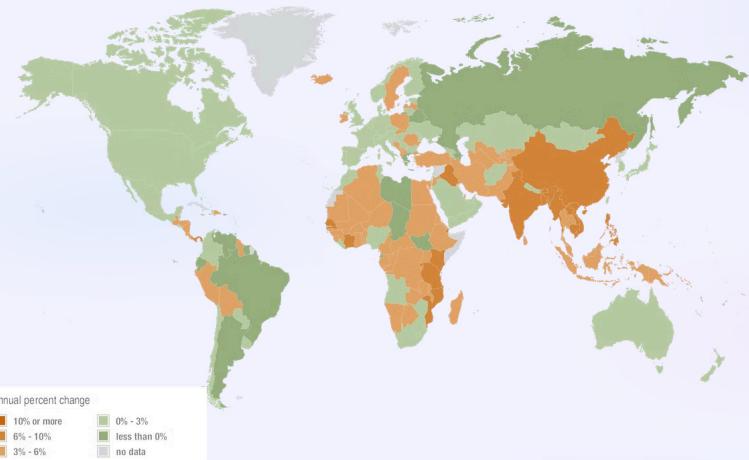


IMF Data Mapper ®

Real GDP growth (2016)

Source: World Economic Outlook (April 2016)



ECON 3006 Asia-Pacific Economies

Instructor: Dr. Wang, Zi

Email: wangzi@hkbu.edu.hk

Asia-Pacific Economies



Course Focus: Asia-Pacific Economies



Asian Miracle

Extraordinary economic growth experiences in recent decades



Globalization

One of the most vibrant regions in the global economy



Challenges

Aging, de-globalization, financial crises...

Main References

Textbook

Michael Schuman

The Miracle: The Epic Story of Asia's Quest for Wealth

Methodology

Barbara Minto

The Pyramid Principle: Logic in Writing and Thinking

Theory

David N. Weil

Economic Growth (3rd E)

Assessment

1 Participation

20%

3 Group presentation

25%

2 Midterm Exam

25%

4 Final In-Class Assignment

30%

Participation

Active Engagement

Contributing to class debates and discussions



Group Activities

Collaborating with peers on research and case study



Research Review

Sharing insights from extra reading

Anatomy of a Scientific Paper

Are All Apples Red? by Ida Cortland

Abstract:
We examined several apples' color. Although most are red, some are not.

Introduction:
An age-old question is: are all apples red? MacIntosh (1993) thought so. G. Smith (1999) begs to differ. We hope to resolve this issue once and for all.

Methods:
We went to the local grocery store and bought one of every apple they had. We took them home and looked at them.

Results:

We found four red apples, one green apple, and two yellow apples.



Figure 1

Discussion:

Since we found one yellow apple and two green apples, it must be true that all apples are not red. We concur with G. Smith's findings.

References:

- MacIntosh (1993) *Journal of Fruit Science*. 4(3): 121-135.
Smith, G. (1999) *Apple Technology Today*. 7(3):4-8.

Pomes and You, Volume 3, Issue 4 (2003) p. 8

(Natural Log of (Billions of Chained 2009 Dollars))

9.75

9.70

9.65

9.60

9.55

9.50

9.45

9.40

2000

2002

2004

2006

2008

2010

2012

2014

2016

Key Skills to Build

1

2

3

Economic Analysis

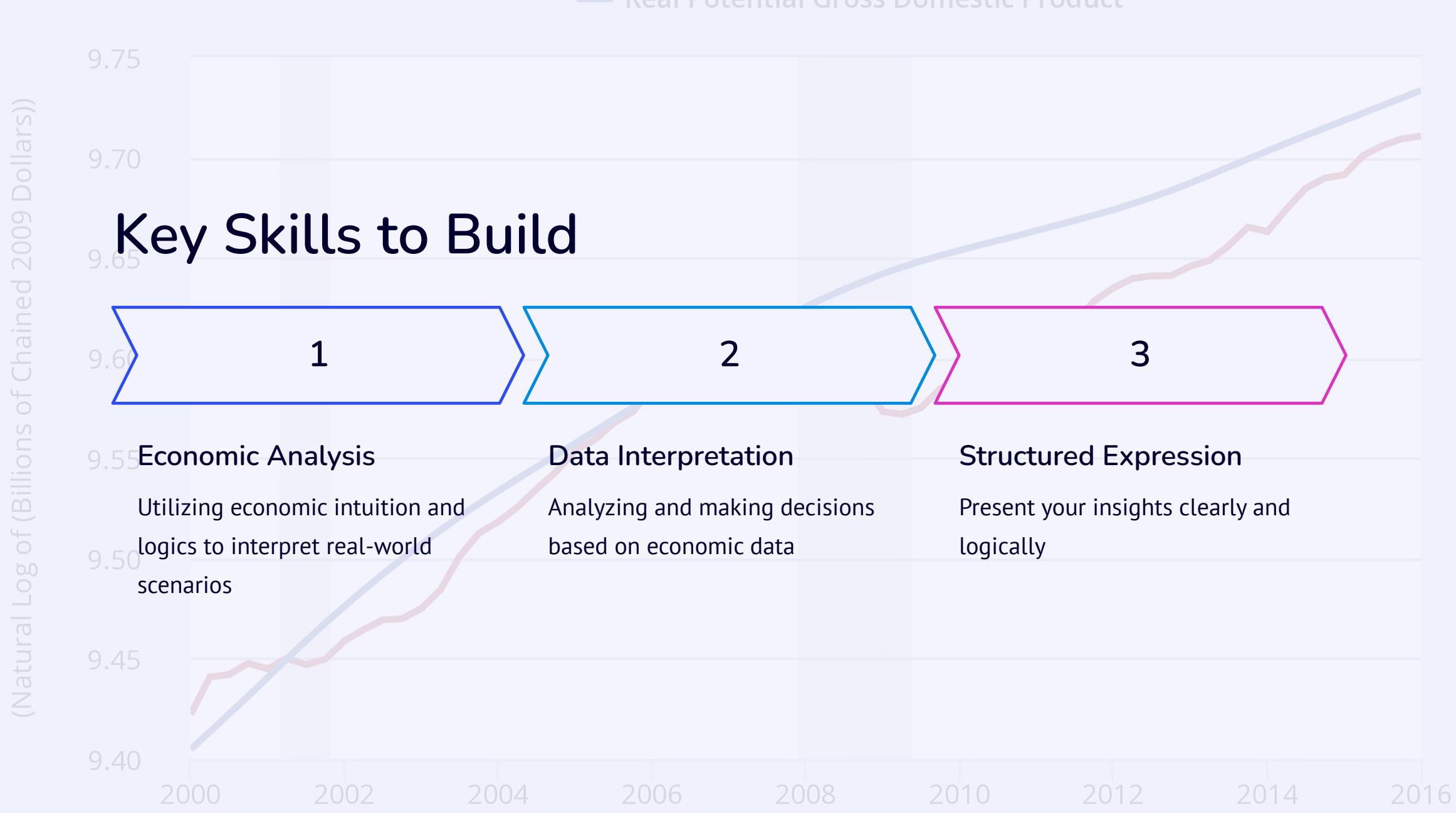
Utilizing economic intuition and logics to interpret real-world scenarios

