

# **2004 Taipei International Conference on Growth and Development in Global Perspectives**

## **2004 年貿易成長與動態經濟國際學術研討會**

### **Program**

**D a t e** : July 23-24, 2004

**V e n u e** : Institute of Economics, Academia Sinica

**O r g a n i z e r** : Institute of Economics, Academia Sinica

**S p o n s o r** : National Science Council, Executive Yuan, Taiwan, ROC

**July 23, 2004 (Friday)**

7:45 –8:30      **Registration**

8:30 –8:40      **Welcome Remarks**

Chung-Ming Kuan, Director, Institute of Economics, Academia Sinica

8:40 –9:25      **Keynote Speech**

**Preside:** **Sheng-Cheng Hu** (Council for Economic Planning and Development,  
Executive Yuan; Institute of Economics, Academia Sinica, Taiwan)

*“The Theory of Poverty Traps: What Have We Learned?”*

Costas Azariadis (University of California at Los Angeles, USA)

9:25 – 9:50      Coffee Break

9:50 –12:10    **Plenary Keynotes**

**Preside:** Costas Azariadis (University of California at Los Angeles, USA)

1. *“East Asian Growth in View of West European Experience”*

Henry Wan, Jr. (Cornell University, USA)

2. *“Intertemporal Complementarity and Optimality:*

*A Study of a Two-Dimensional Dynamical System”*

Tapan Mitra (Cornell University, USA) and Kazuo Nishimura (Kyoto University, Japan)

3. *“A Theory of the Exchange Rates and the Term Structure of Interest Rates”*

Masao Ogaki (The Ohio State University, USA)

4. *“Minimum Consumption, Uncertainty and Income Differences”*

B. Ravikumar (University of Iowa, USA)

12:10 –14:00    Lunch at the Academic Activity Center

14:00 – 15:30   **Parallel Session I: A and B**

**A.    Dynamic Trade Patterns**

**Preside:** B. Ravikumar (University of Iowa, USA)

1. “*A Pareto-improving Foreign Aid in a Dynamic North-South Model*”  
Koji Shimomura (Kobe University, Japan)
2. “*Dynamic Patterns of Trade Imbalances with Recursive Preference*”  
Tadashi Inoue (Hiroshima Shudo University, Japan)
3. “*International Protection of Intellectual Property: An Empirical Investigation*”  
Edwin Lai (City University of Hong Kong, Hong Kong) and Isabel Kitming Yan (City University of Hong Kong, Hong Kong)

**Discussants:**

1. Mario J. Crucini (Vanderbilt University, USA)
2. Gaetano Antinolfi (Washington University in St. Louis, USA)
3. Yunfang Hu (Kobe University, Japan)

**B. Trade and Evidence**

**Preside:** Kazuo Mino (Osaka University, Japan)

1. “*Budget Balance and Trade Balance: Kin or Strangers A Case Study of Taiwan*”  
Hsiao-chuan Chang (The University of Melbourne, Australia)
2. “*The Economic Development of the Two Chinas*”  
George Lee (San Francisco State University, USA)
3. “*Intra-industry Trade and the Potential Impacts of Free Trade Agreement between Japan and Taiwan*”  
Fukunari Kimura (Keio University, Japan), Shih-Hsun Hsu (National Taiwan University, and Taiwan) and Kuo-I Chang (National Taiwan University, Taiwan)

**Discussants:**

1. Chi-Yuan Liang (Academia Sinica, Taiwan)
2. Sam Kak Kan Tang (The Chinese University of Hong Kong, Hong Kong)
3. Deng-Shing Huang (Academia Sinica, Taiwan)

15:30 – 16:00 Coffee Break

16:00 – 17:30 **Parallel Session II: A and B**

## A. Human Capital

**Preside:** Koji Shimomura (Kobe University, Japan)

1. *“Growth and Inequality: The Impacts of Voucher Programs When Peer Group Effects Matter”*  
Hung-ju Chen (National Taiwan University, Taiwan)
2. *“Ability-Heterogeneity, Entrepreneurship and Economic Growth”*  
Ping Wang (Vanderbilt University and NBER, USA), Neville Jiang (Vanderbilt University, USA) and Haibin Wu (University of Alberta, Canada)
3. *“Tax Policy and Educational Choice in the Presence of Human Capital Spillovers”*  
Manachaya Uruyos (Chulalongkorn University, Thailand) and Ping Wang (Vanderbilt University and NBER, USA)

