Ekonomi Maliye İşletme Dergisi -2020- 3(1)
Araştırma Makalesi/Research Article
Doi: 10.46737/emid.686098

FREE MARKET ECONOMY AND EFFECT OF MACROECONOMIC FACTORS ON GROWTH: THE CASE OF SOUTH KOREA

Gözde ARSLAN[1]
Hicran KASA [2]

Abstract

The aim of this study is to empirically analyze the impact of macroeconomic variables on South Korea's economic growth with the transition to free-market economy. In this context; the impacts of capital stock, employment, human capital level, total factor productivity, openness, government spending and household consumption have been empirically analysed on growth. The effects of variables on growth were observed separately by time-series regression analysis by using data between 1965 and 2017. According to the results, South Korea's openness coefficient is statistically insignificant on growth, while other independent variables have a positive impact on growth. In other words, the variables; total factor productivity, labor, and capital have the greatest impact on South Korea's economic growth while public expenditures, consumption expenditures, and human capital have the smallest impact.

Keywords: Growth, Regression Analysis, South Korea, Trade Openness

JEL Code: A10, B22, C10

SERBEST PİYASA EKONOMİSİ VE MAKROEKONOMİK FAKTÖRLERİN BÜYÜME ÜZERİNE ETKİSİ: GÜNEY KORE ÖRNEĞİ

Öz

Bu çalışmanın amacı, serbest piyasa ekonomisine geçişle birlikte makroekonomik faktörlerin Güney Kore'nin ekonomik büyümesine etkisinin amprik olarak analiz edilmesidir. Bu bağlamda; sermaye stoku, istihdam, beşeri sermayes düzeyi, toplam faktör verimliliği, dışa açıklık, hükümet harcamaları ve hane halkı tüketiminin büyümeye olan etkileri ampirik olarak incelemektir. 1965 ve 2017 yılı arasındaki veriler kullanılarak yapılan zaman serisi regresyon analizi ile değişkenlerin büyüme üzerine etkileri ayrı ayrı gözlemlenmiştir. Elde edilen sonuçlara göre, Güney Kore'nin dışa açıklık politikalarının büyüme üzerinde etkisinin olmadığı, diğer bağımsız değişkenlerin ise büyüme üzerinde olumlu etkiye sahip olduğu gözlemlenmiştir. Başka bir ifadeyle toplam faktör verimliliği, emek ve sermayenin ekonomik büyüme üzerinde en büyük etkiye sahip olduğu, sırasıyla kamu harcamaları, tüketim harcamaları ve beşeri sermayenin ise bu süreçte ekonomik büyümeye en küçük etki eden değişkenler olduğu sonucuna varılmıştır.

Anahtar Kelimeler: Büyüme, Regresyon Analizi, Güney Kore, Dışa Açıklık
JEL Kodu: A10, B22, C10

[1]Doctorate Student, Hacı Bayram Veli University, garslan@thk.edu.tr,
[2]Ph.D., Assistant Professor, University of Turkish Aeronautical Association, hkasa@thk.edu.tr,
Makalenin Geliş Tarihi (Received Date): 07.02.2020
Yayına Kabul Tarihi (Acceptance Date): 25.03.2020
Atıf (Citation): Arslan, G.&Kasa, H. (2020), "Free Market Economy and Effect of Macroeconomıc Factors on Growth: The Case of South Korea", Ekonomi Maliye İşletme Dergisi, 3(1):33-45

Introduction

After the Second World War, the abandonment of the gold money standard accelerated in 1971 and after that, the IMF officially removed the gold ~~money~~ monetary system (SDR-Special Drawing Rights) and switched to an SDR-based world order. Under the influence of Milton Friedman, the tight monetary policy was abandoned and the elastic monetary policy enabled the central banks to generate money against low demand during periods of economic recession.

In the early 1980s, neoliberal economic policies were implemented and globalization process accelerated with the trade openness policies. With globalization, the activity areas of multinational companies have expanded and these companies, which move their capital movements and facilities to the other countries with low-cost labor, have caused the exchange rates to fluctuate where there is no gold money standard. This led to the start of the exchange wars. Having a strong domestic currency as capital movements shifted to the countries with low-cost labor, caused a decrease in exports and triggered an increase in the foreign trade deficit. This process, which laid the foundations of exchange rate wars, revealed that the free market economy was wrong or did not exist at all.

