

The Seventh International Convention of the East Asian Economic Association

Pan-Pacific Hotel, Singapore, 17-18 November 2000

Organized in cooperation with Nanyang Business School, Nanyang Technological University

16 November 2000, 18:00-20:00 Registration (Simex Room, Opposite Atrium Lodge, Level 1)

DAY 1, 17 November 2000

07:30-08:15 Registration (Pacific Ballroom Foyer, Level 1)

08:15-08:35 Opening Ceremony (Pacific 3, Level 1)

Opening Remarks

-LIM Chong Yah (Nanyang Technological University)

08:35-09:30 Plenary Session 1: The Singapore Economy (Pacific 3, Level 1)

-Introduction, Yasuhiko TORII (Keio University)

Coping with Capital Flows: Singapore's Experience and Its Implications

-TAN Khee Giap and CHEN Kang (Nanyang Technological University)

09:30-10:00 Coffee Break (Pacific Foyer, Level 1)

10:00-12:00 Parallel Sessions 1a, 1b, & 1c

Session 1a: Asia's Crisis and Policy Responses (Pacific 3, Level 1)

-Chair, Ulrich HIEMENZ (OECD Development Centre)

1. Exchange Rate and Price Adjustment in the Aftermath of the Asian crisis

-Eiji FUJII (Otaru University of Commerce)

2. An Ordered Logit Analysis of the Sources of the Asian Financial Crisis

-Brian P. ROSARIO (University of California, Davis)

3. Measuring the Degree of Currency Misalignment Using Offshore Forward Exchange Rates: the Case of the Korean Financial Crisis

-Daekeun PARK (Hanyang University) and Changyong RHEE (University of Rochester)

4. Asian Crisis and Restructuring Revisited

-Ashoka MODY and Shoko NEGISHI (World Bank)

Discussants:

1. Gordon DE BROUWER (Australian National University)

2. Oleksandr MOVSHUK (International Centre for the Study of East Asian Development)

3. Masaharu NAGASHIMA (Saitama University)

4. Charles ADAMS (Asian Development Bank)

Session 1b: Productivity and Growth (Pacific 2, Level 1)

-Chair, Mitsuo EZAKI (Nagoya University)

1. The Fading Productivity of Schooling in East Asia

-Erich GUNDLACH and Ludger WOESSMANN (Kiel Institute of World Economics)

2. Public Infrastructure Investment and Economic Growth: A Dynamic Two-Sector Model Applied to East Asian Economies

-Eric C. WANG (National Chung Cheng University)

3. Openness, Productivity and Growth in Asia Pacific Economies: An Alternative Approach

-Yanrui WU (University of Western Australia)

4. Assessing the Growth Potential of Malaysia's Manufacturing Sector

-Renuka MAHADEVAN (The University of Queensland)

Discussants:

1. Jong-Wha LEE (Harvard University and Korea University)

2. Sunny Kai-Sun KWONG (The Chinese University of Hong Kong)

3. Shandre Mugan THANGAVELU (National University of Singapore)

4. Ragayah Mat ZIN (Universiti Kebangsaan Malaysia)

Session 1c: International Trade, Investment, and Capital Flows (Pacific 1, Level 1)

-Chair, Somsak TAMBUNLERTCHAI (Thammasat University)

1. The Impact of Overseas Production on Technical Efficiency of Parent Firms: The Case of Japanese Multinationals

-Shujiro URATA (Waseda University) and Hiroki KAWAI (Keio University)

2. Trade Orientation and Productivity Gains from International Production: A Study of Overseas Operations of US Multinationals

-Prema-chandra ATHUKORALA and Satish CHAND (Australian National University)

3. Wages and International Trade: the Impact of International Trade with Asia on Wages in Europe

-L. CUYVERS (University of Antwerp), M. DUMONT (University of Antwerp), G. RAYP (University of Ghent)

4. Is Asian Investment Different? A Comparison of East Asian and West European Investment in Southeast Asia

-J.Thomas LINDBLAD (University of Leiden)

Discussants:

1. Fredrik SJÖHOLM (National University of Singapore)

2. Robert E. LIPSEY (National Bureau of Economic Research)

3. Richard POMFRET (University of Adelaide)

4. CHIA Siow Yue (Institute of Southeast Asian Studies)

12:00-13:00 Lunch (The Third Floor, Level 3)

Board of Directors' meeting (Ocean 8, Level 2)

