



The 5th GRIPS Student Conference

The Policy Challenges of a Volatile Era

Conference Booklet



政策研究大学院大学
NATIONAL GRADUATE INSTITUTE
FOR POLICY STUDIES

Welcome Message

GRIPS has been hosting the GRIPS Student Conference since 2012. The Conference brings together a diverse group of students, researchers, and professionals from various disciplines and backgrounds. It facilitates the sharing of research findings on the political, social, and economic challenges facing the world today and public policy responses to them. Our goal is threefold: to promote a scholarly exchange of ideas, to set new research directions, and to encourage rigorous inter-disciplinary research and collaboration.

The conference is open to all GRIPS and non-GRIPS students, researchers, and professionals, and it provides an excellent opportunity for young as well as established researchers to share expertise in important policy areas, contribute to existing scholarship, and expand their network of colleagues and collaborators. This year's conference features over 30 presenters from 16 countries.

The theme of this year's Conference is 'the Policy Challenges of a Volatile Era'. We selected this theme after reflecting on some of the things that have happened over the past year – Brexit, the Republican Party's nomination of Donald Trump, tensions in the South China Sea and continuing economic fragility. Looking back, it would have been difficult to predict any of these developments when the Conference was first held. Looking forward, the outlook is for volatility to persist.

We hope that the Conference provides you with an opportunity to reflect on the world today and the role of public policy in responding to the challenges that we all face together.

Sincerely,
The Organising Committee
The 5th GRIPS Student Conference

Schedule

9:00 - 9:30 Morning registration outside Room 4A

9:30 - 10:20 **Keynote Speech @ Room 4A**

Japan Tackles New Challenges: Security, Economy, and Society
Prof. Narushige Michishita, Director of the Security and International Studies Program,
National Graduate Institute for Policy Studies

10:20 - 10:40 Tea and coffee break on the terrace

	Session 1 @ Room 4A	Session 2 @ Room 4B	Session 3 @ Room 4F
	Economics Moderators: Abdul Wahid Fajar Amin, Paul Owusu Takyi	Agriculture, Environment and Tourism Moderators: Intan Novia Fatma Nanda, Nick Latimer	Globalization Moderators: Diana Ciszewska, Pascal Lottaz
10:40 - 11:00	Abinash Dash Spillover of Unconventional Monetary Policy of the United States on the Indian Economy – VAR and SVAR analysis	Tommy Gusnadi Agricultural Expenditure and Paddy Production in Indonesia: The Evidence at the Regency and Municipality Levels	EIHassan EISabry Open Science: The New Revolution in Scientific Research and What Policymakers Can Do About It
11:00 - 11:20	Katalin Völgyi TPP versus RCEP: From Japan's perspective	Osei Oteng-Asante Towards Understanding the Influence of Agriculture and Trade Relationships on Development Path of Sub-Saharan Africa (SSA)	Ghadda Abdelelah A Hayat China-Japan Rivalry over the Middle East
11:20 - 11:40	Le Ha Thu Banks' Liquidity Risk Determinants: Panel Evidence from Vietnam	Raditya Characteristics of Inbound Tourism Demand in Indonesia and Responses by the Government	Rahadi Sri Rahmanto Foreign Direct Investment and International Trade: The Case of International Competitiveness in Indonesian Manufacturing Sector, 2001–2014
11:40 - 12:00	Ploysri Amonvatana The Rise of the Household Debt in Thailand and Policy Implications	Mohamed Simad Impact of Changing Weather Conditions Due to Climate Change on the Tourism Industry in the Maldives	Diana Ciszewska The Changing Patterns of Japanese Foreign Direct Investments in Europe
12:00 - 12:20			Majoro Fabien Effectiveness of Rwandan policy actions to mitigate effects of the Section 1502 of the Dodd-Frank act
12:20 - 13:30	Lunch break & afternoon registration (from 13:15)		