Neoliberal economic policies had initiated implementation in the early 1980s and the globalization process accelerated with these policies. The elimination of trade-restricting factors has also caused countries to be affected by each other and accelerated the spread of economic crises from one country to another (Doğan ve Özhasekicioğlu, 2005).). From this date until the mid-1990s, the South Korean economy in many areas, especially in domestic financial markets, has been reduced audits and has liberalized capital movements. Thus, increased capital inflows supported investments and economic growth. In this process applied the high-interest rate and low exchange rate policies and domestic currency (won) appreciates. The increase in loan interest rates rose the borrowing cost of companies, and the devaluations increased the price of imported intermediate and capital goods (Frank vd., 1975:21). Although the economy of South Korea was high capital accumulation, it has been affected by the global recession. This economy, which was dependent on export, became an actor of the East Asian Crisis in 1997 with a lack of demand (Arslan,2001; Kwack,1998; Mesutoğlu,2001). However, there were many other reasons for the South Korean crisis such as bribery and kickbacks caused by the close relationships between government and private companies, undeveloped institutionalization of political and economic organizations (Heo, Jeon, Kim, and Kim, 2008). Besides that, the growth of the labor force deficit (especially in the manufacturing industry), the weakening of the international competitiveness of domestic products and the pressure of liberalization on the domestic and agricultural markets can be listed as additional factors (Apak, 1993: 97). In short, loss of confidence in the country's economy and financing problems have brought Chaebols' bankruptcy one after another (Kim-Shin, 2007: 383-384).

The fields of activity of multinational companies have expanded with globalization. These companies moved their capital movements and facilities to countries with cheap labor, causing the exchange rates to be freely determined in the free world order where there was no gold standard. This led to the start of the exchange wars in the world. Having a strong domestic currency as capital movements shifted to the countries with cheap labor, caused a decrease in exports and triggered an increase in the foreign trade deficit. This process, which laid the foundations of exchange rate wars, revealed that the free market economy was wrong or did not exist at all.

The IMF, which is considered as a guide in the process of globalization, has imposed structural adjustment programs on developing and underdeveloped countries that show economic instability for a long time. Developed countries, which passed the free market economy by completing the industrialization process with imported substitution policies, have made

developing and less developed countries dependent on them by exporting intermediate inputs. Thus, developing and underdeveloped countries had to face an increasing balance of payments deficit. When looking at the historical developments of industrialized countries, it is observed that these countries follow protective and imported substitution policies. However, the prescription applied by the IMF to every country with a balance of payments gap was the same regardless of its structural, demographics, geographical and geopolitical structure (See Ha-Joon Chang "Kicking Away the Ladder").

The liberalization and gradual integration of capital markets create a positive development impression at first glance in terms of financing needs of underdeveloped countries. However, uncertainties about the direction and amount of financial flows have led to macroeconomic instability and short-term financial crises, especially in countries that have begun this process without establishing adequate institutional control mechanisms (Şenses, 2004). Therefore, the freedom of capital movements led to the smooth flow of funds from one country to another. While this freedom providing convenience to meet the need for funding, has also increased the contagiousness of crises (Eğilmez, 2018).

Economic literature has always emphasized a positive relationship between trade openness and growth (Afşar, 2007; Lim, 1983; Nel and Stevenson, 2014; Onur, 2012), while South Korea has become the laboratory of these neoliberal policies (Shin, 2013). In the years when South Korea's growth rates have increased, it has always been emphasized that this success is achieved through openness policies. However, South Korea has implemented state-guided neoliberal policies and has given great importance to government spending as well as openness policies.

It is seen that East Asian countries can realize the successful economic growth process. They did not only implement neoliberal policies in this process but also have followed state-led economic policies. Finally, these countries have accomplished success by implementing these policies. None of the examples such as China, India and Malaysia that achieve high growth rates seem to have implemented a typical neoliberal economic policy like the Washington Consensus (Yavuz, 2007). As a result of detailed research and institutionalist studies have become clear that East Asian experiences were more complex and the policies could not be reduced to a simple neoliberal structure. Moreover, the expected level of economic performance hasn't realized in many developing countries despite neoliberal reforms have been implemented. On the contrary, deficits of balance of payment were experienced and income distribution injustices increased. This situation shows a contradiction between what the underdeveloped and developing countries want to achieve with transition to free market economy.

