The Asian Financial Crisis Lessons For A Resilient Asia

De crisis economie

Nearly ten years after the Asian Financial Crisis, financial turmoil has reappeared – this time it is ravaging the world's wealthiest countries and dragging the global economy along for the ride. It forces one to reflect on the last major financial crisis to afflict the global economy, and to consider whether there are any similarities, and whether there are any lessons from that crisis that we can apply to the current one. Written by a distinguished group of individuals from government, the private sector, international organizations, and academia, this book provides an overview of developments in the main affected countries during the Asian Financial Crisis, as well as the lessons learned and corrective measures taken at the country, regional, and international levels. Importantly, attention is also paid to the areas where substantial improvements are needed. The current crisis heightens the relevance of these lessons. Lessons from the Asian Financial Crisis will be invaluable to those studying international relations, international finance, international economics and East Asian studies.

Globalization and the Asia Pacific Economy

Southeast Asia is suddenly in crisis, the largest country - Indonesia - deeply so. This volume, comprising a set of specially commissioned papers, examines the origins, lessons, and future path of the crisis. Why didn't economists foresee the sudden and catastrophic events of 1997-98? How can seemingly robust and vigorous economies fall so far, so swiftly? Do we, in consequence, need to change the way we view the world? Is there anything to salvage of the "East Asian miracle"? Is Southeast Asia about to experience its own version of the "lost decade", analogous to that which afflicted much of Africa and Latin America in the 1980s?

Asian Crisis

This Note examines the corporate roots of the financial crisis in East Asia. It summarizes the findings of a study of corporate financial performance in East Asian economies - Hong Kong, Indonesia, the Republic of Korea, Malaysia, the Philippines, Taiwan
Lessons from the Asian Financial Crisis

From the Global Financial Tsunami to the Asset Bubbles in Asia: Lessons for Macroeconomic Policy Management

For many years, the Asian and Pacific region received universal acclaim as the fastest growing region in the world. However in the second half of 1997, some of those dynamic economies were gripped by unprecedented economic turmoil. This was initially manifested in the drastic depreciation of exchange rates and dramatic fall in stock indices. The steep decline in output that ensued imposed heavy social costs in the form of massive unemployment, a huge increase in poverty and deterioration in health and education. The objective of the seminar was to promote a better understanding of the causes of the crisis and reflect on the lessons that could be drawn.

The Political Economy of the Asian Financial Crisis

The 90s' Currency Crises

What Lessons Can China Learn from the Asian Financial Crisis? Ariff (finance, Monash U., Australia) and Khalid (economics, National U. of Singapore) examine the effects of financial deregulation in the more advanced economies of southeastern Asia, and analyze the degree to which emerging and transitional economies of the region can benefit from their example. The currency crisis they attribute to simple weaknesses of the banking sector, and point out policies to avoid a similar episode in the future. Documenting the individual steps taken to deregulate the economies over a period of about two or three decades in several countries, they reveal that those countries that adopted such policies were rewarded with high growth and those unwilling to do so suffered poor growth and hence low social development. Therefore, they conclude, deregulation could not have led to the financial crisis, as so many have mistakenly suspected, and vulnerable poor countries should not hesitate to embrace it.


More than ever, the world needs strong, effective and ethical leadership. Asia is the world’s fastest growing region. Its success in the 21st century will depend largely on the quality of its leaders. Learning from Leaders in Asia captures the rich experiences of leaders operating in the region, identifies the key elements of leadership and offers practical advice on how to make a lasting impact. An important and timely book for all who want to seize the moment. Anson Chan, Former Chief Secretary for Administration, Hong Kong Special Administrative Region

Learning from Leaders in Asia provides a solid understanding of the challenges faced by leaders in Asia today and tomorrow. It provides real life insights by leaders across various disciplines in overcoming challenges such as talent acquisition and retention, China strategies and globalization to name but a few. An invaluable read. Chen Shaopeng, President, Lenovo Emerging Market Group, Senior Vice President, Lenovo Group

Learning from Leaders in Asia is a must-read for any business person in the world who wants to gain perspectives from Asia-based multinationals. It offers valuable insights as Asia’s importance rises. William Fung, Group Managing Director, Li & Fung Ltd.

