

## 서울대학교 국제대학원 오시는 길



지하철 2호선 서울대입구역 하차 ➔

서울대입구역 3번 출구 ➔ 551번 녹색버스터미널 ➔ 국제대학원(99)번 버스정류장 하차

지하철 2호선 낙성대역 하차 ➔

낙성대역 4번 출구 ➔ GS주유소 옆 관악 02번 승차 ➔ 가솔사삼거리 하차

후원



**GRI** 경기개발연구원  
Gyeonggi Research Institute

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## Institutions and National Competitiveness

August 18 ~ 19, 2009



## Invitation

The Korean economy has experienced tremendous economic growth and development since the early 1960's. In recent years, however, economic dynamism has become stagnant. It would seem that many economic problems have risen from a distorted incentive structure caused by a number of the country's economic institutions. The importance of economic institutions in directing the pace of national development through the proper aligning of the people's incentive structure cannot be over-emphasized. Institutions have definitely and far-reaching implications on the decision-making process, the nation's "mind-set," attitudes and behaviors, and nearly every aspect affecting the society.

More and more, economists, policy makers and leaders all over the world have come to acknowledge the importance of institutions in the pursuit of economic prosperity. In line with this trend, we, the Korean Economic Association (KEA), the Korea Institution and Economics Association (KIEA), and the Gyeonggi Research Institute (GRI) are proud to host the first international conference here in Korea under the general theme, "Institutions and National Competitiveness." The conference will act as an initiative to prepare a basis for the study of new institutional economics through the participation of distinguished international and domestic scholars in economics, law, public administration, business, sociology and politics. We hereby cordially invite all of you to join us in this unique and pioneering international conference.

In June Kim, President, KEA  
Sung Hee Jwa, President, KEIA & GRI

## 모시는 글

한국 경제는 1980년대 이후 수십년 동안 놀라운 성장과 발전을 이룩해 왔습니다. 그렇지만, 최근 들어 성장동력이 떨어지면서 저소득 계층이 크게 늘어나고 각종의 정치, 사회문제까지 야기하고 있습니다. 이는 무엇보다도 경제체도가 미비하고 부패적인 정부개입으로 경기규칙이 왜곡되는 일이 빈번하게 발생해 경제적 비효율을 초래하고 있기 때문입니다. 경제체도는 우리 사회의 유인 구조를 변화시키고 궁극적으로 모든 분야에서의 의사결정과 행동, 나아가 국민의식의 변화를 초래함으로써 그 사회의 발전 방향에 중범위한 영향을 미칩니다. 따라서 시장 친화적인 경제체도의 정착과 발전은 우리나라의 지속적인 경제발전과 국가경쟁력 강화를 위한 선결과제라 할 것입니다.

이와 같이 최근 들어 경제발전에서 제도 중요성을 강조하는 새로운 접근방법이 세계적으로 주목을 받고 있습니다. 이에 한국경제학회, 한국제도·경제학회, 경기개발연구원 등은 우리나라 제도 연구의 새로운 장을 열기 위해 "제도와 국가경쟁력"이라는 주제하의 국제학술회의를 개최하게 되었습니다. 경제학·법학·행정학·경영학·정치학 등 사회과학분야의 저명한 국내외 학자들이 참여하는 이번 국제학술회의는 우리나라의 제도경제학 연구의 새로운 거점을 마련하는 계기가 될 것입니다. 부디 참석하셔서 격려의 말씀과 고견을 주시기를 부탁드립니다.

2009년 8월  
한국경제학회 회장 김 인 준  
한국제도·경제학회 회장 / 경기개발연구원장 좌 승 희





## “Why Institutions Matter”

### Greetings and Best Wishes for a successful conference on “Institutions and National Competitiveness.”

It is always gratifying to be associated with and contribute to a successful program. Your conference on the New Institutional Economics speaks to the vitality of the NIE in South Korea and is part of a growing world-wide movement - in other parts of Asia, in Europe, in North and South America, Africa, Australia, and other corners of the globe. The annual conference of the International Society for New Institutional Economics was held at Berkeley this June. My former student Scott Masten gave the Presidential Address and my Berkeley colleague Pablo Spiller organized the conference in his capacity as President-Elect. It attracted the largest attendance ever for an annual ISNIE conference and also speaks to the vitality of the movement.