Data Interpretation

Analyzing and making decisions based on economic data

Structured Expression

Present your insights clearly and logically



How to Measure Economic Growth?

Gross Domestic Product (GDP)

the monetary value of all goods and services produced within a country's borders over a specific time period

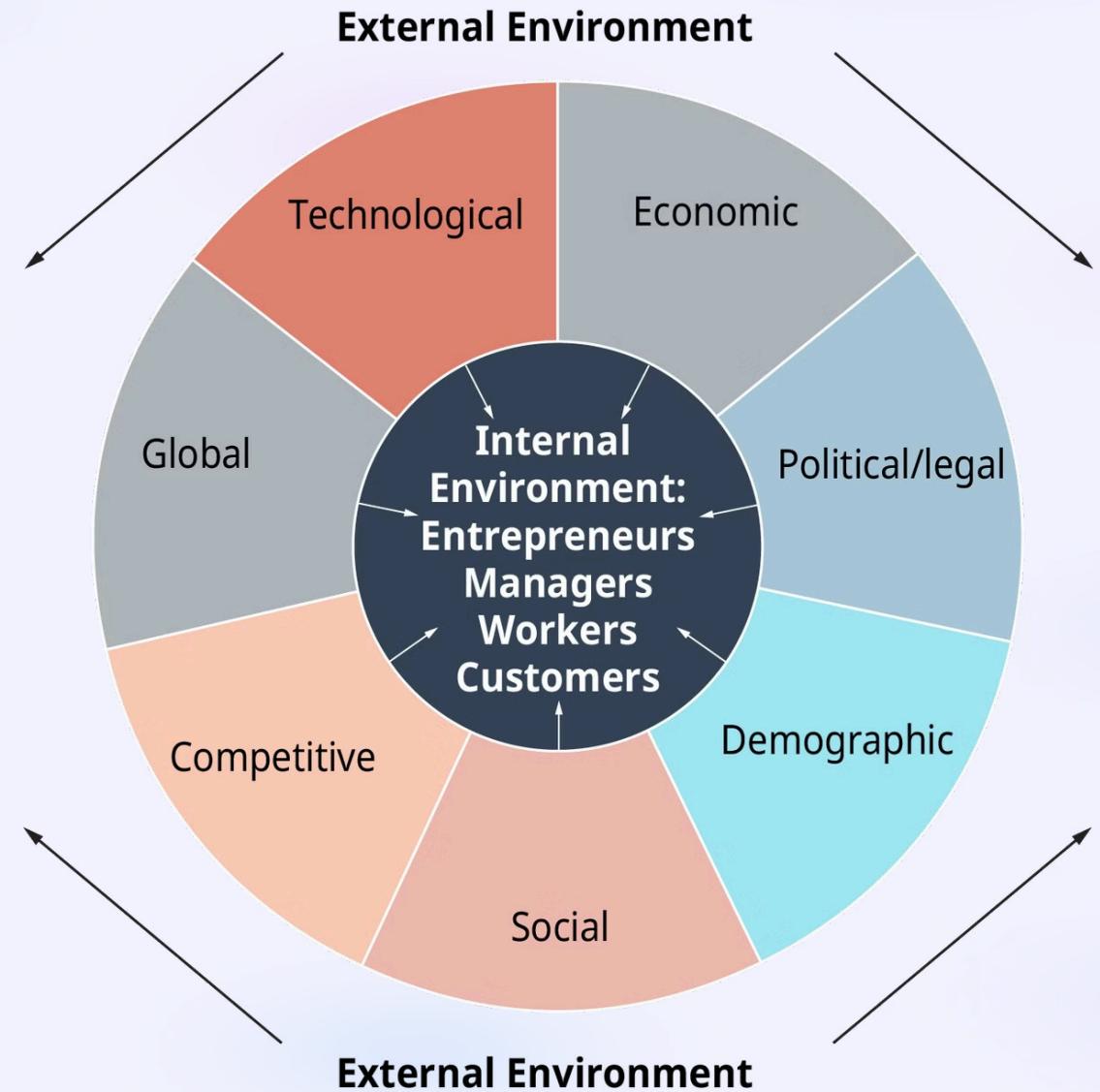


What Excluded from GDP?