13:00-15:00 Parallel Sessions 2a, 2b, 2c

Session 2a: Computable General Equilibrium Analysis of International Issues (Pacific 3, Level 1)

-Chair, Shujiro URATA (Waseda University)

1. A Bold Millennium Round: Some Signposts for Trade and Welfare Gains from Comprehensive Multisector Reforms

-Srikanta CHATTERJEE, Allan N RAE and S. SHAKUR (Massey University)

2. Foreign Direct Investment and Gains from Trade in APEC: Applied General Equilibrium Analysis

-Hiro LEE (Kobe University) and Dominique VAN DER MENSBRUGGHE (World Bank)

3. Policy Options for the East Asian Economic Recovery

-Inwon PARK and Choong-Lyul LEE (Korea University)

4. Trade Liberalization and the Economy of China: A Dynamic CGE Analysis (1997-2010)

-Mitsuo EZAKI (Nagoya University) and LIN Sun (Tsinghua University)

Discussants:

1. Masaru UMEMOTO (International Centre for the Study of East Asian Development)

2. Srikanta CHATTERJEE (Massey University)

3. Shigeyuki ABE (Center for Southeast Asian Studies, Kyoto University)

4. Gotz UEBE (Universtat der Bundeswehr Hamburg)

Session 2b: Firms in Indonesia (Pacific 2, Level 1)

-Chair, CHNG Meng Kng (National University of Singapore)

1. The Waiting Game: Corporate Debt Restructuring in Indonesia

-Kelly BIRD (National Development Planning Agency, Bappenas)

2. Foreign Direct Investment and Wages in Indonesia

-Robert E. LIPSEY and Fredrick SJÖHOLM (National Bureau of Economic Research and National University of Singapore)

3. Foreign Multinationals in Indonesian Manufacturing, 1985-1998: Shares, Relative Size, and Relative Labor Productivity

-Sadayuki TAKII and Eric D. RAMSTETTER (International Centre for the Study of East Asian Development)

4. Multinational Corporations and Tacit Knowledge: Determination of Entry-mode and Impact of Entry

-Gary W. ANDERSON JR. (Instituto Tecnológico Autónomo de México)

Discussants:

1. Hadi SOESASTRO (Center for Strategic and International Studies, Indonesia)

2. Chris MANNING (Australian National University)

3. Hal HILL (Australian National University)

4. Somsak TAMBUNLERTCHAI (Thammasat University)

Session 2c: Exchange rates (Pacific 1, Level 1)

-Chair, Akira KOHSAKA, (Osaka University)

1. Common Currency Arrangements in East Asia: Does a Formal Common-Basket Peg Make Economic Sense?

-Gordon DE BROUWER (Australian National University)

2. On Optimal Basket Peg and Currency Bloc in East Asia

-Jai-Won RYOU and Tae-Joon KIM (Konkuk University)

3. An Estimation of Marshall-Lerner Condition and A Test on J-curve Effect after Currency Crisis in Thailand

-Masaharu NAGASHIMA (Saitama University)

4. Currency Invoicing of Japanese Exporters: Perspectives on the Yen Internationalization in East Asia

-Kiyotaka SATO (International Centre for the Study of East Asian Development)

Discussants:

1. Mohamed ARIFF (Malaysian Institute of Economic Research)

2. Hwee Kwan CHOW (National University of Singapore)

3. Reza SIREGAR (National University of Singapore)

4. Brian P. ROSARIO (University of California, Davis)

15:00-15:30 Coffee Break (Pacific Foyer, Level 1)

15:30-17:30 Parallel Sessions 3a, 3b, 3c

Session 3a: International Trade (Pacific 1, Level 1)

-Chair, Richard POMFRET (University of Adelaide)

1. International Economic Integration and Competitiveness: An Analysis of Market Share of Imports in Manufacturing Industries of Japan, Korea, Taiwan and the United States

-William E. JAMES and Oleksandr MOVSHUK (International Centre for the Study of East Asian Development)

2. A Cointegration Test of Import Demand under Structural Change: An Application to the US-Japan Semiconductor Trade Agreement

-Craig PARSONS (University of Alaska Anchorage)

3. Relative Adjustment Speeds of Export Volumes and Export Prices in Singapore and Hong Kong: What do They Tell?

-Dr. Paul Sau-leung YIP and Dr. Rui-fang WANG (Nanyang Technological University)

4. An Assessment of East Asia's Intra-Industry Trade and Adjustment

-Michael THORPE (Curtin University) and Zhaoyong ZHANG (National University of Singapore)

