

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

Korea and the World Economy XV:

'New Economic Paradigm and Sustainable Development'

Korea Federation of Banks, Seoul, Korea

August 5 – 6, 2016

Organizers: **Chang Hyun Yun**, President, The Association of Korean Economic Studies,
University of Seoul

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

Sung-Hwan Shin, President, Korea Institute of Finance (KIF)

Seyeong Ahn, Chairperson, National Research Council for Economics,
Humanities and Social Sciences (NRCS)

Jung Taik Hyun, President, Korea Institute for International Economic
Policy (KIEP)

Organizing Units:

The Association of Korean Economic Studies (AKES)

University of Washington, Research Center for International
Economics (RCIE)

National Research Council for Economics, Humanities and Social
Sciences (NRCS)

Korea Institute of Finance (KIF)

Korea Institute for International Economic Policy (KIEP)

Korea Development Institute (KDI)

Korea Institute of Public Finance (KIPF)

Korea Institute for Industrial Economics & Trade (KIET)

Bank of Korea, Economic Research Institute (BOK, ERI)

Dasan Institute of Economic Research (DIER)

Korea University SSK (NRF-2013-2013S1A3A2054749)

Kyonggi University SSK (NRF-2013-2013S1A3A2042735)

Supporting Units:

KB Kookmin Bank (KB)

Korea Exchange (KRX)

KEB Hana Bank (KEBHB)

Shinhan Bank (SB)

KT Economics & Management Research Institute (KT EMRI)

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SK Research Institute (SKRI)

POSCO Research Institute (POSRI)

Korea Center for International Finance (KCIF)

LG Economic Research Institute (LGERI)
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Korea Asset Management Corporation (KAMCO)
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Korea Deposit Insurance Corporation (KDIC)

Program **Sung Jin Kang**, Korea University (Co-Chair)
Committee: **Kar-yiu Wong**, University of Washington (Co-Chair)
Seong-Hoon Lee, Korea University (Coordinator)
Won Joong Kim, Konkuk University
Shin-ichi Fukuda, University of Tokyo
Charles Harvie, University of Wollongong
Hyung-Gun Kim, Kangwon National University
Fukunari Kimura, Keio University
Yeonho Lee, Chungbuk National University
Donghyun Park, Asia Development Bank
Yasuyuki Sawada, University of Tokyo
Seyed Komail Tayebi, University of Isfahan

Local **Won Joong Kim**, Konkuk University
Organizing **Sukho Lee**, Korea Institute of Finance
Committee: **Taiki Lee**, Korea Institute of Finance

Publication **Sung Jin Kang**, Korea University (Chair, Co-editor of the
Committee: *Journal of Korea and the World Economy*)
Hyeon-seung Huh, Yonsei University
Chung Mo Koo, Kangwon National University
Jae-Young Lim, Korea University
Jai Sheen Mah, Ewha Womans University
Kyounghwook Choi, University of Seoul

For Inquiries

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

Sung Jin Kang, Program Committee Co-Chair (Email: sjkiang@korea.ac.kr)
Seong-Hoon Lee, Program Committee Coordinator (Email: kwe.conference.21@gmail.com)

Overview of the Conference

Thursday, August 4, 2016

19:30-21:30 Conference Reception: [JS Texas Bar and Grill \(Click\)](#) (300m from the [Best Western New Seoul Hotel](#), our designated conference hotel. Meet at the hotel lobby, 19:15)

Friday, August 5, 2016

Venue: Korea Federation of Banks (8th and 14th floor) and YWCA (4th floor), Seoul, Korea

08:30-09:00 Registration (KFB 14th floor)
09:00-10:20 Session 1A: FDI Effects and Firms (KFB 14th floor Room A)
Session 1B: Income Inequality (KFB 8th floor)
Session 1C: Real Estate and Finance (YWCA 4th floor)
10:20-10:40 Coffee Break (KFB 14th floor)
10:40-12:10 Session 2A: Economic Integration and Cost (KFB 14th Rm A)
Session 2B: Banking, Financial Development, and Contagion Effects (YWCA 4th)
12:10-13:30 Lunch (KFB 14th Rm A)
13:30-14:00 Welcome Ceremony (KFB 14th Rm A)
14:00-15:30 Plenary Session I: “Restructuring Korean Economy and Reforming Korean Financial Industry” (KFB 14th Rm A) (Organized by KIF)
15:30-17:00 Session 3A: Bilateral Trade and Economic Cooperation (KFB 14th Rm A)
Session 3B: Economic Growth and Productivity (KFB 8th)
Session 3C: Social Capital, Education, and Household Savings (KFB 14th Rm B)
17:00-17:20 Coffee Break (KFB 14th Rm A)
17:20-18:50 Session 4A: Trade Promotion and Liberalization (KFB 14th Rm A)
Session 4B: Monetary Policy and Economy in Recession (KFB 8th)
Session 4C: Labor and Demographic Economics (KFB 14th Rm B)
19:00-21:00 Dinner (KFB 16th floor: Banker's Club (Restaurant))

