

The International Conference of the Association of Korean Economic Studies(AKES) on

Korea and the World Economy XI:

New Challenge for Korea and the World Economy in the Era
of Globalization and Polarization

Seoul Women's University, Korea

July 13 – 14, 2012

Organizers: **Young-Soo Shin**, President, The Association of Korean Economic Studies,
Professor, Seoul Women's University
Kar-yiu Wong, Professor and Director, University of Washington
Research Center for International Economics
Won-Dong Cho, Korea Institute of Public Finance
Tae Young Kang, POSCO Research Institute
Byoung Jun Song, Korea Institute for Industrial Economics & Trade
Chang-Hyun Yun, Korea Institute of Finance

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The Association of Korean Economic Studies (AKES)
Korea Development Institute (KDI)
POSCO Research Institute (POSRI)
Korea Institute of Public Finance (KIPF)
University of Washington, Research Center for International
Economics (RCIE)
Bank of Korea (BOK)

Supporting Units:

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Dasan Institute of Economic Research (DIER)
Korea Development Institute (KDI)
Korea Institute for International Economic Policy (KIEP)
Korea Institute for Industrial Economics & Trade (KIET)
Korea Institute of Public Finance (KIPF)
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For Inquiries

For more information, please visit <http://www.akes.or.kr/eng/conferences.html>

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Overview of the Conference

Thursday, July 12, 2012

19:00-21:00 **Conference Reception: Orchid Hall, Holliday Inn Seoul Seongbuk (2nd floor)**

Friday, July 13, 2012

Venue: Student Hall, Seoul Women's University

08:30-09:00 **Registration**
09:00-10:30 **Session 1: International Trade (Rm 117)**
Session 2: Low Fertility, Aging Population and Labor Market (Rm 301)
Session 3: Economic Development (Rm 302)
10:30-10:45 **Coffee Break**
10:45-12:15 **Session 4: Macroeconomics (Rm 117)**
Session 5: Exchange Rate (Rm 301)
12:30-13:30 **Lunch (Hana Restaurant)**
14:00-15:00 **Welcome Ceremony and Keynote Speech**
15:00-16:30 **Plenary Session: New Challenge for Korea and the World Economy in
the Era of Globalization and Polarization (Rm 114)**
16:30-16:50 **Coffee Break**
16:50-18:20 **Session 6: Financial Crisis (Rm 117)**
Session 7: Foreign Direct Investment (Rm 301)
18:20-18:25 **Group Photo**
18:30-20:00 **Dinner (Triangle Garden or Event Hall, Seoul Women's University)**
Dinner Speech

Saturday, July 14, 2012

Venue: Student Hall, Seoul Women's University

08:30-10:00 **Session 8: Issues on Firm of Asian Countries (Rm 117)**
Session 9: International Finance (Rm 301)
Session 10: Public Finance (Rm 302)
10:00-10:15 **Coffee Break**
10:15-11:45 **Session 11: Free Trade Agreement (Rm 117)**
Session 12: Financial Economics (Rm 301)
Session 13: Monetary Policy (Rm 302)
11:45-12:00 **Coffee Break**
12:00-12:20 **Closing Session (Rm 117)**
12:30-14:00 **Lunch (Hana Restaurant)**
14:00-14:15 **Group Photo**

Program

Friday, July 13, 2012

Venue: Student Hall, Seoul Women's University

08:30-09:00 **Registration**

09:00-10:30 **Session 1: International Trade**

Moderator: Hyun-Hoon Lee (Kangwon National University, Korea)

[*The Long-run Relationship between Investment and Savings in the OPEC Members*](#)

Abbas Aminifard and **Saeed Mansurian Tabae** (Islamic Azad University, Iran)

Discussant: Meeryung La (Seoul National University, Korea)

[*Are Korean goods more competitive in East Asia? An analysis of exports growth and change for the 1991-2011 period*](#)

Tonatiuh Najera Ruiz (SolBridge International School of Business, Korea)

Discussant: Junsang Lee (Korea Development Institute, Korea)

[*U.S. Policy Challenge in a Dual Exchange Rate Regime*](#)

Sven W. Arndt (Claremont McKenna College, USA)

Discussant: Chan-Guk Huh (Chungnam National University, Korea)

Session 2: Low Fertility, Aging Population, and Labor Market

Moderator: Yoshio Okunishi (Hosei University, Japan)

