

# Fourth Annual Conference on Global Economic Analysis

June 27-29, 2001

## Conference Program

WEDNESDAY, June 27

**8:00 – 8:45 am: Registration - Stewart Center, Room 206**

**8:45 – 10:30 am: Plenary Session I - Stewart Center, Room 206**

*Chair: Thomas Hertel*

☞ *Dale Jorgenson, Harvard University*

Lifting the Burden: Fundamental Tax Reform and U.S. Economic Growth

☞ *Gilbert Metcalf, Tufts University*

Distortionary Taxation in General Equilibrium Climate Modeling

**10:30 – 11:00 am: Coffee Break**

**11:00 – 12 noon: Selected Paper Presentations - Stewart Center, Rooms 206, 214 AB&C**

*Longer presentations: 30 minutes per paper (20 minutes presentation – 10 minutes discussion)*

**Session 1: Estimation and Calibration in CGE Models Room 214A**

*Chair: Dale Jorgenson*

Parameter Estimation and Measures of Fit in a Global, GE Model

*Jing Liu, Channing Arndt and Thomas W. Hertel*

☞ The Determinants of Armington Taste Parameters in CGE Models

*Russell Hillberry, Michael Anderson, Edward Balistreri, and Alan Fox*

☞ Flexible Estimation and Inference within General Equilibrium Systems

*Joseph Francois*

**Session 2: Climate Change Policy I Room 214B**

*Chair: Jean-Marc Burniaux*

☞ Welfare Cost for Europe of Non-participation in the Market for Tradable Permits

*Marcus Vielle and Alain Bernard*

☞ How to Induce Developing Countries to Act Against Climate Change?

*Ton Manders and Johannes Bollen*

☞ International Climate Change Policy

*Shunli Wang, and Peter Nijkamp*

**Session 3: Special Session on Modeling and Measuring Agricultural Protection Room 214C**

*Chair: Frank van Tongeren*

Agricultural Support in the GTAP Version 5 Data Base

*Betina Dimaranan*

☞ Measurement of Agricultural Support and Implications for the EU

*Soren Frandsen, Hans Jensen, and Wusheng Yu*

☞ Treatment of Agricultural Support and Implications for the US

*Mark Gehlhar and Fred Nelson*

**12 noon – 1:30 pm: Lunch - Purdue Memorial Union, East-West Faculty Lounge**

**1:30 – 3:00 pm: Selected Paper Presentations - Stewart Center, Rooms 206, 214 AB&C**

*Shorter presentations: 20 minutes per paper (15 minutes presentation – 5 minutes discussion)*

**Session 1: Free Trade Agreements, Room 214A**

**Chair: Channing Arndt**

- ✂ Free Trade Agreements and the SADC Economies  
*Jeffrey Lewis, Sherman Robinson and Karen Thierfelder*
- ✂ Bilateral Free Trade Agreements and Customs Unions  
*Scott McDonald and Terrie L. Walmsley*
- ✂ Identifying Winners and Losers in Southern Africa from Global Trade Policy Reform  
*David Evans*
- ✂ How Desirable is the South Asia Free Trade Area?  
*Jay Bandara and Wusheng Yu*

**Session 2: Taxation and Public Finance, Room 214B**

**Chair: Will Masters**

- ✂ US Tax Policy and International Flows of Goods and Capital  
*Charles Ballard and Kiwon Kang*
- ✂ Fiscal Consolidation and FTAs  
*Kazuhiko Oyamada*
- ✂ Trade Taxes are Better?!?  
*Can Erbil*
- ✂ Resolving Taiwan's Nuclear Power Puzzle: The Economic Impacts of Terminating the Fourth Nuclear Power Plant  
*Ping-Cheng Li and Shih-Hsun Hsu*

**Session 3: Climate Change Policy II, Room 214C**

**Chair: Gerald Shively**

- ✂ Climate Change Policies, World Markets and Finland  
*Pertti Haaparanta, Leena Kerkela, Matti Liski, Toni Riiipinen and Pekka Sulamaa*
- ✂ The Cost of Greenhouse Gas Emissions in the Japanese Economy  
*Hiroshi Hamasaki and Truong Truong*
- ✂ The Effect of Trade Liberalization on Carbon Leakage  
*Onno Kuik*
- ✂ The Impact of WTO Accession on Taiwan's GHG Emissions  
*Shih-Hsun Hsu, Ping-Cheng Lin and Chung-Huang Huang*

