

2014 Asia Pacific Business Conference

Free Trade Agreements and Regional Integration in East Asia:
Prospects, Challenges and Implications



27 - 29 November 2014

Perth Convention and Exhibition Centre
Level 2, River View Room 4, 21 Mounts Bay Road, Perth, Western Australia

www.ecu.edu.au/conferences/2014/asia-pacific-business-conference

WELCOME

The **2014 Asia Pacific Business Conference** is jointly organised by the Asian Business and Organisational Research Group (ABORG) at Edith Cowan University and the Centre for Economic and Social Studies in Asia (CESSA) at Yokohama National University. The conference is sponsored by the Australian Department of Foreign Affairs and Trade (DFAT).

This year, Australia has signed Free Trade Agreements (FTAs) with South Korea, Japan, and China. These countries are negotiating a trilateral FTA, which, if successful, will be the world's third largest FTA, next to only the Northern American and the European Union FTAs. China, Japan and South Korea hold significant shares in the global trade system. We envision the social, economic, environmental and cultural implications of this economic integration in the East Asian region will have an enormous impact worldwide.

This conference brings together academics, researchers, industry groups and policymakers to discuss ongoing research into FTAs and regional integration in East Asia.

From the organisers:

ABORG
Asian Business
and Organisational
Research Group



YNU YOKOHAMA National University
Center for Economic and Social Studies in Asia

Thanks to our sponsors:



Australian Government
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Yours faithfully,

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PROGRAM

Day 1: Thursday, 27 November 2014	
08:30 - 09:00	Registration
09:00 - 09:15	Master of Ceremonies: Associate Professor Madeleine Ogilvie , Associate Dean International, Faculty of Business and Law, Edith Cowan University Welcome Address Professor John Finlay-Jones , Deputy Vice Chancellor of Research, Edith Cowan University
09:15 - 09:30	Opening Keynote Dr Huang Qinguo , Consul General in Perth, People's Republic of China
09:40 - 10:10	Academic Keynote Free trade agreements and regional integration: What can we learn from the EU experience? Professor Filip Abraham , Former Vice-Rector, Catholic University of Leuven, Belgium
10:10 - 10:30	Industry Keynote Negotiating for a free trade agreement: Challenges and implications Mr Graham Fletcher , First Assistant Secretary, Free Trade Agreements Division, Australian Department of Foreign Affairs and Trade, Canberra, Australia
10:35 - 10:50	Morning Tea
Session 1 - The rise of China and regional integration Chair: Professor Hugh Wilkins , Head, School of Business, Edith Cowan University	
11:00 - 11:25	Invited Paper From spaghetti bowl to jigsaw puzzle? Addressing the disarray in the World Trade System Dr Jayant Menon , Lead Economist, Office for Regional Economic Integration, Asian Development Bank
11:30 - 11:55	Invited Paper International effects of China's rise and transition Professor Rod Tyres , Winthrop Professor of Economics, University of Western Australia, and Adjunct Professor, Australian National University, Australia
12:00 - 12:25	Invited Paper The challenge of synchronous development of the four modernisations in China: Current institutions vs. the goals of modernisations Professor Les Oxley , University of Waikato, New Zealand
12:30 - 13:15	Lunch

PROGRAM

Day 1: Thursday, 27 November 2014

Session 2 - Financial markets, investment and economic growth

Chair: **Dr Lee Lim**, Edith Cowan University

13:25 - 13:40	Invited Paper Volatility spillovers from Australia's major trading partners across the GFC Dave Allen, Michael McAleer, Robert Powell, Abhay Singh , University of Sydney, Australia, Erasmus University Rotterdam, Netherlands & Edith Cowan University, Australia
13:45 - 14:00	Thoughts on extreme risk in Indonesia Robert Powell , Edith Cowan University, Australia
14:05 - 14:20	Public news flows and Chinese Renminbi: A volatility regime-switching analysis Kin-Yip Ho, Yanlin Shi, Zhaoyong Zhang , Australian National University & Edith Cowan University, Australia
14:25 - 14:40	Why Sri Lanka a new investment darling in Asia? Dilhani Kapu Arachchilage , Edith Cowan University, Australia
14:45 - 15:00	Shadow economy and corruption in the ASEAN: Complement or substitute? Duc Vo, Dao Ha, Thinh Ly , Economic Regulation Authority Western Australia, Banking University of Ho Chi Minh City & Open University of Ho Chi Minh University, Vietnam
15:05 - 15:20	Structure of marketing program for Islamic microfinance institutions Soheil Kazemian, Rashidah Abdul Rahman, Zuraidah Mohd. Sanusi, Zuraeda Ibrahim , Universiti Teknologi MARA, Malaysia
15:25 - 15:50	Afternoon Tea

