

60th Anniversary
창립 60주년

KEA 한국경제학회
The Korean Economic Association

The 15th KEA International Conference
Celebrating the KEA's 60th Anniversary

PROSPECTS FOR THE FUTURE: SHAPING NEW APPROACHES AND ISSUES IN ECONOMICS

June 20 - 21, 2012
Inchon Memorial Hall,
Korea University

The Korean Economic Association
Co-hosted by Korea Development Institute

TABLE OF CONTENTS

WELCOMING REMARKS	3
ABOUT THE CONFERENCE	
DAILY PROGRAM	4
OUTLINE OF CONTRIBUTED SESSIONS	6
MAP OF KOREA UNIVERSITY	7
CONFERENCE ROOMS	8
PROGRAM	
OPENING CEREMONY	9
KEA SPECIAL LECTURE	10
WEDNESDAY, JUNE 20 TH	
13:30 - 15:00	
KEYNOTE SPEECHES	11
WEDNESDAY, JUNE 20 TH	
09:15 - 10:15	
THURSDAY, JUNE 21 ST	
09:00 - 10:00	
14:00 - 15:00	
PLENARY SESSIONS	12
WEDNESDAY, JUNE 20 TH	
10:25 - 11:45	
THURSDAY, JUNE 21 ST	
10:00 - 11:20	
15:00 - 16:20	
CONTRIBUTED SESSIONS	13
WEDNESDAY, JUNE 20 TH	
15:10 - 16:40	
16:50 - 18:20	
THURSDAY, JUNE 21 ST	
11:30 - 13:00	
16:30 - 18:00	

WELCOMING REMARKS

I am very pleased to announce that the Korean Economic Association is hosting its 15th International Conference.

This year's conference promises to be our most exciting and rewarding one yet, as more than 300 domestic and foreign scholars, including a Nobel laureate Christopher Sims and long-time co-host KAEA members, join in discussions and presentations about major economic issues. More than 90 papers on a variety of topics will be presented. I believe that the conference will be a great opportunity for researchers and policy makers to exchange and discuss their ideas.

The main theme of the conference is "Prospects for the Future: Shaping New Approaches and Issues in Economics." This year marks 60th anniversary of KEA. As the 60th birthday represents turning point in life among Koreans, we believe that this is the year that epitomizes the new beginning of the association. Thus, as it coincides with our theme this year, we would like this year's conference to be a cornerstone of cutting-edge economic research in the future in this fast-changing global economic environment.

Please join us in this hallmarked year's conference and experience meaningful academic endeavor. I look forward to seeing you soon in Seoul and thank you in advance for your active participation. Lastly, I would like to take this opportunity to convey my sincere gratitudes to all those who have given us gracious financial supports for this year's conference.

June 2012

Professor Manwoo Lee
President of the KEA
Korea University

DAILY PROGRAM

Wednesday, June 20TH, 2012

08:30 - 09:00	REGISTRATION 1 st Floor, Incheon Memorial Hall
09:00 - 09:15	OPENING CEREMONY Auditorium, Incheon Memorial Hall
09:15 - 10:15	KEYNOTE SPEECH I Speaker: Yung Chul Park Auditorium, Incheon Memorial Hall
10:25 - 11:45	PLENARY SESSION I Speakers: Fabio Ghironi, Paolo Pesenti Auditorium, Incheon Memorial Hall
11:45 - 13:30	LUNCH LG-POSCO Hall 6F, Young-II Ahn Hall
13:30 - 15:00	KEA SPECIAL LECTURE Speaker: Christopher A. Sims (2011 Nobel Laureate) Auditorium, Incheon Memorial Hall
15:10 - 16:40	CONTRIBUTED SESSIONS I - Seven Contributed Sessions Incheon Memorial Hall & International Studies Hall
16:50 - 18:20	CONTRIBUTED SESSIONS II - Eight Contributed Sessions Incheon Memorial Hall & International Studies Hall
19:30 - 21:00	RECEPTION DINNER Speakers: Myung-Bak Lee (President of Korea) Seok-Dong Kim (Chairman, Financial Services Commission) Grand Hyatt Seoul, Grand Ballroom II

DAILY PROGRAM

Thursday, June 21ST, 2012

09:00 - 10:00	KEYNOTE SPEECH II Speaker: Matthew Canzoneri Auditorium, Incheon Memorial Hall
10:00 - 11:20	PLENARY SESSION II Speakers: Phillip Matejka, Mirko Wiederholt Auditorium, Incheon Memorial Hall
11:30 - 13:00	CONTRIBUTED SESSIONS III - Eight Contributed Sessions Incheon Memorial Hall & International Studies Hall
13:00 - 14:00	LUNCH 1 st Floor, Incheon Memorial Hall
14:00 - 15:00	KEYNOTE SPEECH III Speaker: Rakesh Vohra Auditorium, Incheon Memorial Hall
15:00 - 16:20	PLENARY SESSION III Speakers: Yeon-Koo Che, Dale Poirier Auditorium, Incheon Memorial Hall
16:30 - 18:00	CONTRIBUTED SESSIONS IV - Six Contributed Sessions Incheon Memorial Hall & International Studies Hall
19:00 - 21:00	CONFERENCE DINNER Speakers: Hwang-sik Kim (Prime Minister of Korea) Oh-Seok Hyun (President, Korea Development Institute) Lotte Hotel Seoul 36F, Belle-Vue Suite