### Discussants:

1. B. Ravikumar (University of Iowa, USA)
2. Chi-Wa Yuen (University of Hong Kong, Hong Kong)
3. Kazuo Mino (Osaka University, Japan)

## B. Foreign Direct Investment

**Preside:** Tain-Jy Chen (Chung-Hua Institution for Economic Research, Taiwan)

1. *“Foreign Direct Investment, Trade, and Growth—Panel Causality Tests for Taiwan, Korea, and China”*  
Frank S.T. Hsiao (University of Colorado at Boulder, USA) and Mei-Chu W. Hsiao (University of Colorado at Denver, USA)
2. *“Productivity Spillovers from FDI: Detrimental or Beneficial? A Study of Chinese Manufacturing”*  
Sarah Y. Tong (National University of Singapore, Singapore) and Youxin Hu (University of Hong Kong, Hong Kong)
3. *“The Impact of Exchange Rate Changes on Taiwan’s Foreign Direct Investment into China”*  
Kun-Ming Chen (National Chengchi University, Taiwan), Hshiu-Hua Rau (National Chengchi University, Taiwan) and Chia-Ching Lin (National Chengchi University, Taiwan)

### Discussants:

1. Shih-Hsun Hsu (National Taiwan University, Taiwan)
2. Wen-Hsien Liu (National Chung Cheng University, Taiwan)
3. Chang-Tai Hsieh (University of California at Berkeley, USA)

**July 24, 2004 (Saturday)**

8:30 –10:00      **Parallel Session III: A and B**

### **A. Monetary and Credit Model**

**Preside:** Chi-Wa Yuen (University of Hong Kong, Hong Kong)

1. “*On the Equivalence of Monetary Policy Rules: Balanced Growth and Transitional Dynamics*”  
Chong K. Yip (The Chinese University of Hong Kong, Hong Kong) and  
Ka-Fai Li (The Chinese University of Hong Kong, Hong Kong)
2. “*Banking and Markets in Monetary Model*”  
Gaetano Antinolfi (Washington University in St. Louis, USA) and Enrique  
Kawamura (Universidad de San Andrés, Argentina)
3. “*Credit Market Frictions and Human Capital Accumulation*”  
Wai-Hong Ho (University of Macau, Macao)

### **Discussants:**

1. Tadashi Inoue (Hiroshima Shudo University, Japan)
2. Henry Wan, Jr. (Cornell University, USA)
3. Yeong-Yuh Chiang (National Chengchi University, Taiwan)

### **B. Growth Evidence**

**Preside:** Frank S.T. Hsiao (University of Colorado at Boulder)

1. “*Relative Prices and Relative Prosperity*”  
Chang-Tai Hsieh (University of California at Berkeley, USA) and Peter J.  
Klenow (Federal Reserve Bank of Minneapolis, USA)
2. “*Understanding Taiwanese Growth Experiences in a Ramsey Framework*”  
NaiChia Li (University of Minnesota, USA) and Terry Roe (University of  
Minnesota, USA)
3. “*Foreign Patent Rights and Exports: Evidence from Taiwan*”  
Wen-Hsien Liu (National Chung Cheng University, Taiwan) and Ya-Chi Lin

(National Chung Cheng University, Taiwan)

**Discussants:**

1. Edwin Lai (City University of Hong Kong, Hong Kong)
2. Manachaya Uruyos (Chulalongkorn University, Thailand)
3. Sukkoo Kim (Washington University in St. Louis and NBER, USA)

10:00 – 10:30 Coffee Break

10:30 – 12:00 **Parallel Session IV: A and B**

**A. Sector Externalities and Growth**

**Preside:** Kazuo Nishimura (Kyoto University, Japan)

1. *“Consumption Externalities and Capital Accumulation in an Overlapping Generations Economy”*  
Kazuo Mino (Osaka University, Japan)
2. *“Stability and Determinacy in a Multi-sector Economy with Sector-Specific Externalities and Social Constant Returns”*  
Michael Kaganovich (Indiana University, USA)
3. *“Indeterminacy in a Two-sector Endogenous Growth Model with Productive Government Spending”*  
Yunfang Hu (Kobe University, Japan), Ryoji Ohdoi (Osaka University, Japan)  
and Koji Shimomura (Kobe University, Japan)