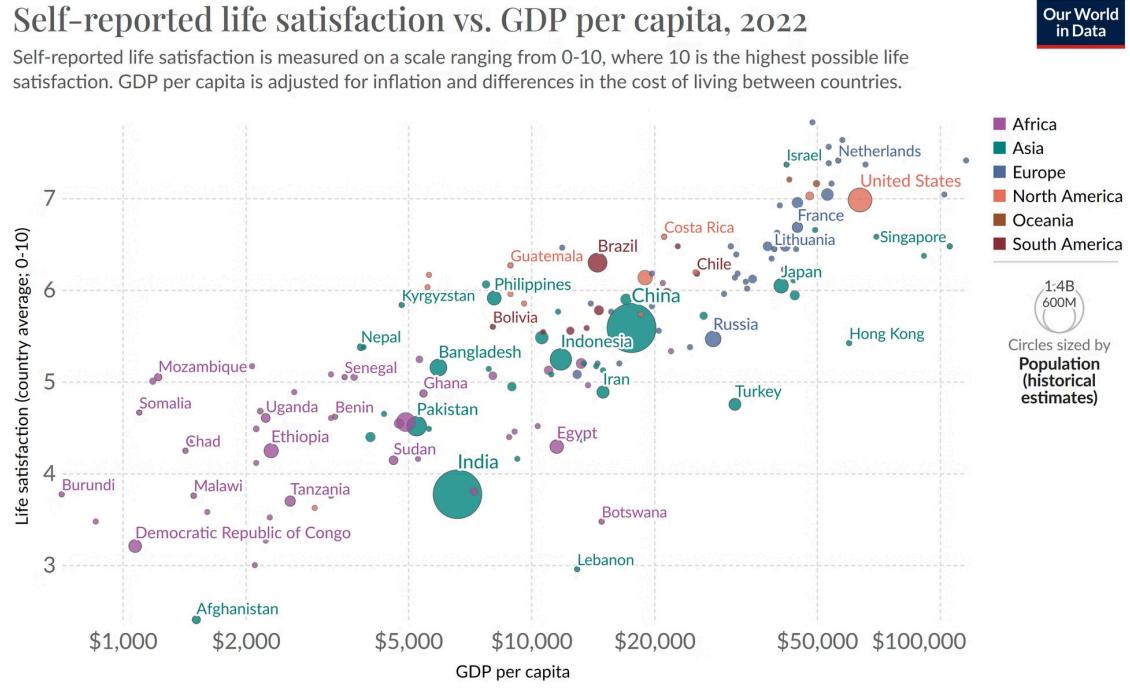
- 1 Bob receives a \$10,000 wage bill
- 2 China exports 10,000 EVs to India
- 3 \$ 10,000,000 illegal drug deal
- 4 Sherly owns a house worth \$ 800,000
- 5 Government spends \$ 70,000,000 to subsidize innovative firms
- 6 Replacing a nanny (annual earning \$ 40,000), Alex takes care of his son himself

What Doesn't GDP Measure?

Do you want to live in a society that only cares about GDP?



GDP and Social Welfare



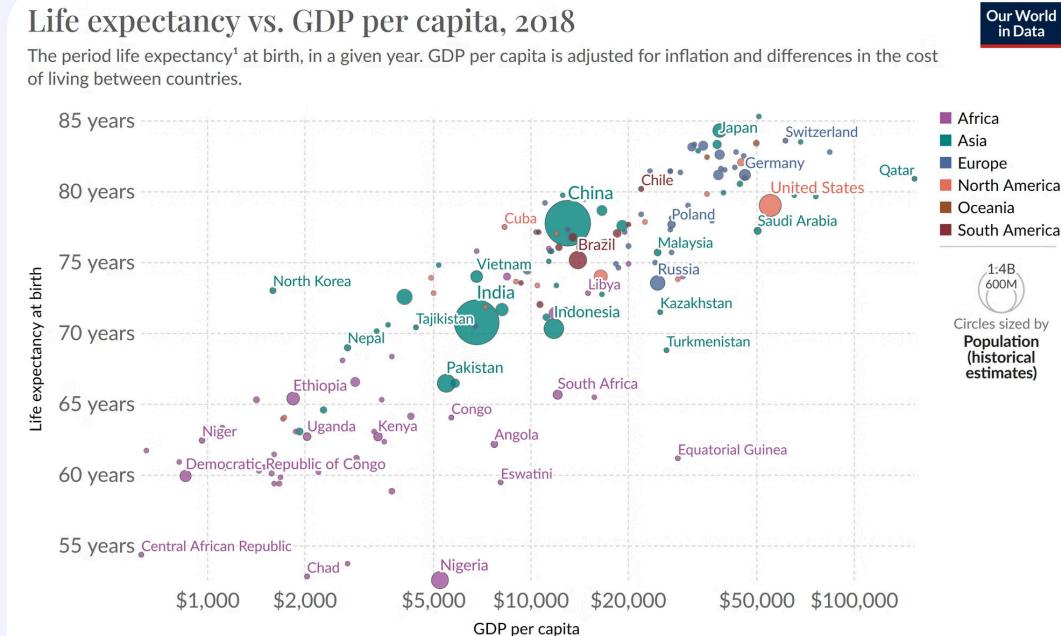
Data source: World Happiness Report (2023); World Bank (2023)

Note: GDP per capita is expressed in international-\$¹ at 2017 prices.

