The main difference between Chinese and Korean-Japan industrial organizations in the post-war era is that The industrial organization in China is influenced by the Soviet union's model and controlled by a nationalist government. Meanwhile, The industrial organization in Japan was influenced by democratization by America.

Before Japan lose the second world war, America takes control of the country for a while and they attempt to reduce the power of Zaibatsu by dividing them into many smaller enterprises and canceling the use of holding companies, for instance, Mitsubishi zaibatsu was divided into more than 200 enterprises at that time. Japan was led by the financial groups called Keiretsu and the economy was in the form of an oligopoly. These Keiretsu are the leaders of Japan's economy because they are highly stable and organized. The reason behind that is due to so-called cross-shareholding. The main company, let's say, Mitsubishi, will have many subordinates, for example, Mitsubishi shipping company, car company, and banking company. These smaller companies will be shareholders of each other so that they can help each other in the case that some of them have financial trouble, enable trading among participating companies, and also prevent hostile takeovers. Japan not only does horizontal integration like cross-shareholding, but they also do vertical integration to reduce the transaction and negotiation costs. Furthermore, Japan Keiretsu takes care of their suppliers as if they are the same companies and keep the relationship smooth. These are the reasons why the root Japanese industrial organization is highly strong and stable until now. South Korea, under the lead of Park Chung Hee, has a similar system to Japan, but Keiretsu there is called Chaebol.

In the meantime, China in the post-war era was taken over by a nationalist government. They control everything, from the price mechanism (Relatively low fixed price for agricultural goods and relatively high fixed price for manufactured goods) to the consumption in the country. China became communist and end its relationship with Japan and America at that time. They follow the Soviet Union and follow them as an advisor and partner. Through this process, many changes occurred in China at that time. Chinese nationalist government owns all the land and nationalized all private factories. The industrial trend in the country also shifted from light industries like silk and pottery to heavier ones, for instance, coal, electric power, and steel. This command economic system shapes how the Chinese economy works nowadays, and it is very different from Japan and South Korea.