

April 23, 2004

**THE UNIVERSITY OF MICHIGAN
GERALD R. FORD SCHOOL OF PUBLIC POLICY
JAPAN ECONOMY PROGRAM
DEPARTMENT OF ECONOMICS**

AND

**HITOTSUBASHI UNIVERSITY
INSTITUTE OF ECONOMIC RESEARCH**

In Collaboration with

**Japan Foundation, Center for Global Partnership
Center for Japanese Studies, University of Michigan
Economic and Social Research Institute (ESRI), Cabinet Office, Japan
A 21st Century COE Program, Research Unit for Statistical Analysis in
Social Sciences, Institute of Economic Research, Hitotsubashi University**

***Macro/Financial Issues and International Economic Relations: Policy
Options for Japan and the United States***

Thursday, May 13, 2004

**Center for Global Partnership Conference Facility
ARK Mori Building, 20th Floor
1-12-32 Akasaka, Minato-ku, Tokyo 107-601
(Telephone: 03-5562-3542; Fax: 03-5562-3504)**

Agenda for Pre-Conference Meeting of Authors

8:30-9:00 A.M. Registration and Welcoming

A. Assessment of Japan's Macro/Financial Policies and Proposals for Reform

9:00-9:30 A.M. Michael Hutchison, University of California, Santa Cruz, "Dynamics of Foreign Exchange Market Intervention: Effective Strategies in Managing the Yen/Dollar Exchange Rate."

9:30-10:00 A.M. Toshihiro Ihori, University of Tokyo, "The Political Economy of Japan's Fiscal Reform"

10:00-10:30 A.M. Alan G. Ahearne, Board of Governors of the Federal Reserve System, and Naoki Shinada, Development Bank of Japan, "Zombie Firms and Economic Stagnation in Japan"

10:30-11:00 A.M. Coffee Break

- 11:00-11:30 A.M.** Masahiro Hori, Cabinet Office, and Satoshi Shimizutani, ESRI and Hitotsubashi University, “What Changes Deflationary Expectations? Evidence from Japanese Household-Level Data”
- 11:30-12:00 P.M.** Gary R. Saxonhouse, University of Michigan, “Good Deflation/Bad Deflation and Japanese Economic Recovery”
- 12:00-1:30 P.M.** Lunch

B. Traditional and Unconventional Macro/Financial Policies for Economic Recovery

- 1:30-2:00 P.M.** Mitushiro Fukao, Keio University, “The Effects of ‘Gesell’ (Currency) Taxes in Promoting Japan’s Economic Recovery”
- 2:00-2:30 P.M.** Masahiro Kawai, University of Tokyo, “Reform of the Japanese Financial System”
- 2:30-3:00 P.M.** Takatoshi Ito, University of Tokyo, “Yen Depreciation and Japanese Economic Recovery”
- 3:00-3:30 P.M.** Rishi Goyal, International Monetary Fund, and Ronald McKinnon, Stanford University, “International Creditors under the World Dollar Standard: Japan’s Liquidity Trap Redux”
- 3:30-3:45 P.M.** Coffee Break
- 3:45-4:15 P.M.** Kyoji Fukao, Hitotsubashi University, Kiyohiko G. Nishimura, University of Tokyo, Qing-Yuan Sui, Yokohama City University, and Masayo Tomiyama, Hitotsubashi University, “Japanese Banks’ Monitoring Activities and the Performance of Borrower Firms, 1981-1996”

C. International Transmission and Coordination of Macro/Financial Policies

- 4:15-4:45 P.M.** Koichiro Kamada and Izumi Takagawa, Bank of Japan, “Monetary Cooperation in East Asia and Across the Pacific”
- 4:45-5:15 P.M.** Koichi Hamada, Yale University, and Asahi Noguchi, Senshu University, “The Role of Economic Perception vs. the Role of Group Interests in Macroeconomic Policies”
- 5:15-5:30 P.M.** Concluding Discussion
- 7:00-9:00 P.M.** Dinner (Location to be announced)