Saturday, August 6, 2016

Venue: Korea Federation of Banks (8th and 14th floor), Seoul, Korea

08:30-10:00 Session 5A: Trade and Economic Risks in Asia (KFB 14th Rm A)
Session 5B: Economic Issues for China (KFB 8th)
10:00-10:15 Coffee Break (KFB 14th)
10:15-12:00 Plenary Session II: “Sustainable Development from Grassroots” (KFB 14th Rm A) (Organized by Korea University SSK)
12:00-12:20 Closing Session (KFB 14th floor Rm A)
12:20-12:30 Group Photo

Program

Friday, August 5, 2016

Venue: Korea Federation of Banks, Seoul, Korea

08:30-09:00 **Registration (KFB 14th floor)**

09:00-10:20 **Session 1A: FDI Effects and Firms (KFB 14th Rm A)**

Moderator: Seyed Komail Tayebi (University of Isfahan, Iran)

[*A Theoretical Study on the Impacts of FDI on the Host Nation: A Case Study of FDI from SAMSUNG ELECTRONICS VIETNAM to Society of Bac Giang Province*](#)

Hue Nguyenthidung (Foreign Trade University, Vietnam)

Discussant: Thanet Wattanakul (Khon Kaen University, Thailand)

[*Does FDI Crowd Out Domestic Firms?: Micro-Level Evidence from the Republic of Korea*](#)

Hyelin Choi (Korea Institute for International Economic Policy, Korea)

Discussant: Hue Nguyenthidung (Foreign Trade University, Vietnam)

[*Economic Factors Influence Foreign Direct Investment from THAILAND to LAOS PDR*](#)

Thanet Wattanakul (Khon Kaen University, Thailand)

Discussant: Hyelin Choi (KIEP, Korea)

Session 1B: Income Inequality (KFB 8th floor)

Moderator: Won Joong Kim (Konkuk University, Korea)

[*Entrepreneurship and Income Distribution Dynamics: Why Are Top Income Earners Unaffected by Business Cycles?*](#)

Noh-Sun Kwark* (Sogang University, Korea), **Eunseoung Ma** (Texas A&M University, USA)

Discussant: Tsagaach Geleg (National University of Mongolia, Mongolia)

[*Income Inequality Changes in Growing Economies: The Case of Mongolia*](#)

Tsagaach GELEG* (National University of Mongolia, Mongolia), **Bayarmaa Dalkhjav** (National University of Mongolia, Mongolia)

Discussant: Noh-Sun Kwark (Sogang University, Korea)

Session 1C: Real Estate and Finance (YWCA 4th floor)
Moderator: Yasuyuki Sawada (University of Tokyo, Japan)

The Co-movement of House Price and Stock Price with Shocks

Jae-Ho Yoon (POSCO Research Institute, Korea)
Discussant: Kwanho Kim (Chungbuk National University, Korea)

Residential Property Prices in China

Sanae Ohno (Musashi University, Japan) and **Peng Xu*** (Hosei University, Japan)

Discussant: Jae-Ho Yoon (POSCO Research Institute, Korea)

Effect of Liquidity on the Implied Volatility Surface in Interest Options Markets

Kwanho Kim (Chungbuk National University, Korea)
Discussant: Peng Xu (Hosei University, Japan)

10:20-10:40 **Coffee Break (KFB 14th floor)**

10:40-12:10 **Session 2A: Economic Integration and Trade Cost (KFB 14th Rm A)**
Moderator: Yunjong Wang (SK Research Institute, Korea)

Regional Comprehensive Economic Partnership (RCEP) FTA: Reducing Trade Cost through Removal of Non-Tariff Measures