**Session 4: Agricultural Policy, Room 206**

**Chair: Betina Dimaranan**

- ✂ Modeling EU Sugar Policy  
*Soren Frandsen, Hans Jensen, Wusheng Yu and Aage Walter-Jorgensen*
- ✂ Endogenous Adjustment of Quotas  
*Marcus Lips and Peter Rieder*
- ✂ The Agricultural Policy Reform in Switzerland  
*Laurent Cretegy*
- ✂ Does Timing and Announcement Matter?  
*Philip Adams, Lill Hansen and Lars-Bo Jacobsen*

**3:00 – 3:30 pm: Coffee Break**

**3:30 – 5:00 pm: Policy Panel I: Climate Change Policy – Stewart Center, Room 206**  
*Chair: Chung-Huang Huang*

*✍ John Reilly, MIT*

*✍ Larry Williams, Electric Power Research Institute*

*✍ Eric Haites, Margaree Consultants*

**6:30 pm: Opening Reception - Purdue Memorial Union, West Faculty Lounge**  
*Drinks and hors d'oeuvres buffet provided*

**THURSDAY, June 28**

**(Poster set-up between 8:30 am and 12:00 pm North Ball Room PMU)**

**8:30 – 10:00 am: Plenary Session II, Stewart Center, Room 206**  
*Chair: Thomas Hertel*

*✍ TN Srinivasan, Yale University*

*Calibration in Applied General Equilibrium Models*

*✍ Jean-Marc Burniaux, Center for Global Trade Analysis, Purdue University*

*International Trade and Investment Leakage Associated with Climate Change Mitigation*

**10:00 – 10:30 am: Coffee Break**

**10:30 – 12 noon: Selected Paper Presentations - Stewart Center, Rooms 206, 214 AB&C**

*Longer presentations: 30 minutes per paper (20 minutes presentation –10 minutes discussion)*

**Session 1: Regional Economics I, Room 214A**

*Chair: Jeffrey Lewis*

*✍ Dynamic General Equilibrium Analysis at the State Level*

*Edward Balistreri and Thomas Rutherford*

*✍ The Effects of Federal Interregional Transfers with Optimizing Regional Governments*

*Nicholaas Groenewold, Alfred Hagger, and John Madden*

*✍ Assessing the Scope for Effective State Government Macroeconomic Policy*

*James Giesecke*

**Session 2: Methods for CGE Modeling, Room 214B**

*Chair: Alan Powell*

*✍ A New Final Demand System for GTAP*

*Robert McDougall*

*✍ Tariff Aggregators in AGE Models*

*Christophe Bureau and Luca Salvatici*

*✍ Modeling Marketing Services and Assessing their Welfare Effects*

*Scott Bradford and Alexandre Gohin*

*Shorter presentations: 20 minutes per paper (15 minutes presentation – 5 minutes discussion)*

**Session 3: Agricultural Trade I, Room 214C**

*Chair: Fran Freeman*

- ✂ Multilateral Trade Liberalization and Developing Countries  
*Hans van Meijl and Frank van Tongeren*
- ✂ A Global Analysis of Agricultural Reform in WTO Member Countries  
*Xinshen Diao, Agapi Somwaru, and Terry Roe*
- ✂ Trade Policy and Vulnerability of Low Income Households  
*Thomas Hertel, Paul Preckel and Jeff Reimer*
- ✂ Agricultural and Unskilled Labor Mobility: Does it Matter?  
*Mustafa Acar*

**Session 4: EU Enlargement, Room 206**

*Chair: Sherman Robinson*

- ✂ EU Enlargement: Economic Implications for Countries and Industries  
*Arjan Lejour, Ruud Mooij, and Richard Nahuis*
- ✂ Economic Impacts of the Enlargement of the EU  
*Soren Frandsen and Hans Jensen*
- ✂ Technical and Institutional Changes in an Enlarged EU  
*Martina Brockmeier, Claudia Herok and Petra Salamon*
- ✂ Do Rent Seeking and Corruption Impede Economic Growth?  
*Beatriz Gaitan and Ferdinand Pavel*