The issue of financial liberalization is one of the most criticized issues in economic literature. The "hot money" flows that emerged as a result of financial freedom have triggered the crises especially in many developing countries. As examples of these economic crises; Mexico in 1994-1995, South Korea, Malaysia, Thailand and Indonesia in 1997-98, Russia and Brazil in 1998, Turkey in 2001 and finally Argentina in 2001-2002 can be shown (Harvey, 2005). Financial freedom has brought more harm than benefits to these countries. The main reason for the banking crisis and the unsustainable debt problem that occurred in Turkey (2001) and Brazil (1998) was seen as financial liberalization and increased interest rates. The countries that impose restrictions on capital flows such as China and Malaysia have been more successful in the development process than those do not restrict capital flows (Yıldırım, 2011). Because, it has seen that hot money movements can cause severe damage to economic stability both in and out of the country (Bank, 2010).

According to the information given in this section, South Korea's economic development due to the dynamism created in technology production and the fact that been world's fifth-largest export economy with 596 billion dollars' export volume (as of 2017 data) could be an example of success for developing and less developed countries. Therefore, the impact of capital growth, employment level, human capital, total factor productivity, openness policy, government spending, and household consumption level on South Korea's transformation process are examined. The econometric results obtained in this study will show the way for Turkey which has similar levels of economic growth until the 1980s with South Korea. In this context, information about Data and Methodology is given in the second part and empirical results are presented in the third part.

1. Data and Methodology

The aim of this study is to realize an empirical analysis of the impact of capital, labor, human capital, total factor productivity, openness, government expenditure and consumption on economic growth in South Korea between 1965 and 2017. Therefore, a regression model for time series is used to measure these effects. Analysis is made with the data obtained from the Penn World Table database (Feenstra, Inklaar, & Timmer, 2015). In this analysis, firstly the breaking periods are determined from raw data. Afterward, it has been determined whether the independent variables affecting South Korea's economic growth are stable over the years.

If the mean, variance and covariance of a time series do not change over time or the common and conditional probability distribution of a stochastic process does not change over time, this serie is called strong stationary (Clements, 1994). In this study, ADF (Augmented Dickey Fuller) (Dickey & Fuller, 1981) and PP (Phillips & Perron, 1988) unit root tests are used to determine the stability. In the next process, whether there is autocorrelation between the series and cointegration relations is examined. In this study; capital stock, employment, and GDP (respectively capital, labor, and GDP) data have been used logarithmically. However; human capital, total factor productivity, openness, consumption, and government expenditures compiled as a percentage haven't been used logarithmically.