	Session 4 @ Room 4A	Session 5 @ Room 4B	Session 6 @ Room 4F
	International Relations and Security Moderators: Pandu Utama Manggala, Richard Fosu	Social Policy Moderators: Karen Yamashita, Francis Mwesigye	Public Administration and Finance Moderators: Gaurav Pundir, Nick Latimer
13:30 - 13:50	Tatsuro Chiba Japan's Foreign Policy under Abe Administration 2006-2007 and 2012-2016	Saima Khan Impact of Global Policy on Women of Developing Countries: Rebirth of Colonization in the Age of Globalization	Agung Endika Satyadini Empirical Approach of Tax Avoidance Risk Assessment in Indonesia
13:50 - 14:10	Yiftach Raphael Govreen Japan, U.S. and Networks of Security: Transnational Policy Networks in Bilateral Security Treaties	Intan Novia Fatma Nanda Physical Infrastructure, Economic Growth, and Poverty Reduction: Analysis with Municipal-level Data of Indonesia	Gaurav Pundir Are Tax Havens Becoming Tax Hells? An Empirical Study to Test the Impact of Tax Treaties on FPI Levels
14:10 - 14:30	Theosa Dinar Swastiningtyas The U.S. and China's Engagement toward the Mekong Development From Constructivist Approach	Karen Yamashita New Type of Japan's International Healthcare Cooperation and Policy Implication from the History—Maternal and Child Healthcare (MCH) Handbook Project	Resham Lal Kandel Fiscal Federalism – A Case Study of Nepal
14:30 - 14:50	Tran Thi Bich Strategic Hedging: the Best Solution for Southeast Asia's Ambivalence toward China	Raden Muhammad Darajat Factors Affecting the Incidence of Diarrhea Among Children Below the Age of 5, Indonesia, 2012	Nicolaus Herman Shombe Coordination Failure in the Government Offices: A Case of Tanzania
14:50 - 15:10	Imran Ali Sultan Security Policy Amidst of Terrorism and Volatility: A Case Study of Pakistan	Ufi Alaia Furqon Factors Affecting Child Immunization in Indonesia, 2012	Perfect Ahamadzie The impact of the Single Window Facility on Customs Revenue in Africa
15:10 - 15:30	Bazgha Syed Counter Terrorism Imperatives for Pakistan since 9/11 – Sustainable Policy Measures – An Enquiry into Policy Effectiveness of Indonesia, Malaysia and Singapore	Caroline Krissyantikaratih Dewi The Impact of Minimum Wage on Child Labor in Indonesia	Jay Tarriela Restructuring the Port State Control System of the Philippines
15:30 - 15:50	Tea and coffee break on the terrace		
15:50 - 16:20	Wrap-up session @ Room 4A		
16:20 - 18:00	Presentation of certificates by Vice President of GRIPS, Professor Sunami @ Room 4A Followed by a networking reception on the terrace		

9:30 – 10:20

Japan Tackles New Challenges: Security, Economy, and Society

Prof. Narushige Michishita

Director of the Security and International Studies Program
National Graduate Institute for Policy Studies



Narushige Michishita is a Professor at the National Graduate Institute for Policy Studies (GRIPS) in Tokyo and the Director of its Security and International Studies Program.

Previously, he served as senior research fellow at the National Institute for Defense Studies of the Ministry of Defense and assistant counsellor at the Cabinet Secretariat for Security and Crisis Management of the Government of Japan. A specialist in Japanese security and foreign policy as well as security issues on the Korean Peninsula, his works include *North Korea's Military-Diplomatic Campaigns, 1966-2008* (Routledge, 2009).

Michishita has acquired Ph.D. and M.A. from the Johns Hopkins University's Paul H. Nitze School of Advanced International Studies (SAIS), and B.A. from the University of Tsukuba, Japan. He is fluent in Japanese and Korean.

10:40 – 11:00

Spillover of Unconventional Monetary Policy of the United States on the Indian Economy – VAR and SVAR analysis

Abinash Dash

National Graduate Institute for Policy Studies (GRIPS)

This study attempts to analyze the impact of Unconventional Monetary Policy (UMP) of United States, followed in the aftermath of the global financial crisis, on US economy and especially on the Indian economy. We use quarterly data from 1996q1 to 2014q3 for most of the analysis of the study. However, we also use a large sample from 1960q1 to 2015q3, to study the impact on the US economy. This study uses Vector Auto Regression (VAR) and Structural Vector Auto Regression (SVAR) methods, with suitable restrictions in the SVAR model, to analyze such impact of the UMP. The study uses “shadow rate” to capture the UMP and use monetary tightening to see the impact of UMP. We found the impact of UMP on United States economy results in contraction of output and inflation in US. However, the results of the study show a negative spillover effect on the financial variables in India like the stock markets and the foreign investment investments (FIIs). Moreover, we also found some positive spillover effect on output in India.