Discussants:

1. Ludo CUYVERS (University of Antwerp)

2. Chris WALKER (Independent Economic Analysis, Singapore)

3. Yun-Wing SUNG (Chinese University of Hong Kong)

4. S. SHAKUR (Massey University)

Session 3b: Macroeconomics (Pacific 2, Level 1)

-Chair, Basant KAPUR (National University of Singapore)

1. Real Business Cycles In Singapore: An Application Of Structural VAR Modelling

-Keen Meng CHOY (National University of Singapore)

2. Macroeconomics Variables and Their Relationship with Stock Returns: Error Correction Model Evidence from Asian Capital Markets

-Ramin Cooper MAYSAMI and Sim Hsien HUI (Nanyang Technological University)

3. Linkages between Stock Market and Macroeconomic Volatility

-Hwee Kwan CHOW and Kawitha DEVA (Economic Development Board, Singapore)

4. Local Development and the Re-election of an Incumbent Provincial Governor in the Philippines

-O. SOLON, R.V. FABELLA, and J.J. CAPUNO (University of the Philippines)

Discussants:

1. Yanrui WU (University of Western Australia)

2. Sadayuki TAKII (International Centre for the Study of East Asian Development)

3. Colin MCKENZIE (Osaka University)

4. David Alexander REISMAN (Nanyang Technological University)

Session 3c: Household behavior (Pacific 3, Level 1)

-Euston Teong Ewe QUAH (National University of Singapore)

1. Wealth Effects on Household Consumption in Japan: Comparisons with Korea and Taiwan

-Junichi NOMURA (International Centre for the Study of East Asian Development)

2. Central Provident Fund Savings and Retirement of Singaporean Workers

-Cheolsung PARK (National University of Singapore)

3. Unemployment, consumption smoothing, and intra-family transfers in urban China

-XIN Meng (Australian National University)

4. Exploring the Child Schooling Decisions of Households in Rural China

-Denise HARE (Reed College)

Discussants:

1. CHEN Kang (Nanyang Technological University)

2. Chi SCHIVE (Taiwan Academy of Banking and Finance)

3. Shoichi ITO (Kwansei Gakuin University)

4. LIM Boon Tiong (National University of Singapore)

19:00-21:00 Dinner Party (Pacific 3, Level 1)

DAY 2, 18 November 2000

08:15-09:15 Plenary Session 2: Keynote Address (Pacific 3, Level 1)

-Introduction, Shinichi ICHIMURA (International Centre for the Study of East Asian Development)

Regional Cooperation in Asia: Theoretical Background, Recent Movements, and Future Prospects

-Takatoshi Ito, Ministry of Finance, Japan

09:15-09:45 Coffee Break (Pacific Foyer, Level 1)

09:45-11:45 Parallel Sessions 4a, 4b, 4c

Session 4a: Financial Institutions and Markets (Pacific 1, Level 1)

-Chair, Colin MCKENZIE (Osaka University)---not confirmed yet

1. Chaebol, Financial Liberalization, and Economic Crisis: Transformation of Quasi-Internal Organization in Korea

-Chung H. LEE (University of Hawaii at Manoa and East-West Center), Keun Lee (Seoul National University), and Kangkoo Lee (University of Massachusetts)

2. The Influence of Group Affiliation and the Underwriting Process on Emerging Market IPOs: The Case of the Philippines

-Angelo A. UNITE (De La Salle University) and Michael J. Sullivan (University of Nevada, Las Vegas)

3. Financial Liberalization and Saving: Empirical evidence from Selected Asian Economies

-Mervin L. POBRE (Osaka University)

4. Measuring the Insurance Effect on Demand for Hospital Care

-Carlos Antonio R. TAN Jr. (University of the Philippines)

Discussants:

1. Prema-chandra ATHUKORALA (Australian National University)

2. Donghyun PARK (Nanyang Technological University)

3. Junichi NOMURA (International Centre for the Study of East Asian Development)

4. Denise HARE (Reed College)

Session 4b: Distribution and Poverty (Pacific 2, Level 1)

-Chair, Medhi KRONGKAEW (Thammasat University)