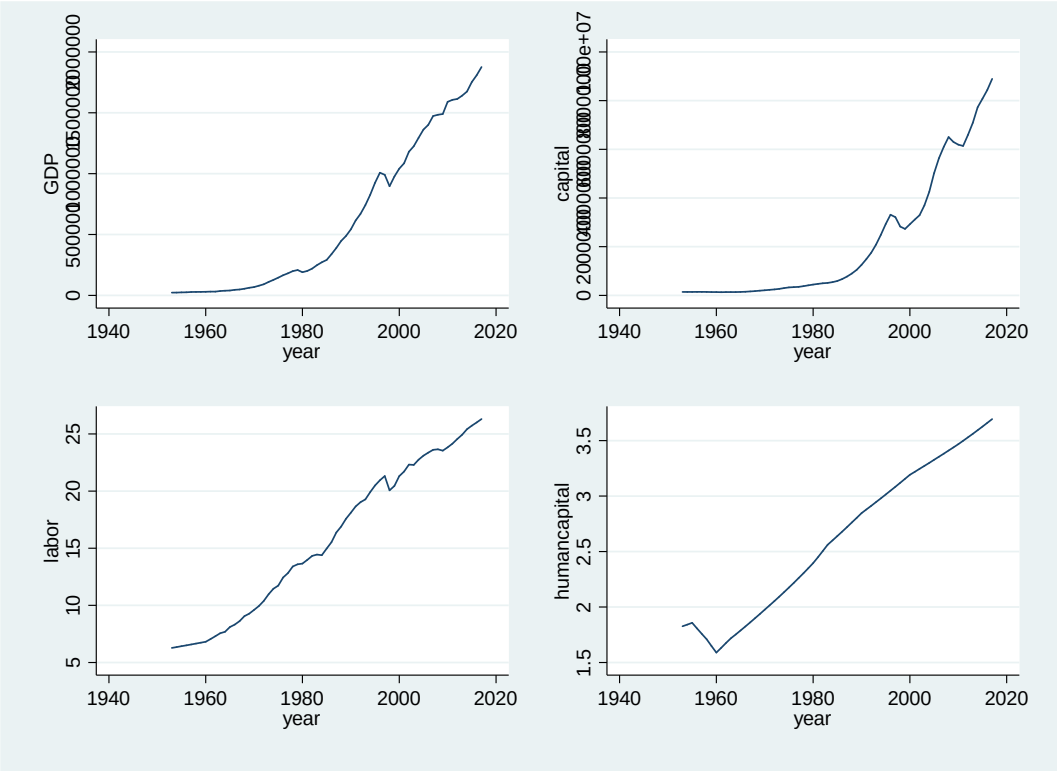
2. Empirical Results

2.1 Determination of Breaks

It has been determined whether the series contains a trend by means of graphs related to the variables subject to this study. For this purpose, the variables subject to the analysis have been examined in groups of four and their fracture years have been determined.

- Expenditure-side real GDP at current PPPs (in mil. 2011US$)
- Capital stock at current PPPs (in mil. 2011US$)
- Capital stock at current PPPs (in mil. 2011US$)
- Human capital index (Barro-Lee Model)

Figure 1: *Determination of Breaks of GDP, Capital, Human Capital, Labor*



When the first four graphs of GDP, capital stock, employment and human capital variables are analysed, it is seen that GDP gained an accelerating rate after the 1980s, and in the 2000s, although there was a breakdown, the increase in growth continued. Therefore, when we examined GDP, only drift is observed in 2000 and 2016. It is determined that there are a drift and trend on the graph of capital stock, drift on the graph of employment between 2000 and 2016, and no drift but trend on the graph of human capital. Based on these graphs, it is understood that the series examined are not stationary. In the second part, graphs of the other four variables are examined. These variables are;

- TFP level at current PPPs
- Openness – Share of merchandise exports at current PPPs + Share of merchandise imports at current PPPs
- Share of government consumption at current PPPs
- Share of household consumption at current PPPs

A drift was observed in the graph of the TPF in the 2000s, after which the series became horizontal. This corresponds to the period in which South Korea struggled with high inflation (25.6% in 1980), low growth rate (-4.8) and high external debt (Janelli, 2001). This trend, which continued steadily after 1980, increased in the 2000s and is considered as random walk drift. While consumption, which is expressed as household consumption, is a random walk drift, household consumption had a decreasing trend in the 1960s, while the trend began to lose its effect in the 2000s. In 1997, the effects of the crisis, which includes many East Asian countries known as Asian Tigers, can be observed in the graph of consumption data. Based on the graphs examined, it is concluded that the series of variables are not stationary.

Figure 2: *Determination of Breaks of Opennes, TFP, Government, Consumption*

2.2 Unit Root Tests

In the previous section, the series of GDP, capital stock, employment, human capital, TFP, openness, government expenditures, household expenditures (consumption), which were the subject of the study, were determined to be non-stationary. Therefore, the series have been made stationary by unit root tests developed by Augmented Dickey-Fuller (ADF) (1981) and Philips and Perron (PP) (1988).

Table 1: *ADF and PP Unit Root Tests Statistics*

Değişkenler	ADF Test Statistics		PP Test Statistics	
	Level	First Difference	Level	First Difference
lnGDP	-1.672**	-	-3.566 (0) *	-
LnCapital	-3.490	-3.175***	-4.128 (3) *	-2.616 (0) *
LnLabor	-1.672**	-	-2.616(3)*	-
Human Capital	-3.490**	-	-4.128(3)*	-
TFP	-1.672**	-	-3.566(3)*	-
Openess	-1.672**	-	-4.128(3)*	-
Consuption	-1.672**	-	-4.128 (3)*	-
Goverment	-1.672**	-	-3.566(0) *	-

Note: The McKinnon approach was used for the Phillips Perron Test, and * 1%, ** 5%, ***10% represents significance level. The Neweywest Method was used for PP tests. The values in parentheses represent the lag length.

H_0: There is unit root.
Since p-value <0.05, H_0: cannot be rejected.

The results obtained from the ADF and PP unit root tests are shown in Table 1. The results show that when the first difference of capital variable is taken, the other variables are stationary at the level.

2.3 Autocorrelation Test

One of the basic assumptions in regression analysis is that there is no relationship between error terms. Otherwise, the presence of autocorrelation will occur. In this case, the least squares estimators of the parameters are unbiased and consistent and ineffective. Therefore, regression analysis was performed first between GDP, capital, labor, humacapital, TFP, opennes, government and consumption. Then autocorrelation was examined. Breusch - Godfrey LM test was used to determine whether autocorrelation was found among the error terms in the regression and it was concluded that there was no autocorrelation in the series. In addition, Durbin-Watson test results show that the model has no autocorrelation problem. When Table 2, which shows the diagnostic test results of the predicted models, is examined, it is clear that there is no autocorrelation because the probability values (p-value) are greater than the 5% significance level (p> 0.05). When not only the p values but also the Chi-Square and F critical values are examined, it is seen that there are no problems with the predicted models regarding normality, autocorrelation, changing variance and model building error.