Institutions matter for economists, if not more generally, if and as they are made susceptible to analysis using economic reasoning. The NIE owes its conceptual origins to deep insights and critiques of orthodoxy that were advanced in the 1930s. After a long gestation period, the NIE began to take on operational significance in the 1970s and new contributions to this project continue to this day. R.C.O. Matthews, in his Presidential Address to the Royal Economic Society in 1986, pronounced that the New Institutional Economics had become one of the most exciting fields in economics. Events have borne him out. Twenty three years later the NIE has substantial accomplishments under its belt and continues to develop in theoretical, empirical, and public policy respects.

The NIE program breaks down into two major parts: the “rules of the game,” of both formal and informal kinds, much of it dealing with the public sector and the institutional environment (as worked up by research on Positive Political Economy); and the “play of the game,” which deals with the governance of contractual relations and the economics of organization (much of it as worked up by Transaction Cost Economics). It has been my pleasure to participate in this project and to see it take hold in South Korea and elsewhere.

Most of Transaction Cost Economics can be thought to be complementary to yet differs from Orthodoxy in the following respects: it works out of the lens of contract (exchange) rather than the lens of choice (the resource allocation paradigm); it is a more interdisciplinary undertaking in that it joins law, economics, and organization; the firm is described not as a production function (which is a technological construction) but as a governance structure (which is an organizational construction); the emphasis is on transaction cost economizing rather than production cost economizing; and it is a much more microanalytic undertaking, in that the action is in the details of transactions on the one hand and governance structures, on the other. Pertinent to this last is that the student of transaction cost economics needs to know a lot more about the details of the phenomena under investigation than is customary when examined in neoclassical (lens of choice) terms. That is demanding, but it is also rewarding and sometimes exhilarating to examine complex phenomena through the focused lens of contract in a “modest, slow, molecular, definitive way.”

Congratulations. Your contributions are important to your Country and to the Institutional Economics Movement of which you are a part.

Sincerely yours,  
*Oliver Williamson*

## Institutions and National Competitiveness

August 18 ~ 19, 2009

Graduate School of International Studies, Seoul National University



# The 1st day

Aug. 18th (Tue), 9:30~17:50

## Opening

- ◀ 09:30 ~ 10:00 ▶ Registration  Secheon Hall
- ◀ 10:00 ~ 11:00 ▶
  - Opening Remarks  
Sung Hee Jwa (President, KIEA & GRI)
  - Welcoming  
In June Kim (President, KEA)
  - Greetings  
Man-Soo Kang (Chairman, PCNC)

## Part I

- ◀ 11:00 ~ 11:40 ▶ Plenary Session  
Keynote Speech  
Moon-Soo Kim  
(Governor, Gyeonggi Province)
- ◀ 11:40 ~ 13:00 ▶ Luncheon

## 개 회 식

- ◀ 09:30 ~ 10:00 ▶ 등 록  소원홍
- ◀ 10:00 ~ 11:00 ▶
  - 개회사  
최승희 (한국제도·경제학회/경기개발연구원장)
  - 환영사  
김인준 (한국경제학회)
  - 축 사  
강만수 (국가경쟁력강화위원회 위원장)