Keywords: Unconventional Monetary Policy, Spillovers, Quantitative Easing

TPP versus RCEP: From Japan`s Perspective

Katalin Völgyi

Institute of World Economics, Hungarian Academy of Sciences

This study will focus on the mega FTAs (RCEP, TPP) in East Asia from Japan`s perspective. Due to the export-oriented economic development Japan exclusively supported the multilateral system of trade liberalization (GATT/WTO) at least till the end of the 1990`s. The formation of the single market in Europe and NAFTA in North America spurred Japan to secure her foreign market interests through APEC and ASEM, but without concluding any FTAs. The Asian financial crisis of 1997-1998, the lack of help from the US and APEC to resolve this crisis and the failure to start a new WTO round in 1997 have made Japan turn from multilateralism to bilateralism (concluding EPAs) and from Asia-Pacific (APEC) to East Asian (ASEAN+3, ASEAN+6) cooperation. The next turning point was the post-global crisis era when the sluggish growth of global trade and the need for diminishing “noodle bowl” effects caused by the proliferation of FTAs (to support global value chains) have induced the negotiations on mega FTAs. In 2013 Japan started negotiations on RCEP, and EPA with the EU and joined the TPP negotiations. This study makes a comparison on RCEP and TPP from Japan`s economic (and political) interests. To make analyses it uses simple economic statistics and former estimations of CGE model. The main conclusion of the study is that RCEP and TPP are equally important for Japan. The reasons can be different, but it is a good decision to participate in both. Similar to former EPAs Japan tries to protect its agriculture (as far as possible) and secure markets for manufacturing exports during the negotiations of these mega FTAs. And her aim is also to step forward to FTAAP (nearest to multilateral liberalization) which could bring bigger economic gains than TPP and RCEP.

Keywords: Trade policy, economic integration, TPP, RCEP, FTAAP

11:20 – 11:40

Banks' Liquidity Risk Determinants: Panel Evidence from Vietnam

Le Ha Thu

National Graduate Institute for Policy Studies (GRIPS)

The paper applied fixed effect regression on the panel data of 27 commercial banks which are in business in Vietnam from 2007 to 2014 to define the determinants of Vietnamese banks' liquidity risk. Some of the main findings are as follows: firstly, the banking liquidity is positively impacted by capital adequacy, credit portfolio quality and regulatory framework; secondly, no significant influence of the bank size is found while state ownership is shown to have power over the banks' liquidity; thirdly, the significant external factors of the banks' liquidity are macroeconomic stability, monetary policy and openness.

Keywords: Bank liquidity risk determinants, panel regression, Vietnam

The Rise of the Household Debt in Thailand and Policy Implications

Ploysri Amonvatana

National Graduate Institute for Policy Studies (GRIPS)

The recent financial crises in Europe and the United States had a deleterious effect on the global financial systems and had underscored the importance of prudent and sound financial policy. Fortunately, Thailand, particularly Thai banking system, faced small direct impacts from those crises due to low level of interconnectedness with foreign assets and foreign sources of funding. After those crises passed, recently, one of the new concerns of government and central banks around the world, including Thailand, is household debt.

The issue of household sector is important because it is regarded as the most important customer group of the financial institutions. The increase in household debt may affect the economy and financial stability. In Thailand, the households are vulnerable to economic shock as can be seen through four main indicators that are household debt to GDP, debt service ratio (DSR), debt to income and financial asset to household debt. For example, the household debt to GDP significantly increased from 59.3% in 2010 to 81.1% as of Q3/2015. In this regards, the household debt situation in Thailand should be taken into consideration and subject to close monitoring by the relevant parties including the Bank of Thailand and Ministry of Finance.

This study aims to examine the current situation of the household debt in Thailand including the main reasons for the rapid increase such as the accommodative monetary conditions and government's stimulating policies. It also tries to come up with policy recommendations to prevent the problems from household debt and to deal with the burst of household debt. The related literatures such as the reports and researches by the Bank of Thailand, papers by an international organization like IMF and lessons learnt from other countries such as Malaysia and the United States will be used.

