

The 14th International Conference

# Global Financial Crisis and Its Financial, Real and Institutional Impacts

August 10 ~ 11, 2010  
Law School Building, Chung-Ang University

**The Korean Economic Association**



# Program Summary

## Monday, August 9

18:00 ~ 20:00 **Welcome Reception** - Guest House

Hosted by Kookshin Ahn, President, KEA

## Tuesday, August 10

09:30 ~ 09:45 **Registration** - Lobby, Law School Building (303) 6F

09:45 ~ 10:00 **Opening Ceremony** - Law School Building (303) 2F Grand Hall

10:00 ~ 12:20 **Plenary Session I** - Law School Building (303) 2F Grand Hall

12:30 ~ 13:40 **Lunch** - Law School Building (303) B1F - Faculty Restaurant

13:50 ~ 15:50 **Session I** - Seven Contributed Sessions & KIEA's Two Contributed Sessions

16:10 ~ 18:10 **Session II** - Seven Contributed Sessions & KIEA's Two Contributed Sessions

18:30 ~ 20:30 **Dinner** - Guest House

**Dinner Speech:** Jeung-Hyun Yoon (Minister of Strategy and Finance)

## Wednesday, August 11

10:00 ~ 12:20 **Plenary Session II** - Law School Building (303) 2F Grand Hall

12:30 ~ 13:40 **Lunch** - Guest House

**Luncheon Speech:** Dong-Soo Chin (Chairman, Financial Services Commission)

13:50 ~ 15:50 **Session III** - Seven Contributed Sessions & KIEA's Two Contributed Sessions

16:10 ~ 18:10 **Session IV** - Seven Contributed Sessions & KIEA's Two Contributed Sessions

18:30 ~ 20:30 **Closing Ceremony & Dinner** - Law School Building (303) B1F - Faculty Restaurant

Hosted by Bum-Hoon Park (President, Chung-Ang University)

# Invitation

We are pleased to announce that the Korean Economic Association hosts its 14th International Conference.

The main theme of the Conference is “Global Financial Crisis and Its Financial, Real and Institutional Impacts.” Various Impacts of the global financial crisis originated from the U.S. in 2008 will be reviewed and discussed. Institutional reforms for financial stability will be one of the important issues to be dealt with during the Conference.

This year, more than 100 papers, either invited or contributed from 7 nations, will be presented. We believe that the Conference will be a lively intellectual venue in which researchers, educators, practitioners and policy makers exchange their views and ideas.

Please come and join us in this important and meaningful intellectual endeavor. We thank you in advance for your participation and hope that everyone has a wonderful time during the Conference. We also extend our sincere gratitude to those who have given us financial support for this year’s conference.

August 2010

Professor Kookshin Ahn  
President of the KEA  
Chung-Ang University

# Opening Ceremony

August 10, 9:45 ~ 10:00 at Law School Building 2F Grand Hall

## Opening Speeches:

Kookshin Ahn (Chung-Ang University), President, KEA

Sunwoong Kim (University of Wisconsin-Milwaukee), President, KAEA

# Plenary Session I

August 10, 10:00 ~ 12:20 at Law School Building 2F Grand Hall

## The Consequences of the Recent Financial Crisis

**Chair:** Won Am Park (Hongik University)

### Keynote Speeches:

Paper 1: Bong Joon Yoon (SUNY at Binghamton)

**“The 2007-2010 Great Recession of the US and Lessons from the Past”**

Paper 2: Yoonbai Kim (University of Kentucky)

**“Dealing with International Capital Movement: Some Reconsideration”**

Paper 3: Meta Brown, Andrew Haughwout, Donghoon Lee\* and

Wilbert van der Klaauw (Federal Reserve Bank of New York)

**“The Financial Crisis at the Kitchen Table: Recent Trends in Household Debt and Credit”**

**Discussants:** Kyungsoo Kim (The Bank of Korea),  
Seung-Gwan Baek (Hongik University),  
Sun-Bin Kim (Yonsei University)

# Plenary Session II

August 11, 10:00 ~ 12:20 at Law School Building 2F Grand Hall

## Institutional Reform for Financial Stability

**Chair:** Sung-Hee Jwa (KIEA & Gyeonggi Research Institute)

### Keynote Speeches:

Paper 1: Changyong Rhee (Presidential Committee for the G20 Summit)

**“Major Agendas for G20 Seoul Summit”**

Paper 2: Chong Ook Rhee\* (Seoul Women’s University) and

Gongpil Choi (Korea Institute of Finance)

**“Better Governance Arrangements for Global and Local Financial Stability”**

**Discussants:** Daekeun Park (Hanyang University),  
Gyutaeg Oh (Chung-Ang University),  
Hyunsong Shin (Princeton University, Senior Officer to the President for  
International Economy)