Learning from Leaders in Asia presents a unique opportunity for readers to learn from the insights of the business executives who are part of one of the leading EMBA programs in the world. Having interacted with these talented men and women I can say with
full confidence that they truly understand the issues of building and running a global business. That makes this book well worth reading and I highly recommend it. Jim Thompson, Chairman, Crown Worldwide Holdings Ltd. Learning from Leaders in Asia cuts through the data and popular opinions to offer an on-the-ground view of the region’s latest developments. Combining the acute perceptions and broad sweep of Leadership Experiences in Asia, this book examines the complex issues and offers fundamental insights into the business cultures of a host of countries. In lucid terms, it spells out the unprecedented opportunities and challenges facing companies wanting to devise a strategy that effectively adapts to the Asian reality. Marjorie Yang, Chair, Esquel Group This extraordinary book is the sequel to Leadership Experiences in Asia, Dr. DeKrey’s first effort to describe the functioning of leadership in the Asian contexts. There is no one with better credentials for doing this than DeKrey, an American who has lived and worked in Hong Kong for more than two decades and who has experienced the very best examples of leadership both in the West as well as in Asia. There is no one whose leadership skills cannot be enhanced by the principles and illustrations laid out in this book. David M. Messick, Morris and Alice Kaplan Professor Emeritus of Ethics and Decision in Management, Kellogg School of Management, Northwestern University This timely and highly relevant book tackles the critical issues that keep general managers awake at night as they strive to build a sustainable and profitable business in Asia and, in particular, China. The triple challenges of building talent, encouraging breakthrough innovation and ensuring strong governance may be global, but they face added urgency and complexity in Asia given the very high expectations for growth and unique cultural challenges. The blend of theory, strategy and highly practical experience in this book provides invaluable advice for leaders who are determined to build a legacy in Asia. Ron McEachern, President, PepsiCo Asia

East Asian Currency and Financial Crises Financial crises are recurring phenomena that can cause significant economic and societal loss. This book is therefore vitally important as it analyzes why and how financial crises occur, the extent of their impact, and what can be done to prevent their recurrence or reduce the damage they cause. Comprising original and never-before-published papers by distinguished economists, this book offers insights about lessons that were or should have been learned from recent outbreaks of such crises in East Asia and elsewhere. Recent Financial Crises also presents a set of econometric studies of issues such as labor market behavior, investment and productivity, and exchange rate adjustments. Although China did not have a crisis, its economic behavior was closely monitored in order to see if that had any effect on the crisis conditions. In this respect, the book contains an estimation of China’s core inflation rate, as well as its true cost of living index, over a 20-year period spanning the Asian financial crisis. In general, collectively, the studies point to a need for ongoing structural reforms to minimize vulnerability to crises or soften their impact. The necessity for resorting to viable safety nets is also stressed. Policymakers and central bankers will find this book of great value, as will scholars and researchers at many levels of academe, involved in financial, business, and international economics.

Banking on Crises

Paper Presented at the International Conference on Managing the Asian Financial Crisis In August 1998, the Asian currency crisis that had started in mid-1997 metastasized into a global financial crisis with the devaluation of the rouble and a declaration of a Russian Government default on its internal debt. Is this the first wave of such crises the world will see in the future? One common feature among the countries that have fallen victim to the crisis is that they were all "darlings of international finance". Before the financial crisis of 1997, international investors poured money into the stock markets of the East Asian economies, Latin America, Russia, and
Eastern Europe. That the crisis afflicted the very countries that depended most heavily on the international economy for their economic growth suggests the importance of the international dimension -- this is the focus of this book. Even though, from the outside, the currency collapses looked similar, the analysis also identifies the important differences in domestic causes as it spread through the different economies.