Agricultural Expenditure and Paddy Production in Indonesia: The Evidence at the Regency and Municipality Levels

Tommy Gusnadi

National Graduate Institute for Policy Studies (GRIPS)

Government policies on agriculture have paid more attention to price policies designed to control agricultural production. On the other hand, governments' use of expenditure policies has also affected agricultural production. Because of decentralization in Indonesia, regency and municipality governments have gained significant responsibility for service delivery, considerably larger fiscal resources. Agriculture is an optional government affair between central and local governments.

This study aims to gain a better understanding of agricultural expenditure on paddy production in the decentralized period of 2009-2013 at the regency and municipality levels. The variable treated as proxy of agricultural expenditure is a ratio of agricultural expenditure to total expenditure at the regency and municipality levels (RAE). This study applies quantitative method analysis and uses panel data of paddy producers to conduct a random effect model for 341 regencies and municipalities, grouped as Indonesia, Java, and Non-Java.

This study shows that the RAE has a positive impact on paddy production at 10% level of significance. Even though the RAE is significant, the contribution to paddy production is still small, ranging from 0.35% to 1.67%. The average RAE is about 2.5%. Regencies spent on agriculture expenditure more than 2.5% of total expenditure. In contrast, municipalities spent agriculture expenditure less than 2.5% of total expenditure. The gaps in paddy production between Indonesia, Java, and Non-Java are influenced greatly by fertilizer and irrigated land equivalent (ILQ). Fertilizer accounts for 23% to 48% of paddy production gap and ILQ accounts for 6% to 12% of paddy production gap. Paddy productivity gap in terms of labor is influenced by ILQ/L. Paddy productivity gap in terms of land is affected by fertilizer per ILQ. These study findings imply that regency and municipality governments need to strengthen agricultural expenditures, fertilizer subsidy policies, and rehabilitation and development of irrigation networks to increase paddy production.

Keywords: Paddy production, productivity, gap, fiscal decentralization, agricultural expenditure, regency and municipality, Indonesia, Java, Non-Java

11:00 – 11:20

Towards Understanding the Influence of Agriculture and Trade Relationships on the Development Path of Sub-Saharan Africa (SSA)

Osei Oteng-Asante

National Graduate Institute for Policy Studies (GRIPS)

In the ensuing discourse on global economic development, Sub-Saharan Africa (SSA) remains at the peripheries of Raul Prebisch's "core-periphery" typology. A key part of the "Divergence" explanation can be found in the choice and nature of development path taken. In this connection, this paper discusses the influence of Agriculture and Trade relationships on the Development Path of SSA. Framed within the Factor Endowment Theory, the paper adopts the Resource Exploitation Model (REM) to explain the unique and influential role of Agriculture and Trade Relationships on SSA's Development Path. It emerged that given its relative abundant endowment in land over labour and capital, SSA had travelled on a Labour-Saving and Capital-Sparing but Land-Extensive Path from the 16th - 20th Century. It has been argued that this Path was uniquely guided by a somewhat "virtuous-vicious-virtuous" relations between Trade and Agriculture. Largely through trade-induced agricultural development which enabled the adoption and non-adoption of labor-saving and liquidity-ameliorating techniques, SSA traversed its development journey. More importantly, it has been pointed out that SSA must confront the 21st Century on a different Development Path given emerging changes in its endowments and the presence of unprecedented environmental and policy volatilities. Accordingly, alternative policy choices have been suggested. Key amongst them is the need for intensification and sustainability aided by R&D and technology intensification. Yet, human capital and infrastructural (physical and institutional) development remain the bedrock.

Keywords: Development Path, Agriculture and Trade, Sub-saharan Africa

11:20 – 11:40

Characteristics of Inbound Tourism Demand in Indonesia and Responses by the Government

Raditya

National Graduate Institute for Policy Studies (GRIPS)

The efficient planning and management of the tourism sector requires appropriate knowledge about the characteristics of inbound tourism demand especially in Indonesia, where most industries are highly dependent on the government. This study examined the relationship between the determinants of inbound tourism demand and the international visitor arrivals in Indonesia and the responses of the government to the changes in the determinants. The findings show that the changes in the tourist's origin country income, real exchange rates, travel costs, and the time trend affect the international tourist arrivals in Indonesia. However, the inbound tourism demand in Indonesia is only sensitive to the changes in the income variable. Moreover, the relationship between the changes in income and the tourist arrivals in Indonesia is not linear. The government has realized the impact of the changes of the determinants and responded positively through the instrument of budgeting policy. The implication of the findings will affect the budget allocation priority for the tourism marketing program.

