

# KEA-APEA 2017 International Conference

## THE RISE OF ECONOMIC NATIONALISM IN AN NEW ERA OF GLOBALIZATION

The Korean Economic Association (KEA) is organizing its eighteenth international conference jointly with Asia-Pacific Economic Association (APEA) which is thirteenth annual conference of its own.

**July 14 - 15, 2017**  
**International Studies Hall**  
**Korea University**

**Organizing Units: Korean Economic Association**  
**Asia-Pacific Economic Association**

**Host: Korean Economic Association**

**Co-hosts: Korea University Institute of Sustainable Development**  
**Korea-America Economic Association**  
**National Research Council for Economics, Humanities and Social Sciences**  
**Korea Development Institute**  
**Bank of Korea**  
**Korea Institute for Health and Social Affairs**  
**Korea Maritime Institute**

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The Korean Economic Association (KEA) is organizing its eighteenth international conference on “The Rise of Economic Nationalism in a New Era of Globalization” jointly with Asia-Pacific Economic Association (APEA) which is thirteenth of its own. KEA has organized an international conference every other year since 1982, yet it will be organized every year from this year on so as cope with a soaring demand for more forums for economists in a new era of globalization

This year, three keynote speeches and nearly 160 papers will be presented to analyze and discuss the Korean economy at the crossroads as well as the Asia-Pacific economy confronted with new challenges and opportunities, focusing on the scholarly and policy-oriented perspective. A couple of panel sessions on the rise of economic nationalism in a new era of globalization and the partnership for sustainable development would at least help seeking a way out respectively.

At a time of uncertainty and the crossroads, we hope that this year’s conference will become an open podium for confronting many problems facing Korea, including the Asia-Pacific region as well, and provide solutions that will push Korea and other countries into a better economic future.

July 2017

Chung Mo Koo President, Korean Economic Association

Kar-yiu Wong President, Asia-Pacific Economic Association

# SCHEDULE

\* Registration : 2F Lobby, International Studies Hall

Friday July 14		Saturday July 15	
09:00-10:30	Parallel Sessions I	09:00-10:30	Parallel Sessions IV
10:45-12:15	Parallel Sessions II	10:45-12:15	Parallel Sessions V
12:15-13:30	Lunch	12:15-13:45	Lunch
13:30-14:15	Opening Session & Keynote Speech I	13:45-15:15	Parallel Sessions VI
14:15-16:00	Plenary Session I (Globalization)	15:30-16:00	Keynote Speech II
16:15-17:45	Parallel Sessions III	16:00-17:30	Plenary Session II (Development)
19:00-20:30	Dinner	17:30-17:45	Closing Session

Notes: 1. Welcome reception at 19:00-20:30 on Thursday, July 13 at Koreana Hotel (Blue Sunrise, 2<sup>nd</sup> floor)  
 2. Conference dinner at 19:00-20:30 on Friday, July 14 at Koreana Hotel (Gloria Room, 7<sup>th</sup> floor)

# OVERVIEW OF SESSIONS

Friday, July 14, 2017

Room No.	Parallel Sessions I (09:00-10:30)	Parallel Sessions II (10:45-12:15)	Lunch (12:15-13:30)	Opening and Keynote Speech I (13:30-14:15)	Plenary Session I (14:15-16:00)	Parallel Sessions III (16:15-17:45)
114	I-1 Micro	II-1 Micro	Incheon Memorial Hall (1 <sup>st</sup> Floor)	Opening and Keynote Speech I (Room 214)	Plenary Session I: Globalization (Room 214)	III-1 Political
215	I-2 Financial Markets	II-2 Macro				III-2 Applied
216	I-3 Money and Finance	II-3 Money and Finance				III-3 Applied
217	I-4 Trade and FDI	II-4 Trade and FDI				III-4 Energy
218	I-5 Labor	II-5 Labor				III-5 Labor
219	I-6 Econometrics	II-6 International Trade and Transportation (Korea Maritime Institute)				III-6 Econometrics
322	I-7 Health	II-7 Development				III-7 Development
324	I-8 Chinese Economy	II-8 Money and Banking (Bank of Korea)				III-8 Industrial
331		II-9 International Finance				III-9 International Finance

# OVERVIEW OF SESSIONS

Saturday, July 15, 2017

Room No.	Parallel Sessions IV (09:00-10:30)	Parallel Sessions V (10:45-12:15)	Lunch (12:15-13:45)	Parallel Sessions VI (13:45-15:15)	Keynote Speech II (15:30-16:00)	Plenary Session II (16:00-17:30)	Closing (17:30-17:45)
114	IV-1 Micro	V-1 Micro	Inchon Memorial Hall (1 <sup>st</sup> Floor)	VI-1 Micro	Keynote Speech II (Room 214)	Plenary Session II: Development (Room 214)	Closing Session (Room 214)
215	IV-2 Macro	V-2 Macro		VI-2 Macro			
216	IV-3 Trade and Firms	V-3 Applied		VI-3 Applied			
217	IV-4 International	V-4 International Finance		VI-4 International Trade Policy			
218	IV-5 Health	V-5 Development		VI-5 Development			
219	IV-6 Econometrics	V-6 Pension and Welfare		VI-6 Health and Aging in Asia (Asian Development Bank Institute)			
322	IV-7 Labor	V-7 Income Inequality		VI-7 Applied			
324	IV-8 Monetary Policy	V-8 Trade		VI-8 Shocks and Growth (University of Missouri)			
331		V-9 Applied		VI-9 Social Choice and Justice			