## Luncheon and Dinner Speeches

### August 10

12:30 ~ 13:40 **Lunch** - Law School Building (303) B1F - Faculty Restaurant

18:30 ~ 20:30 **Dinner** - Guest House

**Dinner Speech:** Jeung-Hyun Yoon (Minister of Strategy and Finance)

### August 11

12:30 ~ 13:40 **Lunch** - Guest House

**Luncheon Speech:** Dong-Soo Chin (Chairman, Financial Services Commission)

18:30 ~ 20:30 **Dinner** - Law School Building (303) B1F - Faculty Restaurant

Hosted by Bum-Hoon Park (President, Chung-Ang University)

# Session I

August 10, 13:50 – 15:50 at Law School Building

(\* presenter of the paper)

## Session I-1 Microeconomics 1 (Room 903)

Chair: Youngse Kim (Yonsei University)

Paper 1: Syngjoo Choi\* (University College London), Shachar Kariv (UC Berkeley) and  
Wieland Muller (Tilburg University)

**“Who is (More) Rational?”**

Discussant: Jihong Lee (Yonsei University)

Paper 2: Jinwoo Kim\*, Jong-Hee Hahn and Jihong Lee (Yonsei University)

**“Screening Loss Averse Consumers”**

Discussant: Kieun Rhee (KDI School of Public Policy and Management)

Paper 3: Jung-Kyoo Choi\* (Kyungpook National University) and T. K. Ahn (Korea University)

**“Punishment and Reward in a Public Goods Game Experiment”**

Discussant: Kwang-ho Kim (Hanyang University)

## Session I-2 Money and Finance 1 (Room 904)

Chair: Jeeman Jung (Sangmyung University)

Paper 1: Changgyun Park (Chung-Ang University)

**“Political Economy of Macro-Prudential Regulation in Korea”**

Discussant: Joon-Ho Hahn (Yonsei University)

Paper 2: Chulbeom Park (Korea University)

**“Time-Varing Cointegration Relationship between Dividends and Stock Price”**

Discussant: Sehoon Kwon (Korea Capital Market Institute)

Paper 3: Sung Wook Joh\* and Yoo-Hwan Kim (Seoul National University)

**“Bookbuilding, Price Revision and Initial Returns of IPOs”**

Discussant: Soo Young Song (Chung-Ang University)

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## Session I-3 Econometrics 1 (Room 701)

Chair: Hae-shin Hwang (Texas A&M University)

Paper 1: Tae-Hwan Kim\* (Yonsei University), Halbert White (University of California) and  
Simone Manganelli (European Central Bank)

**“VAR for VaR: Measuring Systemic Risk Using Multivariate Regression Quantiles”**

Discussant: Tae-Hwy Lee (UC Riverside)

Paper 2: Jin Lee (Ewha Womans University)

**“Nonparametric Testing for the Long-Horizon Predictability in  
Models with Persistent Covariates”**

Discussant: Kyungchul Song (University of Pennsylvania)

Paper 3: Hae-shin Hwang (Texas A&M University)

**“Index Augmented VAR Model for the Analysis of the Effects of Monetary Policy”**

Discussant: Jin Lee (Ewha Womans University)

## Session I-4 Econometrics 2 (Room 702)

Chair: Young-Kyu Moh (Texas Tech University)

Paper 1: Kiseok Nam\* (Yeshiva University) and Kwang-il Choe (Minnesota State University)

**“Testing Financial Contagion with Time-Varying Correlation of Heteroscedastic  
Asset Returns”**

Discussant: Jaeho Yun (The Bank of Korea)

Paper 2: Jaeho Yun (The Bank of Korea)

**“The Role of Time-Varying Jump Risk Premia in Pricing Options”**

Discussant: Young-Kyu Moh (Texas Tech University)

Paper 3: Young-Kyu Moh\* (Texas Tech University) and Hyeongwoo Kim (Auburn University)

**“Examining the Evidence of Purchasing Power Parity by Recursive  
Mean Adjustment”**

Discussant: Kiseok Nam (Yeshiva University)

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## Session I-5 Financial Economics 1 (Room 703)

Chair: Dong-Hyun Ahn (Seoul National University)

Paper 1: Hyungjoon Ray Lim (Korea Institute of Finance)

**“Does the Current Account Matter in the Term Structure?: A No-Arbitrage VAR Approach”**

Discussant: In Seok Baek (Samsung Asset Management)

Paper 2: Wook Sohn\* (Korea Development Institute) and Byeongmook Sung (The Bank of Korea)

**“The Effects of Central Banks’ Rate Change Patterns on Financial Market Variables”**

Discussant: Sang Su Kim (Korea Deposit Insurance Corporation)

Paper 3: Don H. Kim\* (Yonsei University) and Kenneth J. Singleton (Stanford University)

**“Term Structure Models and the Zero Bound: An Empirical Investigation of Japanese Yields”**

Discussant: Suk Joon Byun (Korea Advanced Institute of Science and Technology)

## Session I-6 Public Finance 1 (Room 406)

Chair: Chung Mo Koo (Kangwon National University)

Paper 1: Kwan Koo Yun (State University of New York, Albany)

**“Pareto Gains from Trade by Redistribution through Income Taxation”**

Discussant: Biung-Ghi Ju (Korea University)

Paper 2: Seung-Rae Kim (Korea Institute of Public Finance)