Keywords: Tourism demand, budgeting policy, Indonesia

Impact of Changing Weather Conditions Due to Climate Change on the Tourism Industry in the Maldives

Mohamed Simad

National Graduate Institute for Policy Studies (GRIPS)

Regardless of the increase in scientific understanding of the threat of climate change in coming decades, the potential impact or societal cost remains difficult to recognize. To fill the gap on the uncertainty surrounding the future climate impact, researchers adopt various methods of calculations and projections. The aim of this study is to assess to what extent change in weather conditions due to climate change affects the tourism industry in Maldives. To answer this question, a modified version of TCI (Tourism Climate Index) is applied. For this index calculation, 25 years of monthly weather data from 1990 to 2014 is used. The study then used the calculated yearly TCI to identify the change in preferable climate condition for tourist yearly. Finally, projections of TCI up to year 2100 is performed in this research based on the projected weather data. The calculated result shows an increase the TCI recently in yearly average. This will cause positive impact to tourism for the short term. However, seasonal shift due to climate change, which changes the weather pattern throughout the year, may affect the Maldives tourism industry. Again, the El Niño and climate change conjoint effects have increased the frequency of El Niño and it has caused dramatic decreases in TCI within the past decade. Moreover, this is causing unfavorable climate conditions for the tourists that will cause negative effect to the tourism industry. Furthermore, throughout the century, average TCI will be decreasing and it is possible to conclude that arrival of tourists to Maldives will decline in the future due to the change in climate conditions as it seen in the cross-country analysis.

10:40 – 11:00

Open Science: The New Revolution in Scientific Research and What Policymakers Can Do About It

ElHassan ElSabry

National Graduate Institute for Policy Studies (GRIPS)

The scholarly communication system is currently witnessing a major revolution. During the 1990s, frustration with rising scientific journal prices have led to the development of what came to be called the “Open Access Movement”. This movement aimed to free the scientific knowledge from the stronghold of commercial publishers and have been struggling ever since. Although it started with a group of enthusiastic scientists and librarian, over time it has developed its own communities, infrastructure and support mechanisms. Many governments, national academies, universities and other science funders have issued what is called “Open Access Mandates”, which require those funded by them to make their research findings openly available on the internet (without any fees to access or download). Those mandates have been instrumental in the growth of the movement and were the reason why many government policymakers got involved in the Open Access debates. Open Access became the subject of many ministerial meetings as well as parliament sessions.

Keywords: Open Science, Scholarly Communication, Web 2.0, Policymaking

China-Japan Rivalry over the Middle East

Ghadda Abdelelah A Hayat

Ritsumeikan Asia Pacific University

Sino-Japanese relationship with the Middle East goes back in history. Due to their economic interests, both countries started their relations with the Middle East at an early age. China and Japan share identical interests in exporting their products into the region's rich market and importing the region's large oil volume. However, those identical interests have led the two to engage in a regional rivalry over energy resources. Toichi (2006) explains the two's rivalry as a clear intensified competition that aims to secure oil and gas shares in the Middle East market. According to Graham (2016), China has replaced Japan as the second largest importer of Middle East crude oil –second after the United States- and is now the region's seventh biggest trading partner. This rising influence has been met with worry from Japan's side. Pollock (2016) referred to the era of Abe's administration as the most active era in Sino-Japanese confrontation. He explicated how Abe's administration has been trying to establish a defined economic stand in order to ensure that Japan's position in the Middle East is known and that its desires are met even with China's presence in the region. The two countries' rivalry has extended beyond the share of oil and has spread to diplomatic tactics in the region. China has spread its ties in the Middle East in terms of politics, infrastructure, culture, education and even religion, and so has Japan. Both leaders are trying to present themselves as trustable friends who provide reliable responses on political, economic, and other issues.

By tracking China-Japan political, economic, and people-to-people engagement in the region, analyzing the past and present and examining the progress that led to their rivalry development, this paper attempts to answer the question of why China and Japan engage in a rivalry in the Middle East?