# OPENING SESSION & KEYNOTE SPEECH I

13:30-14:15, July 14 (Fri)

## OPENING, KEYNOTE SPEECH I

Location

MODERATOR: Hyun-Hoon Lee (Kangwon National University)

### Welcome Remarks:

Chung Mo Koo (President, Korean Economic Association and Professor, Kangwon National University)

Kar-yiu Wong (President, Asia-Pacific Economic Association and Professor, University of Washington)

### Congratulatory Remarks:

Kwan-Young Lee (Vice President, Korea University)

214  
International  
Studies  
Hall

## OPENING

## KEYNOTE SPEECH I

Speaker:

Dong-yeon Kim (Deputy Prime Minister and Minister of Strategy and Finance, Republic of Korea)

# PLENARY SESSION I & DINNER SPEECH

Friday, July 14, 2017

## PLENARY SESSION I, DINNER SPEECH

Location

14:15-16:00, July 14 (Fri)

The Rise of Economic Nationalism in a New Era of Globalization

CHAIR: Choong-soo Kim (President, Hallym University and Former Governor,  
Bank of Korea)

Panelists:

Wilfred J. Ethier (Professor Emeritus, University of Pennsylvania)

Fukunari Kimura (Chief Economist, Economic Research Institute for Northeast Asia, and  
Professor, Keio University)

Jongwha Lee (Professor, Korea University)

Juan Carlos Martinez Oliva (Directorate General for Economics, Statistics, and Research,  
Bank of Italy)

Yasuyuki Sawada (Chief Economist, Asian Development Bank)

Kar-yiu Wong (Professor, University of Washington)

214  
International  
Studies  
Hall

### PLENARY SESSION I

19:00-20:30, July 14 (Fri)

MODERATOR: Jong Ho Hong (Seoul National University)

Speaker:

Un-Chan Chung (Former Prime Minister, Republic of Korea)

Gloria Room,  
7<sup>th</sup> floor,  
Koreana Hotel

### DINNER SPEECH



# KEYNOTE SPEECH II, PLENARY SESSION II & CLOSING SESSION

15:30-17:45, July 15 (Sat)

KEYNOTE SPEECH II, PLENARY SESSION II & CLOSING SESSION		Location
<b>KEYNOTE SPEECH II</b>	15:30-16:00, July 15 (Sat)	
	MODERATOR: Sung Jin Kang (Korea University)	
	Speaker:	
	Yasuyuki Sawada (Chief Economist, Asian Development Bank)	
<b>PLENARY SESSION II</b>	16:00-17:30, July 15 (Sat)	
	Global Partnership for Sustainable Development	
	CHAIR: Jang-Hee Yoo (Professor Emeritus, Ewha Womans University)	
	Panelists:	
	Arindam Banik (Director, International Management Institute Kolkata) Valerie Cerra (Economist, International Monetary Fund) Shin-ichi Fukuda (Professor, University of Tokyo) Sung Jin Kang (Professor, Korea University) Hyuncheol Bryant Kim (Professor, Cornell University)	214 International Studies Hall
<b>CLOSING SESSION</b>	17:30-17:45, July 15 (Sat)	
	MODERATOR: Hyun-Hoon Lee (Kangwon National University)	
	Closing Remarks: Chung Mo Koo (President, Korean Economic Association and Professor, Kangwon National University) Kar-yiu Wong (President, Asia-Pacific Economic Association and Professor, University of Washington)	

# PARALLEL SESSIONS I

Friday, July 14, 2017

09:00 - 10:30

Location

SESSION

I-1

## MICROECONOMICS

CHAIR: Byoung Heon Jun (Korea University)

### "Relation Exchange as the Model of Bounded Rationality"

Sung Sup Rhee (Soongsil University)

### "Bayesian Persuasion and Moral Hazard"

Kyungmin Kim (University of Miami)

### "Does Equalization Transfer Enhance Partial Tax Cooperation?"

Keisuke Kawachi (Mie University), Hikaru Ogawa (University of Tokyo)

114  
International  
Studies  
Hall

SESSION

I-2

## FINANCIAL MARKETS

CHAIR: Jae-Young Kim (Seoul National University)

### "Stock Market Integration and Financial Crises: The Case of Asia"

Yan Zhang (Meiji Gakuin University)

### "Asian Financial Market Integration and the Role of Chinese Financial Market"

Byung-Joo Lee (University of Notre Dame)

### "Bond Spreads, Market Integration and Contagion in the 2007-2008 Crisis"

Jae-Young Kim (Seoul National University)

215  
International  
Studies  
Hall

## MONEY AND FINANCE

CHAIR: Jeong-Ho (John) Kim (Emory University)