## 제 1 부

- ◀ 11:00 ~ 11:40 ▶ Plenary Session  
기조연설  
김문수 (경기도지사)
- ◀ 11:40 ~ 13:00 ▶ 오찬



## Part II

### 13:00 Session 1: Issues on Property Rights 14:30 Chair: Jung-ha Yoo (KDI School)

OSG-100

- Presentation 1: Moriki Hosoe (Kumamoto Gakuen University)  
Regional Integration and Secession with Rent Seeking
- Discussion 1: Do-Chul Shin (Sookmyung Women's University)
- Presentation 2: Hong Y. Park (Saginaw Valley State University)  
Mye-Jung Chang (Kyunghee University)  
Firm's Knowledge Creation, Protection, and Institutions
- Discussion 2: Yoon-jae Choe (Korea University)
- Presentation 3: Miah Md. Dulal (Ritsumeikan Asia Pacific University)  
Alternative Visions of Incomplete Property Rights
- Discussion 3: Injae Lee (University of Incheon)

### 13:00 Session 2: Institution and Public Organizations 14:30 Chair: Kwang Choi (Hankuk University of Foreign Studies)

OSG-100

- Presentation 1: Seung-Hoon Lee (Seoul National University)  
Financial Equivalence and Regulatory Overhaul:  
From How to Finance to What to Finance
- Discussion 1: Seung Gwan Baek (Hongik University)
- Presentation 2: Thomas Lee (Marymount University)  
Market Reactions and Competitive Economics by Central Bank  
Policy: Its Role and Effectiveness
- Discussion 2: In Seok Shin (Chung-Ang University)
- Presentation 3: Sung-Kyu Lee (National Assembly Budget Office)  
The Effect of Fiscal Drag on Tax Revenue and Tax Burden
- Discussion 3: Daek-Ryong Yoon (KIEP)

### 14:30 Coffee Break 14:40

## 제 2 부

### 13:00 Session 1: Issues on Property Rights 14:30 유정호 (KDI 정책대학원)

OSG-100

- 발표 1: Moriki Hosoe (Kumamoto Gakuen University)  
Regional Integration and Secession with Rent Seeking
- 토론 1: 산도철 (숙명여대)
- 발표 2: 박홍률 (Saginaw Valley State University)  
장혜정 (경희대)  
Firm's Knowledge Creation, Protection, and Institutions
- 토론 2: 최윤재 (고려대)
- 발표 3: Miah Md. Dulal (Ritsumeikan Asia Pacific University)  
Alternative Visions of Incomplete Property Rights
- 토론 3: 미인재 (인천대)

### 13:00 Session 2: Institution and Public Organizations 14:30 최 광 (한국외국어대)

OSG-100

- 발표 1: 이승훈 (서울대)  
Financial Equivalence and Regulatory Overhaul:  
From How to Finance to What to Finance
- 토론 1: 박승권 (홍익대)
- 발표 2: Thomas Lee (Marymount University)  
Market Reactions and Competitive Economics by Central Bank  
Policy: Its Role and Effectiveness
- 토론 2: 신인석 (중앙대)
- 발표 3: 이성규 (국회예산정책처)  
The Effect of Fiscal Drag on Tax Revenue and Tax Burden
- 토론 3: 윤덕룡 (KIEP)

### 14:30 휴식 14:40

## Part II

### 13:00 Session 1: Issues on Property Rights 14:30 Chair: Jung-ha Yoo (KDI School)

OSG-100

- Presentation 1: Moriki Hosoe (Kumamoto Gakuen University)  
Regional Integration and Secession with Rent Seeking
- Discussion 1: Do-Chul Shin (Sookmyung Women's University)
- Presentation 2: Hong Y. Park (Saginaw Valley State University)  
Mye-Jung Chang (Kyunghee University)  
Firm's Knowledge Creation, Protection, and Institutions
- Discussion 2: Yoon-jae Choe (Korea University)
- Presentation 3: Miah Md. Dulal (Ritsumeikan Asia Pacific University)  
Alternative Visions of Incomplete Property Rights
- Discussion 3: Injae Lee (University of Incheon)