OurWorldInData.org/happiness-and-life-satisfaction | CC BY

1. International dollars: International dollars are a hypothetical currency that is used to make meaningful comparisons of monetary indicators of living standards. Figures expressed in international dollars are adjusted for inflation within countries over time, and for differences in the cost of living between countries. The goal of such adjustments is to provide a unit whose purchasing power is held fixed over time and across countries, such that one international dollar can buy the same quantity and quality of goods and services no matter where or when it is spent. Read more in our article: [What are Purchasing Power Parity adjustments and why do we need them?](#)

GDP and Social Welfare



Data source: UN WPP (2022); HMD (2023); Zijlstra et al. (2015); Riley (2005); Maddison Project Database (2020).

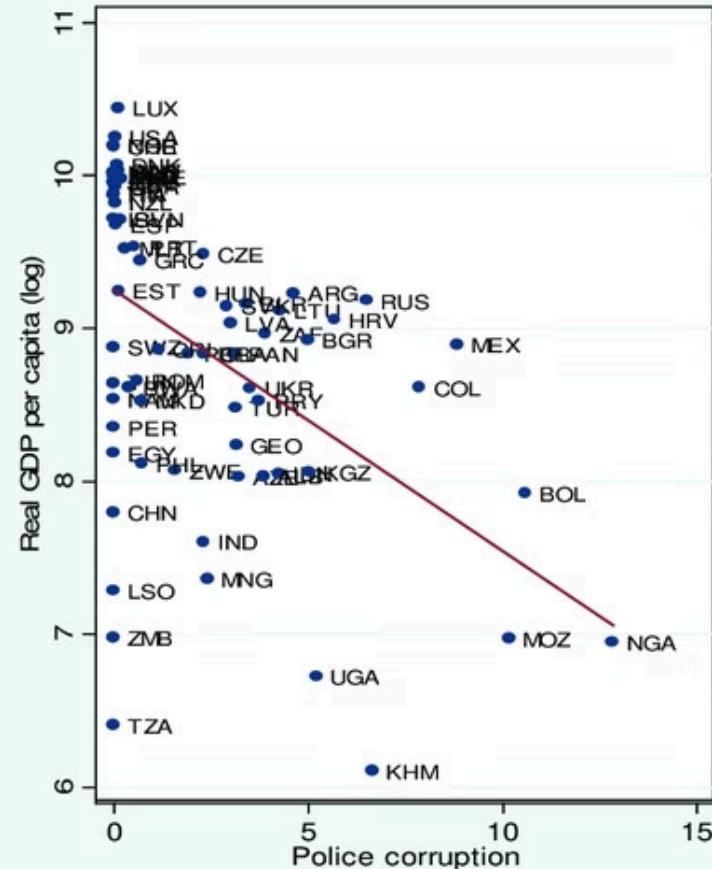
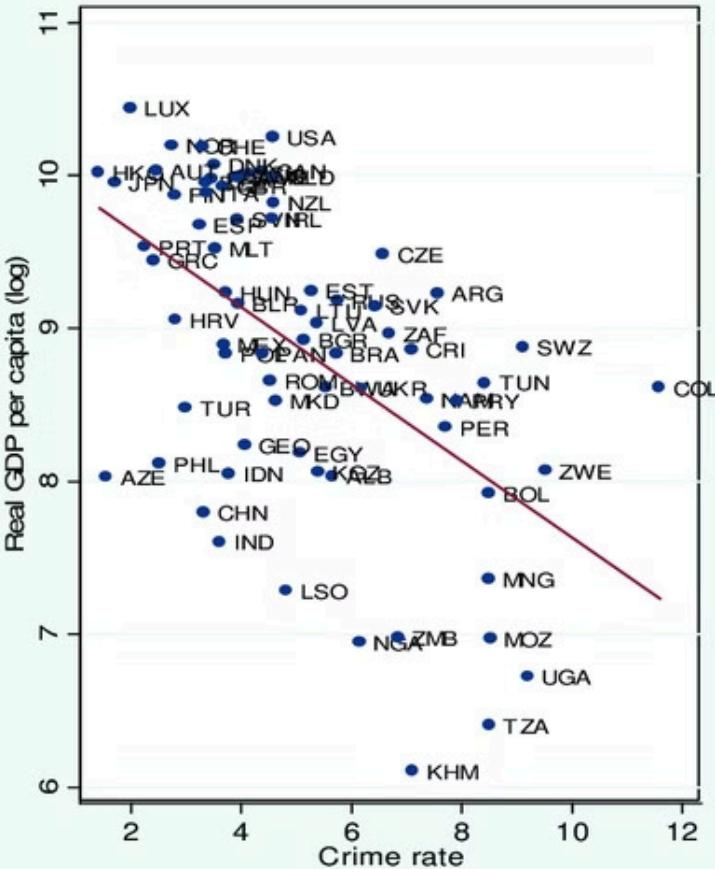
Note: GDP per capita is expressed in international-\$² at 2011 prices.

OurWorldInData.org/life-expectancy | CC BY

1. Period life expectancy: Period life expectancy is a metric that summarizes death rates across all age groups in one particular year. For a given year, it represents the average lifespan for a hypothetical group of people, if they experienced the same age-specific death rates throughout their whole lives as the age-specific death rates seen in that particular year. Learn more in our article: "[Life expectancy](#)" - What does this actually mean?

2. International dollars: International dollars are a hypothetical currency that is used to make meaningful comparisons of monetary indicators of living standards. Figures expressed in international dollars are adjusted for inflation within countries over time, and for differences in the cost of living between countries. The goal of such adjustments is to provide a unit whose purchasing power is held fixed over time and across countries, such that one international dollar can buy the same quantity and quality of goods and services no matter where or when it is spent. Read more in our article: What are Purchasing Power Parity adjustments and why do we need them?