**“Optimal Fiscal Rules for Green Growth in an Endogenous Growth Model”**

Discussant: Jong-Soo Lim (Kwangwoon University)

Paper 3: Biung-Ghi Ju\* (Korea University) and Juan D. Moreno-Ternero (University of Malaga)

**“Voting over Tax Schedules under a Veil of Ignorance”**

Discussant: Hyungjun Kim (Korea Institute of Public Finance)



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## Session I-7 Region, Environment, Resources 1 (Room 407)

Chair: Wan Kyu Park (Chung-Ang University)

Paper 1: Young Han Kim (Sungkyunkwan University)

**“Optimal Policy Coordination for Financial Regulation in Asian Countries”**

Discussant: Ho Yeon Kim (Sungkyunkwan University)

Paper 2: Eunnyeong Heo\* and Sunah Oh (Seoul National University)

**“Asymmetry in Petroleum Product Prices, A Multi-Country Comparison”**

Discussant: Seung Jin Kang (Korea Polytechnic University)

# Session II

August 10, 16:10 – 18:10 at Law School Building

## Session II-1 Microeconomics 2 (Room 903)

Chair: Gyu Ho Wang (Sogang University)

Paper 1: Biung-Ghi Ju\* (Korea University) and Juan D. Moreno-Ternero (University of Malaga)

**“Fair and Efficient Adjudication of Claims on Multiple Goods: A Market Approach”**

Discussant: Dongchul Won (Ajou University)

Paper 2: Doyoung Kim (Sogang University)

**“Optimal Verification of Information: Who Should Verify Information - The Principal or Agent?”**

Discussant: Namhoon Kwon (Konkuk University)

Paper 3: Yong H. Kim\* (University of Cincinnati), Renhui Fu and Buhui Qiu (Erasmus University)

**“Endogenous Disclosure Quality and Regulatory Reform”**

Discussant: Sungwhee Shin (University of Seoul)

## Session II-2 Money and Finance 2 (Room 904)

Chair: Chong Ook Rhee (Seoul Women’s University)

Paper 1: Hyeongwoo Kim\* (Auburn University) and Bong-Han Kim (Kongju National University)

**“Spillover Effects of the US Financial Crisis on Financial Markets and Emerging Asian Countries”**

Discussant: Sun Eae Chun (Chung-Ang University)

Paper 2: Chong Soo Pyun\* (University of Memphis) and Jae H. Kim (La Trobe University)

**“Has the Efficiency of Asia-Pacific Exchange Markets Improved? Evidence of Random Walk and Martingale Difference Processes”**

Discussant: Minsuk Kim (Korea Capital Market Institute)

Paper 3: Jang C. Jin (Chinese University of Hong Kong)

**“Central Bank Independence and Globalization: A Synthesis of Monetary and Trade Economists’ Views of Inflation”**

Discussant: Bae-Geun Kim (The Bank of Korea)

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## Session II-3 Econometrics 3 (Room 701)

Chair: Tae-Hwy Lee (UC Riverside)

Paper 1: Yoon-Jae Whang\* (Seoul National University), Gordon Anderson (University of Toronto) and Oliver Linton (The London School of Economics)

**“Nonparametric Estimation of a Polarization Measure”**

Discussant: Jin Seo Cho (Yonsei University)

Paper 2: Kyungchul Song (University of Pennsylvania)

**“Point Decisions for Interval-Identified Parameters”**

Discussant: Yoon-Jae Whang (Seoul National University)

Paper 3: Eric Hillebrand (Louisiana State University), Tae-Hwy Lee\* (UC Riverside) and Marcelo C. Medeiros (Pontifical Catholic University of Rio de Janeiro, Brazil)

**“Let’s Do it Again: Bagging Equity Premium Predictors”**

Discussant: Tae-Hwan Kim (Yonsei University)

## Session II-4 Financial Economics 2 (Room 702)

Chair: Young Ho Eom (Yonsei University)

Paper 1: Jaebeom Kim\* (Oklahoma State University) and Heung-Joo Cha (University of St. Thomas)

**“Reconsidering Stock Returns and Aggregate Mutual Fund Flows: A System Approach”**

Discussant: Bong-Chan Kho (Seoul National University)

Paper 2: Bong-Soo Lee\* (Florida State University) and Gwangheon Hong (Sogang University)

**“Is Mispricing in Asset Prices due to the Inflation Illusion?”**

Discussant: Kuan-Hui Lee (Korea University)

Paper 3: Seung Mo Choi (Washington State University)

**“Diversification Motives Can Explain the Momentum Effect”**

Discussant: Hae Jin Chung (Korea Advanced Institute of Science and Technology)

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## Session II-5 Financial Economics 3 (Room 703)

Chair: Hangyong Lee (Hanyang University)

Paper 1: Dong-Hyun Ahn, Young-Min Choi\*, Young-Sik Kim and  
Won-Suk Liu (Seoul National University)

**“Engineering for Whom? Evidence in Retail Structured Equity Products”**

Discussant: Don H. Kim (Yonsei University)