Keywords: Regional Rivalry, energy, culture

Foreign Direct Investment and International Trade: The Case of International Competitiveness in Indonesian Manufacturing Sector, 2001–2014

Rahadi Sri Rahmanto

National Graduate Institute for Policy Studies (GRIPS)

This study seeks to comprehend the relationship between foreign direct investment and international trade in Indonesian manufacturing sector, which is an important sector of the Indonesian economy. The study takes the viewpoint from the host country of FDI and considers the international competitiveness of the industries, which are likely to be missing from the previous studies.

Net export ratio (NER) sets the criteria in distinguishing the degree of international competitiveness of the industries (having a positive or negative value of NER). To analyze the relationship between FDI and international trade, this paper applied random-effects regression to FDI and imports, using data from 20 industries within the Indonesian manufacturing sector during 2001–2014 period. The FDI model is based on cost minimization theory, whereas the imports model is based on consumer demand theory.

NER-wise, 13 industries are internationally competitive, whereas the remaining seven industries are not. Market size and imports have a positive and significant influence on FDI in both group of industries. In the group of negative NER industries, worker compensation have a positive and significant influence on FDI; whereas the cost of energy consumption has a negative and significant influence. Market size and openness to trade have a positive and significant influence on imports in both groups. The unit price of imports has a negative and significant influence on imports in both groups. The positive influence of FDI on imports is significant in the group of positive NER industries, yet insignificant in the opposite group.

The complementary relationship between FDI and imports is significant in the group of industries having relatively strong international competitiveness, yet it is insignificant in the group of industries having relatively weak international competitiveness. Policy-wise, encouraging openness to trade in the former group and improving access to energy in the latter group can stimulate FDI.

Keywords: Foreign direct investment, international trade, international competitiveness.

11:40 – 12:00

The Changing Patterns of Japanese Foreign Direct Investments in Europe

Diana Ciszewska

National Graduate Institute for Policy Studies (GRIPS)

Europe has traditionally been the third largest recipient of Japanese foreign direct investment (FDI), behind Asia and North America. However, in Europe Japanese FDI has been mainly located in the Western part, not in the Central-Eastern part. The young member countries of the European Union (EU) benefit greatly from becoming a part of the Union, especially in terms of adapting new policies and making reforms. This study aims to examine the changing pattern of Japanese foreign direct investments in the ten Central and Eastern European (CEE) countries, after they had become members of the European Union. Using quantitative data from the Bank of Japan and the Japanese Ministry of Finance, the study found that Japanese FDI in the region increased almost twofold after EU-CCE integration. However, the countries of this region have had extremely little significance to this point for Japanese investors, since Japanese investment in CEE countries was less than 1% of the total Japanese investments in the world. Using qualitative data, the paper presents several successful stories of Japanese investments in Central-Eastern Europe.

Keywords: Foreign Direct Investments, Central and Eastern Europe, EU accession, Japanese investments

12:00 – 12:20

Effectiveness of Rwandan policy actions to mitigate effects of the Section 1502 of the Dodd-Frank act

Majoro Fabien

National Graduate Institute for Policy Studies (GRIPS)

With the end of Cold war, different armed groups lost support they used to get from their strategic allies, thus resorted to illicit trade of natural resources to sustain their wars. The Congo war is largely financed by illicit trade of minerals. In the past, armed groups used territories of neighboring countries to launder illicit minerals or as trade routes for their export. Four specific minerals namely tin, tantalum, tungsten and gold (3T&G) are concerned. These minerals are critical in manufacturing hi-tech consumer goods. As other alternatives to stop Congo war failed, a campaign against 3T&G targeting hi-tech good consumers started. It resulted into the US adopting a provision with the Dodd-Frank Act that discourages companies listed on US Stock market to source minerals from the region. The purpose was to destroy the black market of these minerals to starve financially armed groups with the hope that this will ease the humanitarian crisis. Companies fearing repercussions on their market, they boycotted minerals from the region and this affected countries in the region whose economies highly depend on the export of these minerals. This paper uses different qualitative research methods to understand the nature of this mineral provision in regards to affected countries, its effects and what policies are being taken to mitigate these effects. The paper finds out that this US conflict minerals provision fulfills characteristics of an economic sanction with the exception that it is not explicit. The paper concludes that conflict minerals is a disguised/undeclared economic sanctions to Rwandan other countries whose economy is vulnerable to the 3T&G. Regarding effects, they are mostly negative but there same positive effects too and this is because the concerned countries took this provision as an opportunity to reform their mining sectors and introduce transparency mechanisms in mineral export to curb smuggling.

