The 6th International Conference
of
the Japan Economic Policy Association

"Asian Economic Initiative:
How Do We Integrate Our Economies?"

December 2-3, 2006

Aoyama Gakuin University
4-4-25 Shibuya, Shibuya-ku
Tokyo 150-8366, JAPAN
SESSION PROGRAM

December 2nd 2006, 10:00-12:00  International Conference Hall, Research Institute Building 12th Floor
Opening Session: 10:00-10:30

Plenary Session I: 10:30-12:00 "Asian Economic Initiative: How Do We Integrate Our Economies?"
Chair: Prof. Eiji OGAWA (Hitotsubashi University, JAPAN)
Financial Integration in East Asia
Guest Speaker: Dr. Atchana WAIQUAMDEE (Bank of Thailand, THAILAND)
East Asian Economic Integration: Progress and Prospects
Guest Speaker: Dr. Junggun OH (The Bank of Korea, KOREA)

December 2nd 2006, 13:30 – 15:30  Research Institute Building 9F Conference Room #18
Session A-1: Trade and International Policy (1)
Chair: Elsadig Musa AHMED  Multimedia University, MALAYSIA
Reducing the Trade Deficit between Japan and South Asia
Speaker: Monir Hossain MONI  Waseda University, JAPAN
Discussant: Manabu FUJIMURA  Aoyama Gakuin University, JAPAN
Negotiated Trade Quotas with Asymmetric Countries and Varying Market Size
Speaker: Genoveva PERJU  Technical University of Iasi, ROMANIA
Discussant: Tetsuro OKAZAKI  Chiba University of Commerce, JAPAN

Understanding on Rules and Procedures Governing the Settlement of Disputes:
A Review from the Developing and Least Developed Countries Perspective
Speaker: Somesh K. MATHUR  Research and Information System for Developing Countries, INDIA
Discussant: Genoveva PERJU  Technical University of Iasi, ROMANIA
Does the Gravity Model Explain India’s Direction of Trade? A Panel Data Approach
Speaker: Ranajoy BHATTACHARYYA  University of Calcutta, INDIA
Tathagata BANDOPADHYAY  Indian Institute of Management, INDIA
Discussant: Katsuyoshi OKUI  Otemon Gakuin University, JAPAN

December 2nd 2006, 13:30 – 15:30  Research Institute Building 9F Conference Room #16
Session B-1: Economic Growth and Productivity (1)
Chair: Yujiro OIWA  Tokyo International University, JAPAN
Japan’s Liquidity Sump: An Alternative Interpretation of the “Lost Decade”
Speaker: James R. RHODES  National Graduate Institute for Policy Studies, JAPAN
Discussant: Hideaki MURASE  Nagoya City University, JAPAN
### Session C-1: Industrial Organization (1)

**Chair:** Akio TORII  
Yokohama National University, JAPAN

#### ICT and Firm-level Performance in the Philippines
- **Speaker:** Niño Alejandro Q. MANALO  
University of the Philippines Los Banos, PHILIPPINE
- **Discussant:** Hideyuki TANAKA  
University of Tokyo, JAPAN

#### Food Traceability System - An Application of Integrating Our Information Economics
- **Speaker:** Li-Hsien CHIEN  
National Chung-Hsing University, TAIWAN
- **Discussant:** Hiroyuki KAWANOBE  
Tokai University, JAPAN

#### Modeling Stock Returns by the Fama-French Model with Macroeconomic Instrumental Variables
- **Speaker:** Long Vu Thang PHAM  
Osaka University, JAPAN
- **Discussant:** Hiromitsu TAKEMI  
Chiba University of Commerce, JAPAN

#### Why Investment Under-perform in Post-Crisis Indonesia?
- **Speaker:** Agustinus PRASETYANTOKO  
Ecole Normale Supérieure, FRANCE
- **Discussant:** Masumi KISHI  
Chuo University, JAPAN
December 2nd, 16:00-17:30  International Conference Hall, Research Institute Building 12th Floor

Special Session: "Roles of Korea and Japan in Overcoming East Asian Regional Challenges"

Chair: Prof. Soichi OHTA (Keio University, JAPAN)