OUTLINE OF CONTRIBUTED SESSIONS

SESSION I June 20 th 15:10 - 16:40	INTERNATIONAL TRADE I International Studies Hall 507	INTERNATIONAL TRADE II International Studies Hall 508
	INTERNATIONAL FINANCE I Inchon Memorial Hall 201	MONEY AND FINANCE Inchon Memorial Hall 205
	MACROECONOMICS I Inchon Memorial Hall 208	PUBLIC FINANCE I Inchon Memorial Hall 203
	LABOR ECONOMICS I Inchon Memorial Hall 207	
SESSION II June 20 th 16:50 - 18:20	MACROECONOMICS II Inchon Memorial Hall 201	PUBLIC FINANCE II Inchon Memorial Hall 203
	INTERNATIONAL TRADE III International Studies Hall 507	INTERNATIONAL TRADE IV International Studies Hall 508
	FINANCE Inchon Memorial Hall 206	MICROECONOMICS I Inchon Memorial Hall 208
	LABOR ECONOMICS II Inchon Memorial Hall 207	INTERNATIONAL FINANCE II Inchon Memorial Hall 205
SESSION III June 21 st 11:30 - 13:00	MICROECONOMICS II Inchon Memorial Hall 101	MICROECONOMICS III Inchon Memorial Hall 203
	DEVELOPMENT Inchon Memorial Hall 206	INDUSTRIAL ORGANIZATION I Inchon Memorial Hall 207
	ECONOMETRICS I Inchon Memorial Hall 208	MACROECONOMICS III International Studies Hall 507
	MACROECONOMICS IV International Studies Hall 508	CORPORATE FINANCE Inchon Memorial Hall 205
SESSION IV June 21 st 16:30 - 18:00	MICROECONOMICS IV Inchon Memorial Hall 208	MICROECONOMICS V Inchon Memorial Hall 207
	INDUSTRIAL ORGANIZATION II Inchon Memorial Hall 206	MACROECONOMICS V Inchon Memorial Hall 203
	ECONOMETRICS II International Studies Hall 507	ECONOMETRICS III International Studies Hall 508

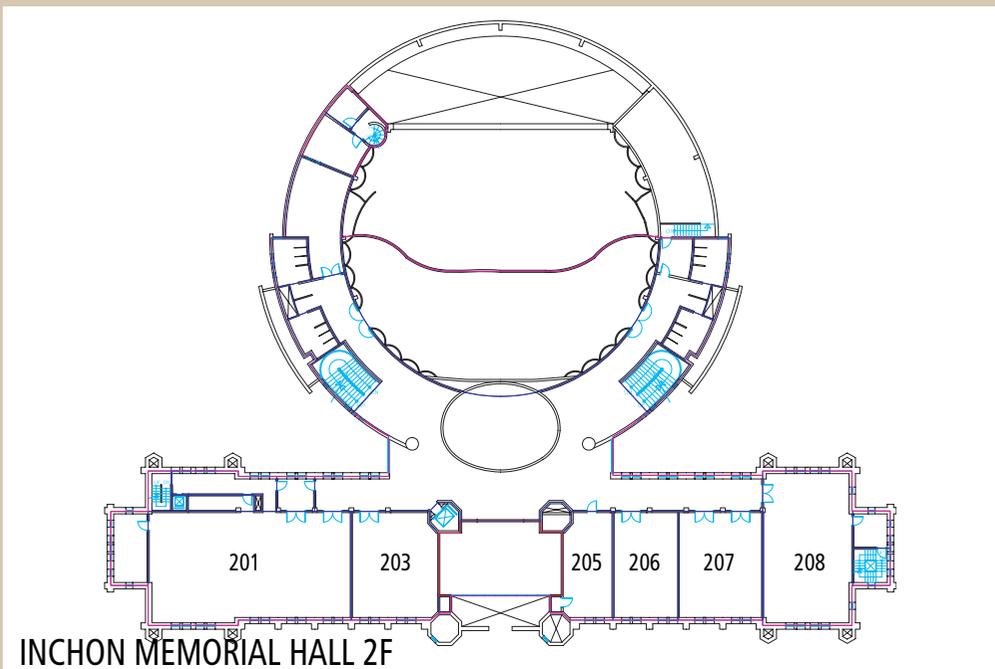
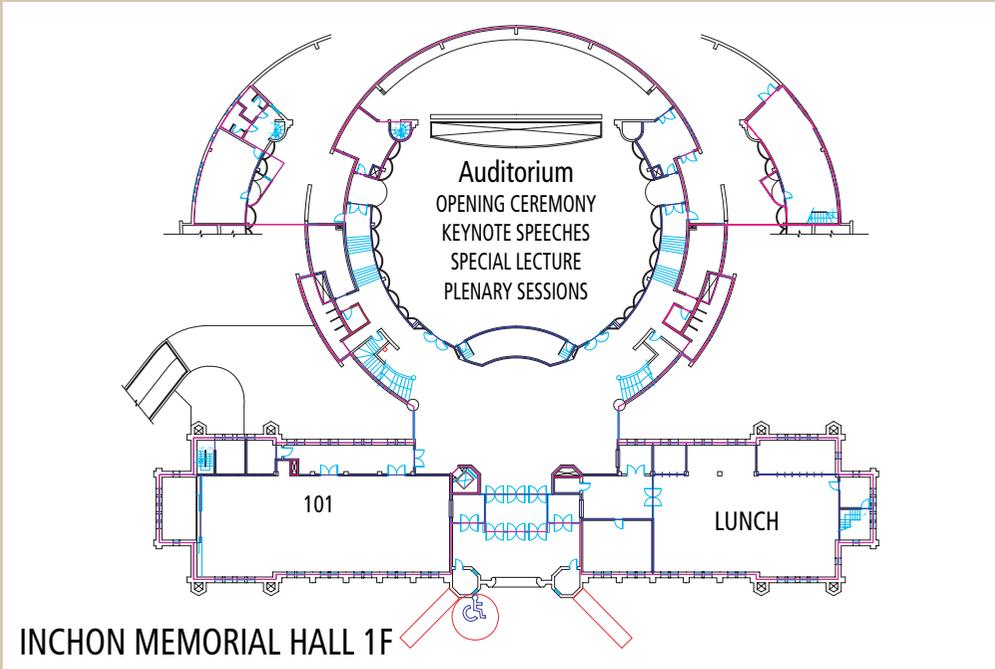
MAP OF KOREA UNIVERSITY