Paper 2: Young Se Kim (University of North Texas)

**“Learning, Forward Premium Anomaly and Delayed Overshooting”**

Discussant: Hyungjoon Lim (Korea Institute of Finance)

## Session II-6 Public Finance 2 (Room 406)

Chair: Jin Kwon Hyun (Ajou University)

Paper 1: Sangwon Park (Korea Institute of Public Finance)

**“The Benefit Principle of Taxation and Political Support of Tax Payers”**

Discussant: Kwang-ho Kim (Hanyang University)

Paper 2: Seokjin Woo (Myongji University) and Byung-hill Jun\* (Korea Institute of Public Finance)

**“Long Non-Employment Duration of Korean College Graduates and Usual  
Suspects: An Evidence from the Classical Job-Search Model”**

Discussant: Kitae Sohn (Korea Institute for International Economic Policy)

Paper 3: Cheolsung Park and Young Lee\* (Hanyang University)

**“The Relationship between the Research Performance and the Teaching Outcome:  
Evidence from Higher Education in South Korea”**

Discussant: Sun Go (Korea Institute of Public Finance)

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## Session II-7 Region, Environment, Resources 2 (Room 407)

Chair: Il Chung Kim (Dongguk University)

Paper 1: Young Sook Eom (Chonbuk National University) and Jong Ho Hong\* (Seoul National University)

**“Social Benefits of Environmental Information from Geostationary Environmental Monitoring Satellite(GEMS)”**

Discussant: Kang-Soo Kim (Korea Development Institute)

Paper 2: Oh Sang Kwon\* and Deung-yong Heo (Seoul National University)

**“The Incidence of Green Tax in Korea”**

Discussant: Yong Gun Kim (Korea Environment Institute)

Paper 3: Hojeong Park (Korea University)

**“Study on Optimal Control of Stochastic Invasive Species with the Allee Effect”**

Discussant: Yoon Lee (Korea Environment Institute)

# Session III

August 11, 13:50 – 15:50 at Law School Building

## Session III-1 Macroeconomics 1 (Room 903)

Chair: Ehung Gi Baek (Sangmyung University)

Paper 1: Kangwoo Park (The Bank of Korea)

**“The Employment Responses to Aggregate and Sectoral Technology Shocks:  
A FAVAR Approach on Disaggregated U.S. Manufacturing Data”**

Discussant: Yanggyu Byun (Korea Economic Research Institute)

Paper 2: Kihyun Park\* (Korea Energy Economics Institute) and  
Mohammed Mohsin (University of Tennessee)

**“Predicting Recessions Using Yield Spread in Developing Economies:  
Regime Switch vs. Probit Analysis”**

Discussant: Sunoong Hwang (Korea Institute for Industrial Economics and Trade)

Paper 3: Daehee Jeong (Korea Development Institute), Hwagyun Kim\* (Texas A&M University) and  
Joon Y. Park (Indiana University)

**“Does Ambiguity Matter? Estimating Asset Pricing Models with a Multiple-Priors  
Recursive Utility”**

Discussant: Wonho Song (Choong-Ang University)

## Session III-2 International Economics 1 (Room 904)

Chair: Chi-Young Song (Kookmin University)

Paper 1: Mikyung Yun (Catholic University)

**“Determinants of Cross-Border M&A in Post-Crisis Korea”**

Discussant: Daechang Kang (Korea Institute for International Economic Policy)

Paper 2: Jeongseok Song (Chung-Ang University)

**“Nonlinearity in the Income Smoothing: Evidence for the US Counties”**

Discussant: Wankeun Oh (Hankuk University of Foreign Studies)

Paper 3: Sangho Kim (Honam University)

**“Productivity and Timing of Foreign Direct Investment: Evidence Based on Korean  
Direct Investment in China”**

Discussant: Yong Joon Jang (Korea Institute for International Economic Policy)



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## Session III-5 Development, Growth, Comparative Systems 1 (Room 703)

Chair: Keun Lee (Seoul National University)

Paper 1: Chenggang Xu\* (University of Hong Kong & Seoul National University),  
Jie Gan (Hong Kong University of Science and Technology) and Yan Guo (Peking University)  
**“Privatization and the Change of Control Rights: The Case of China”**

Discussant: Si Joong Kim (Sogang University)

Paper 2: Young-Sam Kang (Seoul National University)  
**“Ownership Structure and Performance of Chinese Firms Using an Alternative Classification Scheme”**

Discussant: Xifang Sun (Seoul National University)

Paper 3: Ji Wu (Penn State University at Harrisburg), Bang Nam Jeon\* (Drexel University) and  
Alina C. Luca (International Monetary Fund)  
**“Internal Capital Markets in Multinational Banks: Evidence from Developing and Emerging Markets”**

Discussant: Jungsoo Park (Sogang University)

## Session III-6 Law and Economics 1 (Room 406)

Chair: Gyoung-Gyu Choi (Dongguk University)

Paper 1: Jungwook Kim (Korea Development Institute)  
**“Economic Analysis of Premium for Occupancy”**

