

*International Conference*

# The Asian Crisis, VI:

## Financial Crisis and Economic Growth



*Tokyo, August 30-31, 2004*

- Organizing Units and Sponsors      Center for International Research on the Japanese Economy, University of Tokyo  
Faculty of Economics, University of Tokyo  
Research Center for International Economics, University of Washington  
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- Local Organizer:      **Eiji Ogawa**, Hitotsubashi University, Japan

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# Program

Sunday August 29, 2004

**7:00 – 9:00 pm Welcome Dinner, The Forest Hongo**

Monday August 30, 2004

**9:00 – 9:30 am Registration, Morning Coffee and Tea**

**9:30 – 9:50 am Welcome Session**

**Kar-yiu Wong**, University of Washington  
**Eiji Ogawa**, Hitotsubashi University, Japan  
**Shin-ichi Fukuda**, University of Tokyo

**9:50 – 10:40 am Keynote Speech I**

*Chair:* **Chen-Min Hsu**, National Taiwan University

**Joshua Aizenman**, University of California at Santa Cruz, **Yeonho Lee**, Chungbuk National University, and **Yeongseop Rhee**, Sookmyung Women's University, "International reserves management and capital mobility in a volatile world: Policy considerations and a case study of Korea"

**10:40 – 12:10 pm Session I: Debts, Loans, and Financial Burden**

*Chair:* **Kentaro Kawasaki**, Toyo University

**Chung Mo Koo**, Kangwon National University, **Raghbendra Jha**, Australian National University, and **Hyeon-seung Huh**, Yonsei University, "Fiscal Assessment of Debt Sustainability in East Asia After the Asian Financial Crisis"  
*Discussant:* **Yin-Wong Cheung**, University of California at Santa Cruz

**Eiji Ogawa**, Hitotsubashi University and **Junko Shimizu**, Hitotsubashi University, "Risk Properties of AMU-denominated Asian Bonds"  
*Discussant:* **Yu-Chin Chen**, University of Washington

**Wei-Chiao Huang**, Western Michigan University, **Wei-Jang Huang**, W. E. Upjohn Institute for Economic Research, and **Christina Y. Liu**, National Taiwan

University, "Dealing With the Non-Performing Loan Problems: Taiwan's Experience"  
*Discussant: Yuri Sasaki*, Meiji Gakuin University

**12:10 – 2:00 pm Lunch, Gakushi Kaikan**

**2:00 – 3:30 pm Session II: Financial Markets and Financial Crises**

*Chair: Chung Mo Koo*, Kangwon National University

**Yi-chi Chen**, National Cheng Kung University and **Kar-yiu Wong**, University of Washington, "Interbank Rate Behavior and Financial Crisis: The Case of Hong Kong"

*Discussant: Young Ki Lee*, Dong Guk University

**Tatsuyoshi Miyakoshi** and **Masakatsu Okubo**, University of Tsukuba, "The Welfare Costs of the 1997 Asian Crisis"

*Discussant: Sven Arndt*, Claremont McKenna College

**Jung Sik Kim**, Yonsei University, **Ramkishen Rajan**, Adelaide University, and **Thomas D. Willett**, Claremont Colleges, "Reserve Adequacy in Asia Revisited: New Benchmarks Based on the Size and Composition of Capital Flows"

*Discussant: Tsunao Okumura*, Yokohama National University

**3:30 – 3:50 pm Coffee Break**

**3:50 – 5:20 pm Session III: Foreign Exchange Rates and Policies**

*Chair: Gyoergy Szell*, University of Osnabrück

**Kentaro Iwatsubo**, Hitotsubashi University and **Junko Shimizu**, Hitotsubashi University, "Signaling Effects and the Timing of Foreign Exchange Interventions"

*Discussant: Robert Owen*, University of Nante

**Yuko Hashimoto**, Toyo University and **Takatoshi Ito**, University of Tokyo, "High Frequency Contagion between the Exchange Rates and Stock Prices"

*Discussant: Joshua Aizenman*, University of California at Santa Cruz

**6:00 pm Dinner, The Forest Hongo**

Tuesday August 31, 2004

**9:30 – 10:00 am Morning Coffee and Tea**

**10:00 – 10:50 am Keynote Speech II**

*Chair:* **R. Anton Braun**, University of Tokyo

**John G. Fernald**, Federal Reserve Bank of Chicago, **Alan G. Ahearne**, Federal Reserve System, **Prakash Loungani**, International Monetary Fund, and **John W. Schindler**, Federal Reserve System, “China and Emerging Asia: Comrades or Competitors?”

**10:50 – 12:20 pm Session VI: Financial Linkages in Northeast Asia**

*Chair:* **Tatsuyoshi Miyakoshi**, University of Tsukuba

**Shin-ichi Fukuda**, University of Tokyo and **Robert Owen**, University of Nante, “Firm-specific Human Capital, Sunk Costs, and Macroeconomic Adjustment in Japan: Who Bears the Burden?”

*Discussant:* **Yeonho Lee**, Chungbuk National University

**Etsuro Shioji**, Yokohama National University, “Building a New Framework for Analyzing Effects of Japanese Shocks on Asia”

*Discussant:* **Fukunari Kimura**, Keio University

**Yin-Wong Cheung** and **Jude Yuen**, University of California at Santa Cruz, “An Output Perspective on a Northeast Asia Currency Union”

*Discussant:* **Yoshihiko Tsukuda**, Tohoku University

**12:20 – 2:00 pm Lunch, Gakushi Kaikan**

**2:00 – 3:00 pm Session VI: Real Sectors and Economic Growth, I**

*Chair:*

**Charles Ka Yui Leung**, Chinese University of Hong Kong and **Nan-Kuang Chen**, National Taiwan University, “Property Markets and Public Policy - Spillovers through Collateral Effect”

*Discussant:* **Yasukazu Ichino**, Konan University

**Kuo-chun Yeh**, National Chung Cheng University, “Should Taiwan Worry About ‘Marginalization?’ A Dynamic Game Theoretical Analysis”

*Discussant:* **Junji Yano**, Hiroshima University

**3:00 – 3:15 pm      Coffee Break**

**3:15 – 4:15 pm      Session VII: Real Sectors and Economic Growth, II**

*Chair:* **Eiji Ogawa**, Hitotsubashi University

**Sangho Kim**, Honam University and **Young Hoon Lee**, Hansung University, “The Productivity Debate of East Asia Revisited: A Stochastic Frontier Approach”

*Discussant:* **Ryuzo Miyao**, Kobe University

**Chen-Min Hsu**, National Taiwan University and **Wan-Chun Liu**, Takming College, “Financial Structure, Corporate Finance, and Growth of Taiwan’s Manufacturing Firms”

*Discussant:* **Masanori Ono**, Fukushima University

**4:15 – 4:30 pm      Closing Session**

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

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