KOREA UNIVERSITY

- INCHON MEMORIAL HALL
- INTERNATIONAL STUDIES HALL



CONFERENCE ROOMS



OPENING CEREMONY AND DINNER SPEECHES

OPENING CEREMONY

GREETINGS AND OPENING REMARKS	Wednesday, June 20 TH , 2012	Auditorium Inchon Memorial Hall
	09:00 - 09:15	
	Manwoo Lee (President of the KEA, Korea University)	
	Byung-Joo Lee (President of the KAEA, University of Notre Dame)	

Dinner Speeches

Wednesday, June 20TH, 2012

19:30 - 21:00 RECEPTION DINNER - Grand Hyatt Seoul, Grand Ballroom II

Speaker: Myung-Bak Lee (President of Korea)

Seok-Dong Kim (Chairman, Financial Services Commission)

Thursday, June 21ST, 2012

19:00 - 21:00 CONFERENCE DINNER - Lotte Hotel Seoul 36F, Belle-Vue Suite

Speaker: Hwang-sik Kim (Prime Minister of Korea)

Oh-Seok Hyun (President, Korea Development Institute)

KEA SPECIAL LECTURE

Wednesday, June 20TH, 2012

13:30 - 15:00

VENUE

Wednesday, June 20TH, 2012
13:30 - 15:00

KEA SPECIAL LECTURE

CHAIRPERSON: Jae-Young Kim (Seoul National University)

"Learning the Hard Way about Fiscal-monetary Interaction: Europe and the US"

Christopher A. Sims (Princeton University, 2011 Nobel Laureate)

Auditorium
Inchon
Memorial
Hall

Wednesday - Thursday, June 20TH - 21ST, 2012

VENUE

Wednesday, June 20TH, 2012
09:15 - 10:15

KEYNOTE
SPEECH

CHAIRPERSON: Jisoon Lee (Seoul National University)

I

**"The Reform of the International Monetary System and Capital Control:
Perspective of East Asia's Emerging Economies"**

Yung Chul Park (Korea University)

Thursday, June 21ST, 2012
09:00 - 10:00

KEYNOTE
SPEECH

CHAIRPERSON: Jang Ok Cho (Sogang University)

II

"The Interaction between Monetary and Fiscal Policy"

Matthew Canzoneri (Georgetown University)

Auditorium
Inchon
Memorial
Hall

Thursday, June 21ST, 2012
14:00 - 15:00

KEYNOTE
SPEECH

CHAIRPERSON: Yeon-Koo Che (Columbia University and Yonsei University)

III

"Subsidies vs Set-Asides"

Rakesh Vohra (Northwestern University)

PLENARY SESSIONS

Wednesday - Thursday, June 20TH - 21ST, 2012

VENUE

PLENARY
Session

I

Wednesday, June 20TH, 2012

10:25 - 11:45

Recent Developments in Open-Economy Macroeconomics

CHAIRPERSON: Soyoung Kim (Seoul National University)

"Trade, Unemployment, and Monetary Policy"

Fabio Ghironi (Boston College)

"Varieties and the Transfer Problem"

Paolo Pesenti (Federal Reserve Bank of New York)

PLENARY
Session

II

Thursday, June 21ST, 2012

10:00 - 11:20

Rational Inattention

CHAIRPERSON: Tack Yun (Seoul National University)

"Rationally Inattentive Seller: Sales and Discrete Pricing"

Fillip Matejka (CERGE-EI)

"Inattention to Rare Events"

Mirko Wiederholt* (Northwestern University) and Bartosz Mackowiak

PLENARY
Session

III

Thursday, June 21ST, 2012

15:00 - 16:20

CHAIRPERSON: Kyung Hwan Baik (Sungkyunkwan University)

"Toward an Improved College Admissions System"

Yeon-Koo Che (Columbia University)

"Multivariate Versus Multinomial Probit: When are Binary Decisions Made Separately also Jointly Optimal"

Dale Poirier (UC Irvine)

Auditorium
Inchon
Memorial
Hall

CONTRIBUTED SESSIONS I

Wednesday, June 20TH, 2012

15:10 - 16:40

(* presenter of the paper)

VENUE

SESSION

I-1

INTERNATIONAL TRADE I: Firm Heterogeneity and International Trade

CHAIRPERSON: Hongshik Lee (Korea University)

"The Effect of Control Mechanism on Relational Performance in China's Petrochemical Industry: Focusing on Korean Supplier"

Hong Jin* (Jiangxi Normal University, China) and Guozhong Li (Chungbuk National University)

DISCUSSANT: Jeongmeen Suh (Korea Institute for International Economic Policy)

"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), Donghyun Park (Asian Development Bank) and Jing Wang (Kangwon National University)

DISCUSSANT: Hankyung Sung (Kookmin University)

"Export Growth and Credit Constraints"

Tibor Besedés, Byung-Cheol Kim* (Georgia Institute of Technology) and Volodymyr Lugovsky (Indiana University)

DISCUSSANT: Backhoon Song (Sungshin Women's University)

International
Studies
Hall
507

INTERNATIONAL TRADE II: Outsourcing and International Trade

CHAIRPERSON: Jung Hur (Sogang University)

"Treatment Effects of Preferential Rules of Origin on Outsourcing"

Honggwe Lee* (Konkuk University)

DISCUSSANT: Hochul Shin (Seoul National University)

"Outsourcing and Factor Price Equalization"

Kwan Koo Yun* (SUNY at Albany)

DISCUSSANT: JongDuk Kim (Korea Institute for International Economic Policy)

"Asymmetric Trade Protection Leading to Export Share but not to Productivity Growth : The Korean Case from 1967 to 1993"

Hochul Shin* and Keun Lee (Seoul National University)

DISCUSSANT: Honggwe Lee (Konkuk University)

International
Studies
Hall
508

SESSION

I-2

 INTERNATIONAL FINANCE I: Topics in International Finance

 CHAIRPERSON: Doo Yong Yang (Kyung Hee University)

SESSION

I-3

"Remittances and A Currency Crisis: The Case of Developing (Emerging) Countries"

Jounghyeon Kim* (Korea Unviersity)

DISCUSSANT: Jong Hyup Shin (Pusan National University)

"Asian Financial System: Development and Challenges"

Cyn-Young Park* (Asian Development Bank)

DISCUSSANT: Jiyoun An (Korea Institute for International Economic Policy)

"Do Capital Controls Enhance Monetary Independence?"