Discussant: Hojun Lee (Korea Development Institute)

Paper 2: Hyun Jong Kim (Korea Economic Research Institute)  
**“An Empirical Analysis of the Location and Price Competition in the Gasoline Retail Markets”**

Discussant: Jong-ho Kim (Korea Institute for Industrial Economics & Trade)

Paper 3: Ok-Rial Song (Seoul National University)  
**“Valuing Firms: Legal Perspectives”**

Discussant: Haksoo Ko (Seoul National University)



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## Session III-7 Young Economists 1 (Room 407)

Chair: Jaehyun Nahm (Korea University)

Paper 1: June Park (Chonbuk National University)

**“Discussion on Almost Strictly Competitive Bayesian Games”**

Paper 2: Jun-Sok Huhh (Seoul National University)

**“The Role of Opportunistic Punishment in the Evolution of Cooperation”**

Paper 3: Jungbin Hwang\* and Jae-Young Kim (Seoul National University)

**“Extreme Risk Spillover Effect in Global Financial Market: Evidence in Recent Financial Crisis”**

Paper 4: Nayoung Kim\* and Yungsan Kim (Hanyang University)

**“Leniency Program in Anti-Trust Enforcement and Prisoners’ Dilemma”**

# Session IV

August 11, 16:10 – 18:10 at Law School Building

## Session IV-1 Macroeconomics 2 (Room 903)

Chair: Sun-Bin Kim (Yonsei University)

Paper 1: Munechika Katayama (Louisiana State University) and Kwang Hwan Kim\* (Dongguk University)

**“Costly Labor Reallocation, Non-Separable Preferences, and Expectation Driven Business Cycles”**

Discussant: Dong-Eun Rhee (Korea Institute for International Economic Policy)

Paper 2: Hyung Sun Choi (Korea Insurance Research Institute)

**“Money, Credit, Risk of Loss, and Limited Participation”**

Discussant: Jae-Eun Song (Dankook University)

Paper 3: Semoon Chang (University of South Alabama)

**“Uncharted Exit Strategy of the U.S. Economy”**

Discussant: In Huh (Korea Institute for International Economic Policy)

## Session IV-2 International Economics 2 (Room 904)

Chair: Shi Young Lee (Chung-Ang University)

Paper 1: Hankyung Sung (Korea Institute for International Economic Policy)

**“Learning in Negotiations: An Experimental Study”**

Discussant: Shi Young Lee (Chung-Ang University)

Paper 2: Sunghyun H. Kim\* (Suffolk University) and Ayhan Kose (International Monetary Fund)

**“Welfare Implications of Trade Liberalization and Fiscal Reform: A Quantitative Experiment”**

Discussant: Yong Jae Choi (Chonbuk National University)

Paper 3: Yong-Seok Choi\* (Kyung Hee University) and Chin Hee Hahn (Korea Development Institute)

**“The Effects of Imported Intermediate Varieties on Plant Total Factor Productivity and Product Switching: Evidence from Korean Manufacturing”**

Discussant: Young Kwan Song (Korea Institute for International Economic Policy)

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## Session IV-3 Labor Economics 2 (Room 701)

Chair: Jin Hwa Jung (Seoul National University)

Paper 1: Donghun Cho (Hallym University)

**“Using Discrete Choice Experiments to Estimate Marginal Willingness to Pay (MWTP) of Insurance Premium for the Cancer Treatment in Korea: A General Population Study”**

Discussant: Beomsoo Kim (Korea University)

Paper 2: Chang Kon Choi (Chonbuk National University)

**“Labor Market Structure and Employment Effect of Growth”**

Discussant: Injae Lee (University of Incheon)

## Session IV-4 Industrial Organization 2 (Room 702)

Chair: Jaehong Kim (Handong University)

Paper 1: Jaehong Kim (Handong University)

**“Excess Entry, Entry Regulation, and Entrant’s Incentive”**

Discussant: Sungbong Cho (Korea Economic Research Institute)

Paper 2: Hyunbae Chun\* (Sogang University), Jung-Wook Kim (Seoul National University) and Jason Lee (University of Alberta)

**“Dispersion in Firm-Level TFP Growth”**

Discussant: Songook Park (Korea Information Society Development Institute)

Paper 3: Jaymin Lee (Yonsei University)

**“Corporate Governance, Budget Constraints, and Firm Profitability”**

Discussant: Woochan Kim (KDI School of Public Policy and Management)

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## Session IV-5 Development, Growth, Comparative Systems 2 (Room 703)

Chair: Sungjin Kang (Korea University)

Paper 1: Kwang Soo Cheong\* (Johns Hopkins University), Keun Lee and  
Minho Yoon (Seoul National University)

**“Firms’ Diversification and Industry Evolution: A Simulation Approach”**

Discussant: Hailey Hayeon Joo (Sogang University)

Paper 2: Keun Lee\* and Moon Young Chung (Seoul National University)

**“How Absorptive Capacity is Formed: Linking Foreign Technology Acquisition and  
Indigenous R&D in Korea, 1970-1996”**

Discussant: Sungjin Kang (Korea University)