GDP and Social Welfare



The Power of Economic Growth

- World Bank Data: <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>
- GDP per capita (PPP, current international \$)

Country	Most Recent Year	Most Recent Value	Chart
Luxembourg	2022	140,616.4	
Singapore	2022	127,606.8	
Ireland	2022	126,837.3	
Norway	2022	114,929.5	
Qatar	2022	114,049.2	
Bermuda	2022	95,868.8	
United Arab Emirates	2022	88,489.0	
Switzerland	2022	84,649.9	
Cayman Islands	2022	84,279.6	
United States	2022	76,329.6	
Denmark	2022	74,897.0	

Country	Most Recent Year	Most Recent Value	Chart
Burundi	2022	836.5	
Central African Republic	2022	973.2	
South Sudan	2015	1,181.9	
Congo, Dem. Rep.	2022	1,337.8	
Mozambique	2022	1,477.3	
Niger	2022	1,505.5	
Liberia	2021	1,570.5	
Eritrea	2011	1,628.8	
Chad	2022	1,668.6	
Afghanistan	2021	1,673.1	
Somalia	2022	1,711.0	
Malawi	2022	1,732.6	

The Power of Economic Growth



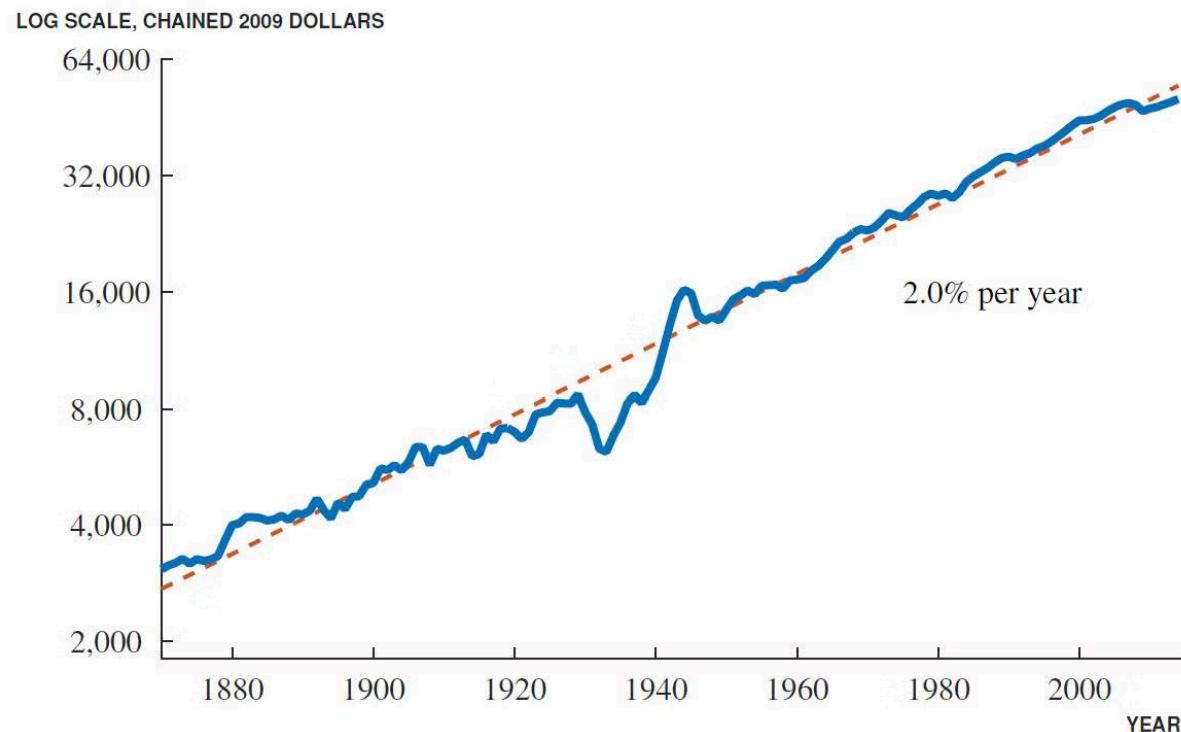
alamy

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www.alamy.com

The Power of Economic Growth

Figure 1: GDP per person in the United States



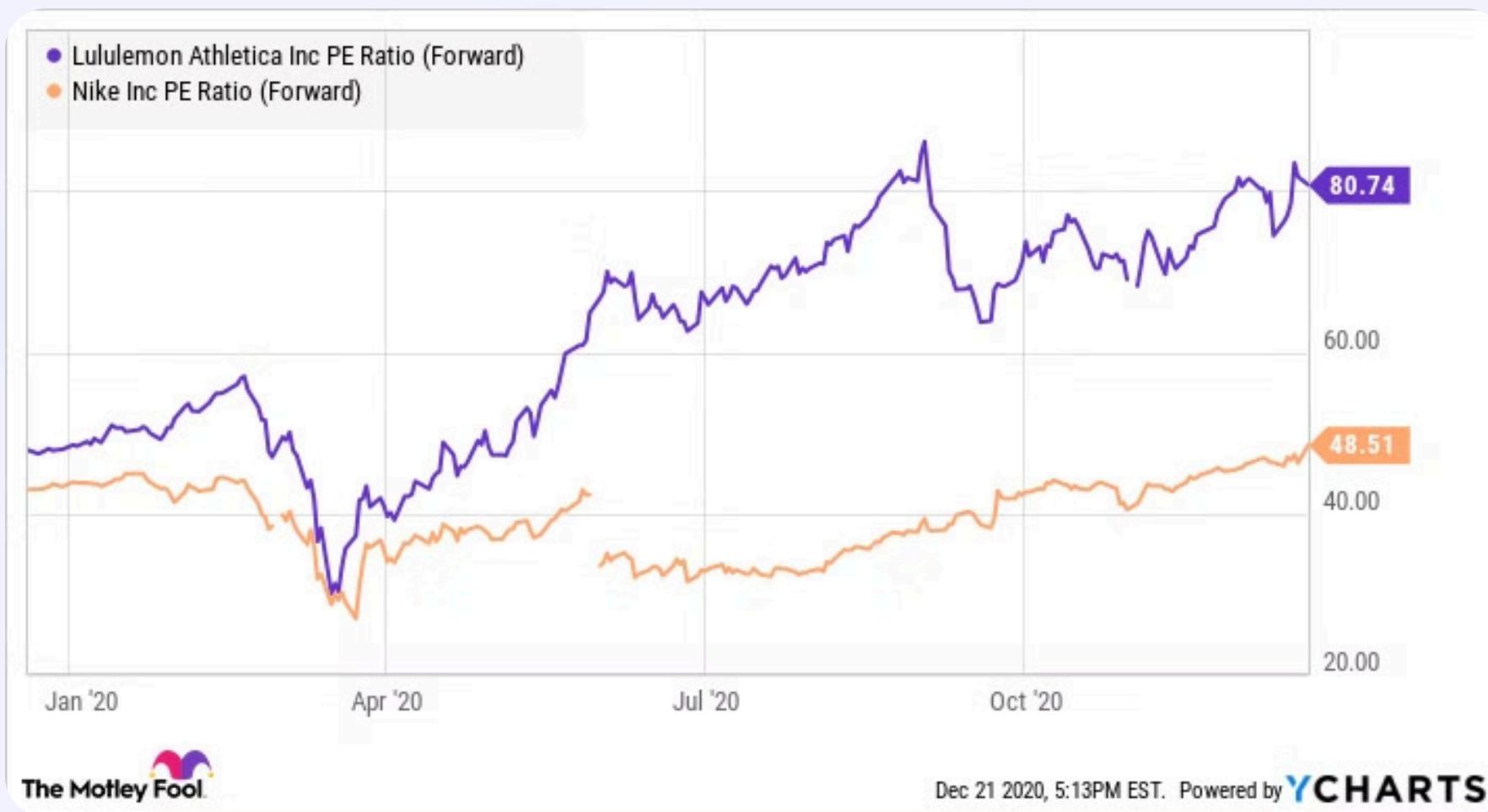
Note: Data for 1929–2014 are from the U.S. Bureau of Economic Analysis, NIPA Table 7.1. Data before 1929 are spliced from Maddison (2008).

The Power of Economic Growth



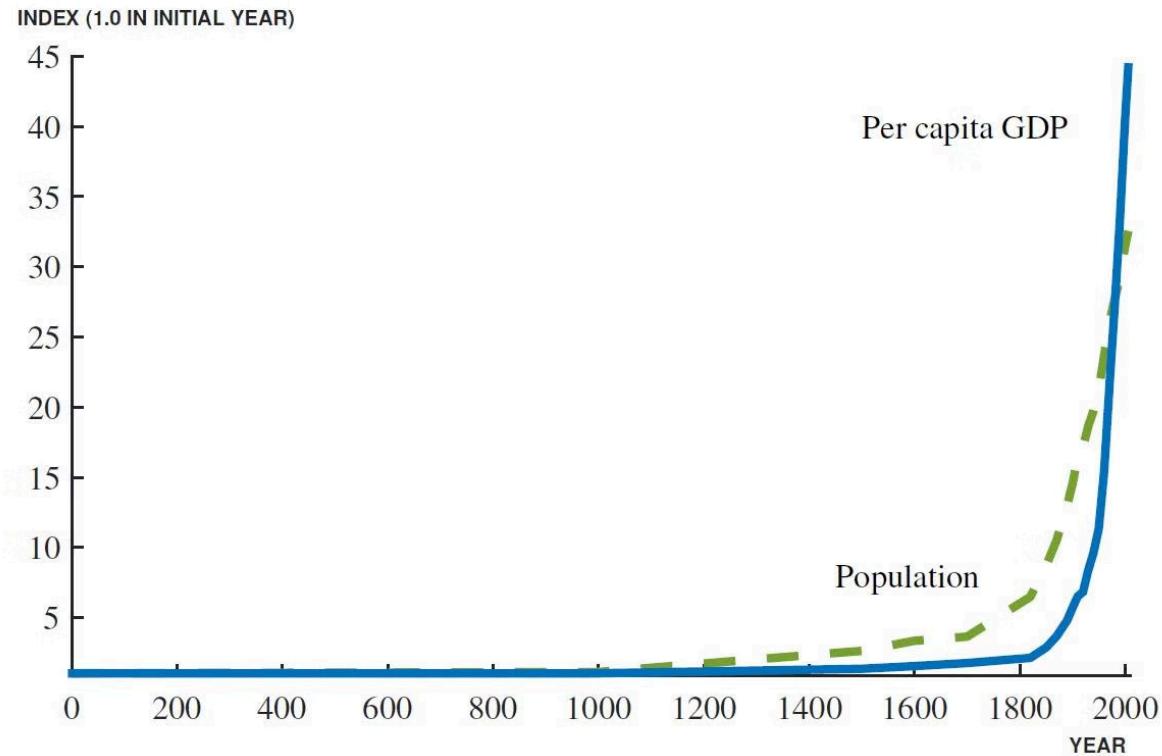
旅途网
www.zmful.com

Why does Lululemon have a much higher P/E ratio than Nike?