Rajan Sudesh Ratna and **Jing Huang** (UNESCAP, Thailand)
Discussant: Chin-Ho Lin (Keio University, Japan)

The Impact of Tariff Rates on the Probability of Trade Relationships Survival: Evidence from ASEAN+6 Manufactured Goods

Chin-Ho Lin (Keio University, Japan)
Discussant: Rajan Sudesh Ratna (UNESCAP, Thailand)

Session 2B: Banking, Financial Development and Contagion Effects (YWCA 4th floor)

Moderator: Shin-chi Fukuda (University of Tokyo, Japan)

The Effects of the United States Monetary Stimulus (Quantitative Easing) Towards the Indonesian Economic Fluctuations

Insukindro* (Universitas Gadjah Mada, Indonesia); **Dyah Savitri Pritadrajati** (Universitas Gadjah Mada, Indonesia)

Discussant: Seong-Min Yoon (Pusan National University, Korea)

[Contagion Effects and Volatility Impulse Response from U.S. to Asian Stock Markets](#)

Sang Hoon Kang (Pusan National University, Korea), **Hee Un Ko** (Pusan National University, Korea), **Seong-Min Yoon*** (Pusan National University, Korea)

Discussant: **Kimie Harada** (Chuo University, Japan)

[Pre- and Post-merger Performances of Shinkin Banks \(Cooperative Banks\) in Japan: Panel Analysis](#)

Kimie Harada* (Chuo University, Japan) and **Kimiyo Kitamura** (Chuo University, Japan)

Discussant: **Insukindro** (Universitas Gadjah Mada, Indonesia)

12:10-13:30 **Lunch (KFB 14th floor)**

13:30-14:00 **Welcome Ceremony and Keynote Speech (KFB 14th Floor Room A)**

Moderator: **Won Joong Kim** (Konkuk University, Korea)

Remarks by Organizers

Chang Hyun Yun (President, The Association of Korean Economic Studies, Korea)

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

Congratulatory Remark

Seyeoung Ahn (Chairperson, National Research Council for Economics, Humanities, and Social Sciences, Korea)

14:00-15:30 **Plenary Session I: “Restructuring Korean Economy and Reforming Korean Financial Industry” (KFB 14th floor Room A) (Organized by KIF)**

Moderator: **Chang Hyun Yun** (University of Seoul, Korea)

[Restructuring the Korean Economy](#)

Kwanho Shin (Korea University, Korea)

[Enhancing Competitiveness of Korea's Financial Industries](#)

John Jungun Oh (Konkuk University, Korea)

Discussants:

Taiki Lee (Korea Institute of Finance, Korea)

Joo-Ha Nam (Sogang University, Korea)

Dongwon Kim (Korea University, Korea)

Hyun Jong Kim (Korea Economic Research Institute, Korea)

15:30-17:00 **Session 3A: Bilateral Trade and Economic Cooperation (KFB 14th Rm A)**
Moderator: Kiheung Kim (Kyonggi University, Korea)

Standards and International Trade between Japan and the European Union

Sho Haneda (Nihon University, KIEP, Japan)

Discussant: Sunitha Raju (Indian Institute of Foreign Trade, India)

Potentials of Iran-Korea Economic Cooperation: An Emphasis on Maritime Industries

Seyed Komail Tayebi and Zahra Zamani (University of Isfahan, Iran)

Discussant: Sho Haneda (Nihon University, KIEP, Japan)

An Analysis of India – South Korea Bilateral Trade Developments

Sunitha Raju (Indian Institute of Foreign Trade, India)

Discussant: Seyed Komail Tayebi (University of Isfahan, Iran)

Session 3B: Economic Growth and Productivity (KFB 8th floor)

Moderator: Hyungna Oh (Kyunghee University, Korea)

Environmental Input and the Prospect of Sustainable Growth in China

Yanqing Jiang* and **Qizhi Wu** (Shanghai International Studies University, China)

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

Establishing the Effect of Human Capital on Productivity Level in South Africa

Wakilat Balogun* (Lagos State Polytechnic, Nigeria), **Jauhari Dahalan** (Universiti Utara Malaysia, Malaysia), **Sallahuddin Hassan** (Universiti Utara Malaysia, Malaysia)

Discussant: Yanqing Jiang (Shanghai International Studies University, China)