Paper 3: Sok Chul Hong (Sogang University)

**“Malaria and Economic Productivity: A Longitudinal Analysis of the American  
Case”**

Discussant: Chulhee Lee (Seoul National University)

## Session IV-6 Law and Economics 2 (Room 406)

Chair: Dong Pyo Hong (Kim & Chang)

Paper 1: Namhoon Kwon (Konkuk University)

**“An Economic Analysis of Leniency in Korea”**

Discussant: Gyoung-Gyu Choi (Dongguk University)

Paper 2: Duol Kim (Korea Development Institute)

**“Why has Successful Candidates of the Bar Exam been getting Older?”**

Discussant: Injae Lee (University of Incheon)

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## Session IV-7 Young Economists 2 (Room 407)

Chair: Jee-Hyeong Park (Seoul National University)

Paper 1: Chul-Hi Park\* and Sang-Ho Lee (Chonnam National University)

**“Environmental Regulations on Eco-Industry with Vertical Oligopolies”**

Paper 2: Lili Xu\* and Sang-Ho Lee (Chonnam National University)

**“Optimal Privatization and Tariff in an International Mixed Market”**

Paper 3: Hyun-Joon Jung (Korea Information Society Development Institute), Kyoung-Youn Na\* and Chang-Ho Yoon (Korea University)

**“The Role of ICT in Economic Growth of Korea: Productivity Changes across Industries since 1990s”**

Paper 4: Jiajia Lang\* and Taegi Kim (Chonnam National University)

**“The Variety and Quality of China’s Exports to Korea”**



Korea Institution and Economics Association  
(KIEA, [www.kiea21.or.kr](http://www.kiea21.or.kr))  
International Conference 2010, August 10-11 on  
“Institutions and National Competitiveness II”

## Sessions I ~ IV

### Session I-1 History and Path Dependence

August 10, 13:50 – 15:50 at Law School Building (Room 401)

Chair: Sung-Hee Jwa (President, KIEA & Gyeonggi Research Institute)

Paper 1: Elis Khalil (Monash University)

**“Institutions, History, and Optimization”**

Discussant: Harold B. Jones, Jr. (Dalton State College)

Paper 2: Sang Ho Yoon (Chapman University)

**“Time-Inconsistency, Commitment Device, and Allocation of Authority  
amongst Generations”**

Discussant: Yong J. Yoon (George Mason University)

Paper 3: Young Back Choi (St. John’s University)

**“Path Dependence and the Korean Keyboard”**

Discussant: Richard N. Langlois (University of Connecticut)

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## Session I-2 Network and Reputation

**August 10, 13:50 – 15:50 at Law School Building (Room 402)**

Chair: Seung Hoon Lee (Seoul National University)

Paper 1: Keizo Mizuno\* (Kwansei Gakuin University) and Yasunori Okumura (Hannan University)

**“Entry and Location Choice with Network Formation”**

Discussant: Dae Wook Kim (Soongsil University)

Paper 2: Young Chul Kim\* (Korea Development Institute) and Glenn C. Loury (Brown University)

**“Group Reputation and the Dynamics of Statistical Discrimination”**

Discussant: Jungho Kim (Korea Development Institute)

Paper 3: Moriki Hosoe (Kumamoto Gakuen University)

**“Economic Analysis on Vicarious Liability”**

Discussant: Hyun-Sook Kim (Soongsil University)

## Session II-1 Market Structure

**August 10, 16:10 – 18:10 at Law School Building (Room 401)**

Chair: Jung Ho Kim (President, Center for Free Enterprise)

Paper 1: Tetsuji Okazaki\* (University of Tokyo) and Michiru Sawada (Nihon University)

**“Interbank Networks in Prewar Japan: Structure and Implications”**

Discussant: Kwan-Woo Lee (HanSung University)

Paper 2: Richard N. Langlois (University of Connecticut)

**“Business groups as Natural States”**

Discussant: Dong Woon Yu (Pukyong National University)

Paper 3: Sung Sup Rhee (Soongsil University)

**“Market Exchange, Relational Exchange, and Evolution of Market Institution”**

Discussant: Stefan Voigt (Hamburg University)

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## Session II-2 Institution and Financial Crisis

**August 10, 16:10 – 18:10 at Law School Building (Room 402)**

Chair: Byung Sun Choi (Seoul National University)

Paper 1: Yong J. Yoon (George Mason University)

**“The Seduction of Bankruptcy”**

Discussant: Yeongseop Rhee (Seoul National University)

Paper 2: Noriyuki Yanagawa\* (University of Tokyo) and Tomohiro Hirano (Nihon University)

**“Asset Bubbles, Endogenous Growth, and Financial Frictions”**

Discussant: Woo Sik Moon (Seoul National University)

Paper 3: Duol Kim\* (Korea Development Institute) and Hee Jin Park (Kyungpook National University)

**“Adoption and Redistribution Socio-Economic Consequences of the Patrilineal Regime in Pre-Modern Korea, 1700-1900”**

Discussant: Young Il Kim (Korea Development Institute)