**Issues and Challenges of the Monetary Integration in East Asia: A Korean Perspective**

Guest Speaker: Dr. Deok Ryong YOON (Korea Institute for International Economic Policy, KOREA)

**The Evolutionary Process of East Asia's Monetary Integration**

Guest Speaker: Prof. Inchul KIM (Sung Kyun Kwan University, KOREA)

**International Deployment of Electronic Materials Industry of Japan - Cases of Electronic Display Materials**

Guest Speaker: Prof. Ryoichi NAMIKAWA (Iwate Prefectural University, JAPAN)

**The Effects of FDI, Capital Accumulation and Technological Transfer on Term of Trade**

Guest Speaker: Prof. Yuko ARAYAMA (Nagoya University, JAPAN)

Welcome Banquet: 18:00-20:00  IVY HALL, 3rd Floor, Room "NARUDO"

* * * December 3rd(2nd day) * * *

December 3rd 2006, 9:30 – 11:30  Goucher Memorial Hall  4F  15401

**Session A-2: Trade and International Policy (2)**

Chair: Yasumi MATSUMOTO  Waseda University, JAPAN

**Exchange Rate Policy and the Relative Distribution of FDI between Host Countries**

Speaker  Yuqing XING  International University of Japan, JAPAN

Discussant  Yoshihide UCHIYAMA  Aoyama Gakuin University, JAPAN

**Exchange Rate Changes and Income Redistribution**

Speaker  Yongkul WON  University of Seoul, KOREA

Hyeonsoo KANG  University of Seoul, KOREA

Discussant  Tai-kuang HO  National Chung Cheng University, TAIWAN

**International Effects of Intellectual Property Rights Protection on Growth and Welfare**

Speaker  Kenichiro IKESHTTA  Kanazawa University, JAPAN

Discussant  Michel DIMOU  University of La Réunion, FRANCE

December 3rd 2006, 9:30 – 11:30  Goucher Memorial Hall  4F  15402

**Session B-2: Economic Growth and Productivity (2)**

Chair: Keisuke OSUMI  Kyushu University, JAPAN

**Persistence in the Australian Great Ratios**

Speaker  Philip I. JI  Monash University, AUSTRALIA

Discussant  Keisuke OSUMI  Kyushu University, JAPAN

**Kojima's Correspondence Principle Revisited**

Speaker  Mohamed SAADI  University of Marne la Vallée, FRANCE
Discussant Norihito TANAKA  Kanagawa University, JAPAN

The Productivity Trends in Thai Manufacturing Sector:
   The Pre- and Post-Crisis Evidence Relating to the 1997 Economic Crisis
Speaker Suwannee ARUNSAWADIWONG  University of St. Andrews, UK
Discussant Hui Boon TAN  University Putra, MALAYSIA

Financial System and Growth: The Japanese Case
Speaker Manish SHARMA  Chuo University, JAPAN
Discussant Federico GUERRERO  University of Nevada, USA

December 3rd 2006, 9:30 – 11:30  Goucher Memorial Hall  4F 15405

Session C-2: Industrial Organization (2)

Chair: Tatsuya OMURA  Keio University, JAPAN

Issues of Profitability and Non-profitability in Medical Institutions
Speaker Manami HORI  Tokai University, JAPAN
Discussant Wade PFAU  National Graduate Institute for Policy Studies, JAPAN
Information Technology and Total Factor Productivity in Japan

Speaker Kazunori MINETAKI Fujitsu Research Institute, JAPAN
Shingo OKUMA Fujitsu Research Institute, JAPAN
Hideo NODA Yamagata University, JAPAN

Discussant Niño Alejandro Q. MANALO University of the Philippines Los Banos, PHILIPPINE

Hypotheses on De-involution in Rural China

Speaker Richard SANDERS University of Northampton, UK
Yang CHEN University of Northampton, UK

Discussant Yingtong GUO Business School of Jilin University, CHINA

December 3rd 2006, 9:30 – 11:30 Goucher Memorial Hall 4F 15406

Session D-2: Economic Integration and Comparative Analysis (1)

Chair: Toshiyuki KAGAWA Keio University, JAPAN

The Effect of Foreign Investments on Dynamic Adjustment of Domestic Stock and Exchange Rate Markets: A Comparative Study under Fixed and Flexible Exchange Rate Systems