[*The Gender-Specific Effect of Working Hours Reductions on Family Happiness in South Korea*](#)

Robert Rudolf (Korea University, Korea)

Discussant: Kyunghee Chung (Korea Institute for Health and Social Affairs, Korea)

[*What do we know about non-regular workers in Korea*](#)

Jaeho Keum (Korea Labor Institute, Korea) and

Insill Yi (Sogang University, Korea)

Discussant: Robert Rudolf (Korea University, Korea)

Session 3: Economic Development

Moderator: Chung Mo Koo (Kangwon National University, Korea)

[*Inequalities and the Rush to Modernity*](#)

Lex Zhao and **Kazumichi Iwasa** (Kobe University, Japan)

Discussant: Jee-Hyeong Park (Seoul National University, Korea)

[The Comparison of the Aid Allocation of Korea in the 1950s and the 1960s to That of Contemporary Uganda: Are the Lessons from Korean Experiences Applicable to Uganda?](#)

Sung Soo Byun and **Tae Jeong Lee** (Yonsei University, Korea)

Discussant: **Byung In Lim** (Chungbuk National University, Korea)

[Pre-trial Settlement with Imperfect Private Monitoring](#)

Mostafa Beshkar (University of New Hampshire, USA) and

Jee-Hyeong Park (Seoul National University, Korea)

Discussant: **Lex Zhao** (Kobe University, Japan)

10:30-10:45 **Coffee Break**

10:45-12:15 **Session 4: Macroeconomics**

Moderator: **Choung Ook Rhee** (Seoul Women's University, Korea)

[Impacts of Global and Domestic Shocks on Inflation and Economic Growth for Actual and Potential GCC Member Countries](#)

Won Joong Kim (Kangwon National University, Korea) and **Shawkat Hammoudeh** (Drexel University, USA)

Discussant: **Almas Heshmati** (Korea University, Korea)

[The Circular Economy in China: A Review](#)

Biwei Su, **Almas Heshmati** and **Yong Geng** (Korea University, Korea)

Discussant: **Wankeun Oh** (Hankuk University of Foreign Studies, Korea)

[Baumol Effect and the Korean Economy](#)

Wankeun Oh (Hankuk University of Foreign Studies, Korea) and

Kyungsoo Kim (Sungkyunkwan University, Korea)

Discussant: **Weh-Sol Moon** (Seoul Women's University, Korea)

[How to Tackle the Climate Change under the WTO System?](#)

Kiyoun Sohn (University of Incheon, Korea)

Discussant: **Young Seong Yoo** (Gyeonggi Research Institute, Korea)

Session 5: Exchange Rate

Moderator: **Wongun Song** (KERI, Korea)

[DYNAMIC RELATIONSHIP BETWEEN EXCHANGE RATE AND STOCK PRICE: EVIDENCE FROM KOREA](#)

Seong-Min Yoon (Pusan National University, Korea) and

Sang Hoon Kang (Pusan National University, Korea)

Discussant: **Keun Young Lee** (Sungkyunkwan University, Korea)

The Purchasing Power Parity of ASEAN-5 against Europe Exchange Rate: Evidence Using Autoregressive Distributed Lag

Abdalahman AbuDalu (Universiti Utara Malaysia, Kedah, Malaysia) and
Elsadig Musa Ahmed (Multimedia University, Malaysia)

Discussant: **Abbas Aminifard** (Islamic Azad University, Iran)

Exchange Rate Cooperation in ASEAN+3: Implication from comparison of trade patterns of East Asia and ERM countries

Chan-Guk Huh (Chungnam National University, Korea),

Discussant: **Young Se Kim** (Sungkyunkwan University, Korea)

12:30-13:50 **Lunch**

14:00-15:00 **Welcome Ceremony and Keynote Speech**

Moderator: **Weh-Sol Moon** (Seoul Women's University, Korea)

Remarks by Organizers

Young-Soo Shin (President, The Association of Korean Economic Studies)

Kar-yiu Wong (RCIE, University of Washington, USA)

Congratulatory Remark

Kwang-Ja Lee (President, Seoul Women's University)

Keynote Speech

Effective Policy Direction in the Era of Globalization and Polarization

Dongsoo Kim (Chairman, Fair Trade Commission, Republic of Korea)

