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Chinese economic policies differ from Japan and Korea because the Chinese are heavy industries and other countries are light industries at first

The Chinese have two parts of the plan. First five years plan in 1953-1957 set the targets about infrastructure and productions to consume in the type of heavy industries that followed the Soviet and supported the Soviet model to enhance technological industries. Financial assistance and technology are the important factors to upgrade the quality of industrialization to be the new type of factories so this is the reason why quality of life improved in the rural areas in China. According to part two of plan it is the second five years plan 1958-1962. The Great Leap Forward was the rapid growth of China's agricultural and industrial sector. China wants to keep the lowest wage in labor and increase more production. External pressures from communists of the Soviet to direct management and control of everything for population growth that heavy industrial influence by Sino-Soviet. Price setting in China has two prices that consist of low prices for agricultural goods and high prices for manufactured goods to enhance the value of industrial goods. Overseas Chinese immigrants in other countries such as Hongkong, Taiwan, Singapore work and invest into their home increasing money growth in China. Moreover, Chinese people who live in other countries are the tiger that means they are more potential skilled workers and developers in other countries.

Japan has business groups using cross-shareholding and enterprise groups using vertical integration. Cross-shareholding shows the business relationships between customers and suppliers.Vertical integration organizes together with small and large companies cooperating to produce the production in limited resources with help from suppliers. When companies produce something, they will analyze the number of materials which use enough and calculate the finished product date to order the material from suppliers. Due to vertical having many suppliers, the company will share techno;ogy together along the process to enhance the product.That is why vertical organization is low transaction cost because of participation from other companies following their orders. Specificity of Japan’s investment consists of physical assets, human assets, and dedicated assets. Physical assets are large machines and building materials. Human assets are skilled labor. The last one is dedicated assets that invest in the new process and differ from the old process to respond to the customer. Toyota production system, Kanban, Suppliers cooperate works to be just in time with the correct schedule.

South Korea after the Korean war had a strong labor force that increased wages and labor costs and emphasized labor-intensive manufactured exports to compete with the global markets. Government selects companies to rapidly manage the projects and receive funds from foregin loans. Moreover, at first South Korea is light industries after they change to heavy industries because it can better develop economic growth including industrializations.