Yu You and Yoonbai Kim* (University of Kentucky)

DISCUSSANT: In Koo Lee (Soongsil University)

 Incheon
 Memorial
 Hall
 201

 MONEY AND FINANCE

 CHAIRPERSON: Junhan Kim (Bank of Korea)

SESSION

I-4

"Has Financial Liberalization Improved Economic Efficiency in Korea? : Evidence from Firm-level and Industry-level Data"

Jungsoo Park* (Sogang University) and Yung Chul Park (Korea University)

"Money, Credit, Risk of Loss, and Limited Participation"

Hyung Sun Choi* (Kyung Hee University)

"Concentration and Competition in Commercial Banking: How does China Differ from South Korea?"

Kang H. Park* (Southeast Missouri State University)

DISCUSSANT: Joonho Whang (Korea University)

 Incheon
 Memorial
 Hall
 205

MACROECONOMICS I: Recent Issues in Macroeconomics

CHAIRPERSON: Tack Yun (Seoul National University)

SESSION

I-5

“Informational Frictions, Induced Uncertainty, and Aggregate Wealth Accumulation”

Yulei Luo* (University of Hong Kong) and Eric R. Young (University of Virginia)

DISCUSSANT: Jun-Hyuk Song (Hankuk University of Foreign Studies)

“Sectoral Shifts or Aggregate Shocks? A New Test of Sectoral Shifts Hypothesis”

Yanggyu Byun (Korea Economic Research Institute) and Hae-shin Hwang* (Texas A&M University)

DISCUSSANT: Junsang Lee (Korea Development Institute)

“Dislocations in the Won-Dollar Swap Markets during the Crisis of 2007-2009”

Ilhyock Shim* (Bank for International Settlements)

DISCUSSANT: Seungho Lee (Korea Capital Market Institute)

“The Role of Bounded Rationality in Macro-Finance Affine Term-Structure Models”

Jinsook Kim, Eunmi Ko and Tack Yun* (Seoul National University)

Inchon
Memorial
Hall
208

PUBLIC FINANCE I: Public Finance and Public Policies

CHAIRPERSON: Jinyoung Kim (Konkuk University)

SESSION

I-6

“Characteristics of Korea’s Income Tax and Some Thoughts on Tax Reforms”

Tae-hwan Rhee* (Samsung Economic Research Institute)

DISCUSSANT: Sang-Won Park (Hankook University of Foreign Studies)

“Decolonization Policies and Institutions in Africa: A Comparative Historical Approach”

Dongwoo Yoo* (West Virginia University)

DISCUSSANT: Seunghan Yoo (Korea University)

“Choosing for Others: A Neglected Element in the Theory of Collective Action”

James M. Buchanan and Yong J. Yoon* (George Mason University)

DISCUSSANT: Woojin Lee (Korea University)

Inchon
Memorial
Hall
203

LABOR ECONOMICS I: Impact Evaluations in Labor Economics

CHAIRPERSON: Jinyoung Kim (Korea University)

SESSION

I-7

"Long Run Impact of Traumatic Experience on Attitudes toward Risk: Study of Korean War and Its Impact on Risk Aversion"

Young-Il Albert Kim* and Jungmin Lee (Sogang University)

DISCUSSANT: Sun Go (Chung-Ang University)

"The Impact of Temporary Immigration of Unskilled Workers on Firm Performances: Evidences from the Korean Small-Medium Business Sector"

Jai-Joon Hur* (Korea Labor Institute) and Yongjin Nho (Seoul National University of Technology)

DISCUSSANT: Jungmin Lee (Sogang University)

"Work Hours and Children's Problem Behaviors: Evidence from a Legislated Reduction in Standard Work Week"

Hyunkuk Cho* (Samsung Economic Research Institute)

DISCUSSANT: Se-Um Kim (Korea Labor Institute)

"On-the-job Training: Investment or Compensation?"

Seung-Gyu (Andrew) Sim* (University of Tokyo)

Inchon
Memorial
Hall
207

CONTRIBUTED SESSIONS II

Wednesday, June 20TH, 2012

16:50 - 18:20

VENUE

MACROECONOMICS II: Long-Term Perspectives of the Korean Economy

CHAIRPERSON: Yongseung Jung (Kyung Hee University)

SESSION
II-1

"Productivity Slowdown versus Sluggish Input Growth: Application of a Neoclassical Growth Model to Korea's Growth Deceleration since 2000"

Chan-Guk Huh* (Chungnam National University) and Kwanghee Nam (Kookmin University)

DISCUSSANT: Bae-Geun Kim (Chung-Ang University)

"The Impact of Population Aging in Korea: Retirement Age and Pension System"

Dong Koo Kim* (Samsung Economic Research Institute) and Hak K. Pyo (Seoul National University)

DISCUSSANT: Tae-Jeong Kim (Bank of Korea)

"Fiscal Policy Effects on Economic Growth and Income Distribution"

Seong Suhn Kim* (Dankook University)

DISCUSSANT: Seongtae Kim (Korea Development Institute)

