The 1st International Conference
of
the Japan Economic Policy Association

November 30 - December 1, 2002

Chuo University, Korakuen Campus
Tokyo, Japan

Main theme

Nation States and Economic Policy: Conflict and Cooperation

Japan Economic Policy Association

JEPA
jepa@tamacc.chuo-u.ac.jp
Organizing Committee

Chair  Akira Yokoyama  (Chuo University)
       Takashi Gunjima  (Doshisha University)
       Hiroyuki Kawanobe  (Tokai University)
       Kohei Komamura  (Toyo University)
       Yasumi Matsumoto  (Waseda University)
       Hiroshi Saito  (Aichi Gakuin University)
       Mitsuo Sasaki  (Shumei University)
       Koji Shinjo  (Kobe University)
       Sawako Takeuchi  (Toyo University)
       Yoji Taniguchi  (Chuo University)
       Akio Torii  (Yokohama National University)

Program Committee

Chair  Yasumi Matsumoto  (Waseda University)
       Yoshihiko Akashi  (Osaka City University)
       Yuko Arayama  (Nagoya University)
       Kohei Komamura  (Toyo University)
       Takayuki Nagoh  (Kobe University)
       Sawako Takeuchi  (Toyo University)
       Yoji Taniguchi  (Chuo University)
       Akio Torii  (Yokohama National University)
       Hiroto Tsukada  (Yamaguchi University)
       Akira Yokoyama  (Chuo University)

Managing Committee

Chairs  Mamoru Nakano  (Chuo University)
        Masumi Kishi  (Chuo University)
Members  Hitoshi Kugenuma  (Kyoto Gakuin University)
         Toru Murakami  (Otemon Gakuin University)
        Masayoshi Tanishita  (Chuo University)
        Yoshiaki Ushifusa  (The University of Kitakyushu)

Conference Secretariat

Sawaka Okada
Emiko Amano
Shumpei Yaoita
Saturday, November 30

9:30-9:50 (Room 5534)

**Opening**

**Opening Address**
Speaker: Hiroshi Kato (The First President of the JEPA, Chiba University of Commerce)

**Presidential Address**
Speaker: Akira Yokoyama (The President of the JEPA, Chuo University)

9:50-11:50 (Room 5534)

**Plenary Session 1: Nation States and Economic Policy: Conflict and Cooperation**

Chair: Masu Uekusa (Toyo University)

**Governance and Economic Integration in a Global Economy: The Experience of the EU and Challenges for ASEAN**
Speaker: Suthiphand Chirathivat (Chulalongkorn University)
Discussant: Hiroaki Hayakawa (Chuo University)

**On the Economic Revitalization Strategies**
Speaker: Shuhei Shiozawa (Keio University, and Cabinet Office of Japanese Government)
Discussant: Niels Fuhrmann (Rheinische Friedrich Wilhelms Universität Bonn & Kobe University)

**Rethinking the Role of the State with Special Reference to New Economic Polices in South Asia**
Speaker: M. Shamsul Haque (National University of Singapore)
Discussant: Tamon Yamada (Keio University)

(11:50-13:00 Lunch Time)

13:00-15:00 (Room 5534)

**Session 1: Resource and Environmental Policies (1)**

Chair: Akira Yokoyama (Chuo University)

**Czech Republic Nation State and Environmental Policy: History and Present**
Speaker: Petr Sauer (University of Economics in Prague)
Discussant: Masumi Hakogi (Hiroshima University of Economics)

**China’s Energy Strategy Early in the 21st Century**
Speaker: Jiejiao Liu (Chinese Academy of Social Science)
Discussant: Akira Kinoshita (Tohoku Bunkagakuen University)

**Environmental Regulation and International Competitiveness in Korea**
Speaker: Il-Chung Kim (Dongguk University) & Dong Seok Kim (Korea Development Institute)
Discussant: Hiroshi Fukagawa (Kyushu University)
13:00-15:00 (Room 5335)

Session 2: Japanese Economic Problems

Chair: Hiroyuki Kawanobe (Tokai University)

Main Features of the Japanese Financial System: The Japanese Postal Saving System in International Comparison
Speaker: Niels Fuhrmann (Rheinische Friedrich Wilhelms Universität Bonn & Kobe University)
Discussant: Satoru Matsubara (Toyo University)