SESSION

**I-3**

### "Sustainability of Current Account Deficit in Fiji Islands: An Empirical Analysis"

Keshmeer Makun (Dongbei University)

### "The MAX Effect: Lottery Stocks with Limit Hits and Limits to Arbitrage"

Weifeng Hung (Feng Chia University)

### "Monetary Policy and Mutual Funds: Reaching for Yield in Response to Low Rates"

Jeong-Ho (John) Kim (Emory University)

216  
International  
Studies  
Hall

## TRADE AND FDI

CHAIR: Jay Pil Choi (Michigan State University and Hitotsubashi University)

SESSION

**I-4**

### "How would You Like to Pay Today? Product Differences in the Terms of Payment in International Trade"

Hyejoon Im (Yeungnam University)

### "Trade Policy and Production Location with Cross-border Unbundling"

Ayako Obashi (AoyamaGakuin University)

### "Foreign Direct Investment and Transfer Pricing"

Jay Pil Choi (Michigan State University and Hitotsubashi University)

217  
International  
Studies  
Hall

## LABOR ECONOMICS

CHAIR: Seung-Gyu Sim (University of Tokyo)

SESSION

I-5

**"Wage Dynamics of Workers with Temporary Job Experience: Wage Growth by Type of Job Transition"**

In Young Hwang (Seoul National University)

218

International  
Studies  
Hall**"Explaining Labor share Movements in Korea: A Regional Analysis: What Drives Labour Share of Incomes Across Regions in Korea?"**

Woo-Yung Kim (Kongju National University)

**"On-the-job Training and On-the-job Search: Wage-Training-Promotion in a Frictional Labor Market"**

Seung-Gyu Sim (University of Tokyo)

## ECONOMETRICS

CHAIR: Suyong Song (University of Iowa)

SESSION

I-6

**"Likelihood Inference for Dynamic Linear Models with Markov Switching Parameters: On the Efficiency of the Kim Filter"**

Young Min Kim (Korea University)

219

International  
Studies  
Hall**"A Generalized Control Function Approach for Nonparametric Regressions with Endogenous Variables"**

Kyoo il Kim (Michigan State University)

**"Estimation of Semiparametric Models with Mismeasured Endogenous Regressors Using Control Variables"**

Suyong Song (University of Iowa)

## HEALTH ECONOMICS

CHAIR: Bosu Seo (University of the Fraser Valley)

SESSION  
I-7**"Health Insurance and Labor Supply: Evidence from the Affordable Care Act Early Medicaid Expansion in Connecticut"**

Daeho Kim (Ohio State University)

**"Sustainability of Health Insurance Enrollment: Evidence from a Field Experiment in Ghana"**

Hyuncheol Bryant Kim (Cornell University)

**"A Statistical Analysis of Children's Health Inequality in Bangladesh"**

Bosu Seo (University of the Fraser Valley)

322  
International  
Studies  
Hall

## CHINESE ECONOMY

CHAIR: Juan Carlos Martinez Oliva (Directorate General for Economics, Statistics, and Research, Bank of Italy)

SESSION  
I-8**"Politico-economics of Over-investment in Regional China—An Experimental Study Based on Provincial Panel Data"**

Katsuji Nakagane (University of Tokyo)

**"A Time-Varying Cointegration Study on the Onshore and Offshore Renminbi Exchange Rates"**

Xiang Lin (Södertörn University)

**"Changing Patterns of China's Growth"**

Juan Carlos Martinez Oliva (Directorate General for Economics, Statistics, and Research, Bank of Italy)

324  
International  
Studies  
Hall

# PARALLEL SESSIONS II

Friday, July 14, 2017

10:45-12:15

Location

## MICROECONOMICS

CHAIR: Humberto Llavador (Pompeu Fabra University)

SESSION

II-1

### "Delegation and Public Pressure in a Threshold Public Goods Game"

Doruk Iris (Sogang University)

### "Rebranding Ex-convicts"

Young-Chul Kim (Sangmyung University)

### "Inequality Reducing Properties of Progressive Income Tax Schedules: The Case of Endogenous Income"

Humberto Llavador (Pompeu Fabra University)

114  
International  
Studies  
Hall

## MACROECONOMICS

CHAIR: Suk Jae Noh (Hallym University)

SESSION

II-2

### "Investment Shocks and Optimal Monetary Policy"

Minki Kim (Yonsei University)

### "R&D Cycle in a Fully-endogenous Growth Model with Population Growth"

Daishoku Kanehara (Kyoto University)

### "Technological Change and Reallocation"

Junghoon Lee (Emory University)

215  
International  
Studies  
Hall

## MONEY AND FINANCE

CHAIR: Wooheon Rhee (Kyung Hee University)

SESSION  
II-3**"Inflation Targeting, Exchange-Rate Targeting Monetary Policies in an Open New Keynesian DSGE Model"**

Chen-Min Hsu (CTBC Financial Management College)

**"Measuring Market Expectations in the Presence of Unobserved Fundamentals: A Predictive System for Exchange Rates"**

Seojin Lee (Shanghai Lixin University)

**"A Bayesian Method for Foreign Currency Portfolio Optimization of Conditional Value-at-Risk"**

Donghwan Kim (Korea University)