Lessons from the Asian Currency Crisis Inhaltsangabe:Abstract: When on June 2nd 1997 Thailand devalued its currency, the stage was set was the most severe and virulent currency crisis of that decade. The sudden reversal of capital flows depleted economic wealth and social cohesion in many East Asian countries, hitherto perceived to belong to the Asian Miracle. Shockwaves of the crisis were felt in most emerging markets, even those outside the region, and reached mature markets when, for instance, the hedge fund Long-Term Capital Management nearly collapsed. In face of these enormous costs, this paper analyzes the possibilities and boundaries of attempts to either reduce the likeliness of respective financial shocks or, when unavoidable, lower the costs of managing these crises. On the ground of the state-of-the-art models of currency crises it is examined which domestic or international factors contributed most to the observed outcome. The guiding question is if either moral hazard considerations, in the form of governmental guarantees and alike, or approaches of multiple equilibria are more suited to serve as an explanation. Moreover, this paper illuminates the significance of the original sin hypothesis which states that emerging markets are constrained when trying to borrow abroad in domestic currency or, even when trying at home, to borrow long-term. Although it is acknowledged that all these factors are valid simultaneously, superior importance in the following parts is given on the multiple equilibria approach. The main part of the paper discusses the most influential reform proposals of academics and institutions such as the IMF or the Group of 22. Approaches for a new financial architecture are divided into issues of the exchange-rate regime, public and private liquidity, and the institutional framework. These recommendations include questions of dollarization; an international lender of last resort; insurance agencies and credit facilities; capital controls; improved regulation and transparency; as well as the addition of collective action clauses and alike to international bond contracts. They are assessed according to the criteria developed before, especially with regard to the approaches of moral hazard, multiple equilibria, and original sin. Taking into account that any grand scheme is rather unlikely to be realized on short notice, the conclusions concentrate on modest reform proposals which can be pursued by emerging countries individually or with the assistance []

Southeast Asia's Economic Crisis Nearly ten years after the Asian Financial Crisis, financial turmoil has reappeared – this time it is ravaging the world's wealthiest countries and dragging the global economy along for the ride. It forces one to reflect on the last major financial crisis to afflict the global economy, and to consider whether there are any similarities, and whether there are any lessons from that crisis that we can apply to the current one. Written by a distinguished group of individuals from government, the private sector, international organizations, and academia, this book provides an overview of developments in the main affected countries during the Asian Financial Crisis, as well as the lessons learned and corrective measures taken at the country, regional, and international levels. Importantly, attention is also paid to the areas where substantial improvements are needed. The current crisis heightens the relevance of these lessons. Lessons from the Asian Financial Crisis will be invaluable to those studying international relations, international finance, international economics and East Asian studies.

The 90's Currency Crisis - Lessons for the Financial Landscape This book highlights the future
threat to Asia from a broader perspective that takes account of the Japanese and Asian financial crises during the 1990s as well as the global crisis of 2008. It reveals that Asian crises take many diverse forms, and that the solutions devised to date have only been locally and not universally effective. Policymakers are accordingly advised to always plan for the element of surprise.

The Asian Crisis Turns Global This paper provides an asymmetric information analysis of the recent East Asian crisis. It then outlines several lessons from this crisis. First, there is a strong rationale for an international lender of last resort. Second, without appropriate conditionality for this lending, the moral hazard created by operation of an international lender of last resort can promote financial instability. Third, although capital flows did contribute to the crisis, they are a symptom rather than an underlying cause of the crisis, suggesting exchange controls are unlikely to be a useful strategy to avoid future crises. Fourth, pegged exchange-rate regimes are a dangerous strategy for emerging market countries and make financial crises more likely.

Lessons from the Crisis

Asian Economic Crisis The Asian financial crisis of 1997-98 shook the foundations of the global economy. What began as a localized currency crisis soon engulfed the entire Asian region. What went wrong and how did the Asian economies, long considered "miracles," respond? How did the United States, Japan and other G-7 countries react to the crisis? What role did the IMF play? Why did China remain conspicuously insulated from the turmoil raging in its midst? What lessons can be learnt from the crisis by other emerging economies? This book provides answers to all the above questions and more. It gives a comprehensive account of how the international economic order operates, examines its strengths and weaknesses, and what needs to be done to fix it. The book will be vital to students of economics, international political economy, Asian and development studies.