Japan as a Multiple-communitarian Society: A Tragedy of Anti-commons
Speaker: Shigeto Naka (Hiroshima City University)
Discussant: Masashi Nishikawa (Saitama University)

Nation States and Economic Policy: Conflict and Cooperation (Japanese case)
Speaker: Caleb Rukundo (Makerere University Kampala, East Africa)
Discussant: Shigeto Naka (Hiroshima City University)

13:00-15:00 (Room 5336)

Session 3: International Monetary Affairs (1)

Chair: Anwar Nasution (University of Indonesia)

Economic Preconditions for Monetary Cooperation in East Asia
Speaker: Junichi Goto (Kobe University)
Discussant: Kazutomo Abe (Tokyo Denki University)

The Grondona System of Conditional Currency Convertibility: A Basis for Conflict-Free Monetary Cooperation
Speaker: Patrick Collins (Azabu University)
Discussant: Yukinobu Kitamura (Hitotsubashi University)

A Currency Basket Regime in East Asia
Speaker: Junichi Mori & Naoyoshi Kinukawa (Institute for International Monetary Affairs)
Discussant: Patrick Collins (Azabu University)

13:00-15:00 (Room 5235)

Session 4: International Conflict and Cooperation (1)

Chair: Masumi Kishi (Chuo University)

FDI Evolution in China and Regional Development: From Institutional Reform to Agglomeration Economies Perspectives
Speaker: Chyau Tuan & Linda F. Y. Ng (The Chinese University of Hong Kong)
Discussant: Mitsuo Ezaki (Nagoya University)

Japan and China: Driving Forces of a Regional Monetary Arrangements in East Asia?
Speaker: Tetsuji Murase (Kyoto University)
Discussant: Modjtaba Sadria (Chuo University)

Exchange Rate, Exchange Rate Volatility and Foreign Direct Investment
Speaker: Kozo Kiyota (Yokohama National University) & Shujiro Urata (Waseda University)
Discussant: Chyau Tuan (The Chinese University of Hong Kong)
15:20-17:20 (Room 5534)

**Session 5: Resource and Environmental Policies (2)**

Chair: Jiejiao Liu (Chinese Academy of Social Science)

**Trade, Externalities of Industrial Pollution, and Economic Geography: The Case of Asymmetrical Pollution**

Speaker: Tohru Naito (Kyushu Kyoritsu University)
Discussant: Shunichi Maekawa (Meikai University)

**A Criterion of Participation in Global Governance of CO₂ Emissions for the Perspective of Sustainable Economic Development in East Asia**

Speaker: Yoko Wake, Nguyen Kim Anh, Jung Woojong & Rapipongs B. Silpa (Keio University)
Discussant: Jiejiao Liu (Chinese Academy of Social Science)

**The Effect of Emissions Trading on International Environmental Agreements**

Speaker: Jan-Tjeerd Boom (The Royal Veterinary and Agricultural University)
Discussant: Naoki Matsuo (Climate Experts)

15:20-17:20 (Room 5335)

**Session 6: Resource and Environmental Policies (3)**

Chair: Il-Chung Kim (Dongguk University)

**Ecotourism, Common Pool Resources and Regional Environment Management**

Speaker: Masahiro Yabuta (Chuo University)
Discussant: Shigeru Matsumoto (Kansai University)

**Common Pool Resources, Preference for Environmental and Ecotourism**

Speaker: Takanori Ida (Prefectural University of Kumamoto)
Discussant: Yoshifumi Ueda (Hiroshima University)

**Deforestation, Common Pool Resources and International Trade**

Speaker: Yasuhiro Yamanishi (Chuo University)
Discussant: Mihoko Shimamoto (Hosei University)

15:20-17:20 (Room 5336)

**Session 7: International Monetary Affairs (2)**

Chair: Hideaki Murase (Nagoya City University)

**Unemployment Assistance: Policy Implications from the 1997 Financial Crisis in Korea**

Speaker: Young-bum Park (Hansung University)
Discussant: Sei Kuribayashi (Chuo University)