15:00-16:30 **Plenary Session: New Challenge for Korea and the World Economy in the Era of Globalization and Polarization**

Moderator: **Ehung Gi Baek** (Sangmyung University, Korea)

The Global Financial Crisis and the Korea-China Trade Relations

Kar-yiu Wong (RCIE, University of Washington)

FTA Competition and Beyond: East Asia and Asia-Pacific

Fukunari Kimura (Keio University, Japan)

Polarization and Shared Growth Issues in Korea

Jong Won Lee (Sungkyunkwan University, Korea)

Discussants: **Yoshio Okunishi** (Hosei University, Japan)

Jaeho Keum (Korea Labor Institute, Korea)

16:30-16:50 **Coffee Break**

16:50-18:20 **Session 6: Financial Crisis**

Moderator: Hee Yhon Song (Global University Foundation, Korea)

Interaction between Financial Crisis and International Business Cycles: Evidence from Asia

Seyed Komail Tayebi and **Zahra Zamani** (University of Isfahan, Iran) and **Mosayeb Pahlavani** (University of Sistan and Balouchestan, Iran)

Discussant: Kimie Harada (Chuo University, Japan)

Mega-Mergers' Economic Reasons and Performances: Lessons from Japan

Kimie Harada and **Takatoshi Ito** (Chuo University, Japan)

Discussant: Jin Kim (Dongduk Women's University, Korea)

Session 7: Foreign Direct Investment

Moderator: Taek-Dong Yeo (Yeungnam University, Korea)

Comparative Advantage and Heterogeneous Firms: Revisited with FDI

Jungju Kim and **Jee-Hyeong Park** (Seoul National University, Korea)

Discussant: Lex Zhao (Kobe University, Japan)

Assessing the Internal and External Factors Influencing Foreign Direct Investment in Emerging Countries: A Comparison between Mergers and Acquisitions and Greenfield Investment

Hyung-suk Byunh, **Hyun-Hoon Lee** (Kangwon National University, Korea), and **Cyn-Young Park** (Asia Development Bank)

Discussant: Dick Beason (University of Alberta, Canada)

Trade liberalization and market restructuring through brand mergers and acquisitions

Meeryung La (Seoul National University, Korea)

Discussant: Mikyung Yun (The Catholic University of Korea)

18:20-18:25 **Group Photo**

18:30-20:00 **Dinner**

Best Paper Award Ceremony

(Sponsored by Dasan Institute of Economic Research (DIER))

Moderator: Yeonho Lee (Chungbuk National University, Korea)

2012 Best Paper of Korea and the World Economy

Cyn-Young Park, Ruperto P. Majuca, and Josef T. Yap,
["The 2008 Financial Crisis and Potential Output in Asia: Impact and Policy Implications,"](#)

Vol.12, No.2, pp. 239-280, August 2011.

Dinner Speech

Moderator: In Sill Yi (Sogang University, Korea)

T.B.A.

Won-Dong Cho (President, Korea Institute of Public Finance)

Saturday, July 14, 2012

Venue: Student Hall, Seoul Women's University

08:30-10:00 **Session 8: Issues on Firm in Asian Countries**

Moderator: Beom Cheol Cin (Kyunggi University, Korea)

[Cross-shareholding, returns and entrenchment behavior among Japanese firms, 1990-2008](#)

Dick Beason, Vikas Mehrotra and Ken Gordon (University of Alberta, Canada)

Discussant: Hyun-Hoon Lee (Kangwon National University, Korea)

[Different Types of Firms, Different Types of Products, Different Directions of Trade, and Their Dynamics: The Case of China](#)

Hyun-Hoon Lee (Kangwon National University, Korea), **Jing Wang** (Ulsan University, Korea) and **Donghyun Park** (Asian Development Bank)

Discussant: Sven W. Arndt (Claremont McKenna College, USA)

Session 9: International Finance

Moderator: Ki Heung Kim (Kyonggi University, Korea)

[International Shock Transmission in East Asia and the United States](#)

Kiyotaka Sato and Nagendra Shrestha (Yokohama National University, Japan)

Discussant: Shin-ichi Fukuda (University of Tokyo, Japan)

[The effect of net external credit and financial integration on the response to foreign interest rate shocks: before and after the structural break of South Korea](#)

Young Moo Cho (University of Colorado, USA)

Discussant: **Sang Hoon Kang** (Pusan National University, Korea)