216  
International  
Studies  
Hall

## TRADE AND FDI

CHAIR: Myung-bae Yeom (Chungnam University)

SESSION  
II-4**"Heterogeneous Firms, Factor Productivity and Trade"**

Yang Seung Lee (Kunsan National University)

**"Institutional Quality and Trade in Intermediate Goods"**

Hea-Jung Hyun (Kyung Hee University)

**"Crisis, FDI, and Investment: The Impact of Banking Crisis in Source Countries on Investment of Foreign-Owned Companies"**

Kwang Soo Kim (University of Texas at Dallas)

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International  
Studies  
Hall

## LABOR ECONOMICS

CHAIR: Doyoung Kim (Sogang University)

### SESSION II-5

#### **"Do University Entrepreneurship Programs Promote Entrepreneurship?"**

Yong Suk Lee (Stanford University)

#### **"Output Cost of Gender Discrimination in the Korean Labor Market"**

Hanol Lee (Korea University)

#### **"Baby-Boomers' Investment in Social Capital: Evidence from the Korean Longitudinal Study of Ageing"**

Vladimir Hlasny (Ewha Womans University)

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International  
Studies  
Hall

## INTERNATIONAL TRADE AND TRANSPORTATION - Organized by Korea Maritime Institute

CHAIR: Tirthankar Nag (International Management Institute)

### SESSION II-6

#### **"Does the Nationality Matter in Container Shipping Market? Effects on Freight Rates of Hanjin Shipping's Collapse"**

Byoung-Wook Ko (Korea Maritime Institute)

#### **"Performances and Challenges on the Ocean Economy Assessment in Korea"**

Jeong-In Chang (Korea Maritime Institute)

#### **"Barriers to Cross Border Energy Cooperation & Implications on Energy Security: An Indian Perspective with Reference to Energy Trade in South Asia"**

Tirthankar Nag (International Management Institute)

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International  
Studies  
Hall



## DEVELOPMENT ECONOMICS

CHAIR: Toru Yanagihara (Takushoku University)

SESSION  
II-7**"The Indian Inflation 2006-16: An Econometric Investigation"**

Paramite Mukherjee (International Management Institute)

**"Women Participation in Labor Force: An Attempt of Poverty Alleviation"**

Wandira Senja Larasati (SDGs Center Universitas Padjadjaran)

**"Promoting Inclusive Economic Relationship toward Sustainable Development in Asia"**

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

322  
International  
Studies  
Hall

## MONEY AND BANKING - Organized by the Bank of Korea

CHAIR: Jaerang Lee (Bank of Korea)

SESSION  
II-8**"Equity Market Globalization and Portfolio Rebalancing"**

Kyungkeun Kim (Bank of Korea)

**"Does Intra-Regional Trade Matter in Regional Stock Markets?: New Evidence from Asia-Pacific Region"**

Moon Jung Choi (Bank of Korea)

**"Behavioral Aspects of Household Portfolio Choice: Effects of Loss Aversion on Life Insurance Uptake and Savings"**

In Do Hwang (Bank of Korea)

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International  
Studies  
Hall

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**INTERNATIONAL FINANCE - Organized by Yuri Sasaki (Meiji Gakuin University)**

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**CHAIR:** Yuri Sasaki (Meiji Gakuin University)

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**SESSION****II-9****"Declining Japanese Yen and Inertia of the US Dollar"**

Eiji Ogawa (Hitotsubashi University), Makoto Muto (Hitotsubashi University)

**"The Impacts of Asian Financial Markets"**

Shin-ich Fukuda (University of Tokyo), Mariko Tanaka (Musashino University)

**"Factor Decomposition of Japan's Trade Balance"**

Yuri Sasaki (Meiji Gakuin University), Yushi Yoshida (Shiga University)

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International  
Studies  
Hall

# PARALLEL SESSIONS III

Friday, July 14, 2017

16:15-17:45

Location

## POLITICAL ECONOMY

CHAIR: Hong Y. Park (Saginaw Valley State University)

SESSION

III-1

### **"Fiscal Policy to Maintain U.S. Military Bases and Okinawa's Right to Self-determination"**

Mitsuyoshi Kawase (Kyoto Prefectural University)

### **"The Dynamics of Parliamentary Bargaining and the Vote of Confidence"**

Seok-Ju Cho (Sungkyunkwan University)

### **"Practical Application of Whiteheadian Process Philosophy and Creativity to the Creative Economy in Korea: A Five Cs Creativity Theory Perspective"**

Hong Y. Park (Saginaw Valley State University)

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International  
Studies  
Hall

## APPLIED ECONOMICS

CHAIR: Junsoo Lee (University of Alabama)

SESSION

III-2

### **"Political Turbulence in the Middle East and the Returns of Oil Companies"**

Jee Young Bae (Seoul National University)

### **"Credit Constraints, Utilitarian Market Failure, and Social Enterprises"**

Hyunwoo Hong (Seoul National University)

### **"Group Sanctions and Intergroup Conflict"**

Gopal Sharan Parashari (Indian Institute of Technology)

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International  
Studies  
Hall