## Session III-1 Industrialization and Development

**August 11, 13:50 – 15:50 at Law School Building (Room 401)**

Chair: Young Back Choi (St. John’s University)

Paper 1: Sung Kyu Lee (Hankuk University of Foreign Studies)

**“Introduction of Fiscal Policy Committee as Reforming Fiscal Institution in Korea”**

Discussant: Young Hwan Lee (National Assembly Budget Office)

Paper 2: Randall G. Holcombe (Florida State University)

**“South Korea’s Economic Future: Industrial Policy, or Economic Democracy”**

Discussant: Jungho Yoo (KDI School of Public Policy and Management)

Paper 3: Harold B. Jones, Jr. (Dalton State College)

**“Ideology, Character, and Progress”**

Discussant: Elis Khalil (Monash University)



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## Session III-2 Game and Finance

August 11, 13:50 – 15:50 at Law School Building (Room 402)

Chair: Oh Hyun Chang (Dongguk University)

Paper 1: Midori Hirokawa\* (Hosei University) and Peng Xu (Hosei University)

**“Creditors’ Power under Civil Rehabilitation Law - A Compound Game of a Simple Majority and a Weighted Majority”**

Discussant: Sungwhee Shin (University of Seoul)

Paper 2: Sang Hack Lee\* (Kookmin University) and Shi Young Lee (Chung-Ang University)

**“Allocation of Prizes in Contests with Size Effects”**

Discussant: Woo Hyung Lee (Kyushu Institute of Technology)

Paper 3: Nobuaki Hori (Kyushu University)

**“Promotion Policies and Distance to Frontier”**

Discussant: Chang Soo Park (Soongsil University)

## Session IV-1 Constitution and Government

August 11, 16:10 – 18:10 at Law School Building (Room 401)

Chair: Haksoo Ko (Seoul National University)

Paper 1: Stefan Voigt\* (Hamburg University) and Bernd Havo (Philipps-University Marburg)

**“Determinants of Constitutional Change: Why Do Countries Change Their Form of Government?”**

Discussant: Randall G. Holcombe (Florida State University)

Paper 2: Younghoa Jung (Chonbuk National University)

**“The Evolution of Constitutionalism and Moral Hazard of Government in Korea Economic Policy”**

Discussant: Sang Ho Yoon (Chapman University)

Paper 3: Sung Bae Kim (Soongsil University)

**“Optimal Governance Mechanism of Land Use Decisions: A Property Rights Perspective”**

Discussant: Hee Nam Jung (Korea Research Institute for Human Settlements)

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## Session IV-2 Environment and Aviation Industry

**August 11, 16:10 – 18:10 at Law School Building (Room 402)**

Chair: MoonJoong Tcha (Korea Development Institute)

Paper 1: Tohru Naito (The University of Tokushima)

**“Environmental Policy and Firm Agglomeration under Mixed Duopoly”**

Discussant: Young Seong Yoo (Gyeonggi Research Institute)

Paper 2: Akio Kawasaki (Kagoshima University)

**“Entry Airport Selection Slot Limited Congestion Airport of Secondary Airport”**

Discussant: Yeon Myung Kim (Korea Transport Institute)

Paper 3: Woo Hyung Lee (Kyushu Institute of Technology)

**“Environmental Regulation and FDI in the Developing Countries”**

Discussant: Sun Hwa Lee (Korea Economic Research Institute)

*Notes:*

A series of horizontal dotted lines for writing notes.