Inchon
Memorial
Hall
201

PUBLIC FINANCE II: Distributive Justice and Behavioral Economics

CHAIRPERSON: Jeong-Yoo Kim (Kyung Hee University)

SESSION
II-2

"Dividing a Dollar under Ordinal Reports"

Ruben Juarez* (University of Hawaii)

DISCUSSANT: Jung You (Korea Institute of Public Finance)

"On the Characterization of Index Egalitarianism"

Youngsub Chun, Inkee Jang and Biung-Ghi Ju (Seoul National University)

DISCUSSANT: Miae Kim (Seoul National University)

"When Repetition Hurts Cooperation"

Jung-Kyoo Choi and Jun Sok Huhh (Kyungpook National University)

DISCUSSANT: Younghwan In (Korea Advanced Institute of Science and Technology)

Inchon
Memorial
Hall
203

INTERNATIONAL TRADE III: Policy, Environment, and Trade

CHAIRPERSON: Chul-Woo Kwon (Kyungpook National University)

SESSION
II-3**"The Effect of Trade Liberalization on Climate-Friendly Goods"**Wankeun Oh* (Hankuk University of Foreign Studies) and
Sang In Kang (Korea Environment Institute)

DISCUSSANT: Suyi Kim (Wonkwang University)

"Tax Competition Based on the Cross-Border Purchase by Consumers in a Stackelberg Game"

Sung-Kyu Lee* (Andong National University) and Sanghack Lee (Kookmin University)

DISCUSSANT: Koo Woong Park (University of Incheon)

"Environmental Regulations and FDI: Does the Deregulation of Emission Standards in Developing Countries Benefit Multinational Firms?"Ki-Dong Lee* (Keimyung University), Woohyung Lee (Fukuoka Women's University) and
Kichun Kang (Yeungnam University)

DISCUSSANT: Jeong Hwan Bae (Chonnam National University)

International
Studies
Hall
507

INTERNATIONAL TRADE IV: Technology, Productivity, Resource Reallocation and Trade

CHAIRPERSON: Jee-Hyeong Park (Seoul National University)

SESSION
II-4**"Aggregate Total Factor Productivity and Resource Reallocation Effect of ICT sectors in Korea: A comparison with USA, Japan and EU7"**

Keun Hee Rhee* (Korea Productivity Center) and Hak K. Pyo (Seoul National University)

DISCUSSANT: Chinhee Hahn (Gachon University)

"Export Growth and the Level of Technology under Intellectual Property Rights Protection: A Comparative Analysis of Developed and Developing Countries"

Wonkyu Shin*, Keun Lee (Seoul National University) and Walter G. Park (American University)

DISCUSSANT: Hea-Jung Hyun (Kyung Hee University)

"Does Trade Liberalization Always Make Us Better-off?"Gihoon Hong* (Indiana University - South Bend) and
Seung-Gyu (Andrew) Sim (University of Tokyo)

DISCUSSANT: Yongjoon Jang (Kyung Hee University)

International
Studies
Hall
508

FINANCE

 CHAIRPERSON: Dong-Hyun Ahn (Seoul National University)

 SESSION
II-5
"Extreme Risk Spillover Effects in International Financial Markets : Evidence from the Recent Financial Crisis"

Jae-Young Kim* (Seoul National University)

DISCUSSANT: Kyu Ho Kang (Korea University)

 Incheon
 Memorial
 Hall
 206

"Revisiting Asset Pricing under Habit Formation in an Overlapping-Generations Economy"

Sei-Wan Kim (Ewha Womans University), Joshua Krausz and Kiseok Nam* (Yeshiva University)

DISCUSSANT: Byung Jin Kang (Seoul Woman's University)

"The Impact of Oil Price on Equity Sector Volatility in Korea"

Sang Hoon Kang* and Seong-Min Yoon (Pusan National University)

DISCUSSANT: Hyeongsop Shim (Ulsan National Institute of Science and Technology)

 MICROECONOMIC I: Health Economics

CHAIRPERSON: Kang-Oh Yi (Sogang University)

 SESSION
II-6
"Media, Institutions, and Government Action: Prevention vs. Palliation in the Time of Cholera"

Chongwoo Choe* and Paul A. Raschky (Monash University)

DISCUSSANT: Sok Chul Hong (Sogang University)

 Incheon
 Memorial
 Hall
 208

"Do Condoms Promote Promiscuity? Evidence from Sub-Saharan Africa"

Bong Joon Yoon* and Kpoti Kitissou (SUNY Binghamton)

DISCUSSANT: Young-Joo Kim (Kingston University)

"The Long-run Gradient in Health by Education: Weight, Health Status and Education"

Young-Joo Kim* (Kingston University)

DISCUSSANT: Juyoung Kim (Korea Institute for Industrial Economics & Trade)

LABOR ECONOMICS II: Education and the Labor Market

CHAIRPERSON: Young Nam Song (Chonbuk University)

SESSION
II-7**"Labor Market Effects of School Ties: Evidence from Graduates of Leveled High Schools in South Korea"**

Seungjoo Lee and Changhui Kang* (Chung-Ang University)

DISCUSSANT: Minki Hong (Korea Labor Institute)

"The Employment Dynamics of Less Educated Men in the United States: The Role of Self-Employment"

Taehyun Ahn* (Sogang University)

DISCUSSANT: Jungho Kim (Ajou University)

"The Gender Gap in Earnings among Teachers: The Case of Iowa in 1915"

Kitae Sohn* (Kookmin University)

DISCUSSANT: Minsik Choi (Ewha Womans University)

Inchon
Memorial
Hall
207

INTERNATIONAL FINANCE II: Issues on Exchange Rate

CHAIRPERSON: Byung-Joo Lee (University of Notre Dame)

SESSION
II-8**"Accounting for Real Exchange Rate Changes: Revisited"**

Lein Lein Chen, Seungmook Choi* (University of Nevada, Las Vegas) and

John Devereux (Queens College, CUNY)