Table 2: *Breusch- Godfrey Test Statistics for Autocorrelation*

lags (p)	chi2	df	Prop > chi2
1	15.103	1	0.0001
2	17.251	2	0.0002
3	18.136	3	0.0004
4	19.714	4	0.0006
5	19.909	5	0.0013
6	20.365	6	0.0024

Ho: no serial correlation

2.4 Results of Regression and Cointegration Tests

The growth equation for the variables subject to this study has been established as shown below. The estimation results and confidence intervals obtained from the regression analysis for the equation which is expected to have a positive effect on economic growth are presented in Table 3.

$$\ln GDP_{it} = 3.126 + 0.319\,\ln capital_{it} + 1.768\,\ln labor_{it} - 0.151\,humancapital_{it} + 1.805\,TFP_{it} + 0.248 opennes_{it} - 0.833 government_{it} - 0.110 consumption_{it}$$

Table 3: Growth Equation Estimates and Confidence Intervals

lnGDP	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
lncapital	.3196923	.0230513	13.87	0.000	.2733446	.36604
lnlabor	1.768838	.1937969	9.13	0.000	1.379183	2.158493
humancapital	-.1511112	.1155725	-1.31	0.197	-.3834853	.0812629
TFP	1.805201	.1876712	9.62	0.000	1.427862	2.182539
opennes	.248295	.1909524	1.30	0.200	-.1356405	.6322305
government	-.8337231	.6227093	-1.34	0.187	-2.085764	.418318
consumption	-.1105812	.1574651	-0.70	0.486	-.4271859	.2060236
_cons	3.12689	.351029	8.91	0.000	2.421099	3.832681

Note: (*** p<0.01, ** p<0.05, * p<0.1)

When the estimation results are examined, it is observed that the effects of human capital, openness, consumption and government expenditures on growth are statistically insignificant. However, it was found to be significant in the confidence interval between 0.2733 and 0.3660, where the coefficient of capital was 0.319, in the confidence interval of 1.3791 and 2.1584 where the labor coefficient was 1.768, and in the confidence interval of 1.4278 and 2.1825, where the total factor productivity coefficient was 1.805. In order to measure the effectiveness of human capital, openness, government, and consumption variables whose effects on economic growth can't be fully observed, the effects of these variables are examined separately and the results of this study are shown in Table 4. Each equation related to variables is also shown in Table 4.

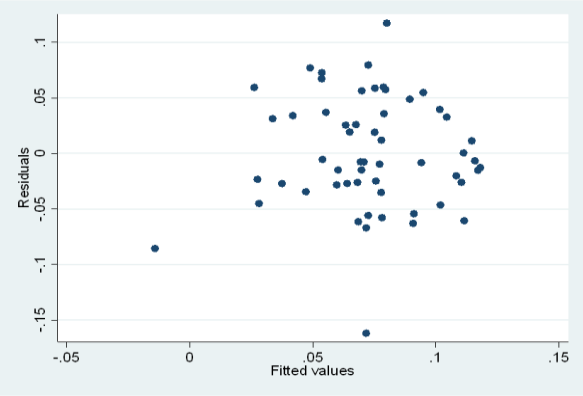
Table 4: Effect of Each Independent Variable on Dependent Variable

