

PROGRAM

The Sixth Convention of the East Asian Economic Association

Theme: Integration and Disparity in Asia

September 4 (Friday)

Opening Ceremony

(9:00 – 9:20)

M.C.: Shigeyuki Abe (Kobe University)

Welcoming Speech

Shinichi Ichimura

President of EAEA

Director, International Centre for the Study of East Asian Development

Keynote Speech

(9:30 – 10:15)

**Exchange Rate Coordination
for Surmounting the East Asian Currency Crises**

Introduction: Akira Kohsaka (Osaka University)

Speaker: Ronald McKinnon (Stanford University)

Coffee Break

(10:15 - 10:30)

Parallel Session A

(10:30 – 12:30)

A1 Regional Integration vs. Multilateralism

Chair: Seiji F. Naya (State of Hawaii)

- 1 Raufdeen Rameezdeen and Yuzo Akatsuka (Saitama University and Toyo University)
The Role of Infrastructure on Decentralization of Manufacturing in ASEAN Countries: Evaluation of Growth Pole Strategies
- 2 Jeon-Hyeok Cho and Chung-Eun Lee (Inchon University and Hallym University)
The Effect of Economic Integration on the Long-Run Growth
- 3 Hans-Juergen Engelbrecht and Brent Kelsen (Massey University)
Economic Growth and Convergence Amongst the APEC Economies 1965-1990
- 4 Zhaoyong Zhang (National University of Singapore)
Regional Integration and Economic Convergence: An Empirical Study of East Asian Economies

Discussants:

- 1 Hidenobu Okuda (Hitotsubashi University)
- 2 Toru Yanagihara (Hosei University)
- 3 Yasuyuki Sawada (Stanford University)
- 4 Akira Kohsaka (Osaka University)

A2 Technology Dispersion

Chair: Yukihiro Kiyokawa (Hitotsubashi University)

- 1 Insang Hwang (Hitotsubashi University)
Fundamental Sources of Technological Progress: Empirical Analysis on Korean Manufacturing
- 2 Myungjai Kong (Keimyung University)
R&D Investment and Liquidity Constraint : A Case of Korean Manufacturing Firms
- 3 Luo Huanzhen (Nihon University)
On Dispersion of Agricultural Technology in China: A Study of Hybrid Rice
- 4 Gary W. Anderson, Jr. (University of Maryland at College Park)
Multinational Corporation Entry Mode Decisions and the Impact of Ownership and Performance Requirements on Technology Transfer

Discussants:

- 1 Eric C. Wang (National Chung Cheng University)
- 2 Chung H. Lee (University of Hawaii)
- 3 Hiroshi Tsujii (Kyoto University)
- 4 Yumiko Okamoto (Kobe University)

A3 International Labor Migration

Chair: Nipon Poapongsakorn (TDRI)

- 1 Chris Manning (Australian National University)
Structural Adjustment and Labour Migration: Malaysia and Thailand
- 2 Kit-Chun Lam and Pak-Wai Liu (Hong Kong Baptist University, Chinese University of Hong Kong)
Earnings Divergence and Assimilation of Immigrants
- 3 Xuejin Zuo (Shanghai Academy of Social Sciences)
Employment and Incomes of Migrant Workers in China's Cities: the Case of Shanghai
- 4 Grace Victoria Chomo (Sultan Qaboos University)
Guest Workers and Economic Development in the GCC States

Discussants:

- 1 Ludo Cuyvers (University of Antwerp)
- 2 Li Wuwei (Shanghai Academy of Social Sciences)
- 3 Erbiao Dai (ICSEAD)
- 4 Linda Low (National University of Singapore)

Lunch (12:30 – 13:30)

Plenary Session I

(13:30 – 14:30)

Prospects for APEC and Lessons from the EU

Moderator: Ulrich Hiemenz (OECD)

Speakers: Ippei Yamazawa (Hitotsubashi University)
and

Rolf J. Langhammer (Kiel Institute)

Parallel Session B

(14:30 – 16:30)