**Discussants:**

1. Costas Azariadis (University of California at Los Angeles, USA)
2. Koji Shimomura (Kobe University, Japan)
3. Jang-Ting Guo (University of California at Riverside, USA)

**B. Trade and Price Dynamics**

**Preside:** Chang-Tai Hsieh (University of California at Berkeley, USA)

1. *“Price Dispersion: The Role of Borders, Distance and Location”*  
Mario J. Crucini (Vanderbilt University, USA), Chris Telmer (Carnegie-Mellon University, USA) and Marios Zachariadis (Louisiana State University, USA)
2. *“Trade Openness and Economic Growth”*

Fuhmei Wang (National Cheng Kung University, Taiwan) and  
Chen-Ju Liu (National Cheng Kung University, Taiwan)

3. “*Large Real Exchange Rate Movements, Firm Dynamics, and Productivity Growth*”

Loretta Fung (University of Alberta, Canada)

**Discussants:**

1. Masao Ogaki (Ohio State University, USA)
2. Wai-Hong Ho (University of Macau, Macao)
3. Ching-Cheng Chang (Academia Sinica, Taiwan)

12:00 – 14:00 Lunch at the Academic Activity Center

14:00 – 15:30 **Parallel Session V: A and B**

**A. Macroeconomic Dynamics and Volatility**

**Preside:** Masao Ogaki (Ohio State University, USA)

1. “*Real Business Cycles and Automatic Stabilizers*”

Jang-Ting Guo (University of California at Riverside, USA) and Sharon G. Harrison (Columbia University, USA)

2. “*Institution, Technical Change and Macroeconomic Volatility, Crises and Growth: A Robust Causation*”

Sam Kak Kan Tang (The Chinese University of Hong Kong, Hong Kong),  
Nicholas Groenewold (The University of Western Australia, Australia) and  
Charles Ka Yui Leung (The Chinese University of Hong Kong, Hong Kong)

3. “*Maximum Likelihood Estimation of Linear Rational Expectation Model with Unique Stable Solvability Constraints*”

Marianne Baxter (Boston University, USA), Robert G. King (Boston University, USA) and Mau-Ting Lin (National University of Singapore, Singapore)

**Discussants:**

1. Kazuo Nishimura (Kyoto University, Japan)
2. Frank S.T. Hsiao (University of Colorado at Boulder, USA)
3. Wen-Jen Tsay (Academia Sinica, Taiwan)

**B. Productivity Growth and Trade**

**Preside:** Tadashi Inoue (Hiroshima Shudo University, Japan)

1. *“Industrial Structure Changes and the Measurement of Total Factor Productivity Growth: The Krugman-Kim-Lau-Young Hypothesis Revisited”*

Chi-Yuan Liang (Academia Sinica, Taiwan)

2. *“Calibrating Total Factor Productivity (TFP) Growth in Taiwan Using Dynamic Computable General Equilibrium Analysis”*

Shih-Hsun Hsu (National Taiwan University, Taiwan), Han-Pang Su (National Taiwan University, Taiwan) and Po-Chi Chen (National Taiwan University, Taiwan)

3. *“International Trade and Environmental Quality: Do Preference Setting and Structural Change Affect the Welfare Evaluation?”*

Tsung-Chen Lee (National Taipei University, Taiwan) and Richard Boisvert (Cornell University, USA)

**Discussants:**

1. Sarah Y. Tong (National University of Singapore, Singapore)
2. Loretta Fung (University of Alberta, Canada)
3. Hsiao-chuan Chang (University of Melbourne, Australia)

15:30 – 16:00 Coffee Break

16:00 – 17:00 **Parallel Session VI**

**Urbanization and Property Rights**

**Preside:** Henry Wan, Jr. (Cornell University, USA)

1. *“Industrialization and Urbanization in the Late Nineteenth Century US: Did the Steam Engine Contribute to the Growth of Cities?”*

Sukkoo Kim (Washington University in St. Louis and NBER, USA)

2. *“The Structure of Authority, Property Rights and Economic Stagnation: The Case of China”*

Ronald A. Edwards (Academia Sinica, Taiwan)

**Discussants:**

1. Kamhon Kan (Academia Sinica, Taiwan)
2. Fukunari Kimura (Keio University, Japan)