**Production Technology of Malaysian Commercial Banks before and after Asian Crisis: A Stochastic Econometric Analysis Adjusted to The Non-Performing Loans**

Speaker: Hidenobu Okuda (Hitotsubashi University), Hidetoshi Hashimoto (Nihon University) & Michiko Murakami (Japan Bank for International Cooperation)
Discussant: Mika Kitamura (Central Research Institute of Electric Power Industry)
Session 8: International Conflict and Cooperation (2)

Chair: Mitoshi Yamaguchi (Kobe University)

Resolving Conflict over Natural Resources through Gains in Productivity
- Speaker: Barun Mitra & Ekta Thakur (Liberty Institute)
- Discussant: Hiroyuki Ooba (Reitaku University)

Economic Globalization and the Citizens' Welfare State
- Speaker: Hiroto Tsukada (Yamaguchi University)
- Discussant: Kohei Komamura (Toyo University)

Foreign Workers' Adjustment in Korea: Comparing Filipino and Other Asian Workers
- Speaker: Byoung Mohk Choi (Kyung Hee University)
- Discussant: Tomoko Furugori (Chuo University)

Welcome Dinner (18:00-20:00)
at Tokyo Green Hotel Suidobashi
1-1-16 Misakicho, Chiyoda-ku, Tokyo
Phone 03-3295-4161 / Fax 03-3295-8764
About 15 minutes' walk from Korakuen Campus at Chuo University

Sunday, December 1

Session 9: Resource and Environmental Policies (4)

Chair: Kazuhiro Ueta (Kyoto University)

Load of Carbon Tax by Region and Income Group
- Speaker: Kiyoshi Fujikawa (Konan University)
- Discussant: Noriyuki Goto (University of Tokyo)

Reforming the Japanese Car-related Taxation System to Meet CO2 Emission Targets
- Speaker: Masayoshi Tanishita (Chuo University)
- Discussant: Kiyoshi Fujikawa (Konan University)

The Double Dividend of an Environmental Tax Reform in Japan: A CGE Analysis Based on the 1995 Input-Output Table
- Speaker: Seung-Joon Park (Kyoto Sangyo University)
- Discussant: Il-Chung Kim (Dongguk University)
9:00-11:00 (Room 5335)

**Session 10: Macroeconomic Performance (1)**

**Chair:** Yasumi Matsumoto (Waseda University)

**Political Implication of Statistical Analyses of Information Technology Investment in Japanese Banks**

**Speaker:** Yasuharu Ukai (Kansai University) & Shinji Watanabe (University of Osaka Prefecture)
**Discussant:** Kouhei Ohtsuka (Member of the House of Councillors)

**Comparison of the Economic Performances during the Presidential Regime in Korea**

**Speaker:** Jae Won Kim (Hanyang University)
**Discussant:** Katsuyoshi Okui (Otemon Gakuin University)

**An Analysis of Technological Progress and Technical Efficiency of Japanese and Korean Manufacturing Sector: Different Policy Implications**

**Speaker:** Se-Young Bae (Konyang University)
**Discussant:** Takanobu Nakajima (Keio University)

9:00-11:00 (Room 5336)

**Session 11: Optimal Taxation**

**Chair:** Stanley L. Winer (Carleton University)

**A Design of Optimal Commodity Taxation: A Case of Japan and Korea**

**Speaker:** Joong-Ho Kook (Yokohama City University)
**Discussant:** Satoshi Watanabe (Chuo University)

9:00-11:00 (Room 5235)

**Session 12: International Conflict and Cooperation (3)**

**Chair:** Suthiphand Chirathivat (Chulalongkom University)

**Private and Public Voluntary Contributions to Foreign Aid: An Empirical Analysis**

**Speaker:** Masayoshi Hayashi (Meiji Gakuin University)
**Discussant:** Worawet Suwanrada (Osaka University)

**Environmental Assessment Process of Japanese ODA and Its Alternative**

**Speaker:** Kosuke Ninomiya (Kyushu Kyoritsu University)
**Discussant:** Petr Sauer (University of Economics in Prague)

**Japan’s Foreign Policy: Monterrey, WSSD, and the Doha Round**

**Speaker:** Hirohisa Kohama (University of Shizuoka)
**Discussant:** Tatsuo Arima (Waseda University)

(11:00-11:15 Coffee Break)
Session 13: Resource and Environmental Policies (5)