B1 Financial Development and Growth

Chair: Akira Kohsaka (Osaka University)

- 1 Sung Jin Kang and Yasuyuki Sawada (Stanford University)
Financial Repression and External Openness in an Endogenous Growth Model
- 2 Daekeun Park and Changyong Rhee (Seoul National University)
Currency Crisis in Korea: Could it Have Been Avoided?
- 3 Yoopi Abimayu (Ikartan Sarjana Ekonomi Indonesia/ISEI)
Contagious and Political Announcement Effects on the Movement of the Exchange Rate: Empirical Analysis
- 4 Prema-chandra Athukorala and Pan-Long Tsai (Australian National University)
Dynamics of Household Saving in Taiwan: The Role of Growth, Demography and Public Policy

Discussants:

- 1 Craig Parsons (ICSEAD)
- 2 Masumi Kishi (Chuo University)
- 3 Takashi Suzuki (Kobe University)
- 4 Junichi Nomura (ICSEAD)

B2 Sources of Growth

Chair: Pan Yotopoulos (Stanford University)

- 1 Shujiro Urata and Akie Iriyama (Waseda University)
Foreign Direct Investment and Technology Transfer in China
- 2 Ching-Cheng Chang and Yir-Hueih Luh (Academia Sinica and National Taiwan University)
Efficiency Change and the Growth in Productivity: The Asian Growth Experience
- 3 Rina Indriastuti (Osaka Prefecture University)
Efficiency and Productivity of Indonesian Manufacturing Industry
- 4 Mitsuo Ezaki and Lin Sun (Nagoya University)
Growth Accounting of the China for National, Regional, and Provincial Economies: 1981-1995

Discussants:

- 1 Qiumei Yang (OECD)
- 2 Hitoshi Osaka (ESCAP)
- 3 Hal Hill (Australian National University)
- 4 Kiichiro Fukasaku (OECD)

B3 APEC and Technology

Chair: Wan-Soon Kim (Korea University)

- 1 Byung-il Choi (Ewha Womans University)
APEC Performance on ECOTECH: Case of the APII
- 2 Hyungdo Ahn and Hongyul Han (KIEP and Hanyang University)
APEC's Eco-Tech: Linking ODA and TILF
- 3 Hidenobu Okuda (Hitotsubashi University)
Technological Changes of the ASEAN Banking Industry: A Comparative Analysis of Financial Liberalization in the Philippines and Thailand

- 4 Sung Jin Kang (Stanford University)
Relative Backwardness and Social Capability: Technological Catching Up

Discussants:

- 1 Mohamed Ariff (Malaysian Institute of Economic Research)
- 2 Ippei Yamazawa (Hitotsubashi University)
- 3 Joseph Y. Lim (University of the Philippines)
- 4 Fukunari Kimura (Keio University)

Coffee Break (16:30 - 16:45)

Parallel Session C

(16:45 – 18:45)

C1 Yen Block vs. Dollar Block: Exchange Rate Issues

Chair: Jungsoo Lee (Asian Development Bank)

- 1 Tsang Shu-ki (Hong Kong Baptist University)
Fixing the Exchange Rate through a Currency Board Arrangement: Efficiency Risk, Systemic Risk and Exit Cost
- 2 Abdur R. Chowdhury (Marquette University)
Speculative Attacks and Economic Fundamentals: Evidence from the Asian Currency Crisis
- 3 Pan A. Yotopoulos (Stanford University)
The Asian and Other Financial Crises: A Different Perspective
- 4 Iwan J. Aziz (Cornell University)
Modeling the Transition from Financial Crisis to Social Crisis

Discussants:

- 1 Josef Yap (Philippine Institute for Development Studies)
- 2 Manuel Montes (East West Center)
- 3 Ulrich Hiemenz (OECD)
- 4 Hiroshi Osada (Nagoya University)

C2 Trade and Investment Facilitation and Distribution Issues in APEC

Chair: Florian Albuero (University of the Philippines)

- 1 Shigeru Otsubo and Tetsuo Umemura (Nagoya University)
Foreign Direct Investment and Complementarity As Determinants Of Intra-APEC Trade Flows: A Gravity Model Analysis
- 2 Denise Eby Konan and Jeffery Hinrich (University of Hawaii)
The Impact of ASEAN Trade Integration on Direct Foreign Investment
- 3 Linda Low (National Singapore University)
Distribution Effects Of Regional Integration: Policy Issues and Prospects
- 4 Mahani Zainal Abidin and Loke Wai Heng (University of Malaya)
Distributional Effects of APEC Integration: Narrowing Economic Development Among its Members?