## APPLIED ECONOMICS

CHAIR: Jisoon Lee (Seoul National University)

SESSION

III-3

**"Price Competition and Market Segmentation in Retail Gasoline: New Evidence from South Korea"**

Taehwan Kim (University of Missouri)

**"What Determines Japanese Corporate Effective Tax Rates? Evidence from Firms Listed on the Tokyo Stock Exchange"**

Hiroyasu Nomura (Dokkyo University)

**"The Allocation of Time after Psychological Shock: Evidence from the Sewol Ferry Disaster"**

Sok Chul Hong (Seoul National University)

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International  
Studies  
Hall

## ENERGY

CHAIR: Jong-Ho Hong (Seoul National University)

SESSION

III-4

**"Analyzing the Law of One Price and Volatility in the New Zealand Emissions Trading Scheme using NZUs, CERs and ERUs"**

Na-Young Lee (Korea University)

**"Effect of Carbon Tax on Fuel Choice in India"**

Pooja Rathore (Jawaharlal Nehru University)

**"The Slowdown of CO<sub>2</sub> Emissions in Korea: An IDA Analysis"**

Wankeun Oh (Hankuk University of Foreign Studies), Jonghyun Yoo (Yale University)

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International  
Studies  
Hall

## LABOR ECONOMICS

CHAIR: Bun Song Lee (University of Arkansas-Fort Smith)

SESSION

III-5

**"Informal Job Holding and Business Cycle in Russia: Evidence from the RLMS"**

Mi-kyung Kim (Seoul National University)

**"Migration and Back Door Brain-drain: Do the Unequals Lose?"**

Sahana Roy Chowdhury (International Management Institute)

**"Who in Korea Marries a Woman from Southeast Asia? Evolution of International Marriages from 1993-2013"**

Bun Song Lee (University of Arkansas-Fort Smith)

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International  
Studies  
Hall

## ECONOMETRICS

CHAIR: Hyeongwoo Kim (Auburn University)

SESSION

III-6

**"Option Pricing with High-frequency-based Affine Stochastic Volatility (HEAVY-SV) Models"**

Hyojin Han (Brown University)

**"A New Approach for Construction and Estimation of Prior"**

Jae-Young Kim (Seoul National University)

**"Improving Forecast Accuracy of Financial Vulnerability: PLS Factor Model Approach"**

Hyeongwoo Kim (Auburn University)

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International  
Studies  
Hall

## DEVELOPMENT ECONOMICS

CHAIR: Munim Barai (Ritsumeikan Asia Pacific University)

SESSION

III-7

**"Spatially Heterogeneous Effects of a Public Works Program"**

Joshua D. Merfeld (University of Washington)

**"Family Clans and Public Goods: Evidence from the New Village Beautification Project in South Korea"**

Hyunjoo Yang (Korea Development Institute)

**"Public Works, Crowd Out, and Non-Farm Self-Employment: Evidence from India"**

Joshua D. Merfeld (University of Washington)

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International  
Studies  
Hall

## INDUSTRIAL ECONOMICS

CHAIR: Inhyuck (Steve) Ha (Western Carolina University)

SESSION

III-8

**"Does Competition Increase Quality? Evidence from the US Airline Industry"**

Myongjin Kim (University of Oklahoma)

**"Use It or Lose It: Fiscal Year End Corporate Investment around the World"**

Yong H. Kim (University of Cincinnati)

**"Alleged Collusion" Effects in Power Supply Shortage in the Philippines"**

Miah Pormon (UPV Tacloban College)

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International  
Studies  
Hall

## INTERNATIONAL FINANCE

CHAIR: E. Kwan Choi (Iowa State University)

SESSION

III-9

### "International Capital Movement and Monetary Independence in Asia"

Yoonbai Kim (Nazarbayev University & University of Kentucky)

### "Sovereign Risk Contagion in East Asia: A Mixture of Time-varying Copulas Approach"

Kisung Yang (Korea University)

### "Currency Devaluation and Unemployment in an Open Economy"

E. Kwan Choi (Iowa State University)

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International  
Studies  
Hall

# PARALLEL SESSIONS IV

Saturday, July 15, 2017

09:00 - 10:30

Location

## MICROECONOMICS

CHAIR: Kuo-Feng Kao (Tamkang University)

SESSION

IV-1

### "Interim Self-Stable Decision Rules"

Semin Kim (Yonsei University)

### "Revenue Sharing on Hierarchies"

Soojeong Jung (Seoul National University)

### "The Effect of a Licensing Option Agreement in Vertically-related Markets"

Kuo-Feng Kao (Tamkang University)

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International  
Studies  
Hall

## MACROECONOMICS

CHAIR: Jaewoon Koo (Chonnam National University)

SESSION

IV-2

### "Crash Risk and Risk Neutral Densities"

Pei-lin Hsieh (Xiamen University)

### "Does Financial Innovation Increase Inequality?: A Competitive Search Approach"

BongGeun Choi (University of Connecticut), Hyun Lee (University of Connecticut)

### "Inflation, Inventory, and Credit Market Disruptions: Micro-level Evidence and Aggregate Implications"

Ryan (Sung Ryong) Kim (Columbia University)