### 13:00 Session 2: Institution and Public Organizations 14:30 Chair: Kwang Choi (Hankuk University of Foreign Studies)

OSG-100

- Presentation 1: Seung-Hoon Lee (Seoul National University)  
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- Discussion 1: Seung Gwan Baek (Hongik University)
- Presentation 2: Thomas Lee (Marymount University)  
Market Reactions and Competitive Economics by Central Bank  
Policy: Its Role and Effectiveness
- Discussion 2: In Seok Shin (Chung-Ang University)
- Presentation 3: Sung-Kyu Lee (National Assembly Budget Office)  
The Effect of Fiscal Drag on Tax Revenue and Tax Burden
- Discussion 3: Daek-Ryong Yoon (KIEP)

### 14:30 Coffee Break 14:40

## 제 2 부

### 13:00 Session 1: Issues on Property Rights 14:30 유정호 (KDI 정책대학원)

OSG-100

- 발표 1: Moriki Hosoe (Kumamoto Gakuen University)  
Regional Integration and Secession with Rent Seeking
- 토론 1: 산도철 (숙명여대)
- 발표 2: 박홍률 (Saginaw Valley State University)  
장혜정 (경희대)  
Firm's Knowledge Creation, Protection, and Institutions
- 토론 2: 최윤재 (고려대)
- 발표 3: Miah Md. Dulal (Ritsumeikan Asia Pacific University)  
Alternative Visions of Incomplete Property Rights
- 토론 3: 미인재 (인천대)

### 13:00 Session 2: Institution and Public Organizations 14:30 최 광 (한국외국어대)

OSG-100

- 발표 1: 이승훈 (서울대)  
Financial Equivalence and Regulatory Overhaul:  
From How to Finance to What to Finance
- 토론 1: 박승권 (홍익대)
- 발표 2: Thomas Lee (Marymount University)  
Market Reactions and Competitive Economics by Central Bank  
Policy: Its Role and Effectiveness
- 토론 2: 신인석 (중앙대)
- 발표 3: 이성규 (국회예산정책처)  
The Effect of Fiscal Drag on Tax Revenue and Tax Burden
- 토론 3: 윤덕룡 (KIEP)

### 14:30 휴식 14:40

## Part IV

### 16:20 Session 5: Institutions and Prosperity 17:50 Chair: Roger D. Congleton (George Mason University)

009-101

- Presentation1 : Viktor Vanberg (Walter Eucken Institut)  
**Competition among Governments: The State's Two Roles in a Globalized World**
- Discussion1 : Minseong Kim (Sungkyunkwan University)
- Presentation2 : Randall G. Halcombe (Florida State University)  
**Democracy and Prosperity**
- Discussion2 : Hee-Yul Choi (Kyonggi University)
- Presentation3 : Young Bock Choi (St. John's University)  
**Institutions for Economic Prosperity: An Entrepreneurial Perspective**
- Discussion3 : J. Barkley Rosser, Jr. (James Madison University)

### 16:20 Session 6: Institutions and Knowledge 17:50 Chair: Wan-Young Lee (GRI)

009-102

- Presentation1 : Yong J. Yoon (George Mason University)  
**Science, Scientific Institutions, and Economic Progress**
- Discussion1 : Chong Sup Kim (Seoul National University)
- Presentation2 : Joon-Ma Yang (Yonsei University)  
**University and Industry Linkages: the Case of Korea**
- Discussion2 : Mototsugu Fukushige (Osaka University)
- Presentation3 : Sung Sup Rhee (Soongsil University)  
**Institutions and Entrepreneurship**
- Discussion3 : Myung-ho Park (Hankuk University of Foreign Studies)

17:50 Dinner

## 제 4 부

### 16:20 Session 5: Institutions and Prosperity 17:50 사회: Roger D. Congleton (George Mason University)

009-101

- 발표 1 : Viktor Vanberg (Walter Eucken Institut)  
**Competition among Governments: The State's Two Roles in a Globalized World**
- 토론 1 : 김민성 (성균관대)
- 발표 2 : Randall G. Halcombe (Florida State University)  
**Democracy and Prosperity**
- 토론 2 : 채희율 (경기대)
- 발표 3 : 최영백 (St. John's University)  
**Institutions for Economic Prosperity: An Entrepreneurial Perspective**
- 토론 3 : J. Barkley Rosser, Jr. (James Madison University)