dlnGDP	**Coef.**	**Std. Err.**	**t**	**P>|t|**	**(95 % Conf.**	**Interval)**
dlncapital	0.429	0.110	3.88	0.000	0.207	0.651
constant	0.411	0.010	3.83	0.000	0.019	0.062
	lnGDP = 0.0411+ 0.429lncapital$_{it}$					
dlnlabor	2.051	0.301	6.81	0.000	1.447	2.655
constant	0.025	0.009	2.77	0.008	0.006	0.043
	lnGDP= 0.025 + 2.051lnlabor$_{it}$					
dhumancapital	0.025	1.249	0.02	0.984	-2.481	2.532
trend	-0.001	0.000	-3.14	0.003	-0.002	-0.000
constant	0.119	0.056	2.11	0.040	0.005	0.233
	lnGDP = 0.119 – 0.001humancapital$_{it}$					
dTFP	2.108	0.306	6.87	0.000	1.493	2.724
constant	0.060	0.006	9.98	0.000	0.047	0.072
	lnGDP= 0.060 + 2.108TFP$_{it}$					
dopenness	-0.461	0.327	-1.41	0.165	-1.117	0.195
constant	0.075	0.006	9.87	0.000	0.060	0.090
dgovernment	-4.934	0.927	-5.32	0.000	-6.794	-3.073
constant	0.072	0.006	11.50	0.000	0.059	0.084
	lnGDP = 0.072 – 4.934government$_{it}$					
dconsumption	-1.316	0.286	-4.60	0.000	-1.890	-0.742
constant	0.067	0.006	9.95	0.000	0.053	0.080
	lnGDP= 0.067 – 1.316consumption$_{it}$					

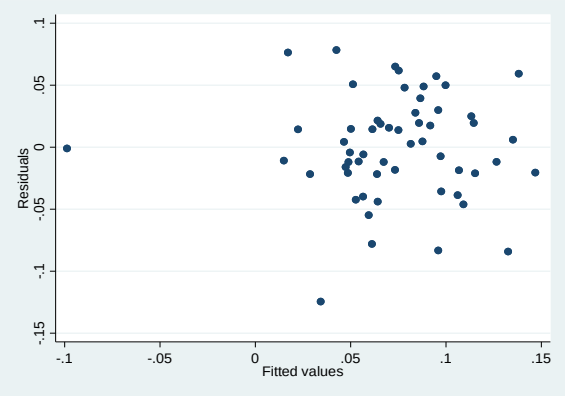
Note: (*** p<0.01, ** p<0.05, * p<0.1)

In Table 4, where the effect of each variable on economic growth is analyzed separately, the P-Values of the regression show that the impact of variables on growth are statistically significant excluding openness. TFP, labor and capital have the greatest impact on economic growth, while the variables with the smallest impact are public expenditures, consumption expenditures and human capital, respectively. It was also possible to determine whether there were other factors (spurious regression) affecting this significance by interpreting the graphs obtained as a result of the regression. Graphs of variables are presented below.

