

International Conference

The Asian Crisis, III:

The Crisis and the Recovery

Tokyo, July 17-18, 2001



Center for International Research on the Japanese Economy
Faculty of Economics
University of Tokyo

and

Research Center for International Economics
University of Washington and City University of Hong Kong

For more information about this conference, two previous ones on the crisis held in Seattle in 1998 and 2000, papers presented at these conferences, and possible future related activities, please visit the following web site: <http://faculty.washington.edu/karyiu/>.

Program

July 16, 2001

7:00 – 9:00 pm Reception Party, restaurant “Province”, 2nd Floor, Sofitel Hotel

All sessions will be held at Sanjo Conference Hall, University of Tokyo.

July 17, 2001

9:30 – 9:45 am Registration, morning coffee and tea

9:45 – 10:00 am Welcome Session

Kar-yiu Wong, University of Washington
Shin-ichi Fukuda, University of Tokyo

10:00 – 11:30 am Session I: Features of the Crisis

Chair: **Kar-yiu Wong**, University of Washington

Anil Deolalikar, University of Washington, “What Really Happens to Wage Rates During Financial Crises? The Case of Thailand” (with Jere R. Behrman, University of Pennsylvania, and Pranee Tinakorn, Thailand Development Research Institute Foundation)

Discussant: **Akira Kohsaka**, Osaka University

Fukunari Kimura, Keio University, “Why Did the Crisis Accelerate Liberalization?: Consequences of Hosting FDI by the ASEAN Member Countries”

Discussant: **Henry Wan**, Cornell University

Xiang Lin, Södertörn U College, and **Dieter M. Urban**, Università Bocconi, “Financial Crises in an Economy with High Savings” (with Pehr-Johan Norback, Research Institute of Industrial Economics)

Discussant: **Robert Dekle**, University of Southern California

11:30 – 11:45 am Coffee Break

11:45 – 12:15 pm

Chair: **Shin-ichi Fukuda**, University of Tokyo

Takatashi Ito, Hitotsubashi University and NBER, “Regional Cooperation in Asia: Recent Developments”

12:15 – 1:30 pm	Lunch, B1, rooms 001 and 002
1:30 – 3:00 pm	<p>Session II: Cross-Country Studies</p> <p><i>Chair:</i> Takatoshi Ito, Hitotsubashi University and NBER</p> <p>Shumpei Takemori and Kenji Wada, Keio University “Will Japan Lag Behind Korea? A Theoretical and Empirical Analysis of A Transition to New Economy”</p> <p><i>Discussant:</i> Tokuo Iwaisako, Hitotsubashi University</p> <p>Fred Y. K. Kwan, City University of Hong Kong, “Is the Asian Crisis Anticipatory? Evidence from Indonesia, Malaysia, South Korea, and Thailand” (with Ka-fu Wong, Chinese University of Hong Kong)</p> <p><i>Discussant:</i> Yuri Sasaki, Meijigakuin University</p> <p>Taimur Baig, International Monetary Fund, “Characterizing Post-crisis Exchange Rate Regimes in East Asian Economies”</p> <p><i>Discussant:</i> David G. Dickinson, University of Birmingham</p>
3:00 – 3:15 pm	Coffee Break
3:15 – 3:45 pm	<div style="border: 1px solid black; padding: 10px;"> <p><i>Chair:</i> Tatsuyoshi Miyakoshi, Niigata University</p> <p>Henry Wan, Cornell University, “The Three Faces of The 1997 Crisis: The Lessons to Learn” (with Jakrapong Uchupalanun, Thailand Development Research Institute)</p> </div>
3:50 – 5:20 pm	<p>Session III: Macroeconomic Shocks and Monetary Systems</p> <p><i>Chair:</i> Juro Teranishi, Hitotsubashi University</p> <p>Marcus Miller, University of Warwick, “Bankruptcy Protection against Macroeconomic Shocks: The Case for a ‘Super Chapter 11’” (with Joseph Stiglitz, World Bank)</p> <p><i>Discussant:</i> Makoto Yano, Keio University</p> <p>Eiji Ogawa, Hitotsubashi University, “The US Dollar in the International Monetary System after the Asian Crisis”</p> <p><i>Discussant:</i> Marie-Aimée Tourres, Institute of Strategic and International Studies (ISIS-Malaysia)</p> <p>Yong Cao, Nanyang Technological University, “The Impact of the Mean Change and Volatility of Exchange Rate on the Investment in the Open Economy with Dominating FDI: Its implication to the Asian Financial Crisis”</p> <p><i>Discussant:</i> Hiroshi Fujiki, Bank of Japan</p>
6:30 – 8:30 pm	Conference Dinner, Room “Kawa”, B1 (basement) in Sofitel Hotel

July 18, 2001

9:30 – 9:45 am Morning Coffee and Tea

9:45 – 11:15 am Session V: Recovery of the Asian Economies and Bank Regulations

Chair: **Koichi Hamada**, Cabinet Office

Robert Dekle, University of Southern California, “Domestic Bank Regulation and Financial Crises: Theory and Empirical Evidence from East Asia” (with Kenneth Kletzer, University of California, Santa Cruz)

Discussant: **Hiroshi Shibuya**, Otaru University of Commerce

Nan-kuang Chen, National Taiwan University, “Collateral Damage and Economic Recovery” (with **Charles Leung**, Chinese University of Hong Kong)

Discussant: **Kazuo Yokokawa**, Tohoku University

Sweta Saxena, Pittsburgh University, “Did Output Recover from the Asian Crisis?” (with Valerie Cerra, International Monetary Fund)

Discussant: **Munehisa Kasuya**, Bank of Japan

11:15 – 11:30 am Coffee Break

11:30 – 12:00 pm Chair: **Richard Anton Braun**, University of Tokyo

Lawrence Lau, Stanford University, “Lessons from the East Asian Currency Crisis and Recovery”

12:00 – 1:15 pm Lunch, B1, rooms 001 and 002

1:15 – 2:45 pm Session VI: Policy Analysis and Recommendations

Chair: **Masahiro Kawai**, University of Tokyo

Naoyuki Yoshino, Keio University, “Optimal Exchange rate System---Its Theoretical and Empirical Investigation” (with S. Kaji and A. Suzuki, Keio University)

Discussant: **Hideki Izawa**, Kobe University

Juntip Boonprakaikawe and **S. Ghosal**, University of Warwick, “Bank Runs and Noisy Signals”

Discussant: **Kerk Phillips**, Brigham Young University

Sayuri Shirai, Keio University, “Designing a Financial Market Structure in a Post-Crisis Asia” (with Masaru Yoshitomi, ADB Institute)

Discussant: **Jeff Chien-fu Lin**, National Taiwan University

2:45 – 3:00 pm Coffee Break

3:00 – 4:30 pm

Session VII: Further Analysis of the Financial Markets

Chair: **Naoyuki Yoshino**, Keio University,

Masahiro Kawai, University of Tokyo, “Determinants of International Commercial Bank Loans to Developing Countries” (with Li-Gang Liu, ADB Institute)

Discussant: **Kunio Saito**, International Monetary Fund

Idanna Kaplan-Appio, Federal Reserve Board of New York, “Estimating the Value of Implicit Government Guarantees to Asian Banks”

Discussant: **Dieter M. Urban**, Universita' Bocconi

Etsuro Shioji, Yokohama National University, “Welfare Implications of the 1995-1998 Yen Depreciation on Asia”

Discussant: **Sven Arndt**, Claremont McKenna College