Extended Fisher Index Decomposition of Changes in Japanese Energy Intensity

Wankeun Oh (Hankuk University of Foreign Studies, Korea)

Discussant: Insong Jang (National Assembly Budget Office, Korea)

Session 3C: Social Capital, Education and Household Savings (KFB 14th Rm B)

Moderator: Sun Eae Chun (Chung-Ang University, Korea)

Less Parental Resources, Less Possibility to go to College? Effects of Parental Divorce and Job Loss on Child Education

Yen-Chien Chen (National Chi Nan University, Taiwan) and **Jin-Tan Liu** (National Taiwan University and NBER Research Associate, Taiwan)

Discussant: Jieun Lee (University of Illinois, USA)

[*A Comparative Study of Household Savings between Japan and Korea*](#)

Joong-Ho Kook (Yokohama City University, Japan)

Discussant: **Yen-Chien Chen** (National Chi Nan University, Taiwan)

[*Baby-Boomers' Investment in Social Capital: Evidence from the Korean Longitudinal Study of Ageing*](#)

Vladimir Hlasny (Ewha Womans University, Korea), **Jieun Lee** * (University of Illinois, USA)

Discussant: **Joong-Ho Kook** (Yokohama City University, Japan)

17:00-17:20 **Coffee Break (KFB 14th floor)**

17:20-18:50 **Session 4A: Trade Promotion and Liberalization (KFB 14th Rm A)**

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

[*Are Seminars for Export Promotion Effective? Evidence from a Randomized Controlled Trial*](#)

Yu Ri Kim * (University of Tokyo, Japan), **Daichi Shimamoto** (Waseda University, Japan), **Petr Matous** (University of Sydney, Australia), **Yasuyuki Todo** (Waseda University, Japan)

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

[*Do Hallyu \(Korean wave\) Exports Promote Korea's Consumption Goods Exports?*](#)

Chan-Guk Huh *, **Wu Jie** and **Sun Fulai** (Chungnam National University, Korea)

Discussant: **Sang Ho Yoon** (Korea Economic Research Institute, Korea)

[*Relationship of Government Openness and Income*](#)

Eun G. Park (McGill University, Canada) and **Wankeun Oh** * (Hankuk University of Foreign Studies, Korea)

Discussant: **Yu Ri Kim** (University of Tokyo, Japan)

Session 4B: Monetary Policy and Economy in Recession (KFB 8th floor)

Moderator: **Yeonho Lee** (Chungbuk National University, Korea)

[*Bank Competition and the Bank-lending Channel of Monetary Policy Transmission: Evidence from China*](#)

Nan Li (Henan University of Economics and Law, China) and **Yeonho Lee** (Chungbuk National University, Korea)

Discussant: **Dong Heon Kim** (Korea University, Korea)

[*On the Vulnerability of Quantitative Easing Policy and Negative Interest Policy*](#)

Masayuki Otaki (University of Tokyo, Japan)

Discussant: **Nan Li** (Henan University of Economics and Law, China)

[Bad News in the Great Depression, the Great Recession, and Other U.S. Recessions: A Comparative Study](#)

Jean-Paul L'Huillier (Einaudi Institute for Economics and Finance, Italy) and **Donghoon Yoo*** (University of Lausanne, Switzerland)

Discussant: **Masayuki Otaki** (University of Tokyo, Japan)

Session 4C: Labor and Demographic Economics (KFB 14th Rm B)

Moderator: **Yen-Chien Chen** (National Chi Nan University, Taiwan)

[Do Ageing Societies Need More Immigrants to Provide the Elderly with Care?](#)

Akira Shimada* (Nagasaki University, Japan) and **Tatsuyoshi Miyakoshi** (Hosei University, Japan)

Discussant: **Hazrul Izuan Shahiri** (National University of Malaysia, Malaysia)

[Self Selection Bias in Compensating Wage Differential Theory: Evidence from Vulnerable Workers in Malaysian Labor Market](#)

Zulkifly Osman (National University of Malaysia, Malaysia) and **Hazrul Izuan Shahiri*** (National University of Malaysia, Malaysia)

Discussant: **Jaimie Sung** (Korea University of Technology and Education, Korea)

[The Recognition Gap of the Socio-Economic Status and the Subjective Life Satisfaction](#)

Jaimie Sung (Korea University of Technology and Education, Korea) and **Joyup Ahn** (Korea Labor Institute, Korea)

Discussant: **Akira Shimada** (Nagasaki University, Japan)

19:00-21:00 **Dinner (KFB 16th floor: Banker's Club (Restaurant))**

Best Paper Award Ceremony

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

Moderator: **Sung Jin Kang** (Korea University, Korea)

2015 Best Paper of Korea and the World Economy

Badassa Wolteji Chala, Kazunobu Hayakawa and Hyun-Hoon Lee,
[“Financial Risk and Cross-border M&A”](#),

Vol.16, No.3, pp. 311-344, December 2015.