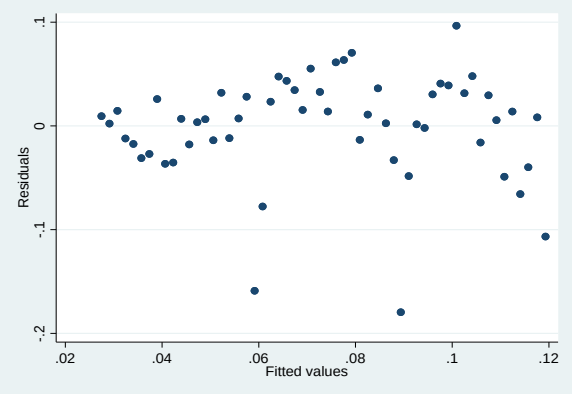
regress dlnGDP dlncapital



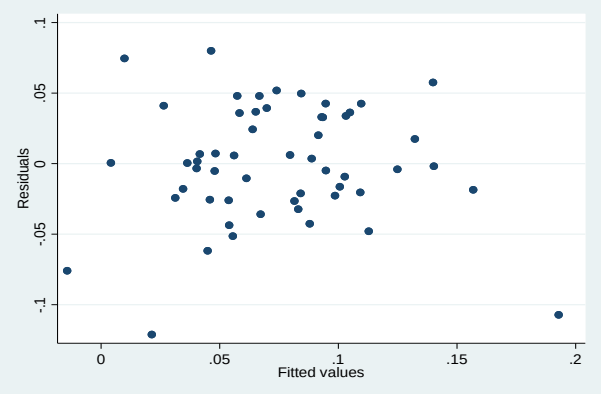
regress dlnGDP dlnlabor



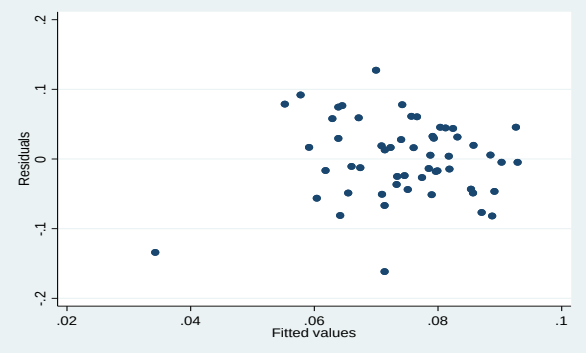
regress dlnGDP dhumancapital regress



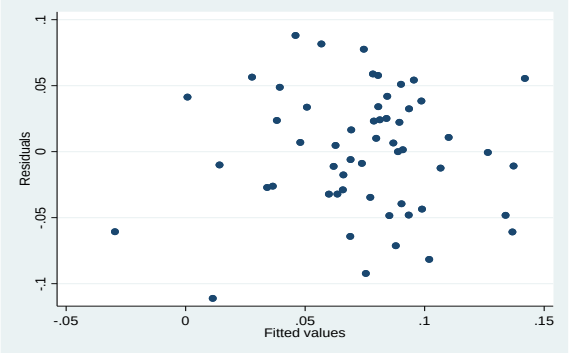
regress dlnGDP dTPF



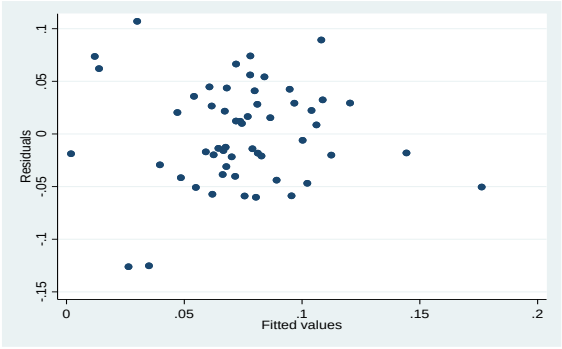
regress dlnGDP dopenness



regress dlnGDP dgovernment



regress dlnGDP dconsumption



When the probe values were analyzed by regression analyzes performed on the series with first differences for GDP and other variables, it was concluded that the series were statistically significant with each other. When the graphs of the residuals are examined visually as a result of regression to see if there is another factor (spurious regression) affecting this significance, it is seen that the points are randomly distributed around zero. As shown in Table 4, only openness was found to be insignificant among the variables thought to have an impact on growth.

3. Conclusion

The aim of this study is to examine the effect of capital stock, employment level, human capital, total factor productivity, openness policy, government expenditures and household consumption on growth in South Korea between 1965 and 2017. In this study it is observed that especially the openness variable was insufficient contrary to expectations. The reasons why the openness variable is insignificant in contrast to the common view that are explained in the introduction of the study. In that section, it is explained that the liberalization of capital markets has no effect on economic growth in developing and less developed countries and even causes crisis in many countries due to the increasing balance of payments deficit. Although trade openness seems to be advantageous for these countries in terms of easy access to financial resources, it can cause macroeconomic instability and crises in the countries with an insufficient institutional control mechanism. The transfers of resources made by international economic institutions such as the IMF and the World Bank cause a balance of payments deficit in these countries.

The capital emerges as the factor with the highest mobility among production factors after the financial liberalization process. The balances have changed between countries with a comparative advantage in production factors, and some regions have become both labor-intensive and capital intensive as a result of the shift of capital towards the regions where low-cost labor force exists. For example, many large companies in the USA have been able to produce goods and services at a lower cost and tax incentive by moving their factories to countries with low cost labor. The rapid change of production factors or offshore business process has led to the exchange rate wars with the volatility in exchange rates. Besides the fact that while many developed countries have evaluated developing countries as their "waste storage", they have provided them with the resources they need and have the opportunity to move their production facilities that cause environmental pollution to these countries. Openness has been the beginning of the process of environmental destruction along with policies. In such a case, it will be difficult to discuss the returns of the free market economy in developing and underdeveloped countries.

Today the world has begun to return to protectionist policies. Therefore, customs duties and quotas has come into play, and governments seeking to withdraw their capital to their home

countries have begun to implement the tax incentives. Import substitution policies have started to come into account by the countries that have the most important production factors such as technology, cheap raw materials, cheapest labor, etc. At this point, developing countries such as Turkey should also take steps towards the implementation of these kinds of policies. Efforts should be made to increase industrial production by developing policies to support industrial production, with actions to increase total factor productivity without dependence on imported inputs in final and intermediate goods. It should not forget that dependence on imported inputs for the production of goods and services will bring about deficits in the countries' balance of payments.

REFERENCES

Afşar, A. (2007). Finansal gelişme ile ekonomik büyüme arasındaki ilişki. *Muhasebe ve Finansman Dergisi*, (36), 188-198.