DISCUSSANT: Donggyu Sul (University of Texas at Dallas)

"Does Inflation Targeting Matter for PPP? An Empirical Investigation"

Hui Ding and Jaebeom Kim* (Oklahoma State University)

DISCUSSANT: Seungmook Choi (University of Nevada, Las Vegas)

"Exchange Rates as Exchange Rate Common Factors"

Ryan Greenaway-McGrevy (Bureau of Economic Analysis),

Nelson C. Mark (University of Notre Dame and NBER),

Donggyu Sul* (University of Texas at Dallas) and Jyh-Lin Wu (National Sun Yat Sen University)

DISCUSSANT: Jaebeom Kim (Oklahoma State University)

Inchon
Memorial
Hall
205

CONTRIBUTED SESSIONS III

Thursday, June 21ST, 2012

11:30 - 13:00

VENUE

MICROECONOMICS II: Information and Signaling

CHAIRPERSON: Kiho Yoon (Korea University)

SESSION

III-1

"Stereotypes and Inequality: A 'Signaling' Theory of Identity Choice"

Young Chul Kim* (Korea Development Institute) and Glenn C. Loury (Brown University)

DISCUSSANT: Sam-Ho Lee (Korea University)

"Sender's Small Concern for Credibility and Receiver's Dilemma"

Hanjoon Michael Jung* (The Institute of Economics, Academia Sinica)

DISCUSSANT: Jin Kim (Dongduk Women's University)

"Information Acquisition in a War of Attrition"

Kyungmin Kim* (University of Iowa) and Frances Zhiyun Xu (University of Hong Kong)

DISCUSSANT: Jihong Lee (Seoul National University)

Inchon
Memorial
Hall
101

MICROECONOMICS III: Law and Economics

CHAIRPERSON: Jinwoo Kim (Seoul National University)

SESSION

III-2

"The Value of Information in Legal Systems"

Chulyoung Kim* (Handong Global University)

DISCUSSANT: Jinwoo Kim (Seoul National University)

"An Attorney Fee as a Signal in Pretrial Negotiation"

Jeong-Yoo Kim* (Kyung Hee University)

DISCUSSANT: Kyoungwon Rhee (Dongguk University)

"Testing Oil Refiners' Conduct: A Differentiated Product Approach"

Yangsoo Jin* (Korea Development Institute)

DISCUSSANT: Unjy Song (Korea Development Institute)

Inchon
Memorial
Hall
203

DEVELOPMENT: Development/Growth/Comparative Economic Systems

CHAIRPERSON: Tae Jeong Lee (Yonsei University)

SESSION
III-3**"Knowledge and Comparative Behavior of the Firms from the Emerging and Advanced Economies : Korean vs. US Firms"**

Keun Lee* (Seoul National University)

DISCUSSANT: Hyunbae Chun (Sogang University)

"How Did Law Matter for Korean Economic Development? Evidence from 1970s"

Young Hoa Jung* (Chonbuk National University)

DISCUSSANT: Duol Kim (Korea Development Institute)

"Economic Development and Institutions, Governance, Government, Culture, and Social Indicators: An Exploratory Multivariate Analysis for 53 Countries and 91 Variables"

Elias Sanidas* (Seoul National University)

DISCUSSANT: Deockhyun Ryu (Chung-Ang University)

"Digital-divide across Asian Countries: Is the Convergence Robust?"

Keun Yeob Oh* (Chungnam National University) and

Vinish Kathuria (Indian Institute of Technology Bombay)

Inchon
Memorial
Hall
206

INDUSTRIAL ORGANIZATION I: Theory

CHAIRPERSON: Jae Nahm (Korea University)

SESSION
III-4**"Path Dependence and the Korean Keyboard"**

Young Back Choi* (St. John's University)

DISCUSSANT: Jeonghyun Kim (Korea University)

"Limiting Quality under Minimum Quality Standards"

Sang-Ho Lee* (Chonnam National University) and Ram Kumar Phuyal (Tribuvan University)

DISCUSSANT: Jaiho Chung (Korea University)

"Reverse Price Discrimination with Bayesian Buyers"

Se Hoon Bang* (Korea Development Institute), Jaesoo Kim (IUPUI) and

Young-Ro Yoon (Wayne State University)

DISCUSSANT: Jae Nahm (Korea University)

Inchon
Memorial
Hall
207

ECONOMETRICS I: Flexible Methods in Econometrics

CHAIRPERSON: Yoon-Jae Whang (Seoul National University)

SESSION

III-5

"Econometric Inference on a Large Bayesian Game"

Kyungchul Song* (University of British Columbia)

DISCUSSANT: Sokbae Lee (Seoul National University)

"Identification and Estimation in Discrete Choice Demand Models when Endogenous Variables Interact with the Error"

Amit Gandhi (University of Wisconsin-Madison) and Kyoo Il Kim* (University of Minnesota, Twin Cities)

DISCUSSANT: Min Seong Kim (Ryerson University)

"Semiparametric Conditional Moment Models with Possibly Nonsmooth Residuals and Nonclassical Measurement Errors"

Suyong Song* (University of Wisconsin, Milwaukee, Milwaukee)

DISCUSSANT: Kyusang Yu (Konkuk University)

"Characterizing and Testing Two Equal Positive-Definite Matrices Using the Trace"

Jin Seo Cho* (Yonsei University)

DISCUSSANT: Jin Lee (Ehwa Woman's University)

Inchon
Memorial
Hall
208

MACROECONOMICS III: Financial Crisis and Income Distribution Dynamics

CHAIRPERSON: Sunghyun Kim (Sungkyunkwan University and Suffolk University)

SESSION

III-6

"A Kaldorian Macro-dynamic Model with Speculative House Demands"

Sangheon Lee* (Korea University) and Byoungkil Min (Korea University)

DISCUSSANT: Jong Chil Son (Bank of Korea)

"Financial Crisis and Economic Pathology"

Yongshik Choe* (TAERI R&I)

DISCUSSANT: Bokyeong Park (Korea Institute for International Economic Policy)

"Persistent Poverty in the U.S."