1. Income Distribution in Malaysia
-Yukio IKEMOTO (University of Tokyo)
2. The Impact of Industrialization on Income Distribution in Malaysia
-Ragayah Mat ZIN (Universiti Kebangsaan Malaysia)
3. Decomposing Regional Income Inequality in China and Indonesia using Two-Stage Nested Theil Decomposition Method
-Takahiro AKITA (International University of Japan)
4. Service Sector Expansion and the Distribution of Income in the Philippines and Sri Lanka: A Comparative Study
-H. D. KARUNARATNE (University of Colombo)

Discussants:

1. Rahmah ISMAIL (Universiti Kebangsaan Malaysia)
2. Pundarik MUKHOPADHAYA (National University of Singapore)
3. Armida S. ALISJAHBANA (Padjadjaran University)
4. Romeo M. BAUTISTA (International Food Policy Research Institute)

Session 4c: Fiscal and Wage Policies (Pacific 3, Level 1)

-Chair, Mohamed ARIFF (Malaysian Institute of Economic Research)

1. Fiscal Federalism and China's Local Governments: From the Helping Hand to the Grabbing Hand
-CHEN Kang (Nanyang Technological University), Arye L. HILLMAN (Bar-Ilan University), and GU Qingyang (National University of Singapore)
2. Applied General Equilibrium Evaluation of the Tax Reform in China
-TOH Mun Heng and QIAN Lin (National University of Singapore)
3. Does the Fiscal Multiplier Vary with the Deficit Level?
-Chris WALKER (Independent Economic Analysis, Singapore)
4. The Impact of Effective Minimum Wage Increases on General Wage Inflation in Taiwan
-Wen-jen HSIEH (National Cheng Kung University)

Discussants:

1. XIN Meng (Australian National University)
2. Joseph J. CAPUNO (University of the Philippines)
3. Eric C. WANG (National Chung Cheng University)
4. Tatsufumi YAMAGATA (Bangladesh Institute of Development Studies, Institute of Developing Economies, and University of Rochester)

11:45-12:45 Lunch (Summer House, Level 4)

12:45-14:45 Parallel Sessions 5a, 5b, 5c

Session 5a: Firms in Korea (Pacific 1, Level 1)

-Chair, Chung H. LEE (University of Hawaii at Manoa and East-West Center)

1. Market Structure and Tobin's Q in a Developing Country: A Case of Korean Manufacturing Industries
-Myungjai KONG (Keimyung University) and Kwang Doo KIM (Sogang University)
2. Financial Crisis and Credit Crunch in Korea. Evidence from Firm-Level Data
-Eduardo BORENSZTEIN (International Monetary Fund) and Jong-Wha LEE (Harvard University and Korea University)
3. Characteristics and Economic Efficiency of the Newly Emerging Venture Companies in Korea: Comparison with Chaebols and other traditional firms
-Keun LEE and Song Soo KIM (Seoul National University)
4. Member Firm ' s Characteristics and the Financing Behavior in the Internal Capital Market of Large Business Groups in Korea
-Wookwan RHEE (Hansung University)

Discussants:

1. Kelly BIRD (National Development Planning Agency, Bappenas)
2. Atsuko MATSUOKA (International Centre for the Study of East Asian Development)
3. Erich GUNDLACH (Kiel Institute of World Economics)
4. Angelo A. UNITE (De La Salle University)

Session 5b: Labor Markets (Pacific 2, Level 1)

-Chair, Linda LOW (National University of Singapore)

1. Income Differential Determinants Between Skills in the Malaysian Manufacturing Sector.
-Rahmah ISMAIL, Ragayah Hj. Mat ZIN, and Nik Hairi OMAR (Universiti Kebangsaan Malaysia)
2. Lessons from Labor Market Adjustment in the East Asian Crisis With Special Reference to Korea, Thailand and Indonesia
-Chris MANNING (Australian National University)
3. Adjustment Costs and Variability of Employment, Work week and Effort: A Comparative Study of the United States, Japan, Taiwan and Korea
-Tatsufumi YAMAGATA (Bangladesh Institute of Development Studies, Institute of Developing Economies, and University of Rochester)
4. Why is Labor so Militant in S. Korea?
-Bong Joon YOON (State University of New York at Binghamton)

Discussants:

1. H. D. KARUNARATNE (University of Colombo)
2. Ronald RODGERS (National University of Singapore)
3. LIU Pak-Wai (Chinese University of Hong Kong)
4. Yukio IKEMOTO (University of Tokyo)

Session 5c: Environment and Agriculture (Pacific 3, Level 1)

-Hiro LEE (Kobe University)

1. Indonesia's Genuine Saving Rates and Sustainable Development

-Armida S. ALISJAHBANA and Arief Anshory YUSUF (Padjadjaran University)