Apak, S. (1993). Türkiye ve gelişmekte olan ülkelerde ekonomik istikrar uygulamaları. Anahtar Kitaplar.

Arslan, M. (2001). IMF Krizler ve Türkiye. *Stratejik Analiz Dergisi*, Sayı:14, Ankara; 5-21.

Bank, W. (2010). *The World Bank Annual Report 2010: Year in Review*: World Bank.

Clements, M. P. (1994). New directions in econometric practice, W. W. Charemza and D. F. Deadman, Edward Elgar Publishing. Aldershot, 1992. ISBN 1-85278-461-x, hardcover, £45.00, pp. 370. *Journal of Applied Econometrics, 9*(1), 99-101. doi:10.1002/jae.3950090108

Çakmak, U. (2016). Güney Kore'nin ekonomik kalkinmasinin temel dinamikleri (1960-1990). *Süleyman Demirel Üniversitesi İktisadi ve İdari Bilimler Fakültesi Dergisi*, 21(1), 151-171.

Dickey, D. A., & Fuller, W. A. (1981). Likelihood ratio statistics for autoregressive time series with a unit root. *Econometrica: journal of the Econometric Society*, 1057-1072.

Doğan, S., ve Özekicioğlu, H. (2005). Güney Kore Ve Türkiye'de Uygulanan IMF Politikalari.

Eğilmez, A. M. (2018). *Değişim sürecinde Türkiye: Osmanlı'dan Cumhuriyet'e sosyo-ekonomik bir değerlendirme*: Remzi Kitabevi.

Feenstra, R. C., Inklaar, R., & Timmer, M. P. (2015). The next generation of the Penn World Table. *American Economic Review, 105*(10), 3150-3182.

FRANK, C.R., KIM, K.S. and WESTPHAL, L.E. (1975). "Economic Growth in South Korea since World War II", (Ed.) FRANK, C.R., KIM, K.S. ve WESTPHAL, L.E., Foreign Trade Regimes and Economic Development: South Korea, NBER, Chapter two.

Harvey, D. (2005). *The new imperialism*: OUP Oxford.

Heo, U., Jeon, H., Kim, H., and Kim, O. (2008). The political economy of South Korea: economic growth, democratization, and financial crisis. *Maryland Series in Contemporary Asian Studies*, 2008(2), 1.

Janelli, R. L. (2001). Kae H. Chung, Hak Chong Lee, and Ku Hyun Jung. Korean Management: Global Strategy and Cultural Transformation. *Economic Development and Cultural Change, 49*(4), 910-915. doi:10.1086/452534

Kim, S.H. (2007). "Finance and Growth of the Korean Economy from 1960 to 2004", *Seoul Journal of Economics*, 20(4): 377-418.

Kwack, S. Y. (1998). Factors contributing to the financial crisis in Korea. *Journal of Asian Economics, 9*(4), 611-625.

Lim, L. Y. (1983). Singapore's success: The myth of the free market economy. *Asian Survey*, 752-764.

Mesutoğlu, B. (2001). Bankacılık Sektöründe Yeniden Yapılandırma: Güney Kore Örneği. *MSPD ÇalıÇma Raporları*, (2001/1).

Nel, E., and Stevenson, T. (2014). The catalysts of small town economic development in a free market economy: A case study of New Zealand. *Local Economy, 29*(4-5), 486-502.

Onur, S. (2012). Finansal liberalizasyon ve GSMH büyümesi arasındaki ilişki. *Uluslararası Yönetim İktisat ve İşletme Dergisi, 1*(1), 127-152.

Phillips, P. C., and Perron, P. (1988). Testing for a unit root in time series regression. *Biometrika, 75*(2), 335-346.

Shin, K. Y. (2013). Economic crisis, neoliberal reforms, and the rise of precarious work in South Korea. *American Behavioral Scientist*, 57(3), 335-353.

Şenses, F. (2004). Neoliberal Küreselleşme Kalkınma İçin Bir Fırsat mı, Engel mi? *Kalkınma ve Küreselleşme, 1*, 13-54.

Yavuz, G. (2007). Washington Uzlaşması'ndan Post-Washington Uzlaşması'na: Kalkınma Gündeminin Biçimlenişinde" Yeni Kurumcu İktisat" Etkisi. *Ekonomik Yaklasim, 18*(64), 23-44.

Yildirim, C. (2011). Birinci ve İkinci Nesil Washington Uzlaşmasi: Neoliberal İktisat Politikalarinin 1980'den Sonraki Evrimi. *International Journal Of Economic & Social Research, 7*(2).