Responding To Financial Crisis

Asian Currency and Financial Crises Crisis and Recovery: Learning from the Asian Experience is a collection of selected articles related to the Asian experience with two crises — the Asian financial crisis in 1997-98 and the global financial crisis of 2007-08 — written by Dr Jong-Wha Lee, former chief economist of the Asian Development Bank. These papers are grouped into three broad topics: Anatomy of Asian Growth and Crises, Asian Financial Crises: Responses and Lessons, and Global Financial Crisis and Challenges to Asia's Sustained Growth. The topics include the relation of the East Asia's development strategies with the 1997-98 Asian financial crisis, the causes of the Asian financial crisis, the desirability of IMF programs, the assessment of recovery and structural reforms, the process of spillovers of the global financial crisis to Asia, regional and global economic linkages, the role of China and the renminbi, and the long-term growth projections of Asian economies. The research collected in this book will be very useful for policymakers who want to learn from the Asian experience with the crises and it is a key contribution to ongoing research and policy debates on the future of Asian economies.

Lessons from Asian Financial Crisis The Asian financial crisis of 1997-98 shook the foundations of the global economy. What began as a localized currency crisis soon engulfed the entire Asian region. What went wrong and how did the Asian economies, long considered "miracles," respond? How did the United States, Japan and other G-7 countries react to the crisis? What role did the IMF play? Why did China remain conspicuously insulated from the
turmoil raging in its midst? What lessons can be learnt from the crisis by other emerging economies? This book provides answers to all the above questions and more. It gives a comprehensive account of how the international economic order operates, examines its strengths and weaknesses, and what needs to be done to fix it.

Corporate Finance Lessons from the East Asian Crisis There is already a large and growing literature about the financial crises affecting several former star economic performers in Asia. Some analysis have focused on the mismanagement of the structure of foreign debt and economic policies, while others have focused on weaknesses ingrained in the domestic financial and banking sectors of these economies. This paper attempts to reconcile these alternative explanations in a simple framework, where the causes and symptoms of "financial vulnerability" are distinguished.

Asian Financial Crisis

Prevention and Crisis Management This book looks at globalisation in historical perspective and examines the experience of East Asian economies during the financial crisis *provides an account of globalisation through the activities of Japanese multinational enterprises *deals with the social consequences of exposure to the financial market risks of globalisation in East Asia *details the experience of East Asian economies in managing the financial crisis *draws lessons from East Asian experience with financial market liberalisation *asks what approaches to international financial cooperation, trade policy and corporate governance can assist East Asian interests in the world economy.

Stability and Security of Socio-economic Development in East Asia Diplomarbeit aus dem Jahr 2000 im Fachbereich VWL - Finanzwissenschaft, Note: 1, Freie Universität Berlin, Sprache: Deutsch, Abstract: When on June 2nd 1997 Thailand devalued its currency, the stage was set was the most severe and virulent currency crisis of that decade. The sudden reversal of capital flows depleted economic wealth and social cohesion in many East Asian countries, hitherto pereived to belong to the Asian Miracle. Shockwaves of the crisis were felt in most emerging markets, even those outside the region, and reached mature markets when, for instance, the hedge fund Long-Term Capital Management nearly collapsed. In face of these enormous costs, this paper analyses the possibilities and boundaries of attempts to either reduce the likeliness of respective financial shocks or, when unavoidable, lower the costs of managing these crises. On the ground of the state-of-the-art models of currency crises it is examined which domestic or international factors contributed most to the observed outcome. The guiding question is if either moral hazard considerations, in the form of governmental guarantees and alike, or approaches of multiple equilibria are more suited to serve as an explanation. Moreover, this paper illuminates the significance of the original sin hypothesis which states that emerging markets are constrained when trying to borrow abroad in domestic currency or, even when trying at home, to borrow long-term. Although it is acknowledged that all these factors are valid simultaniously, superior importance in the following parts is given on the multiple equilibria approach.

