

A Joint Conference of KNU, KIEP, and RCIE

Asian Crisis, V :

New Challenges and Opportunities for the Post-Crisis Asia

Kangwon National University, Chuncheon, Korea
December 9-10, 2003

Kangwon National University Institute of Industrial Research, Korea along with Korea Institute for International Economic Policy (KIEP) and University of Washington Research Center for International Economics (RCIE) is organizing a conference on Asian crisis. This is the fifth one of the conference series on the Asian crisis of the late nineties. Previous "Asian Crisis" conferences were held at University of Washington (1998, 1999); University of Tokyo (2001); National Taiwan University (2002). All of them have been consecutively co-organized by RCIE.

This year, two keynote speeches and eighteen papers will be presented to analyze the causes and effects of the crisis, the recent recovery of these countries, the economic relations between these countries and the rest of the world, and post-crisis Asia confronted with new challenges and opportunities.

1. Organizing Units

Kangwon National University Institute of Industrial Research, Korea
Korea Institute for International Economic Policy, Korea
University of Washington Research Center for International Economics, U.S.A.

2. Supporting Units

Faculty of Economics and Center for International Research on the Japanese
Economy, University of Tokyo, Japan
Department of Economics, National Taiwan University, Taiwan

3. Date and Venue

Date : December 9-10, 2003

Venue : Kangwon National University, Chuncheon, Korea

4. Program Committee

Chung Mo Koo	Kangwon National University (Co-chair)
Kar-yiu Wong	University of Washington (Co-chair)
Joshua Aizenman	University of California, Santa Cruz
Shin-ichi Fukuda	University of Tokyo
Lawrence Krause	University of California, San Diego
Chang-Jae Lee	Korea Institute for International Economic Policy
Jong Won Lee	Sungkyunkwan University
Jeff Chien-Fu Lin	National Taiwan University
Peter Lloyd	University of Melbourne

5. Local Organizing Committee

Hyun-Hoon Lee	Kangwon National University (Chair)
Julie Young Ai	Kangwon National University (Coordinator)
Inkyo Cheong	Korea Institute for International Economic Policy
Yongkyun Chung	Kangwon National University
Hyeon-seung Huh	Hallym University
Euysung Kim	Yonsei University
Won Soon Kwon	Hankook University of Foreign Studies
Jong Min Lee	Kangwon National University
Deok Ryong Yoon	Korea Institute for International Economic Policy

6. Sponsors

Gangwon Province	The Chosun Ilbo
Hyundai Heavy Industries	Cheil Communications
Korea Chamber of Commerce and Industry	Do Min Mutual Savings Bank

7. Overview

Unless mentioned otherwise, all sessions will be held in Room 114, College of Arts Building, Kangwon National University

Monday, December 8

18:30-20:30 Welcome Reception

Tuesday, December 9

08:30-09:00 Registration
09:00-09:45 Welcome Session
09:45-10:15 Keynote Speech
10:15-10:30 Coffee Break
10:30-12:00 Session 1
12:00-13:30 Lunch
13:30-14:30 Session 2
14:30-14:45 Coffee Break
14:45-16:15 Session 3
16:15-16:30 Coffee Break
16:30-17:30 Session 4
18:00-20:00 Dinner

Wednesday, December 10

09:00-10:30 Session 5
10:30-10:45 Coffee Break
10:45-12:15 Session 6
12:15-13:30 Lunch
13:30-14:30 Session 7
14:30-15:00 Closing Session

Program

Tuesday, December 9, 2003

■ **Registration (8:30 - 9:00 am)**

■ **Welcome Session (9:00 - 9:45 am)**

Moderator: **Chung Mo Koo** (Kangwon National University)

Opening Remarks

Yong Soo Park (President, Kangwon National University)

Kar-yiu Wong (Director, Research Center for International Economics)

Congratulatory Remarks: East Asian Cooperation and Balanced Regional Development in Korea --- The Case of Gangwon Province

Jin Sun Kim (Governor, Gangwon Province)

■ **Keynote Speech (9:45 - 10:15 am)**

East Asian Economic Integration: Challenges and Prospects

Choong Yong Ahn (President, Korea Institute for International Economic Policy)

■ **Session 1 (10:30 - 12:00 pm)**

Moderator: **Jeff Chien-Fu Lin** (National Taiwan University, Taiwan)

What should be Weights on the Three Major Currencies for a Common Currency Basket in East Asia

Eiji Ogawa (Hitotsubashi University, Japan)

Kentaro Kawasaki (Toyo University, Japan)

Discussant: **Deok Ryong Yoon** (Korea Institute for International Economic Policy)

The Choice of Invoice Currency under Uncertainty: Theory and Evidence from Korea

Shin-ichi Fukuda (University of Tokyo, Japan)

