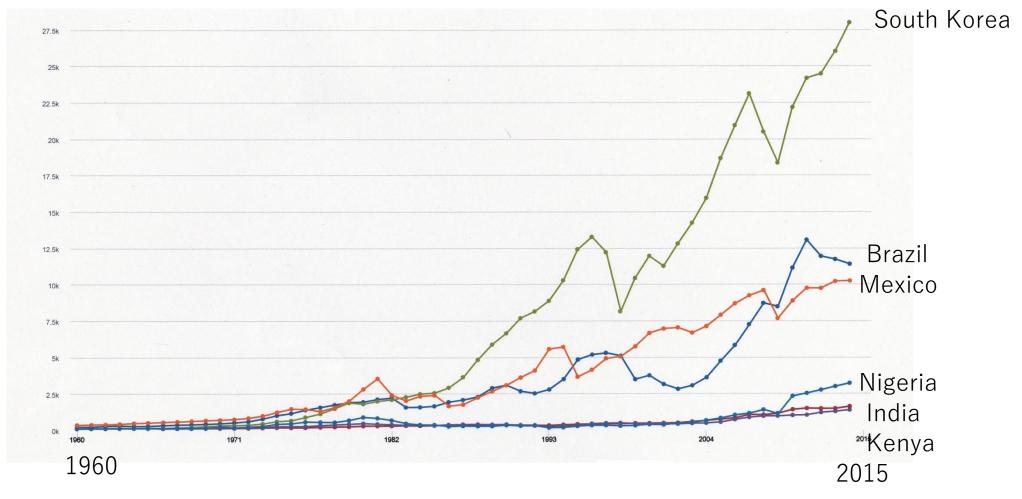
Democrat -ization

#### GDP per Capita Growth in Asian Countries



(by Horikane based on WDI 2014)

### Growth of GDP per capita in 6 selected countries



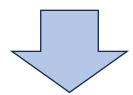
(by Horikane based on WDI 2015)

# 2. Current arguments related to the DS

- 1. Durability of the model
  - Some of them are now matured democracies, while others are still authoritarian.
  - Are they, or can they be, still developmental?
  - What about the role of the state in the economy, or policy orientation?
- 2. Issue of the applicability
  - Is the model applicable in the contemporary world?
- 3. Issue of democracy vs. authoritarianism

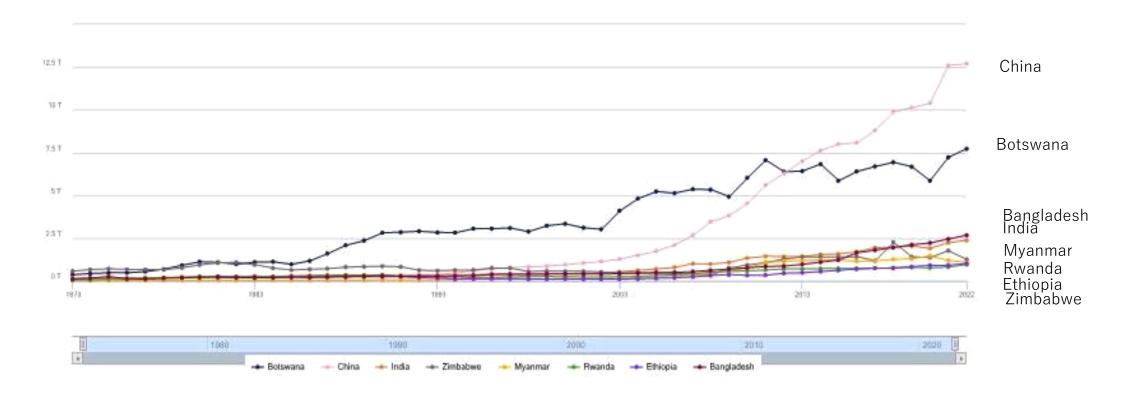
# 3. Developmental States in the era of democratic backsliding?

- In most of the successful DS in East Asia, the heydays of them were under some authoritarian regime(s) within the context of the Cold War.
- Some of them were *democratized afterwards* in the Third Wave of Democratization (Huntington 1991).



- Now in the days of democratic backsliding, or de-democratization, and revision of too much "free market," is the environment good again for new DS?

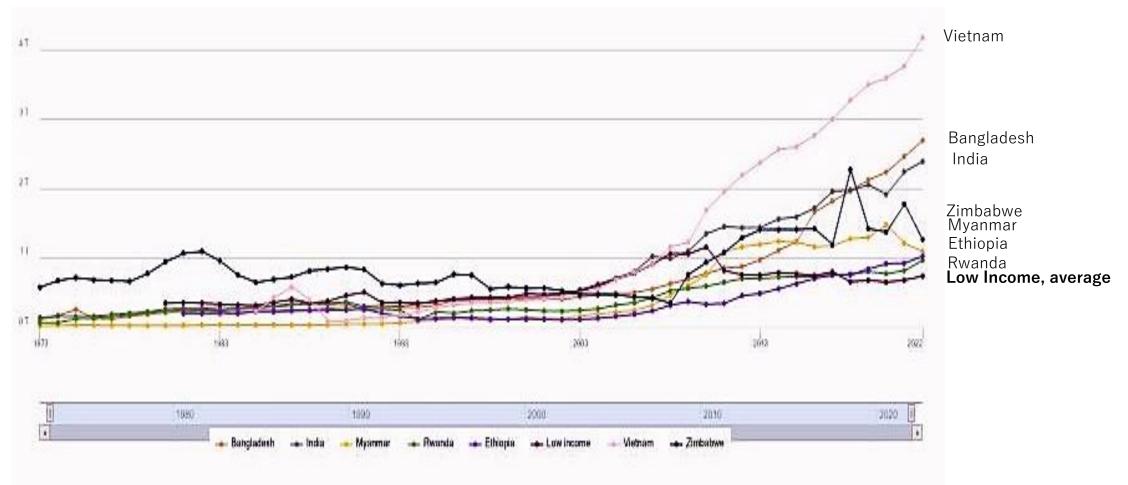
#### Growing GDP per capita in some Asian and African countries (1)



Series : GDP per capita (current US\$) Source: World Development Indicators

Created on: 06/06/2023

#### Growing GDP per capita in some Asian and African countries (2)



(by Horikane based on WDI 2023)

Series : GDP per capita (current US\$)
Source: World Development Indicators
Created on: 08/06/2023

### **QUESTION:**

What will happen to these global south countries in the coming years?

Thank you for listening!