The Asian Financial Crisis

The Asian Financial Crisis The Asian financial crisis of 1997–98 was devastating for the region, but policymakers at least believed that they gained a great deal of knowledge on how to prevent, mitigate, and resolve crises in the future. Fifteen years later, the Asian developing countries escaped the worst effects of the global crisis of 2008–10, in part because they had
learned the right lessons from their own experience. In this important study, the Asian Development Bank and Peterson Institute for International Economics join forces to illuminate the contrast between Asia's performance during the more recent crisis with its performance during its own crisis and the gap between what the US and EU leaders recommended to Asia then and what they have practiced on themselves since then. The overriding lessons emerging from the essays in this volume are that countries need to prepare for crises as if they cannot be prevented, make room for stabilization policies and deploy them rapidly when crises hit, and address the need for self-insurance globally if they can, or regionally if they must.

Liberalization, Growth, and the Asian Financial Crisis

Lessons from the Asian Crisis This study not only examines the countries most severely affected by the Asian financial crisis, but also draws lessons from those whose economies escaped the worst problems. The author focuses on the political economy of the crisis, emphasizing long-standing problems and crisis management tactics.

Learning from Leaders in Asia This book first provides a concise review on the global financial tsunami and the European debt crisis, and draws important lessons for future macroeconomic policy management. It then explains why the quantitative easing in the US and the unique characteristics of the Asian property markets have contributed to the formation of property bubbles in some Asian economies. It also explains there could be further enlargements of the property bubbles, formation of stock market bubbles and huge exchange rate cycles in some Asian economies in the forthcoming years. Thereafter, it discusses the possibility of an eventual bursting of asset bubbles and currency attacks in Hong Kong, India, Taiwan, Singapore, Malaysia or another Asian economy, and highlights that the bursting of asset bubbles or currency attacks in any one of these economies could trigger a crisis in this region through the contagion effect. After pointing out that the implied crisis could be as severe as the Asian financial crisis in 1997-98, it discusses short-term curbing policies that could mitigate or pre-empt the potential crisis and long-term policies that could rectify the severe long-term problems in these Asian property markets. Finally and most importantly, based on the detailed discussion in the first eight chapters, the final chapter draws a large number of important lessons for macroeconomic management against asset bubbles and crises, housing policies in these Asian economies, and investments in the stock and property markets.

Papers of the International Conference on Managing the Asian Financial Crisis: Lessons and Challenges Held on 2-3 November 1998 in Kuala Lumpur An examination of the Asian Crisis. It asks how long it will take to get the Asian economies back on their feet; what lessons can be learned from the crisis; and whether national politicians should take the lead or the international community act decisively.

Economic Freedom Hong Kong has been one of the fastest growing East Asian economies since the end of the Second World War. The adoption and practice of economic freedom have been major pillars in its economic success. Indeed, the experience of Hong Kong has served as a reference for other emerging economies in the region. The scope of the book elaborates the context and ingredients of economic freedom that have brought success and prosperity to Hong Kong. With sovereignty reversion to China in 1997, it is even more relevant to see how economic freedom is shaping and adapting to the new environment. There exist a number of economic indices based on economic freedom. Hong Kong has been ranked as the freest economy in the world for a number of consecutive years. While the economic freedom indices compare the performance of a large number of word economies, there is a lack of economic
literature that studies the absolute level of economic freedom of a single economy. This book boldly serves the purpose of elaborating on the absolute performance of economic freedom in the world's freest economy. It is, therefore, the first of its kind and unique in its field. Numerous areas of studies related to economic freedom are examined, studied and elaborated so that readers can have a full and comprehensive understanding of the content of economic freedom in Hong Kong. The Instructor's Manual and Study Guide is available upon request for all instructors who adopt this book as a course text. Please send your request to sales@wspc.com.