Masanori Ono (Fukushima University, Japan)

Discussant: **Chung-Eun Lee** (Hallym University, Korea)

Inefficient Investment by Korean Chaebols

Ki Seok Hong (Ewha Women's University, Korea)

Jong Wha Lee (Korea University, Korea)

Young Soo Lee (Hankuk Aviation University, Korea)

Discussant: **Euysung Kim** (Yonsei University, Korea)

■ **Session 2 (1:30 - 2:30 pm)**

Moderator: **Chung Mo Koo** (Kangwon National University, Korea)

Korea's Marginal Intra-industry Trade and the Choice of Preferential Partners

Hyun Hoon Lee (Kangwon National University, Korea)

Chan-Hyun Sohn (Korea Institute for International Economic Policy, Korea)

Discussant: **Masanori Ono** (Fukushima University, Japan)

The Role of Financial Development in Economic Growth: The Experiences of Taiwan, Korea, and Japan

Chen-Min Hsu (National Taiwan University, Taiwan)

Wan-Chun Liu (Takiming College, Taiwan)

Shun-Fa Lee (National Taiwan University, Taiwan)

Discussant: **Ki Seok Hong** (Ewha Women's University, Korea)

■ **Session 3 (2:45 - 4:15 pm)**

Moderator: **Shin-ichi Fukuda** (University of Tokyo, Japan)

Credit Crunch in East Asia: A Retrospective

Akira Kohsaka (Osaka University, Japan)

Masahiro Enya (Osaka International University, Japan)

Mervin Pobre (Osaka University, Japan)

Discussant: **Gongpil Choi** (Korea Institute of Finance, Korea)

East Asian Crisis and Recovery: The Role of International Capital Flows

Ashir Mehta (Maharaja Sayajirao University of Baroda, India)

Discussant: **Gab-je Jo** (Kookmin Bank, Korea)

The Role of Foreign Banks in Post-Crisis Asia

Heather Montgomery (ADB Institute)

Discussant: **Byung In Lim** (University of Wyoming, U.S.A.)

■ **Session 4 (4:30 - 5:30 pm)**

Moderator: **Young Youn Lee** (Kangwon National University, Korea)

What happen to Asian Exports during the Crisis?

Antonio Spilimbergo (International Monetary Fund)

Rupa Duttagupta (International Monetary Fund)

Discussant: **Zhaoyong Zhang** (National University of Singapore, Singapore)

Trade and Growth of Trade in Post-crisis ASEAN and East Asia: Challenges and Opportunities

Tran Van Hoa (University of Wollongong, Australia)

Discussant: **Inkyo Cheong** (Korea Institute for International Economics, Korea)

Wednesday, December 10, 2003

■ **Session 5 (9:00 am- 10:30 am)**

Moderator: **Tran Van Hoa** (University of Wollongong, Australia)

Asymmetric Stock>Returns Volatility Transmissions during the Asian Financial Crisis: The Case of the ASEAN Markets

Kar-yiu Wong (University of Washington, U.S.A.)

Yi-Chi Chen (National Cheng Kung University, Taiwan)

Discussant: **Hyeon-seung Huh** (Hallym University, Korea)

Did the Current Account Matter? The Case of Korea

Deok-Ki David Kim (University of Sydney, Australia)

Discussant: **Kentaro Kawasaki** (Toyo University, Japan)

Expansion Strategies of Korean Multinationals

Hongshik Lee (Korea Institute for International Economic Policy, Korea)

Discussant: **Eui-Burm Park** (Kangwon National University, Korea)

■ **Session 6 (10:45 am-12:15 pm)**

Moderator: **Jong Won Lee** (Sungkyunkwan University, Korea)

Financial Integration and Consumption Risk Sharing in East Asia

Soyoung Kim (Korea University, Korea)

Sunghyun H. Kim (Tufts University, U.S.A.)

Yunjong Wang (Korea Institute for International Economic Policy, Korea)
Discussant: **Deok-Ki David Kim** (University of Sydney, Australia)

Financial Crisis and Income Distribution in Korea: The Role of Income Tax Policy

Jin Kwon Hyun (Korea Institute for Public Finance, Korea)

Byung In Lim (University of Wyoming, U.S.A.)

Discussant: **Sung Tai Kim** (Chongju University, Korea)

Exchange Rate Flexibility and Economic Recovery of Korea: To What Extent did the Depreciation of Korean Won affect the Earnings of Korean Manufacturing Firms?

Woo Sik Moon (Seoul National University, Korea)

Jong Keun Lee (The Bank of Korea, Korea)

Discussant: **Yong-Bang Chung** (Mobileway Asia-Pacific PTE, Korea)

■ **Session 7 (1:30 -2:30 pm)**

Moderator: **Seong Min Yoo** (Hallym University, Korea)

Predicting Currency Crisis with a Nested Logit Model

Isabel K.M. Yan (City University of Hong Kong, Hong Kong)

Lawrence J. Lau (Stanford University, U.S.A.)