Economic growth is modern

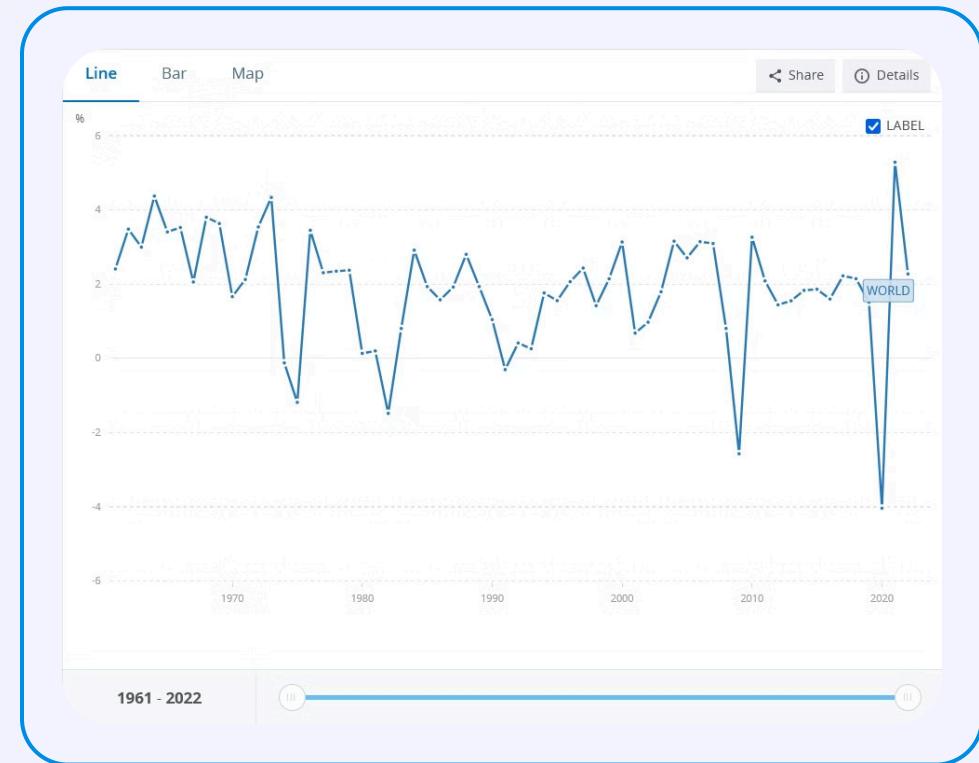
Figure 2: Economic Growth over the Very Long Run



Note: Data are from Maddison (2008) for the “West,” i.e. Western Europe plus the United States. A similar pattern holds using the “world” numbers from Maddison.

Post-War World Economic Growth

- GDP per capita growth
- <https://data.worldbank.org/indicator/NY.GDP.PCA.P.KD.ZG>