Discussants:

- 1 William E. James (ICSEAD)
- 2 Shujiro Urata (Waseda University)
- 3 Masaru Umemoto (ICSEAD)
- 4 Hans-Juergen Engelbrecht (Massey University)

C3 Macro Policy Coordination

Chair: Liu Pak Wai (Chinese University of Hong Kong)

- 1 Denis Hare and Loraine A. West (Reed College and U.S. Bureau of the Census)
China's Rural Industrial Growth and Regional Income Inequality
- 2 Ian A. Kerr and Garry A. MacDonald (Curtin University of Technology)
Taxation Mix and Economic Growth in Selected East Asian and South-East Asian Economies
- 3 Richard A. Werner (Sophia University)
Administrative Guidance and Monetary Policy in Japan
- 4 Takao Fukuchi and Keizo Yamane (Asahi University and Setsunan University)
Long-Run Effects of Promoting Economic Tie Between China and Japan - The Case Study Between Changjiang River and Kansai Areas -

Discussants:

- 1 Katsuji Nakagane (Tokyo University)
- 2 Sachio Konishi (Kwansei Gakuin University)
- 3 Kazuo Yoshida (Kyoto University)
- 4 Stephen Parker (Asian Development Bank Institute)

Dinner

September 5 (Saturday)**Plenary Session II**

(9:00 – 10:00)

The Present State and Prospects of the Japanese Economy

Moderator: Yasuhiko Torii (Keio University)

Speakers: Gary R. Saxonhouse (University of Michigan)

Kazuo Yoshida (Kyoto University)

Coffee Break (10:00 – 10:15)

Parallel Session D

(10:15 – 12:15)

D1 Energy, Resources, and Environment

Chair: Naris Chaiyasoot (Thammasat University)

- 1 Adis Israngkura (NIDA)
Environmental Valuation: An Entrance Fee System for National Parks in Thailand
- 2 Euston Quah and Khye Chong Tan (National University of Singapore and Nanyang Technological University)
Estimates of the Damage Costs to Singapore Due to the 1997 Haze

- 3 Mohd Shahwahid H. O. (University Putra Malaysia)
Transboundary Cost of the Indonesian Forest Fire on Neighbouring Malaysia: A Need for Regional Economic Cooperation
- 4 C.T. Yong and G.Y.V. Yong (FASS, Universiti Brunei Darussalam)
Harmonization of Environmental Standards: Barriers & Benefits

Discussants:

- 1 Marcia Sakai (University of Hawaii)
- 2 Anggito Abimanyu (Gadjah Mada University)
- 3 Shoichi Yamashita (Hiroshima University of Economics)
- 4 Takeshi Katsuhara (Toa University)

D2 Finance and Development

Chair: Mohamed Ariff (Malaysian Institute of Economic Research)

- 1 Eric C. Wang (National Chung Cheng University)
A Dynamic Two-Sector Model For Testing the Causality between Financial Development and Economic Growth in Taiwan
- 2 Robert McCleery, Raul Hinojosa Ojeda, and Fernando de Paolis (Monterey Institute of International Studies)
The Economy-Wide Impact Of Financial Liberalization In China: A Computable General Equilibrium Simulation
- 3 Hitoshi Osaka (UN-Economic and Social Commission for Asia and the Pacific)
Financial Development and Demand for Money in Japan: Cointegration Analysis

Discussants:

- 1 Sung Jin Kang (Stanford University)
- 2 Mitsuo Ezaki (Nagoya University)
- 3 Colin McKenzie (Osaka University)