**12 noon – 1:00 pm: Lunch - PMU North Ballroom**

**1:00 – 2:00 pm Poster Presentations - PMU North Ballroom**

*(Poster set-up between 8:30 am and 12:00 pm)*

- ✂ Economic analysis of trade and poverty using household surveys and CGE  
*Channing Arndt, and Thomas Hertel*
- ✂ A framework for the environmental assessment of the NAFTA  
*JeongDai Kim*
- ✂ A Multi-region Development of the FLAMES Model  
*Peter Read, P. Kathirgamanathan, J., Lermitt, and A. Parshotam*
- ✂ An Analysis of the Economic Effects of Japan-Korea FTA  
*Tomoyoshi Nakajima and Oh-Kyoung Kwon*
- ✂ Bridging the Dynamic GTAP Model to the Comparative Static GTAP Model  
*Ken Itakura,*
- ✂ Can Indonesia Gain from Log Export Barriers?  
*Jutamus Arunanondchai*
- ✂ Changes in Interindustry Linkage under Climate Change Policies for Major APEC Economies  
*Shis-Mo Lin and Sue-Ming Hsu*
- ✂ Climate Variability and Agricultural Policy in Morocco  
*Rabih H. Karaky*
- ✂ Crisis and Income Distribution: A Micro-Macro Model for Indonesia  
*Anne-Sophie Robilliard, Francois Bourguignon, and Sherman Robinson*
- ✂ Impact of Japan's ODA Loan's on Asian Economic Developments  
*Ken-ichi Kawasaki*
  
- ✂ Modeling Tourism and Travel in CGE Models  
*Adam Blake*
- ✂ On the Effects of the EU-South Africa Free Trade Arrangement: A Sequential Computable General Equilibrium Analysis  
*Soamiely Andriamanjara, and Russell Hillberry,*
- ✂ Protection Data for China

- Nico van Leeuwen*
- ✍ South African Trade and Economic Growth in a Dynamic Setting  
*Soamiely Andriamanjara, and Russell Hillberry,*
  - ✍ TAS-Express: Getting the Trade Data You Need Should be Easy  
*Wietse Dol*
  - ✍ The Impact of FDI on the Profitability of the Irish Software Sector  
*Rita Buckley*

**2:15 – 3:15 pm: Selected Paper Presentations - Stewart Center, Rooms 206, 214 AB&C**

*Shorter presentations: 20 minutes per paper (15 minutes presentation – 5 minutes discussion)*

**Session 1: FDI and Services, Room 214A**

**Chair: Robert McDougall**

- ✍ Interactions between Direct Investment and Trade in the Asia-Pacific Region  
*Hiro Lee and Dominique van der Mensbrugge*
- ✍ The Economic Effects of Removing Barriers to Trade in Telecommunications  
*George Verikios and Xiao-guang Zhang*
- ✍ The economic effects of removing barriers to trade in telecommunications and financial services'.  
*Gunter Sugiyarto, M. Thea Sinclair and Adam Blake*

**Session 2: GMOs and Technology Spillovers, Room 214B**

**Chair: Aziz Elbehri**

- ✍ GMOs, endogenous knowledge spillovers and trade policy  
*Frank van Tongeren and Hans van Meijl*
- ✍ China, GMOs and World Trade  
*Kym Anderson and Shunli Yao*
- ✍ Biotechnological Innovations in the Forestry Sector  
*Gouranga Das and Janaki Alavalapati*

**Session 3: Endogenous Growth and the New Economy, Room 214C**

**Chair: David Hummels**

- ✍ Designing Aid Programs for Small Open Economies  
*Morton Lau, Thomas Rutherford and Anders Sorensen*
- ✍ The Global Effects of the New Economy  
*Mathew Shane and Terry Roe*
- ✍ Short Run Global Effects of US 'New Economy' Shocks  
*Rod Tyers and Yongzheng Yang*