Dinner Speech

Moderator: **Chang Hyun Yun** (University of Seoul, Korea)

Sung-Hwan Shin (President, Korea Institute of Finance, Korea)

Saturday, August 6, 2016

Venue: Korea Federation of Banks, Seoul, Korea

08:30-10:00 **Session 5A: Trade and Economic Risks in Asia (KFB 14th Rm A)**

Moderator: Young-Soo Shin (Seoul Women's University, Korea)

Institutional Quality and ASEAN Trade Flows

Tran Nhuan Kien* (Thai Nguyen University, Vietnam), **Yoon Heo** (Sogang University, Korea), **Nguyen Thi Thanh Huyen** (Thai Nguyen University of Economics and Business Administration, Vietnam)

Discussant: Donghyun Park (Asian Development Bank, Philippines)

Bank Outreach and Performance: Evidence from Banking Efficiency in Sri Lanka

Bolanda Thilakaweer, **Charles Harvie***, **Amir Arjomandi** (University of Wollongong, Australia)

Discussant: Won Joong Kim (Konkuk University, Korea)

Deflation in Asia: Should the Dangers be Dismissed?

Barry Eichengreen (UC Berkeley, USA), **Donghyun Park*** (Asian Development Bank, Philippines), **Kwanho Shin** (Korea University, Korea)

Discussant: Charles Harvie (University of Wollongong, Australia)

Session 5B: Economic Issues for China (KFB 8th floor)

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

Exchange Rate Movements, Political Environment and Chinese Outward FDI in Countries along "One Belt One Road" Initiative

Wen Jing ZU* (Zhejiang University, China), **Hai Yue LIU** (Sichuan University, China), **Ying Jiang** (Sichuan University, China)

Discussant: Kyungsoo Kim (Sungkyunkwan University, Korea)

Implications of RMB Internationalization: the Korean Experience

Kyungsoo Kim (Sungkyunkwan University, Korea)

Discussant: Wen Jing Zu (Zhejiang University, China)

Some International Policy Issues for China

Nathalie Aminian* (University of Rouen, France), **K. C. Fung** (University of California, USA), **Alicia Garcia-Herrero** (BBVA)

Discussant: Chen-Min Hsu (National Taiwan University, Taiwan)

10:00-10:15 **Coffee Break (KFB 14th floor)**

10:15-12:00 **Plenary Session II: “Sustainable Development from Grassroots: Education, Community, and Politics” (KFB 14th Rm A) (Organized by Korea University SSK)**

Moderator: **Sung Jin Kang** (Korea University, Korea)

[The Field Experiment Revolution in Economics Research: Insights from Development Economics](#)

Hisaki Kono (Kyoto University, Japan), **Yasuyuki Sawada** (University of Tokyo, Japan) and **Abu S. Shonchoy** (New York University, USA)

[Altruism or Exchange? Experimental Evidence on the Motives behind Private Transfers in Sri Lanka](#)

Takeshi Aida (National Graduate Institute for Policy Studies, Japan) and **Yasuyuki Sawada** (University of Tokyo, Japan)

[Disaster Aid Targeting and Political Connection: Evidence from the Philippines](#)

Yuki Higuchi (Nagoya City University, Japan)

[The Impact of On-the-job Training on Employment and Earnings: Dual Training System in the Philippines](#)

Yamauchi Futoshi (World Bank, USA), **Taejong Kim*** (KDI School, Korea), **Kye Woo Lee** (KDI School, Korea) and **Marites Tiongco** (De La Salle University, Philippines)

Discussants: **Hyelim Son** (University of Seoul, Korea)
Yasuyuki Sawada (University of Tokyo, Japan)
Booyuel Kim (KDI School, Korea)

12:00-12:20 **Closing Session (KFB 14th floor Room A)**

12:20-12:30 **Group Photo**