215  
International  
Studies  
Hall



## TRADE AND FIRMS

CHAIR: Deokwoo Nam (Hanyang University)

SESSION

IV-3

**"Do Non-exporting Plants Benefit from Parent Firms' Export Experience?"**

Haeyeon Yoon (Sogang University)

**"Korean Multinational Firms in Factory Asia and Home-Country Effects on Plant Turnover and Job Reallocation"**

Nyeong Seon Son (Sogang University)

**"The Impact of Trade and Exchange Rate Stability on Foreign Direct Investment: Case Study in ASEAN and Myanmar"**

Khin Mar Thet (Okayama University)

216

International  
Studies  
Hall

## INTERNATIONAL ECONOMICS

CHAIR: Jang Ok Cho (Sogang University)

SESSION

IV-4

**"Anatomy of the Trade Collapse, Recovery, and Slowdown: Evidence from Korea"**

Sooyoung Lee (Korea Institute for International Economic Policy)

**"The Politics of Tariff Cooperation in the Presence of Trade Costs"**

Taiki Susa (Chubu University)

**"College Education, Occupational Sorting, and International Trade"**

Soo Hyun Oh (Korea Institute for International Economic Policy)

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International  
Studies  
Hall

## HEALTH ECONOMICS

CHAIR: Seonghoon Kim (Singapore Management University)

SESSION

IV-5

**"Disease Risk and Fertility: Evidence from the HIV/AIDS Pandemic"**

Yoo-Mi Chin (Baylor University)

**"Weather Shocks and Sex-selective Abortion: Evidence from Rural Vietnam"**

Jaehyun Jung (Columbia University)

**"The Welfare Effect of Health Insurance in Rural China: Evidence from New Cooperative Medical Scheme"**

Seonghoon Kim (Singapore Management University)

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International  
Studies  
Hall

## ECONOMETRICS

CHAIR: Jihyun Kim (Toulouse School of Economics)

SESSION

IV-6

**"Correlations in the Frequency Domain under Misspecification of Trends"**

Jin Lee (Ewha Womans University)

**"Weak Sigma-Convergence: Theory and Application"**

Donggyu Sul (University of Texas at Dallas)

**"Volatility Regressions with Fat Tails"**

Jihyun Kim (Toulouse School of Economics)

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International  
Studies  
Hall

## LABOR ECONOMICS

CHAIR: Sangyoon Park (University of Hong Kong)

SESSION

IV-7

**"Foreign Labour Policy and Labour Demand in Manufacturing: The Case of Malaysia"**

Evelyn Devadason (University of Malaya)

**"Estimating the Effect of the Special Employment Promotion Zone Project in Tongyeong using Synthetic Control Method"**

Hyejin Kim (Seoul National University)

**"When Peers Count: Evidence from Randomized Peer Assignments in the Workplace"**

Sangyoon Park (University of Hong Kong)

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International  
Studies  
Hall

## MONETARY POLICY - Organized by Yuri Sasaki (Meiji Gakuin University)

CHAIR: Kyung Soo Kim (Sungkyunkwan University)

SESSION

IV-8

**"Monetary Policy and Covered Interest Parity in the Post GFC Period: Evidence from the Australian Dollar and the NZ Dollar"**

Shin-ichi Fukuda (University of Tokyo), Mariko Tanaka (Musashino University)

**"The BOJ's ETF Purchasing Program and the Impact on the Market"**

Kimi Harada (Chuo University)

**"Long-Run Welfare Implication of Helicopter Money in Aging Economies"**

Kiyohiko G. Nishimura (University of Tokyo), Yoshihiro Tamai (Kanagawa University)

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# PARALLEL SESSIONS V

Saturday, July 15, 2017

10:45-12:15

Location

## MICROECONOMICS

CHAIR: Youngsub Chun (Seoul National University)

SESSION

V-1

### "Multidimensional Second-Price and English Auctions"

Seungwon (Eugene) Jeong (University of Bristol)

### "Optimal Mechanisms in Almost Ex-Ante Bargaining Problems"

Jin Yeub Kim (University of Nebraska-Lincoln)

### "Delay in Selling to Buyers with Outside Options"

Dongkyu Chang (City University of Hong Kong)

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## MACROECONOMICS

CHAIR: Lance Fisher (Macquarie University)

SESSION

V-2

### "Oil and the Regional Economies in Japan: Analysis Using a VAR with Block Exogeneity"

Hayato Nakata (Meisei University)

### "Household Debt Overhang and Transmission of Monetary Policy"

Sarah Zubairy (Texas A&M University)

### "Combining Sign and Long-run Parametric Restrictions in a Weak Instrument Case: Monetary Policy and Exchange Rates"

Lance Fisher (Macquarie University)

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## APPLIED ECONOMICS

CHAIR: Yoonsoo Lee (Sogang University)

SESSION  
V-3**"Estimating the Effect of Countercyclical Capital Buffer on Banking System Resilience: The Cases of the United States and South Korea during 2008 Crisis"**

Jongheuk Kim (National Assembly Budget Office)