Speaker Lee-jung LU Feng Chia University, TAIWAN
Shin-wen HU Feng Chia University, TAIWAN
Yung-lieh YANG Ling Tung University, TAIWAN

Discussant Tomomi MIYAZAKI Nagoya Gakuin University, JAPAN

Should China Move to Free Exchange Rate Regime? — A Comparative Study between China and Japan

Speaker Ping HE Kyoto University, JAPAN
Fenjuan HE Ningxia University, CHINA

Discussant Madhusudan GHOSH Visva-Bharati University, INDIA

Political and Institutional Determinants of Fiscal Adjustments: Evidence from OECD Countries

Speaker Tomomi MIYAZAKI Nagoya Gakuin University JAPAN
Discussant Ferran BRUNET Universitat Autònoma de Barcelona, SPAIN

December 3rd 2006, 9:30 – 11:30 Goucher Memorial Hall 4F 15407

Session E-2: Monetary Policy and International Finance (1)

Chair: Koji SHINJO Kwansei Gakuin Universit, JAPAN

Is Money Endogenous in Japan? An Empirical Study

Speaker Ziyodullo PARPIEV National Graduate Institute for Policy Studies, JAPAN
Discussant Albert WIJEWEERA University of New England, AUSTRALIA

Regional Effects of Chinese Monetary Policy

Speaker Bienvenido CORTES Pittsburg State University, USA
Dangfeng KONG Shandong University, CHINA

Discussant Ryokichi CHIDA Meiji University, JAPAN

An Empirical Analysis of the Effects of Sri Lankan Monetary Policy Shocks on Exchange Rates

Speaker Albert WIJEWEERA University of New England, AUSTRALIA
Brian DOLLEY University of New England, AUSTRALIA

Discussant Kazuhito HABARA Kyoto Sangyo University, JAPAN
### Session F-2: Resource and Environmental Policy (1)

**Chair:** Prof. Akinori KUMAGAI  
Aoyama Gakuin University, JAPAN

**An Economic Analysis of Consumer’s Restraining Behavior on the Generation of Waste Products**  
**Speaker:** Hideyuki AKAISHI  
Hosei University, JAPAN  
**Discussant:** Akira KINOSHITA  
Chiba University of Commerce, JAPAN

**Enhancing Utilization Efficiency of Irrigation through Ground Water Markets:**  
_A Study from Assam in Eastern India_  
**Speaker:** Mrinal Kanti DUTTA  
Indian Institute of Technology Guwahati, INDIA  
**Discussant:** Hideo KOIDE  
Seinan Gakuin University, JAPAN

**Caps vs. Safety Valves in Designing Emissions Markets**  
**Speaker:** Akira MAEDA  
Kyoto University, JAPAN  
**Discussant:** Yoshiaki USHIFUSA  
University of Kitakyushu, JAPAN

**An Economic Analysis of Trade on Used Goods for Recycling**  
**Speaker:** Kazuka NAMBU  
Meiji University, JAPAN  
**Discussant:** Alvin P. ANG  
University of Santo Tomas, PHILIPPINE

### Session G-2: Human Capital and Labor Economics (1)

**Chair:** Jose V. CAMACHO Jr.  
Kyoto University, JAPAN

**Heterogeneous Individuals and Optimal Level of Higher Education**  
**Speaker:** CAI Dapeng  
Nagoya University, JAPAN  
Ryuhei OKUMURA  
Nagoya University, JAPAN  
**Discussant:** Akira YOKOYAMA  
Chuo University, JAPAN

**IT, Gender, and the Digital Divide in Developing Countries**  
**Speaker:** Hassan Mujtaba Nawaz SALEEM  
University of the West of England, UK  
Nuzhat AHMAD  
Applied Economic Research Center, PAKISTAN  
Azhar IQBAL  
State University of New York at Albany, USA  
**Discussant:** Li-Hsien CHIEN  
National Chung-Hsing University, TAIWAN

**Long-term Residence of Foreign Scientists and Engineers in Japan**  
**Speaker:** Yukiko MURAKAMI  
Waseda University, JAPAN  
**Discussant:** Yasuhide TANAKA  
Kobe University, JAPAN

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### Session A-3: Trade and International Policy (3)