Inhuck Ha* (Western Carolina University)

DISCUSSANT: Yongseong Kim (Korea Development Institute)

International
Studies
Hall
507

MACROECONOMICS IV: Policy Regimes and DSGE Models

CHAIRPERSON: Se-Jik Kim (Seoul National University)

SESSION

III-7

"Inflation Dynamics: The Role of Public Debt and Policy Regimes"

Saroj Bhattacharai (Penn State), Jae Won Lee* (Rutgers University) and
Woong Yong Park (University of Hong Kong)

DISCUSSANT: Seonghoon Cho (Yonsei University)

"Policy Regimes, Policy Shifts, and U.S. Business Cycles"

Saroj Bhattacharai (Penn State), Jae Won Lee (Rutgers University) and
Woong Yong Park* (University of Hong Kong)

DISCUSSANT: Kyu Ho Kang (Hanyang University)

"Bayesian Estimation of An Economy with Recursive Preferences"

Sungbae An* (Singapore Management University)

DISCUSSANT: Byoung Hark Yu (Soongsil University)

International
Studies
Hall
508

CORPORATE FINANCE

CHAIRPERSON: Inmoo Lee (Korea Advanced Institute of Science and Technology)

SESSION

III-8

"Share Repurchase Rumors: Signaling, Publication, and Reputation Effects"

Inho Kim and Yong H. Kim* (University of Cincinnati)

DISCUSSANT: Joonghyuk Kim (Korea University)

"Information Asymmetry and the Timing of Capital Issuance: An International Examination"

April M. Knill and Bong Soo Lee* (Florida State University)

DISCUSSANT: Woojin Kim (Seoul National University)

"Investor Disagreement on Corporate Spinoff News: Confluence of Trading Volume and Abnormal Return"

Daewon Kim and Chong Soo Pyun* (University of Memphis)

DISCUSSANT: Joon Ho Hwang (Seoul National University)

Inchon
Memorial
Hall
205

CONTRIBUTED SESSIONS IV

Thursday, June 21ST, 2012

16:30 - 18:00

VENUE

MICROECONOMICS IV: Income (Re)Distribution

CHAIRPERSON: Kwan Koo Yun (SUNY at Albany)

SESSION

IV-1

"The Impact of Financial Crises and IT Revolution on Income Distribution in Korea: Evidence from Social Accounting Matrices"

Hak K. Pyo* (Seoul National University), Keun Hee Rhee (Korea Productivity Center) and Gong Lee (Seoul National University)

DISCUSSANT: Tae Hyun Kwon (Bank of Korea)

"Income Inequality and the Demand for Redistribution: A Test of Alternative Theories"

Sam-Ho Lee* (Korea University) and Hisam Kim (Korea Development Institute)

DISCUSSANT: Sung Hyun Kim (Ewha Womans University)

"Assigning Resources to Budget-Constrained Agents"

Yeon-Koo Che (Columbia University), Ian Gale (Georgetown University) and Jinwoo Kim* (Seoul National University)

Inchon
Memorial
Hall
208

MICROECONOMICS V: Mechanism and Regulation

CHAIRPERSON: Doyoung Kim (Sogang University)

SESSION

IV-2

"Second-Price Auctions with Sequential and Costly Participation"

Jinhyuk Lee (Korea Institute of Finance) and Jaeok Park* (Yonsei University)

DISCUSSANT: Kyungmin Kim (University of Iowa)

"Optimal Group Contest"

Joon Song* (Sungkyunkwan University) and Dongryul Lee (Ulsan National Institute of Science and Technology)

DISCUSSANT: Hyunkyu Jun (Seoul National University)

"The Evolution of Citizen Participation and Regulatory Success"

Kenichi Akao (Waseda University) and Geum Soo Kim* (Hoseo University)

DISCUSSANT: Sung-Ha Hwang (Sogang University)

Inchon
Memorial
Hall
207

INDUSTRIAL ORGANIZATION II: Empirics

CHAIRPERSON: Min Soo Park (Sungkyunkwan University)

SESSION

IV-3

"Understanding Retail Price Differences across U.S. Cities: A Tale of Two Frictions"Chi-Young Choi* (University of Texas at Arlington) and
Jyhlin Wu (National Sun-Yat-Sen University)

DISCUSSANT: Yong Hyeon Yang (Korea Development Institute)

"Dynamic Switching Decisions of Consumers in the Cellular Service Industry"

Jiyoung Kim* (Korea Institute of Public Finance)

DISCUSSANT: Min Soo Park (Sungkyunkwan University)

"Brides for Sale: Cross-Border Marriages and Female Immigration"

Daiji Kawaguchi (Hitotsubashi University) and Soohyung Lee* (University of Maryland)

DISCUSSANT: Hayeon Joo (Sogang University)

Inchon
Memorial
Hall
206

MACROECONOMICS V: Macroeconomic Effects of Bounded Rationality

CHAIRPERSON: Tack Yun (Seoul National University)

SESSION

IV-4

"Linear-Quadratic Approximation of Optimal Policy Problem under Risk-Sensitive Preferences"

Tack Yun and Eunmi Ko* (Seoul National University)

"Monetary Policy under Bounded Rationality"

Seunghoon Na* and Jae-Young Kim (Seoul National University)

"Housing Cycles in Emerging-Market Economies"

Jung Yi Hong, Jung Hoon Choi and Jeong Kim (Seoul National University)

Inchon
Memorial
Hall
203

ECONOMETRICS II: Improved Inference in Econometric Models

CHAIRPERSON: Byung Sam Yoo (Yonsei University)