Chair: Jan-Tjeerd Boom (The Royal Veterinary and Agricultural University)

Provision of Public Goods and NPO
Speaker: Hiroshige Tanaka (Chuo University)
Discussant: Tetsuro Okazaki (Chiba University of Commerce)

A Concept of Compact City for Sustainable Development
Speaker: Akira Kinoshita (Tohoku Bunkagakuen University)
Discussant: Noritoshi Ariyoshi (Kumamoto University)

Session 14: Macroeconomic Performance (2)

Chair: Nobuhito Takeuchi (Nagoya University)

The Effects of Fiscal Policy in Japan: Simulation Analysis with Forward-looking Macroeconometric Model
Speaker: Ryokichi Chida (Meiji University)
Discussant: Akio Torii (Yokohama National University)

Informatization Policy in Korea: Current Situation and Future Development Strategy
Speaker: Sae Eok Han (Tamna University)
Discussant: Tatsuya Omura (Keio University)

Regional Diversity of Economic Growth and Its Source in China
Speaker: Yuko Arayama & Katsuya Miyoshi (Graduate School of Nagoya University)
Discussant: Linda F. Y. Ng (The Chinese University of Hong Kong)

Session 15: Basic Theory for Economic Policy

Chair: M. Shamsul Haque (National University of Singapore)

The Role of Entrepreneurship in Institutional Change: A Public Choice and Incomplete-Contract Approach to the Problem of Structural Reform
Speaker: Yoshifumi Ueda (Hiroshima University)
Discussant: Taro Ozawa (Keio University)

A Welfare Economic Approach as a Basis for Economic Policy
Speaker: Daisuke Udagawa (Waseda University)
Discussant: Shigeaki Mizutani (Nanzan University)

Dynamic Heckscher-Ohlin Model under Monopolistic Competition
Speaker: Kenichiro Ikeshita (Kyushu University)
Discussant: Kazuharu Kiyono (Waseda University)
11:15-13:15 (Room 5235)

Session 16: International Monetary Affairs (3)

Chair: Young-bum Park (Hansung University)

Economic policies in the Asian Crisis Countries Before and After the Crisis

Speaker: Masaaki Komatsu (Hiroshima University)
Discussant: Suminori Tokunaga (University of Tsukuba)

The Bank Restructuring Program in Indonesia Since 1997-98

Speaker: Anwar Nasution (University of Indonesia)
Discussant: Nobuhiko Kosuge (Kanda University of International Studies)

(13:15-14:15 Lunch Time)

14:15-16:15 (Room 5534)

Plenary Session 2: Keynesian Policy Reconsidered

Chair: Takashi Matsugi (Aichi Gakuin University)


Speaker: Haruki Niwa (Osaka Gakuin University)
Discussant: Ryokichi Chida (Meiji University)

Effective Demand and National Income: A Microeconomics of the IS-LM Analysis

Speaker: Michihiro Ohyama (Keio University)
Discussant: Nobuhito Takeuchi (Nagoya University)

Searching for Keynes: The Transitory Component in the Evolution of the Public Sector with Application to Canada, 1870-1995

Speaker: Stanley L. Winer (Carleton University)
Discussant: Hideaki Murase (Nagoya City University)

16:15-16:30 (Room 5534)

Closing

Closing Address

Speaker: Hiroyuki Kawanobe (A Vice-President of the JEPA, Tokai University)
Information: Welcome Dinner (11/30 Saturday)

The Welcome Dinner takes place in the “Tokyo Green Hotel Suidobashi,” starting at 18:00. A fine Japanese buffet and sake will be offered.

Tokyo Green Hotel Suidobashi

- **Address**: 1-1-16 Misakicho, Chiyoda-ku, Tokyo
  - **postal code**: 101-0061
- **TEL**: 03-3295-4161
- **FAX**: 03-3295-8764
- **Access**
  - 3 minutes' walk from Suidobashi station. (East-EX), JR Sobu Line
  - 5 minutes' walk from Suidobashi station. (A1-EX), Subway Toei-Mita line
  - 15 minutes' walk from Korakuen Campus, Chuo University