**Session 4: New Applications for CGE Models, Room 206**

**Chair: Martina Brockmeier**

- ✍ The HIV-AIDS Pandemic in South Africa: Sectoral Impacts and Unemployment  
*Channing Arndt and Jeffrey Lewis*
- ✍ Water Rights Fees and Green Tax Reforms  
*Chang-Erh Chou, Chuang-Huang Huang, Shih-Hsun Hsu, Ping-Cheng Li, and Tseng*
- ✍ Linking CGE Models with Geographic Information Systems  
*Tze-Wei Chen, Chang-Erh Chou and Kuo-Chuang Chang*

**3:15 – 3:45 pm: Coffee Break**

**3:45 – 5:15 pm: Policy Panel II: Trade Policy**  
*Stewart Center, Room 206*  
*Chair: Will Martin*

- ✍ Aaditya Mattoo, World Bank*
- ✍ Mark Gehlhar, ERS/USDA*
- ✍ Soren Frandsen, SJFI*

**6:30 pm: PMU Annex (Young Graduate House) Depart for The Trails in buses**

**7:00 pm: Conference Dinner - *The Trails***  
(Casual attire recommended)

**FRIDAY, June 29**

**8:30 – 9:30 am: Survey Presentations (Parallel Sessions) - *Stewart Center, Rooms 202 & 204***

- ✍ Growth models: Terrie Roe, University of Minnesota Room 202*
- ✍ Econometrics and Trade: David Hummels, Purdue University Room 204*

**9:30 – 10:00 am: Coffee Break**

**10:00 – 11:00 am: Selected Paper Presentations - *Stewart Center, Rooms 206, 214 AB&C***

*Shorter presentations: 20 minutes per paper (15 minutes presentation – 5 minutes discussion)*

**Session 1: Textiles, Apparel and China's WTO Accession, Room 214A**

*Chair: Robert Koopman*

- ✍ With Rags to Riches and then What?  
Joseph Francois and Dean Spinanger*
- ✍ Impact of MFA Phase-out on the World Economy  
Xinshen Diao and Agapi Somwaru*
- ✍ Assessing the Impact of China's WTO Accession on Foreign Ownership  
Terrie Walmsley, Thomas Hertel and Elena Ianchovichina*

**Session 2: Agricultural Trade II, Room 214B**

*Chair: Soren Frandsen*

- ✍ Patriotism and Preference Barriers  
Lionel Hubbard and George Philippidis*
- ✍ Productivity Growth and Catching-up  
Alejandro Nin, Thomas Hertel, Kenneth Foster and Allan Rae*
- ✍ Global Impacts of Trade Policy in the World Oilseed Market  
Aziz Elbehri, Linwood Hoffmann, Mark Ash and Erik Dohlman*

**Session 3: Topics in Environmental Economics, Room 214C**

*Chair: John Reilly*

- ✍ An Interaction of Economy and Environment in Dynamic CGE Modeling  
Seunghun Joh and Rob Dellink*
- ✍ How Sinks in Wood Products affect the Cost of the Climate Convention  
Johanna Pohojola*
- ✍ Model Simulations for OECD's Environmental Outlook  
Nils-Axel Braathen*

**Session 4: Regional Economics II, Room 206**

**Chair: James Giesecke**

- ✍ Implications of Tax and Energy Policy for US Food and Agriculture  
*Marinos Tsigas, Patrick Canning and Marvin Duncan*
- ✍ The Impacts of Trade Liberalization and Integration Strategies on the Brazilian Economy  
*Alexandro Coelho and E. Haddad*
- ✍ The Western Cape of South Africa: Export Opportunities, Productivity Growth and Agriculture  
*Scott McDonald and Cecilia Punt*

**11:00 – 12:30 pm: Closing Panel: Future Directions for Research –**

***Stewart Center, Rm 206***

**Chair: Thomas Hertel**

- ✍ *Alan Powell, Monash University*
- ✍ *Joseph Francois, Erasmus University*
- ✍ *TN Srinivasan, Yale University*

**12:30 noon – 2:00 pm: Lunch - PMU North Ballroom**