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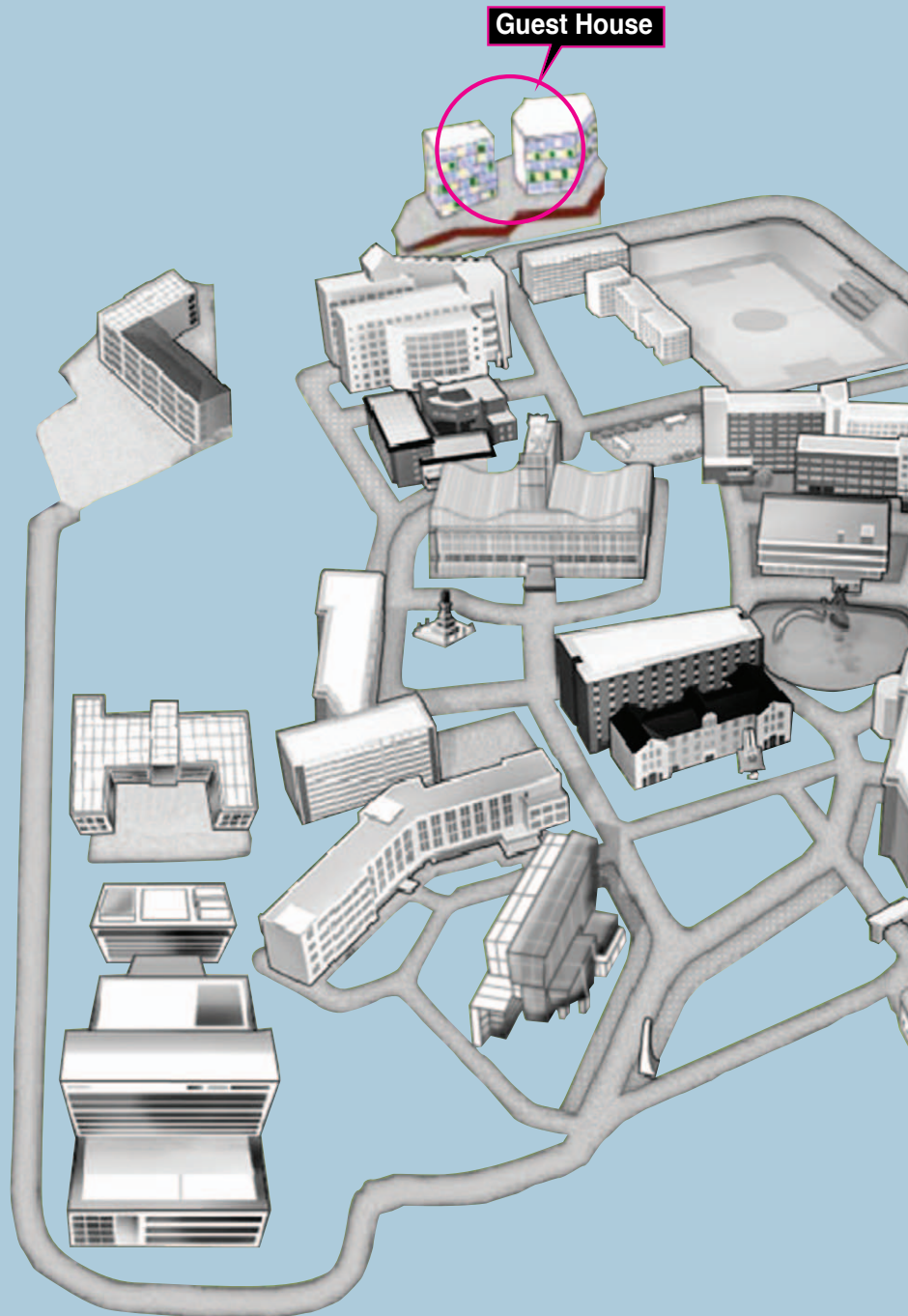
Wang, Gyu Ho (Sogang University)

# Conference Site Map

Chung-Ang University

Law School Building (303)

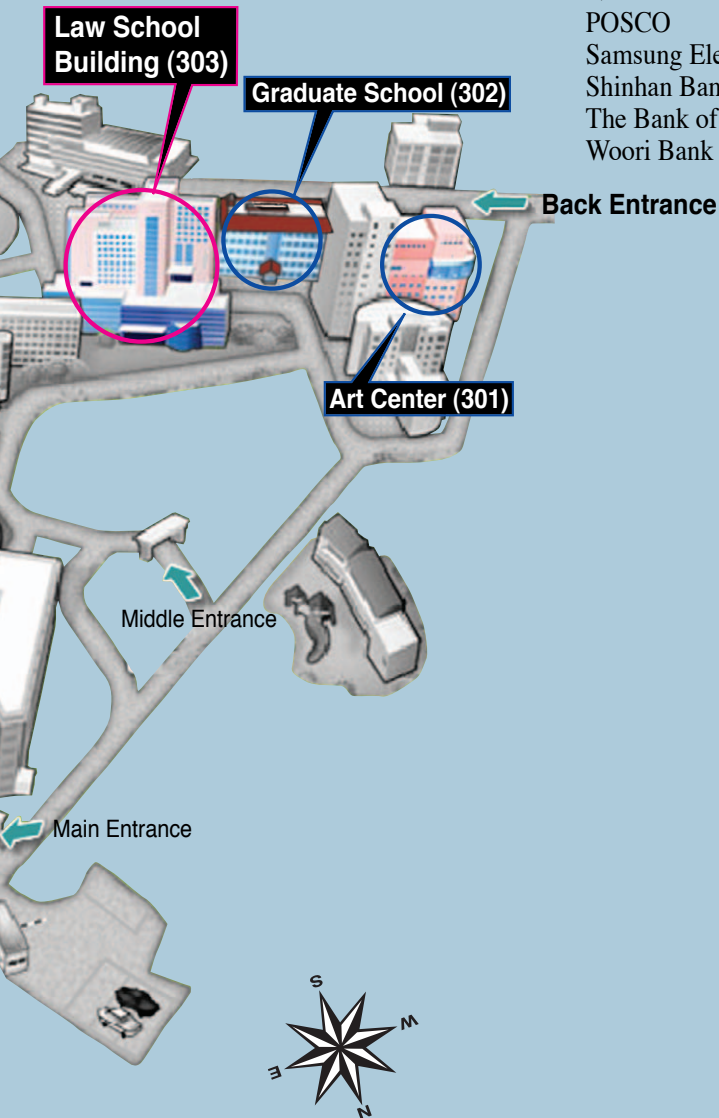
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