[Strong Sterling Pound and Weak European Currencies in the Crises: Evidence from Covered Interest Parity of Secured Rates](#)

Shin-ichi Fukuda (University of Tokyo, Japan)

Discussant: **Young Moo Cho** (University of Colorado, USA)

Session 10: Public Finance

Discussant: **Byung In Lim** (Chungbuk National University, Korea)

[Optimal Provision of Global Public Goods under Uncertainty: Strategic Transfers and Reservations in a Multilateral Treaty Obligation](#)

Jin Kim (Dongduk Women's University, Korea) and

Seung-jin Shim (Kyungpook National University)

Discussant: **Naoyuki Yoshino** (Keio University, Japan)

[Government Debt Issues and Fiscal Sustainability - Comparison between Greece and Japan](#)

Naoyuki Yoshino (Keio University, Japan) and **Tetsuro Mizoguchi** (Reitaku University, Japan)

Discussant: **See Won Kim** (Chonnam National University, Korea)

[The Effect of R&D investments on Economic Inequality](#)

Sung Tai Kim (Cheongju University, Korea), **Byung In Lim** (Chungbuk National University), and **Myung-kyu Kim** (Chunguk Research Institute)

Discussant: **Tae Kyung Sung** (Jeonju University, Korea)

10:00-10:15 **Coffee Break**

10:15-11:45 **Session 11: Free Trade Agreement**

Moderator: **Fukunari Kimura** (Keio University, Japan)

[A Comparative Analysis of Korea's Free Trade Agreements by CGE Models: New Challenges under Globalization](#)

Linyue Li (Central University of Finance and Economics, China)

Discussant: **Françoise NICOLAS** (French Institute of International Relations, France)

[East Asia Trade Bloc: How Likely and Is It Liked By All?](#)

Wai-Heng Loke (University of Nottingham Ningbo China, China)

Discussant: **Linyue Li** (Central University of Finance and Economics, China)

Korea and economic integration in East Asia

Françoise NICOLAS (French Institute of International Relations, France)

Discussant: **Wai-Heng Loke** (University of Nottingham Ningbo China, China)

Session 12: Financial Economics

Moderator: **Sang Hoon Kang** (Pusan National University, Korea)

Energy stock returns and the Fukushima Nuclear Accidents

Toshio Serita (Aoyama Gakuin University, Japan) and **Peng Xu** (Hosei University; Japan)

Discussant: **Huzaimi Hussain** (Universiti Malaysia Sarawak, Kuching, Malaysia)

Financial structure in the age of Globalization

Thi Hong Hanh PHAM (University of Nantes, France)

Discussant: **Peng Xu** (Hosei University; Japan)

The Behaviors of Government Bonds Returns in Malaysia

Huzaimi Hussain, Abu Hassan Md. Isa, Ahmad Shuib, Puah Chin Hong and **Evan Lau Poh Hok** (Universiti Malaysia Sarawak, Kuching, Malaysia)

Discussant: **Thi Hong Hanh PHAM** (University of Nantes, France)

Session 13: Monetary policy

Moderator: **Jeong Ho Hahm** (University of Incheon, Korea)

Optimal Monetary Policy for Emerging Market Economies under Frictions: A Case of Small Open Economy

Jongheuk Kim (University of Colorado at Boulder, USA)

Discussant: **Tetsuro Mizoguchi** (Reitaku University, Japan)

Interaction between Exchange Rate Pass-Through, Monetary Policies and Prices in Post-Crisis Asian Economies: A Dynamic Analysis

Seyed Komail Tayebi, Seyed Mostafa Razavi and **Mehdi Yazdani** (University of Isfahan, Iran)

Discussant: **Taesu Kang** (Bank of Korea, Korea)

International Financial Business Cycles

Taesu Kang (Bank of Korea) and **Tuan Dao** (Boston College, USA)

Discussant: **Jongheuk Kim** (University of Colorado at Boulder, USA)

11:45-12:00 **Coffee Break**

12:00-12:20 **Closing Session**

Moderator: **Won Joong Kim** (Kangwon National University, Korea)

Young-Soo Shin (President, Association of the Korean Economic Studies)

Kar-yiu Wong (Professor, Director, University of Washington Research
Center for International Economics)

12:30-14:00 **Lunch**

14:00-14:15 **Group Photo**