Session 3 - Trade, regional integration and economic growth

Chair: **Dr Dilhani Kapu Arachchilage**, Edith Cowan University

16:00 - 16:15	PMI, foreign trade and economic growth in China Kin-Yip Ho, Walter Wang and Tracy Wang , Australian National University, Australia
16:20 - 16:35	Can China escape the "middle income trap": Lesson from the Singapore development model Young-Chan Kim , University of Greenwich, UK
16:40 - 16:55	The impact of trade liberalization on technical efficiency in the Indonesian chemicals industry Benadetta Dwi Suatmi, Harry Bloch, Ruhul A. Salim , Curtin University, Australia
17:00 - 17:15	Regional shock or global shock? A global VAR analysis on economic integration in Asia Sheue Li Ong, Kiyotaka Sato , Yokohama National University, Japan
17:20 - 17:35	Myanmar's integration into regional FTA, implications for trade and FDI policy Shwe Zin Ko , Edith Cowan University, Australia
17:40 - 17:55	Prospect of regional economic cooperation on Silk Road Economic Belt and Maritime Silk Road Feng Zongxian , Xi'an Jiaotong University, People's Republic of China

Conference Dinner at the Bellevue Lounge, Perth Convention and Exhibition Centre

This event is only for participants who have pre-registered.

18:30 - 19:00	Pre-dinner drinks
19:00 - 21:45	Conference Dinner Speech by Professor Atique Islam , Executive Dean, Faculty of Business and Law, and Pro-Vice-Chancellor: Engagement (Business, Law and Governance), Edith Cowan University

PROGRAM

Day 2: Friday, 28 November 2014	
08:30 - 09:00	Registration
09:00 - 09:10	Master of Ceremonies: Associate Professor Madeleine Ogilvie , Associate Dean International, Faculty of Business and Law, Edith Cowan University Welcome Address Professor Arshad Omari , Acting Vice Chancellor, Edith Cowan University
09:10 - 09:25	Opening Keynote Hon. Colin Barnett MEdc MLA , Premier of Western Australia
09:35 - 10:15	Academic Keynote Monetary and financial integration in Asia: Lessons from Europe Professor Paul De Grauwe , John Paulson Chair in European Political Economy, London School of Economics, UK
10:20 - 10:40	Industry Keynote The normalisation of global interest rate: The challenges for a capital intensive, trade-exposed open economy of less than 24 million people Mr Alan Langford , Chief Economist, Bankwest, Australia
10:45 - 11:10	Morning Tea
Session 4 - Exchange rates and regional integration (1) Chair: Dr Jaime Yong , Edith Cowan University	
11:20 - 11:35	Invited Paper Industry-specific exchange rate volatility and intermediate goods trade in Asia Professor Kiyotaka Sato , Yokohama National University, Japan
11:40 - 11:55	Invited Paper The effect of free trade agreements on foreign direct investment inflows Professor Chan-Hyun Sohn , Kangwon National University, South Korea
12:00 - 12:15	Invited Paper Abenomics, Yen depreciation, trade deficit and export competitiveness Professor Junko Shimizu , Gakushuin University, Japan
12.20 - 13:05	Lunch

PROGRAM

Day 2: Friday, 28 November 2014

Session 5 - Exchange rates and regional integration (2)

Chair: **Dr Ian Austin**, Edith Cowan University

13:15 - 13:30	FTA in international finance: Impacts of exchange rates on FTA utilization Taiyo Yoshimi , Nanzan University, Japan
13:35 - 13:50	Winners and losers from the Euro Laura Puzzello , Monash University, Australia
13:55 - 14:10	Price discovery and dynamic correlations: The case of the Chinese Renminbi markets Kin-Yip Ho, Yanlin Shi, Zhaoyong Zhang , Australian National University & Edith Cowan University, Australia
14:15 - 14:30	What factors make for a successful Free Trade Agreement? Theory and evidence Dess Pearson , University of South Australia, Australia
14:35 - 14:50	Industry-specific exchange rate fluctuations, Japanese exports and financial constraints: Evidence from panel VAR analysis Zhang Shajuan , Yokohama National University, Japan
14:55 - 15:20	Afternoon Tea