Finance Statistics: Some Lessons from the Asian Financial Crisis

The Asian Currency Crisis This book is a fascinating account of the financial disaster which overtook Southeast Asia in 1997. The author explains the causes, events, reactions, and effects of the Asian currency crisis. Starting with the crash of the Thai baht, Professor Tan traces the chain of events and details the economic, social and political consequences in the countries involved, plus the responses of the major economic institutions like the World Bank and IMF are described. He also includes a chapter on the Asian economic miracle in the years before the crash, and asks whether that sort of growth is sustainable anyway. The final chapters deal with the lessons to be learned and the possible paths to recovery. This book is essential reading for anyone in the fields of finance, economics, or politics, but it is also interesting and accessible to the lay reader with an interest in world economies.

Recent Financial Crises

Financial Vulnerability, Spillover Effects, and Contagion The current global economic crisis is impacting migration patterns and processes around the world. A reduction in migration flows globally has been reported. Migrant workers are laid off, and while some return home, others stay. How to respond to these migration impacts poses challenges for policymakers in both countries of origin and destination. Against this background, this Report considers the lessons for migration policy to be learned from the major financial crises of the 20th century, namely the Great Depression (1930s), the oil crisis (1973), the Asian financial crisis (1997-1999), the financial crisis in Russia (1998), and the Latin American financial crisis (1998-2002). As the impact of previous crises on migrants and migration has been uneven and unequal across countries and regions, depending on a range of factors, this Report draws out the wider lessons for policy that can be learned from previous responses to economic crises.

Weathering the Storm

Crisis and Recovery

The Impact of Financial Crises on International Migration In July 1997, the promise of the "Asian economic miracle" and the "Pacific century" devolved into economic chaos and the onset of what has become known as the Asian financial crisis. One by one, many of the region's great economic success stories suffered damage to their financial markets, their currencies, and economic well-being. This volume, the result of an April 1999 conference organized by the Chung-Hua Institution for Economic Research and the Brookings Institution, examines the sources and lessons of the Asian financial crisis. Experts from both sides of the Pacific have drawn valuable policy lessons from the failures and successes of four key economies in the region: Indonesia, South Korea, Thailand, and Taiwan. In examining Taiwan's relative success in weathering the storm, this volume helps explain the widely
varying degrees of performance of the region’s affected economies. The concluding chapter focuses on general principles for the liberalization of financial markets and stabilization of macroeconomy in developing countries. This work provides much-needed new understanding and reasoned policy lessons to help the Asia-Pacific region meet its vast economic potential. It will be useful for academics and economic policymakers in governments, international organizations, universities, and research institutions, both in the region and beyond, as they assess and implement strategies for more stable regional and global economic development.

Lessons from the Asian Financial Crisis Paul Krugman, wiens werk onlangs werd onderscheiden met de Nobelprijs voor economie, toont in De crisiseconomie overtuigend aan hoezeer de huidige financiële crisis lijkt op de Grote Depressie van de jaren 1930 - en legt uit hoe een totale catastrofe voorkomen kan worden. Tien jaar geleden analyseerde Krugman de economische crises in Azië en Latijns-Amerika. Hij zag die als een waarschuwing. In de jaren die volgden schoten de beurskoersen omhoog en maakten bedrijven veel winst, waardoor de crises van de jaren negentig uit beeld raakten. Maar nu is de crisiseconomie terug - een reprise van de jaren dertig lijkt niet onmogelijk. In De crisiseconomie laat Krugman zien hoe het falende toezicht op de financiële wereld heeft geleid tot de grootste crisis sinds die van het interbellum, in de Verenigde Staten en de rest van de wereld. Ook beschrijft hij de maatregelen die nodig zijn om te voorkomen dat de wereldeconomie in een steeds diepere recessie raakt. Geschreven in een stijl die hem bij het grote publiek zo geliefd maakte - soepel, levendig, zeer goed geïnformeerd - zal De crisiseconomie zonder twijfel een hoeksteen blijken in het debat over de huidige economische situatie.