### 16:20 Session 6: Institutions and Knowledge 17:50 사회: 이원영 (경기개발연구원)

009-102

- 발표 1 : 윤용준 (George Mason University)  
**Science, Scientific Institutions, and Economic Progress**
- 토론 1 : 김중삼 (서울대)
- 발표 2 : 임준호 (연세대)  
**University and Industry Linkages: the Case of Korea**
- 토론 2 : Mototsugu Fukushige (Osaka University)
- 발표 3 : 이성삼 (숭실대)  
**Institutions and Entrepreneurship**
- 토론 3 : 박영호 (한국외대)

17:50 만찬



# The 2nd day

Aug. 19th (Wed), 9:00~17:00

## Part V

### 09:30 Session 7: Institutions and Regional Economy 11:00 Chair: Jae-Wan Hur (Chung-Ang University)

- Presentation1 : Sung-Bae Kim (Soongsil University)  
Governing Mega-Economic Regions: Towards Multi-level Governance in Korea
- Discussion1 : Eun Kyung Kim (GRI)
- Presentation2 : Mototsugu Fukushima (Osaka University), Noriko Ishikawa (Kinki University)  
Floor Space Demand in an Aging Society: An Empirical Investigation for Kanto Area in Japan
- Discussion2 : Tae-Kyung Kim (GRI)
- Presentation3 : Woo Hyung Lee (Kyushu Institute of Technology)  
Fiscal policies in the Metropolitan Area
- Discussion3 : Byung-Goo Kang (Inha University)

### 09:00 Session 8: Regional, Global and Legal Aspects of Institution 11:00 Chair: Randall G. Holcombe (Florida State University)

- Presentation1 : Tohru Naito (Kushiro Public University)  
Regional agglomeration and transfer of pollution reduction technology under the presence of transboundary pollution
- Discussion1 : Young Seong Yoo (GRI)
- Presentation2 : Byung-il Choi (Ewha Womans University)  
Institutional Response to Agricultural Market Opening: Case of Korea
- Discussion2 : Dulgeun Ahn (Seoul National University)
- Presentation3 : Ilya Samin (George Mason University, School of Law)  
Foot Voting, Political Ignorance and Constitutional Design
- Discussion3 : Byung Hee Soh (Kookmin University)
- Presentation4 : Kang H. Park (Southeast Missouri State University)  
Does North Korea Follow Vietnam's Path?: Institutional Constraints
- Discussion4 : Chenggang Xu (University of Hong Kong)

11:00 Coffee Break  
11:10

## 제 5 부

### 09:30 Session 7: Institutions and Regional Economy 11:00 사회: 허재완 (중앙대)

- 발표 1 : 김성배 (숭실대)  
Governing Mega-Economic Regions: Towards Multi-level Governance in Korea
- 토론 1 : 김은경 (경기개발연구원)
- 발표 2 : Mototsugu Fukushima (Osaka University), Noriko Ishikawa (Kinki University)  
Floor Space Demand in an Aging Society: An Empirical Investigation for Kanto Area in Japan
- 토론 2 : 김태경 (경기개발연구원)
- 발표 3 : 이우형 (Kyushu Institute of Technology)  
Fiscal policies in the Metropolitan Area
- 토론 3 : 강병구 (인하대)

### 09:00 Session 8: Regional, Global and Legal Aspects of Institution 11:00 사회: Randall G. Holcombe (Florida State University)

- 발표 1 : Tohru Naito (Kushiro Public University)  
Regional agglomeration and transfer of pollution reduction technology under the presence of transboundary pollution
- 토론 1 : 유영성 (경기개발연구원)
- 발표 2 : 최병일 (이화여대)  
Institutional Response to Agricultural Market Opening: Case of Korea
- 토론 2 : 안덕근 (서울대)
- 발표 3 : Ilya Samin (George Mason University, School of Law)  
Foot Voting, Political Ignorance and Constitutional Design
- 토론 3 : 소병희 (국민대)
- 발표 4 : Kang H. Park (Southeast Missouri State University)  
Does North Korea Follow Vietnam's Path?: Institutional Constraints
- 토론 4 : Chenggang Xu (University of Hong Kong)