Session 6 – Business and investment environment in Asia

Chair: **Dr Stephen Grainger**, Edith Cowan University

15:30 - 15:45	Singapore as a 'Global City': Governance an international relevance in a challenging global environment Ian Austin , Edith Cowan University, Australia
15:50 - 16:05	Can market orientation sustain management of microfinance institutions? The case study of Amanah Ikhtiar Malaysia Soheil Kazemian, Rashidah Abdul Rahman, Zuraidah Mohd. Sanusi, Zuraeda Ibrahim , Universiti Teknologi MARA, Malaysia
16:10 - 16:25	Characteristics of audit committee and real activity manipulation: Case from Indonesia Putu Sugiarta Sanjaya, Andreas Yudha Mahendra Jati , Universitas Atma Jaya Yogyakarta, Indonesia
16:30 - 16:45	The influence of monitoring mechanisms and opportunistic behaviours towards earnings management Aziani Idris, Zuraidah Mohd. Sanusi, Mohd. Taufik Mohd. Suffian , Universiti Teknologi MARA, Malaysia
16:50 - 17:05	Mitigating money laundering: The role of designated non-financial business and professions in South-East Asian countries Normah Omar, Razana Juhaida Johari, Muhammad Asri Mohamed Azam, NurulAini Othmanul Hakim, Aida Maria Ismail , Universiti Teknologi MARA, Malaysia
17:10 - 17:25	Money laundering and terrorist financing: Global cases, behavioural theories and internal control mechanism Normah Omar, Siti Suharti Bt. Sukir, Razana Juhaida Johari, Jamaliah Said , Universiti Teknologi MARA, Malaysia
17:30 - 17:45	The perception and challenges for corporate sustainability reporting in China Alex Zhang , Edith Cowan University, Australia
17:50 - 18:00	Closing address - Associate Professor Hadrian Djajadikerta , Associate Head, School of Business, and Head, Asian Business and Organisational Research Group (ABORG), Edith Cowan University

PROGRAM

Day 3: Saturday, 29 November 2014

This event is only for participants who have pre-registered.

09:00	Meet at the Plaza Entrance of the Perth Convention and Exhibition Centre
09:15 - 15:00	Informal networking and discussions on future research collaboration (including sightseeing and lunch)

The Program Committee:

- Associate Professor Zhaoyong Zhang, ABORG, School of Business, Edith Cowan University
- Associate Professor Hadrian Djajadikerta, ABORG, School of Business, Edith Cowan University
- Professor Kiyotaka Sato, CESSA, Department of Economics, Yokohama National University

Members:

- Professor Atique Islam, Executive Dean, Faculty of Business and Law, and Pro-Vice-Chancellor: Engagement (Business, Law and Governance), Edith Cowan University
- Professor Hugh Wilkins, Head, School of Business, Edith Cowan University
- Dr Stephen Grainger, ABORG, School of Business, Edith Cowan University
- Ms Tricia Ong, ABORG, School of Business, Edith Cowan University
- Dr Jaime Yong, ABORG, School of Business, Edith Cowan University
- Dr Lee Lim, ABORG, School of Business, Edith Cowan University
- Dr Ian Austin, ABORG, School of Business, Edith Cowan University
- Dr Dilhani Kapu Arachchilage, ABORG, School of Business, Edith Cowan University

We would like to thank the keynote and invited speakers, paper presenters, attendees, the Office of the Premier of Western Australia, the Consulate General of China in Perth, the Western Australia State Office of the Department of Foreign Affairs and Trade (DFAT), ECU's Office of Research and Innovation, ECU's Marketing and Communications Services Centre (Corporate Events, Corporate Communications and Web Business), ECU's Faculty of Business and Law, ECU's School of Business, the Japan Society for the Promotion of Science (JSPS), Yokohama National University and Springer Publishing.