D3 International Trade and Foreign Direct Investment

Chair: Shuming Zhao (Nanjing University)

- 1 Prema-chandra Athukorala and Hal Hill (Australian National University)
Foreign Investment and Economic Development in Developing East Asian Economies: A Survey
- 2 Yoko Uchida and Masatsugu Tsuji (Osaka University)
The Role of Foreign Direct Investment in East Asian Economic Development: An Estimation of Factors of Economic Growth
- 3 Eric D. Ramstetter (ICSEAD)
Comparisons of Foreign Multinationals and Local Firms in Asian Manufacturing Over Time
- 4 Peter J. Morton (Chinese Cultural University)
Taiwan and Southeast Asia; Taiwan and Mainland China -Historical and Geographic Perspectives on the "Go-South" Strategy

Discussants:

- 1 Abdur R. Chowdhury (Marquette University)
- 2 Shujiro Urata (Waseda University)
- 3 Denise Eby Konan (University of Hawaii)
- 4 Tran Van Tho (Obirin University)

Lunch (12:15 – 13:30)

Parallel Session E
(13:30 – 15:30)

E1 Trade and Investment Links

Chair: Hal Hill (Australian National University)

- 1 William E. James and Jun Sugawara (ICSEAD)
Japan's Imports from Southeast Asia and China During and After The Bubble
- 2 Chung H. Lee and Shigeyuki Abe (University of Hawaii and Kobe University)
Trade and Investment Relations Between Japan and China
- 3 Hiro Lee and David Roland-Holst (Nagoya University and Mills College)
Trade-induced Pollution Transfers and Implications for Japan's Investment and Assistance
- 4 Yun-Wing Sung (Chinese University of Hong Kong)
Costs and Benefits of Export-Oriented Foreign Investment: The Case of China

Discussants:

- 1 Tran Van Tho (Obirin University)
- 2 Shuming Zhao (Nanjing University)
- 3 Khye Chong Tan (Nanyang Technological University)
- 4 Eric D. Ramstetter (ICSEAD)

E2 Asian Currency Crisis

Chair: Chia Siow Yue (ISEAS)

- 1 Peter Nicholas Kriz (University of California, Santa Cruz)
In Defense of Current Account Deficits: Intertemporal Evidence from East Asia and Mexico
- 2 Kiichiro Fukasaku and Luix R. de Mello Jr. (OECD)
Coping with a Financial Crisis: What Asia Can Learn from Latin America
- 3 Anita Doraisami (Cambridge University)
The Malaysian Currency Crisis: Fundamentals or Self-fulfilling Prophecy
- 4 Akira Kohsaka (Osaka University)
Macroeconomic Management under the Increasing Interdependence in the Asia-Pacific Region: Beyond the Tom-Yam Effect

Discussants:

- 1 Jungsoo Lee (Asian Development Bank)
- 2 Pan Yotopolous (Stanford University)
- 3 Iwan J. Azis (Cornell University)
- 4 Ulrich Hiemenz (OCED)

E3 Future of Population Growth

Chair: Li Wuwei (Shanghai Academy of Social Sciences)

- 1 Takahiro Akita and Jesse J.K. Szeto (International University of Japan, UN-Economic and Social Commission for Asia and the Pacific)
Inpres Desa Tertinggal (IDT) Program and Indonesian Regional Inequality
- 2 Abul M. M. Masih and Rumi Masih (Edith Cowan University and University of Cambridge)
Is a Significant Socio-Economic Structural Change a Pre-Requisite for 'Initial' Fertility Decline In The LDCs? Evidence From Thailand Based on A Multivariate Cointegration/Vector Error Correction Modelling Approach
- 3 Marcia Sakai, Jeffery Brown, and James Mak (University of Hawaii)
Population Aging and Japanese International Travel in the 21st Century
- 4 W. David Walls and James J. Wang (University of Hong Kong)
Population and Employment Patterns in Hong Kong: A Density Function Approach

Discussants:

- 1 Yukio Ikemoto (Tokyo University)
- 2 Colin McKenzie (Osaka University)
- 3 Kiyotaka Sato (ICSEAD)
- 4 Chris Manning (Australian National University)

Coffee Break
(15:30 - 15:45)

Parallel Session F
(15:45 – 17:45)

F1 Income Disparity and Social Disparity

Chair: Katsuji Nakagane (Tokyo University)

- 1 Hiroki Nogami (Institute of Developing Economies, JETRO)
Income Distribution, Labor Market and Vocational Training Policy in the Republic of Korea
- 2 Ludo Cuyvers and Glenn Rayp (University of Antwerp)
Redistribution, Inequality and Growth, and their Implications for Asian Development
- 3 Ragayah Haji Mat Zin (National University of Malaysia)
Why Income Inequality Rises in Malaysia after 1990?
- 4 Yukio Ikemoto (Tokyo University)
Recent Economic Changes and Income Distribution in Thailand

Discussants:

- 1 Myungjai Kong (Keimyung University)
- 2 Toshiyuki Mizoguchi (Hiroshima University of Economics)
- 3 Chris Manning (Australian National University)
- 4 Medhi Krongkaew (Thammasat University)

F2 Human Capital Development and Growth

Chair: Chung H. Lee (University of Hawaii)

- 1 F. Gerard Adams and Yochanan Shachmurove (Northeastern University, University of Pennsylvania)
Energy Consumption and Economic Growth in East Asia: Implications of the East Asian Crisis
- 2 Xin Meng (Australian National University)
The Two-Tier Labour Market In Urban China: Occupational Segregation and Wage Differentials between Urban Residents and Rural Migrants
- 3 Qiumei Yang (OECD Development Centre)
The Impact of Human Capital Development on Foreign Investment: The Case of China
- 4 Alisjahbana, Armida S. (Padjadjaran University)
Determinants of School Attainment in Indonesia: Accounting for Quality Differences

Discussants:

- 1 Takahiro Akita (International University)
- 2 Shoichi Ito (Osaka Prefectural University)
- 3 Robert McCleery (Claremont McKenna College)
- 4 Hiromitsu Muta (Tokyo Institute of Technology)

F3 Empirical Modeling Issues

Chair: Manuel Montes (East West Center)

- 1 Haruki Niwa (Osaka Gakuin University)
Deflationary-gap in Recent Japan : A Quantitative Measurement
- 2 Josef T. Yap (Philippines Institute for Development Studies)
Developing Early Warning Systems for BOP and Financial Crises: The Case of the Philippines
- 3 Joseph Y. Lim (University of the Philippines)
Developing an Annual Macroeconometric Model With a Social Sector
- 4 Anggito Abimanyu (Gadjah Mada University)
The Impact of Subsidy Provision in Indonesia; Application of INDORANI, A Single Country Computable General Equilibrium of the Indonesian Economy

Discussants:

- 1 Gary R. Saxonhouse (University of Michigan)
- 2 Yoshihisa Inada (Konan University)
- 3 Mitsuo Ezaki (Nagoya University)
- 4 Hiro Lee (Nagoya University)

Memorial Talk and Closing Session

(17:50 – 18:30)

M.C.: William E. James (ICSEAD)

From State to Market (and back?)

Introduction: Medhi Krongkaew (Thammasat University)

Speaker: Heinz W. Arndt (The Australian National University)

Closing Remarks

Liu Pak Wai (Chinese University of Hong Kong)

September 6-7

Tours

Course 1: One day trip around Kitakyushu City

Course 2: Overnight trip to Huis Ten Bosh, (Dutch theme park),

Takeo (hot spring), and Arita (porcelain town)

Program Committee

Shigeyuki Abe* (Kobe University)
 Shinichi Ichimura (ICSEAD)
 William E. James** (ICSEAD)
 Akira Kohsaka (Osaka University)
 Katsuji Nakagane (Tokyo University)
 Eric D. Ramstetter (ICSEAD)
 Shujiro Urata (Waseda University)
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Contributors

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