Discussant: **Antonio Spilimbergo** (International Monetary Fund)

Solvency Index in Identifying Asian Crisis: The Case Of Malaysia

Nor'aznin Bt Abu Bakar (Northern University of Malaysia, Malaysia)

Discussant: **Sung Whan Choi** (The Chosun Ilbo, Korea)

■ **Closing Session (2:30 -3:00 pm)**

Reminder

- **Kangwon National University** is located in Chuncheon, which is about 90km northeast of Seoul, capital of South Korea. International visitors will arrive at Incheon (old name being Incheon) International Airport, which is west of Seoul.
- **Chuncheon**, which literally means Rivers in the Spring, is famous for its beautiful scenery with numerous lakes and rivers.
- **Local Transportation:** You are advised to take a limousine bus all the way from the Incheon International Airport to Chuncheon which will take approximately 2 hours and 40 minutes. The information is available at <http://www.airport.or.kr/Eng/transportation/bus.jsp> or below.

Destination (Bus No.)	Bus Stop Number	Bus Stops	Interval (min.)	Travelling Time (min.)	Fare (won)	Bus Service Company
Chuncheon	8A	Incheon International Airport, Cheongpyeong, Gapyeong, Chuncheon	240~300	180	13,000	Gangwon Express 033-254-3676

*For Chuncheon, departure time at the Incheon Airport: 9:00, 12:00, 14:00, 16:00, 18:30, 20:40

*For Incheon Airport or Gimpo Airport, departure time in Chuncheon: 4:30, 6:30, 8:30, 10:30, 13:30, 15:30

If you take a taxi all the way from the airport to Chuncheon, it would cost about 120,000 won or US\$100.

Staff members of the local organizing committee are also expected to guide foreign participants **at the Incheon International Airport** for their trip to Chuncheon upon request. Each foreign participant is requested to inform us of his/her **itinerary** as soon as possible so as to arrange airport assistance.

Once you arrive in Chuncheon bus terminal, take a taxi and ask for Sejong Hotel. It will cost about 3,000 won and take about 15 minutes.

- **Accommodation:** The local organizing committee already made reservations for all foreign participants at the Chuncheon Sejong Hotel (+82-33-252-1191; <http://www.chunchonsejong.co.kr> available only in Korean, <http://www.sejong.co.kr>

available in English) for December 8-10, 2003.

- **Presentation and Language:** Each paper is to be presented for 15 minutes in English. Both OHP and PowerPoint facilities will be available during the conference.
- **Registration fee:** There will be no registration fee. But the local accommodation and food will be on your own, unless previously arranged with us.
- **Reception:** There will be a welcoming reception at Soyangjung Hall, Chuncheon Sejong Hotel on December 8, 2003, 18:30-20:30. There will be no charge for this. (This is cancelled because most participants arrive very late in the evening. But we will have dinner together. Please see us in the lobby of Sejong Hotel at 18:30 on December 8, if you have already arrived in Chuncheon.)
- **Dinner:** There will be a dinner party at Restaurant Heaven on December 9, 2003, 19:00-21:00. The bus will leave at 18:30 from the Kangwon National University. There will be no charge for this.
- **Excursion:** On December 11, a casual excursion in a bus can be arranged for those who want to see the Seoul-Chuncheon area. Costs will be dependent on the number of people and its itinerary. Please indicate your willingness in the registration form if you are interested.
- **Submission of Papers:** Please send your paper to Hyun-Hoon Lee (hhlee@kangwon.ac.kr) no later than **November 22, 2003**, with paper presenter's name, affiliation, mailing address, phone and fax numbers, and e-mail address. The length of each paper is expected to be no more than thirty pages in **MS Word**.
- **Useful Web Sites :**
 - <http://www.airport.or.kr> (Incheon International Airport)
 - <http://www.knto.or.kr> (Korea National Tourism Organization)
 - <http://www.metro.seoul.kr> (City of Seoul)
 - <http://www.provin.gangwon.kr> (Gangwon Province)
 - <http://www.chuncheon.go.kr/Eng/> (City of Chuncheon)
 - <http://www.kangwon.ac.kr> (Kangwon National University)
- **For Inquiries :**
 - Chung Mo Koo (Co-chair, Program Committee)
+82(18)220-6129 (mobile); +82(33)250-6129 (work); cmkoo@kangwon.ac.kr
 - Hyun-Hoon Lee (Chair, Local Organizing Committee)
+82(11)371-6186 (mobile); +82(33)250-6186 (work); hhlee@kangwon.ac.kr