**"Technology Licensing and Environmental Policy Instruments: Price Control versus Quality Control"**

Sungwan Hong (University of Tokyo)

**"Regulating Private Consumption in Korea: Lessons from Another Failure"**

Hoon Choi (The Regional Quantitative Analysis Group, University of Barcelona)

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## INTERNATIONAL FINANCE - Organized by Yuri Sasaki (Meiji Gakuin University)

CHAIR: Etsuro Shioji (Hitotsubashi University)

SESSION  
V-4**"Absence of Safe Assets, Large Sovereign Debt, and Low Bond Yields"**

Yukie Sakuragawa (Atomi University), Masaya Sakuragawa (Keio University)

**"Firm Specificity, Cash Flow and Investment among Japanese Firms: Evidence from the Lost Decades"**

Dick Beason (University of Alberta)

**"Extracting Fiscal Policy Expectations from a Cross Section of Daily Stock Returns"**

Etsuro Shioji (Hitotsubashi University)

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## DEVELOPMENT ECONOMICS

CHAIR: Hyuncheol Bryant Kim (Cornell University)

SESSION

V-5

**"Immigrant Educators and Students' Academic Achievement"**

Kelvin Seah (National University of Singapore)

**"Parental Decision on Additional Birth and Burden on Child Quality"**

Ahram Moon (Tianjin University of Finance and Economics)

**"When Student Incentives Don't Work: Evidence from a Field Experiment in Malawi"**

Hyuk Son (Cornell University), Hyuncheol Bryant Kim (Cornell University)

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## PENSION AND WELFARE

CHAIR: Jung Wook Seo (Daegu University)

SESSION

V-6

**"Optimal Income and Happiness of the Elderly: Does Money Improve Happiness, Up to What Point?"**

Young Sook Chung (Daegu University)

**"The Effect of both the National Pension and the Basic Pension on Alleviating the Poverty of the Old-aged People over 65 in Korea"**

Seung Hoon Jeon (Daegu University)

**"The Method of Farmland Pension System Improvement by Applying Interrupted Time Series Model"**

Deokho Cho (Daegu University)

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## INCOME INEQUALITY

CHAIR: Insill Yi (Sogang University)

SESSION  
V-7

### **"The Empirical Research on Role of Primacy on Income Difference across Region in South Korea"**

Jinwoo Dong (Pusan National University)

### **"Macroeconomic Conditions and Wage Inequality: Expanding and Analyzing the Worldwide Dataset"**

Saiah Lee (University of Wisconsin-Madison)

### **"Nexus between Income Inequality and Financial Development in Selected Latin American Economies"**

Rajendra Narayan Paramanik (Birla Institute of Technology and Science-Pilani)

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## TRADE

CHAIR: Noh-Sun Kwark (Sogang University)

SESSION  
V-8

### **"Probabilistic Patents, Alternative Damage Rules and Optimal Trade Policy"**

Arun Kumar Kaushik (Jindal Global University)

### **"Globalization, Coordination, and Optimality in the Setup of International Public Goods"**

Jin Kim (Dongduk Women's University)

### **"Price Stabilizing Effects of the FTAs"**

Noh-Sun Kwark (Sogang University)

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## APPLIED ECONOMICS

CHAIR: Toshiro Matsumoto (Okayama University)

SESSION  
V-9**"The Domino Effect: Analyzing the Impacts of Mining to the Economy of Caraga Region, Philippines"**

Silverio Magallon (University of Southeastern Philippines)

**"Why Japanese Firms are Failing? An Examination of Their Business Model"**

Munim Barai (Ritsumeikan Asia Pacific University)

**"Firm Heterogeneity in Sources of Total Factor Productivity Growth: Evidence from Japanese Manufacturing Firms"**

Sangho Kim (Ritsumeikan Asia Pacific University)

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# PARALLEL SESSIONS VI

Saturday, July 15, 2017

13:45-15:15

Location

## MICROECONOMICS

CHAIR: Myungkoo Song (California Institute of Technology)

SESSION

VI-1

### **"Partial Privatization and Subsidization in a Mixed Duopoly: R&D versus Output Subsidies"**

Sang-Ho Lee (Chonnam National University), Timur K. Muminov (Chonnam National University),  
Yoshihiro Tomaru (Chukyo University)

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### **"Startup Financing and Capital Structure: A Signaling Approach"**

Joon Yeop Kwon (POSTECH)

### **"High CEO Compensation: Incentives for CEO or Managers?"**

Myungkoo Song (California Institute of Technology)

## MACROECONOMICS

CHAIR: Byung Ho Song (Dongguk University)

SESSION

VI-2

### **"Firm Entry, Search and Matching in a Small Open Economy Faced with Uncertainty Shocks: The Case of Korea"**

Samil Oh (The Bank of Korea, ESSEC Business School)

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### **"Has the Labour Share Declined? It Depends"**

Taehyoung Cho (The Bank of Korea)

### **"The Labor Market Effects of Public Employment"**

Weh-Sol Moon (Seoul Women's University)

## APPLIED ECONOMICS

CHAIR: Wankeun Oh (Hankuk University of Foreign Studies)