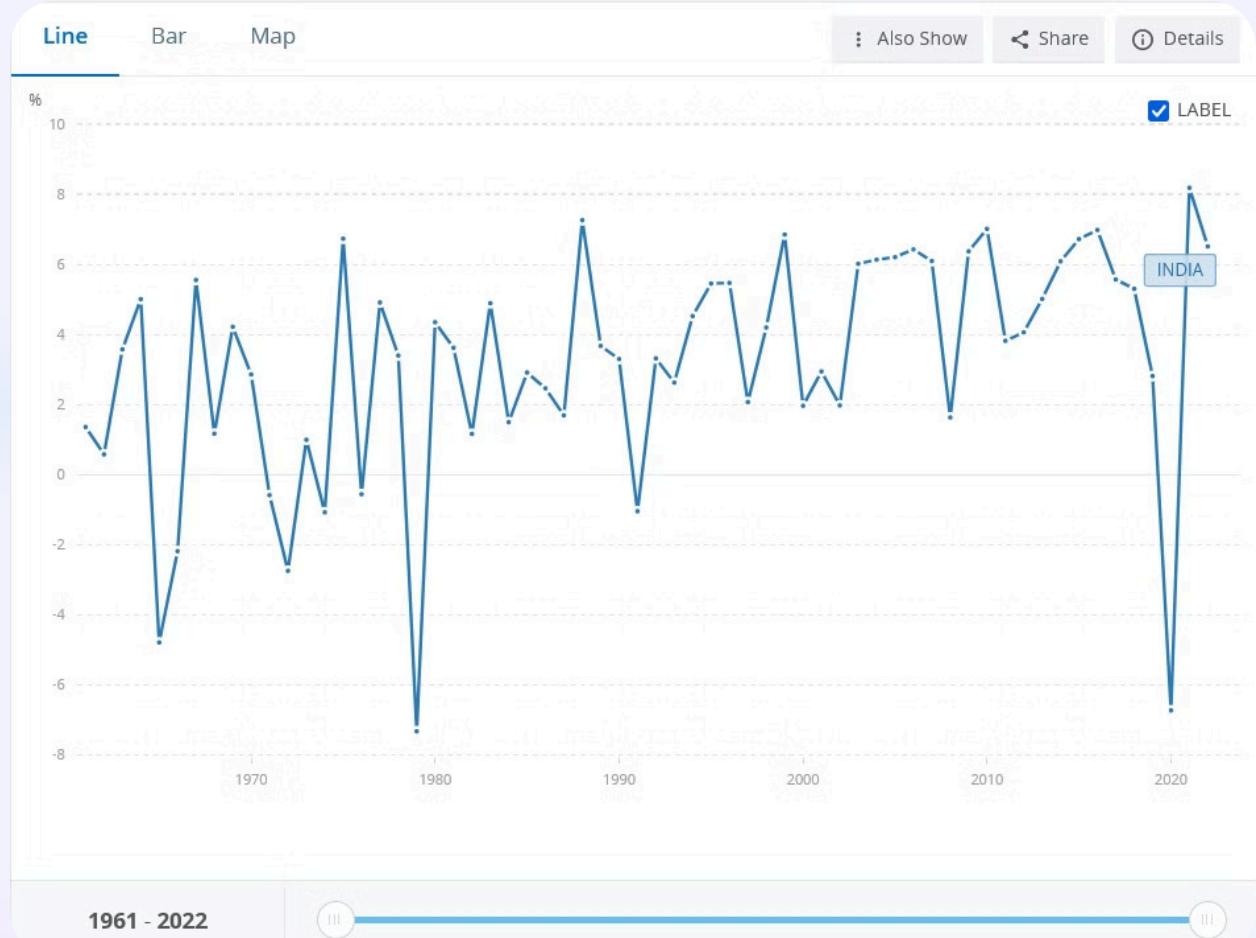
US & EU GDP Growth



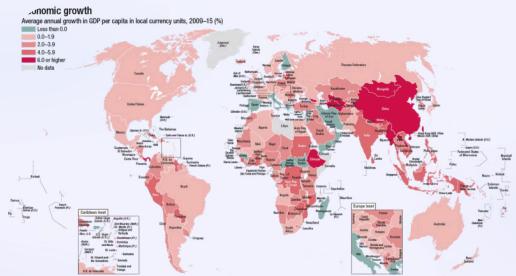
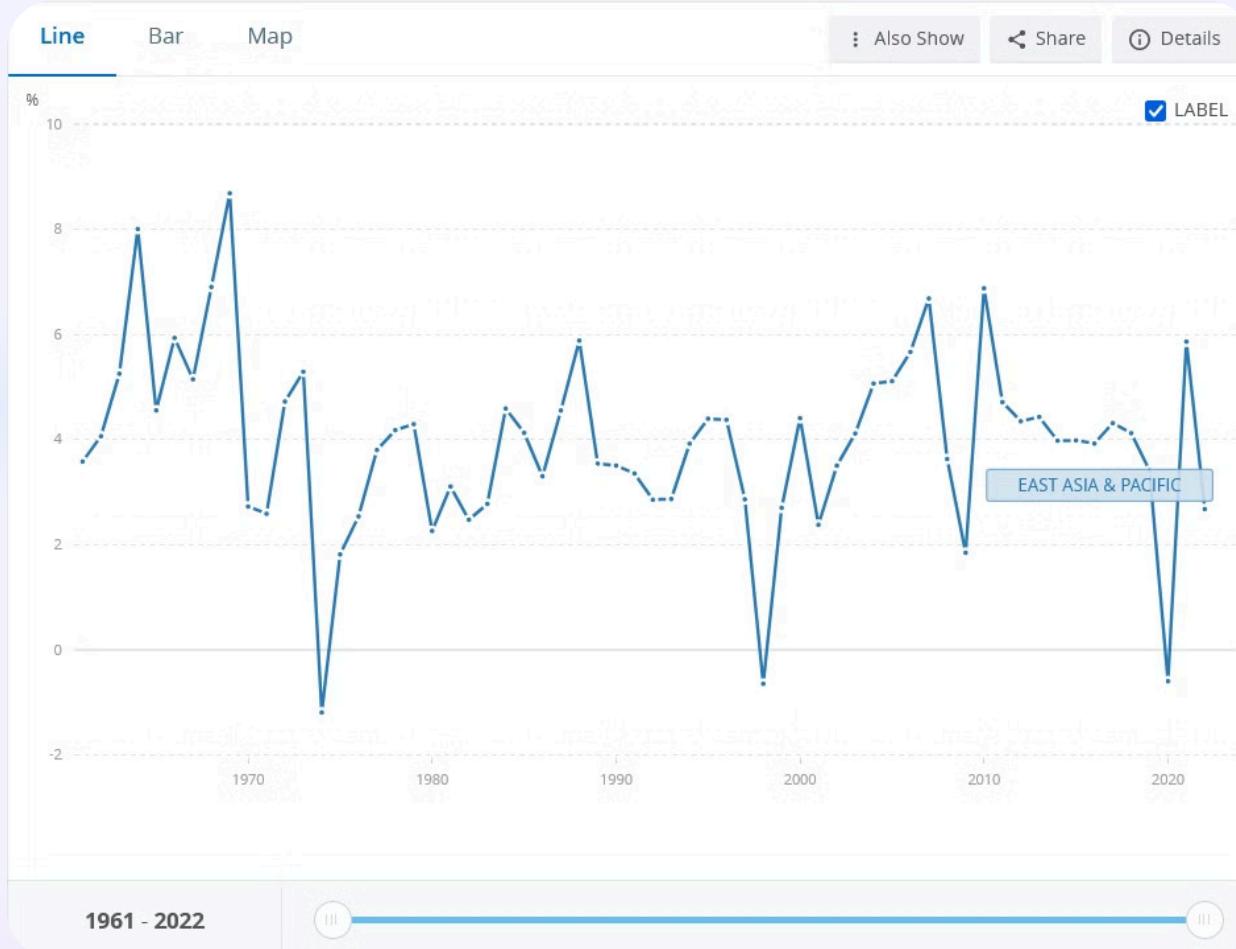
Latin America & Caribbean



India: Rise in GDP



East Asia & Pacific



China, Japan, and Korea



Hong Kong & Singapore



Vietnam, Indonesia, and Malaysia



Summary

- GDP growth is important -- Looking at things with a growing perspective
- Extraordinary economic growth in East Asia
- Disastrous performances of non-growing economies



In-Class Case Studies: Group discussion

- Group assigned by draws
- Brief introduction of group members: just as in a business team
- Read the questions first. Understand what will be the outputs
- Divide the job into different parts: you do not want everyone to read the whole material
- Take notes when you are reading
- Combine the notes of the team and organize them in a logical way
- Decide who will present--very brief presentation, straightforward answers to questions
- Two groups will be selected to present