"Limited Information Quasi-Likelihood and Data-Based Inference for Model Specification"

Jae-Young Kim* (Seoul National University)

DISCUSSANT: Kyu Ho Kang (Hanyang University)

"Heteroskedasticity and Spatiotemporal Dependence Robust Inference for Linear Panel Models with Fixed Effects"

Min Seong Kim* (Ryerson University) and Yixiao Sun (UC San Diego)

DISCUSSANT: Kyungchul Song (University of British Columbia)

"Size Distortion of the t-Test Using an Autoregressive Spectral Variance Estimator"

Byunghill Jun* (Hankuk University of Foreign Studies)

DISCUSSANT: Wonho Song (Chung-Ang University)

International
Studies
Hall
507

ECONOMETRICS III: Developments in Applied Econometrics

CHAIRPERSON: Joon Y. Park (Indiana University and Sungkyunkwan University)

"Forecasting with a Regime-Switching Model"

Myung Hwan Seo* (London School of Economics)

DISCUSSANT: Byoung Hak Yoo (Soongsil University)

"Nonparametric Inference for Counterfactual Means: Bias-Correction, Confidence Sets, and Weak IV"

Yanqin Fan (Vanderbilt University) and Sang soo Park* (Korea University)

DISCUSSANT: Sokbae Lee (Seoul National University)

"Revisiting Aschauer via ICM Estimation"

Hosin Song* (Ehwa Woman's University)

DISCUSSANT: Chang Sik Kim (Sungkyunkwan University)

International
Studies
Hall
508

SESSION
IV-5

SESSION
IV-6

BOARD OF THE KOREAN ECONOMIC ASSOCIATION

PRESIDENT: Manwoo Lee (Korea University)

VICE PRESIDENT: In-Bong Ha (Kyungpook National University)
In Chul Kim (Sungkyunkwan University)
Yong Nam Song (Chonbuk National University)

EXECUTIVE COMMITTEE: Jong-Bum An (Sungkyunkwan University)
Kyung Hwan Baik (Sungkyunkwan University)
Seung-Gwan Baek (Hongik University)
Yangkyoon Byeon (HUMAX Company)
Jaechul Chang (City Group)
Inkyo Cheong (Inha University)
Won-Dong Cho (Korea Institute of Public Finance)
Kang-Shik Choi (Yonsei University)
Hyungjoon Jeon (Changwon National University)
Byoungheon Jun (Korea University)
Jeeman Jung (Sangmyung University)
Dongsoo Kim (Fair Trade Commission)
Jae-Young Kim (Seoul National University)
Jung Sik Kim (Yonsei University)
Kyun Kim (Korea University)
Tae-Joon Kim (Dongduk Women's University)
Il Dong Koh (Korea Development Institute)
Doowon Lee (Yonsei University)
Kwang Soo Park (Dong-Eui University)
WooKyu Park (SK Research Institute for Supex Management)
Yuchul Rhim (H&Q Asia Pacific Korea)
Jung Hun Seung (Economic Research Institute of Korea University)
Hyukseung Shin (Sookmyung Women's University)
Won-Ik Son (Korea Institute of Public Finance)
Yoon-Jae Whang (Seoul National University)
Oh Jongn Yoo (Halla University)

AUDITOR: Sangwhan Lho (Kyungnam University)
Deok Ryong Yoon (Korea Institute for International Economic Policy)

SECRETARY: Jinyoung Kim (Korea University)
DEPUTY SECRETARY: Chirok Han (Korea University)
Biung-Ghi Ju (Seoul National University)
Jungmin Lee (Sogang University)
Manjong Lee (Korea University)
Jaehyon Nahm (Korea University)

ORGANIZING COMMITTEE

PROGRAM COMMITTEE CHAIR: Jae-Young Kim (Seoul National University)

PROGRAM COMMITTEE:

Dong-Hyun Ahn (Seoul National University)
Biung-Ghi Ju (Seoul National University)
Yongseung Jung (Kyung Hee University)
Changhui Kang (Chung-Ang University)
Changsik Kim (Sungkyunkwan University)
Jinill Kim (Korea University)
Jinwoo Kim (Seoul National University)
Jinyoung Kim (Konkuk University)
Soyoung Kim (Seoul National University)
Chul-In Lee (Seoul National University)
Kiyoung Lee (Kyonggi University)
Inmoo Lee (Korea Advanced Institute of Science and Technology)
Sokbae Lee (Seoul National University)
Young-Kyu Moh (Sookmyung Women's University)
Jae Nahm (Korea University)
Jee-Hyeong Park (Seoul National University)
Jungsoo Park (Sogang University)
Doo Yong Yang (Kyung Hee University)
Kang-Oh Yi (Sogang University)
Tack Yun (Seoul National University)

SUPPORTING INSTITUTIONS

We are very grateful to the following institutions for their financial support.

Doosan Corporation

Financial Supervisory Service

Hana Financial Group

Hyundai Motor Company

National Pension Service

National Information Society Agency

KB Financial Group

Korea-America Economic Association

Korean Association of Certified Public Tax Accountants

Korea Economic Research Institute

Korea Information Society Development Institute

Korea Institution and Economics Association

Korea Institute for Industrial Economics & Trade

Korea Institute of Finance

Korea Institute of Public Finance

Korea University

Samsung Electronics

Korea Chamber of Commerce and Industry

SK Telecom

The Bank of Korea

The Federation of Korean Industries

KDB Financial Group

Woori Financial Group

Notes:

A series of horizontal dotted lines for writing notes.



GwangWhaMun Platinum 5th F502, Jeokseon-Dong, Jongno-Gu,
Seoul 110-052, Korea

Tel. 02-3210-2522, 2523 Fax. 02-3210-2555

Homepage : www.kea.ne.kr e-mail: kea1952@kea.ne.kr