11:00 휴식  
11:10

## Part VI

### 11:10 Session 9: Institutions in Everyday Life 12:40 Chair: Jong Seok Kim (Hongik University)

- Presentation 1: Shigeharu Sato (Kyushu University)  
Expert Advice and Career Concerns
- Discussion 1: Ro-Jong Joo (Korea Institute of Procurement)
- Presentation 2: Hiroshi Inoue (Kyushu Institute of Technology)  
Gender Gap in Japanese Higher Education
- Discussion 2: Hyo-Yong Sung (Sungshin Women's University)
- Presentation 3: Haksoo Ko (Seoul National University)  
A Behavioral Law and Economics Perspective on KKO Currency Option Contracts in Korea
- Discussion 3: Sangwon Suh (Hanyang University)

### 11:10 Session 10: Culture as an Institution 12:40 Chair: Byoung Seon Choi (Seoul National University)

- Presentation 1: Christopher J. Coyne (West Virginia University)  
Rituals: An Economic Interpretation
- Discussion 1: Jinsoo Yoo (Sookmyung Women's University)
- Presentation 2: Byung Hee Soh (Kookmin University)  
Culture, Regulation, and Economic Growth
- Discussion 2: Moon-Joong Tcha (KDI)
- Presentation 3: Duol Kim (KDI), Jee Eun Kim (KDI)  
Growth of Felonies after the 1997 Financial Crisis in Korea
- Discussion 3: Yong J. Yoon (George Mason University)

12:40-14:30 Luncheon

## Part VII

### 14:30 Plenary Session: Institutions and National Competitiveness 17:00 Chair: Unchan Chung (Seoul National University)

- Keynote Speech: Sung Hee Jwa (President, KIA & GRI)  
What MBnomics Should Be: A New-Institutional Economics Perspective
- Panel: Dong-Ahn Yang (GRI) Han-Ku Lee (Grand National Party)  
Dae-Hwan Kim (Inha University) Keon Young Yun (Yonsei University)  
Young-Yong Kim (President, KERI) Taeha Park (Seoul National University)  
Hong-Tack Chun (KDI)

## 제 6 부

### 11:10 Session 9: Institutions in Everyday Life 12:40 사회: 김종석 (홍익대)

- 발표 1: Shigeharu Sato (Kyushu University)  
Expert Advice and Career Concerns
- 토론 1: 주노종 (한국정부조달연구원)
- 발표 2: Hiroshi Inoue (Kyushu Institute of Technology)  
Gender Gap in Japanese Higher Education
- 토론 2: 성효용 (성신여대)
- 발표 3: 고학수 (서울대)  
A Behavioral Law and Economics Perspective on KKO Currency Option Contracts in Korea
- 토론 3: 서상원 (한양대)

### 11:10 Session 10: Culture as an Institution 12:40 사회: 최병선 (서울대)

- 발표 1: Christopher J. Coyne (West Virginia University)  
Rituals: An Economic Interpretation
- 토론 1: 유진수 (숙명여대)
- 발표 2: 소병희 (국민대)  
Culture, Regulation, and Economic Growth
- 토론 2: 차문중 (KDI)
- 발표 3: 김두업(KDI), 김지은 (KDI)  
Growth of Felonies after the 1997 Financial Crisis in Korea
- 토론 3: 율용준 (George Mason University)

12:40-14:30 오찬

## 제 7 부

### 14:30 Plenary Session: Institutions and National Competitiveness 17:00 사회: 정운찬(서울대)

- 기조발제: 최승희 (한국제도·경제학회장 / 경기개발연구원)  
What MBnomics Should Be: A New-Institutional Economics Perspective
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