**Chair:** Yoshitomo KIYOKAWA  
Doshisha University, JAPAN

**The Determinants of Post-Crisis Exchange Rate Practices**  
**Speaker:** Tai-kuang HO  
National Chung Cheng University, TAIWAN
Discussant: Hikari BAN  
Kobe Gakuin University, JAPAN

Agricultural Trade among Asian Countries: Opportunities for Enhancing Cooperation and Integration

Speaker  
Minda C. MANGABAT  
Bureau of Agricultural Statistics, PHILIPPINE
Antonette P. NATIVIDAD  
Bureau of Agricultural Statistics, PHILIPPINE

Discussant: Shingo KIMURA  
Ministry of Agriculture, Forestry and Fisheries of Japan, JAPAN

Degree of Capital Account Openness and Macroeconomic Volatility in India—An Empirical Analysis

Speaker  
Lekshmi R. NAIR  
Institute for Financial Management and Research, Chennai, INDIA

Discussant: Tesshu KOSHIBA  
Tohoku Gakuin University, JAPAN

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Session B-3: Economic Growth and Productivity (3)

Chair: Yuko ARAYAMA  
Nagoya University, JAPAN


Speaker  
Mosayeb PAHLAVANI  
University of Sistan and Baluchistan, IRAN
Charles HARVIE  
University of Wollongong, NEW SEALEND

Discussant: Yongkul WON  
University of Seoul, KOREA

Productivity Driven Achievement: Evidence from ASEAN5 Plus 3

Speaker  
Elsadig Musa AHMED  
Multimedia University, MALAYSIA

Discussant: Mitsuo EZAKI  
Nagoya City University, JAPAN

Insularity and Growth: Lessons from the French Overseas Regions’ Experiences

Speaker  
Michel DIMOU  
University of La Réunion, FRANCE
Serge SVIZZERO  
University of La Réunion, FRANCE

Discussant: W. Robert J. ALEXANDER  
University of Otago, NEW ZEALAND

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Session C-3: Industrial Organization (3)

Chair: Mitsuo SASAKI  
Nihon University, JAPAN

Mixed Duopoly, Privatization and the Shadow Cost of Public Funds: Exogenous and Endogenous Timing

Speaker  
Carlo CAPUANO  
University of Naples Federico II, ITALY
Giuseppe DE FEO  
University of Naples Federico II, ITALY

Discussant: Toshihiro MATSUMURA  
University of Tokyo, JAPAN

Incentives on Breach of Contract, Settlement and Litigation

Speaker  
Kotaro UCHINO  
Kobe University, JAPAN

Discussant: Carlo CAPUANO  
University of Naples Federico II, ITALY

Emerging and Established Contractor Sectors in the South African Construction Industry: Success Factors as an Effective Integration Strategy

Speaker  
Emeka EGBEONU  
University of the Witwatersrand, SOUTH AFRICA

Discussant: Yoshihiko AKASHI  
Osaka City University, JAPAN
### Session D-3: Economic Integration and Comparative Analysis (2)

**Chair:** Reishi MARUYA  
Kobe University, JAPAN

**Economic Integration, FDI and ASEAN-Japan Trade Flows**

- **Speaker:** Hui Boon TAN  
  Universiti Putra, MALAYSIA
- **Speaker:** Chen Chen YONG  
  Multimedia University, INDIA
- **Discussant:** Yuqing XING  
  International University of Japan, JAPAN

**Regional Economic Integration and Convergence in Asia**

- **Speaker:** Madhusudan GHOSH  
  Visva-Bharati University, INDIA
- **Discussant:** Charles HARVIE  
  University of Wollongong, AUSTRALIA

**Three Cases for Monetary Integration in East Asia**

- **Author(s):** Ulrich VOLZ  
  Free University of Berlin and HWWA/HWWI, GERMANY
- **Discussant:** Manabu FUJIMURA  
  Aoyama Gakuin University, JAPAN

### Session E-3: Monetary Policy and International Finance (2)

**Chair:** Naotsugu HAYASHI  
Hosei University, JAPAN

**Money Illusion and Its Implication for Monetary Policy**

- **Speaker:** Ryokichi CHIDA  
  Meiji University, JAPAN
- **Speaker:** Yasuhiro TSUKAHARA  
  Meiji University, JAPAN
- **Discussant:** Bienvenido CORTEZ  
  Pittsburg State University, USA