SESSION

VI-3

**"Does a Government Public Transfer Program Crowd out Intergenerational Transfers? Evidence from South Korea"**

Kanghyock Koh (Ulsan National Institute of Science and Technology)

**"The Effect of Female Labor Supply on Vote Choice"**

Li-Ju Chen (University of Taipei)

**"The Impact of ICT on Government Openness by Income"**

Eun G. Park (McGill University), Wankeun Oh (Hankuk University of Foreign Studies)

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## INTERNATIONAL TRADE POLICY

CHAIR: Valerie Cerra (International Monetary Fund)

SESSION

VI-4

**"Are Seminars on Export Promotion Effective? Evidence from a Randomized Controlled Trial"**

Yu Ri Kim (Waseda University)

**"The Geography of Gravity"**

Jun-Hyung Ko (Aoyama Gakuin University)

**"Launching Export Accelerations in Latin America and the World"**

Valerie Cerra (International Monetary Fund)

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## DEVELOPMENT ECONOMICS

CHAIR: Arindam Banik (International Management Institute)

SESSION

VI-5

**"Understanding Social Capital in the Sharing Economy"**

Chiung-Ting CHANG (National Sun Yat-sen University)

**"Population Aging and the Possibility of a Middle Income Trap in Asia"**

Sang-Hyop Lee (University of Hawaii at Manoa)

**"Measuring the Barriers to Trade in Banking and Financial Services in BRICS Economies"**

Arindam Banik (International Management Institute), Rituparna Basu (International Management Institute)

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## HEALTH AND AGING IN ASIA - Organized by Asian Development Bank Institute

CHAIR: Chul Ju Kim (Asian Development Bank Institute)

SESSION

VI-6

**"Costs and Potential Funding of Expanded Public Pension Coverage in Asia"**

Peter Morgan (Asian Development Bank Institute)

**"The Imminent Obesity Crisis in Asia and the Pacific: First Cost Estimate"**

Matthias Helble (Asian Development Bank Institute)

**"Population Aging and Inequality: Evidence from China"**

Bihong Huang (Asian Development Bank Institute)

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## APPLIED ECONOMICS

CHAIR: Woojin Lee (Korea University)

SESSION

VI-7

**"The Effect of Sex Ratio on Crime: Instrumental Variable Estimates from India"**

Prarthna Agarwal Goel (Guru Gobind Singh Indraprastha University)

**"Gender and Confidence - Evidence from the PISA Math Test"**

Seo-Young Cho (Philipps-University Marburg)

**"Inequality of Opportunity in South Korea"**

Woojin Lee (Korea University), Jinsoo Cho (Korea University)

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## SHOCKS AND GROWTH - Organized by University of Missouri

CHAIR: Sang Geun Bae (Korea Economic Research Institute)

SESSION

VI-8

**"How Did the Asian Financial Crisis Affect Korean Household Consumption?"**

Shawn Ni (University of Missouri)

**"Resource Endowment and Economic Growth: Dynamic Heterogeneous Approach"**

Dong-Hyeon Kim (Korea University)

**"Two Sectors and Two Shocks: How Do Surprise and News Shocks Impact on Economy?"**

Ingul Baek (Korea Housing Finance Corporation)

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## SOCIAL CHOICE AND JUSTICE

CHAIR: Biung-Ghi Ju (Seoul National University)

SESSION

VI-9

### "Fractional Group Identification"

Wonki Cho (Korea University)

### "The Impossibility of Liberal Rights in a Diverse World"

Hun Chung (University of Rochester)

### "Entitlement Theory of Justice and End-state Fairness in the Allocation Goods"

Biung-Ghi Ju (Seoul National University)

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## **The Korean Economic Association (KEA)**

The KEA is the representative economic association in Korea, established in 1952. Its missions are

- to promote interactions among economists in Korea and in other parts of the world;
- to encourage economic research in Korea and other parts of the world; and
- to disseminate economic research results.

Since 1982, KEA has organized an international conference every other year. From this year on, KEA will organize an international conference every year.

For more information, please visit the KEA's web site: [http://eng.kea.ne.kr/main/?load\\_popup=1&filter=on](http://eng.kea.ne.kr/main/?load_popup=1&filter=on).

## **The Asia-Pacific Economic Association (APEA)**

The association was established as a result of a series of conferences organized by a group of economists in the United States, Japan, South Korea, Taiwan, Hong Kong, and Mainland China on the Asian economies and the 1997 Asian financial crisis. They all felt the need for more forums for economists to share their research work with others, to interact with other economists, to search for more research opportunities and topics, to make policy recommendations, and to make more friends. The association has the following missions:

- to promote interactions among economists in the Asia-Pacific region and in other parts of the world;
- to encourage economic research in the region; and
- to disseminate economic research results.

Since the summer of 2005, APEA has been organizing annual conferences in different places to provide a forum to economists to present their research ideas and results, and to interact with economists from all over the world.

For more information, please visit the APEA's web site: <http://www.apeaweb.org/index.html>.

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## KOREA UNIVERSITY

- INTERNATIONAL STUDIES HALL
- INCHON MEMORIAL HALL