2. River Water Pollution: An Input-Output Analysis

-Budy P. RESOSUDARMO (Indonesian Government Agency for the Assessment and Application of Technology and Inter University Center-Economics-University of Indonesia)

3. Does Teak Forest Have Ecotourism Value?

-Adis ISRANGKURA (National Institute of Development Administration)

4. Agriculture-based Development: A SAM Perspective on Central Viet Nam

-Romeo M. BAUTISTA (International Food Policy Research Institute)

Discussants:

1. CHANG Youngho (National University of Singapore)

2. Takahiro AKITA (International University of Japan)

3. Mya THAN (Institute of Southeast Asian Studies)

4. Hiro LEE (Kobe University)

14:45-15:15 Coffee Break (Pacific Foyer, Level 1)

15:15-17:15 Parallel Sessions 6a, 6b, 6c

Session 6a: International Economic Policy and Regionalism (Pacific 1, Level 1)

-Chair, CHIA Siow Yue (Institute of Southeast Asian Studies)

1. Political Economy of Regional Trading Arrangements in the Context of the Multilateral Trading System in Asia

-Linda LOW (National University of Singapore)

2. Japan's New Trade Policy: Good or Bad for ASEAN Integration?

-Jean-Francois BRUN (Associate Professor, CERDI/IDREC, CNRS and University Blaise Pascal) and Marie-Aimee TOURRES (ISIS-Malaysia)

3. Thailand and Taiwan: A Comparison of the Sequencing of Capital Account Liberalization

-HU Chia-Chih (Nanyang Technological University)

4. The Effects of Tariff Discrimination on Industrial Location and Welfare: Regional Integration and Rules of Origin

-Masaru UMEMOTO and William E. JAMES (International Centre for the Study of East Asian Development)

Discussants:

1. Chan-Hyun SOHN (Korea Institute for Economic Policy)

2. Hidetaka YOSHIMATSU (International Centre for the Study of East Asian Development)

3. Ulrich HIEMENZ (OECD Development Centre)

4. Michael THORPE (Curtin University)

Session 6b: Technology and Efficiency (Pacific 2, Level 1)

-Chair, Hadi SOESASTRO (Center for Strategic and International Studies, Indonesia)

1. Efficiency of Investment in Asian Economies

-TOH Mun Heng (National University of Singapore) and NG Wai Choong (Singapore, Ministry of Trade and Industry)

2. Causality Between Trade and Productivity in Rapidly Developing Asian Countries: An Empirical Analysis

-Shandre Mugan THANGAVELU and Gulasekaran RAJAGURU (National University of Singapore)

3. A Comparative Analysis of the Growth Process and Innovation in East Asian Machine Tool Industries

-Masatsugu TSUJI and Jong Il CHOE (Osaka University)

4. The Sources of TFP Changes in Hong Kong in a Period Prior to the Financial Crisis

-Sunny Kai-Sun KWONG (The Chinese University of Hong Kong)

Discussants:

1. Shinichi ICHIMURA (International Centre for the Study of East Asian Development)

2. Renuka MAHADEVAN (The University of Queensland)

3. Richard WONG (Hong Kong University)

4. Gavin PEEBLES (National University of Singapore)

Session 6c: Firms in Malaysia and Singapore and Challenges Facing East Timor (Pacific 3, Level 1)

-Chair, Mya THAN (Institute of Southeast Asian Studies)

Discussants:

1. The Location of Petrochemical Corporations in Singapore

-Anthony T.H. CHIN (National University of Singapore)

2. Transaction Costs and Exchange: Eight Case Studies on Small and Medium-sized Firms in Australia and Malaysia

-Ergun DOGAN (Monash University Malaysia), Russell SMYTH and Ian WILLIS (Monash University Australia)

3. The Impact of Government Policy on the Supply Response of Oil Palm, Rubber and Cocoa Producers in Malaysia

-Mohammad HAJI ALIAS, Anizah Md. ALI and Maria Abdul RAHMAN (Universiti Utara Malaysia)

4. East Timor: Development Policy Challenges for the World's Newest Nation

-Hal HILL (Australian National University)

Discussants:

1. DAI Erbiao (International Centre for the Study of East Asian Development)

2. J.Thomas LINDBLAD (University of Leiden)

3. Craig PARSONS (University of Alaska Anchorage)

4. Sumimaru ODANO (Shiga University)

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