**Estimating the Dynamics of Interest Rates in the Japanese Economy**

- **Speaker:** K. Ben NOWMAN  
  University of Westminster, UK
- **Speaker:** Trino-Manuel NIGUEZ  
  University of Westminster, UK
- **Discussant:** Mitsuhiko SATAKE  
  Ryukoku University, JAPAN

**Why Investment Under-perform in Post-Crisis Indonesia?**

- **Speaker:** Agustinus PRASETYANTOKO  
  Ecole Normale Supérieure, FRANCE
- **Discussant:** Masumi KISHI  
  Chuo University, JAPAN

### Session F-3: Resource and Environmental Policy (2)

**Chair:** Mrinal Kanti DUTTA  
Indian Institute of Technology Guhahti, INDIA

**Waste Management Policies Dealing with Illegal Disposal and Concealment**

- **Speaker:** Hideo KOIDE  
  Seinan Gakuin Universit, JAPAN
- **Discussant:** Akira MAEDA  
  Kyoto University, JAPAN

**A Possibility of Voluntary Investment against Global Warming: From the View of Public Choice**

- **Speaker:** Yutaka ITO  
  Yokohama College of Commerce, JAPAN
- **Discussant:** Masahiro YABUTA  
  Chuo University, JAPAN

**Environmental Policy and Induced Technological Change: A Two - region Model Analysis**

- **Speaker:** Kana MOROGA  
  Kyushu University, JAPAN
- **Discussant:** Kazunori MINETAKI  
  Fujitsu Research Institute, JAPAN
Session G-3: Human Capital and Labor Economics (2)

Chair: Yukiko MURAKAMI  Waseda University, JAPAN

A Comparative Analysis of the Triad Economic Dynamics:
Employment, Productivity, and Welfare in the United States, European Union, and Japan
Speaker  Ferran BRUNET  Universitat Autònoma de Barcelona, SPAIN
Speaker  Seun Joon PARK  Kyoto Sangyo University, JAPAN
Discussant  Hiromasa KUBO  Kobe University, JAPAN

Economics of Skill Formation in the Philippines
Speaker  Jose V. CAMACHO Jr.  Kyoto University, JAPAN
Discussant  Hassan Mujtaba Nawaz SALEEM  University of the West of England, UK

How Representative are Representative Workers?:
An Assessment of the Hypothetical Workers Commonly Used in Social Security Studies
Speaker  Wade D. PFIAU  National Graduate Institute for Policy Studies, JAPAN
Discussant  Soichi Ohta  Keio University

Session H-3: Economic Welfare and Social Security (1)

Chair: Mari NISHINO  Meiji University, JAPAN

Expenditure Uncertainty and Savings in China: Evidence from Provincial Level Data
Speaker  W. Robert J. ALEXANDER  University of Otago, NEW ZEALAND
Speaker  Yingtong GUO  Jilin University, CHINA
Discussant  Junichi GOTO  Kobe University, JAPAN

Privatization, Globalization and Welfare: in the Philippines
Speaker  Alvin P. ANG  University of Santo Tomas, PHILIPPINE
Discussant  Toshio UEMURA  Asia University, JAPAN

Living Arrangements of the Vietnamese Elderly during Economic Transition:
The View from the Vietnam (Household) Living Standard Surveys
Speaker  GIANG Thanh Long  National Graduate Institute for Policy Studies, JAPAN
Speaker  Wade D. PFIAU  National Graduate Institute for Policy Studies, JAPAN
Discussant  Kazuhiro YAGUCHI  Tohoku Bunka Gakuen University, JAPAN

Penary Session II : 15:30-17:00 "Asian Economic Initiative: How Do We Integrate Our Economies?"
Chair: Prof. Inchul KIM (Sung Kyun Kwan University, KOREA)

Russian View on the Economic Integration in East Asia
Guest Speaker: Prof. Dmitri EVSTAFIEV (Saint Petersbug State University, RUSSIA)

De facto and de jure Economic Integration in East Asia
Guest Speaker: Prof. Fukunari KIMURA (Keio University, JAPAN)

Closing Session: 17:00-17:30