Keywords: DRC, Rwanda, conflicts, minerals, Dodd-Frank Act, economic sanctions, hi-tech companies.

13:30 – 13:50

Japan's Foreign Policy under Abe Administration 2006-2007 and 2012-2016

Tatsuro Chiba

Pompeu Fabra University, Spain

My topic is about Japanese foreign policy under the first and the second Abe administration. Role theory is utilized as theoretical framework. It focuses on national role(s) conceptions (NRC), defined as shared, value-driven expectations about the appropriate role(s) a state should play in the world. The thesis analyzes the constitutive elements of Japan's role conceptions, but also the possible roles competition, role conflicts and inconsistency between role conceptions and role performance in Japan and between Japan and the main alter-parts (external expectations).

Until the end of the Cold War, there was no major inconsistency within Japan and between Japan and

main foreign countries around Japan. However, Japan realized to change its roles. In this context, 'value-oriented diplomacy' and 'proactive pacifism' proposed by Prime Abe since 2006 raises issues from a role theory perspective.

The Abe Cabinet aims at becoming an important power in the world, cooperating with friendly countries. In such conditions, the question is to investigate if, why and how the role conceptions and perceptions evolved in the post cold war period, and specifically during the last decade.

In my PhD thesis, a qualitative content analysis of important foreign policy speeches of Japanese leaders and leaders in Japan's key alter-parts will be conducted, they reflecting not only the constituents but also main role conceptions on foreign policy issues that international society ascribed to a given country. Statements of foreign policy indicating responsibility and duty will be analyzed.

My tentative conclusion is that Japanese government became proactive to keep the US presence in East Asian region to keep China and North Korea in check. Then, Abe's foreign policy arouses especially China's antipathy and is welcomed by the West and Southeast Asian countries. However, Abe's revisionism policy is not necessarily accepted by them.

Keywords: Role theory, National Role Conception, Value-oriented diplomacy, Proactive Pacifism

13:50 – 14:10

Japan, U.S. and Networks of Security: Transnational Policy Networks in Bilateral Security Treaties

Yiftach Raphael Govreen

Hebrew University of Jerusalem, Israel; Institute of Social Science (ISS), The University of Tokyo.

This paper has two goals – theoretical and empirical. On the theoretic level, this research examines the characterizing attributes of successful policy networks in bilateral security relations. The main argument is that when all other conditions are equal, transnational policy networks are more likely to influence official policy making in bilateral security relationships than domestic policy networks. In order to strengthen my theoretical assertion, I analyze an empirical case study – the U.S.-Japan security relationship. It is also a good example for a security relationship that survived and thrived throughout a long period of time, adapting itself to the dynamic reality of the post-WWII era.

The empiric part of the dissertation is composed of two steps.

First, I construct a general network, depicting the management of the security relationship over time. By understanding the general way the relationship works and is managed, analyzing specific case studies will have a comprehensive context for reference.

Second, I analyze the different policy networks contending for influence in a specific case study. The adaptability of this relationship relied in many occasions on formal and informal networks, which helped to bridge gaps and dismantle tensions between the two states. A great example for the work of such networks is in the case of the SACO agreement, a case I examine thoroughly in the paper. This agreement was aimed to realign the U.S. military bases in Okinawa, in order to relieve some of the burden from its shoulders. The process leading to the signing of the agreement allows us to see the variety of policy networks involved in building and forming security policies between the two states.

Keywords: Networks, U.S.-Japan Relations, Okinawa Issue

14:10 – 14:30

The U.S. and China's Engagement toward the Mekong Development From Constructivist Approach

Theosa Dinar Swastiningtyas

Graduate School of Asia Pacific Studies of Ritsumeikan Asia Pacific University, Japan.

Southeast Asia grows as a region with a dynamic economic growth, which becomes a key of global economic engine. Geopolitically speaking, Southeast Asia simultaneously becomes an important region as an open space for Washington and Beijing to gain broader sphere of influence. The Mekong economic development is one of the best examples for looking deeper into China and the United States of differing approaches to engage the Southeast Asia region. Along with the growing economic capabilities, China utilizes its capabilities through infrastructure development aid towards Mekong region countries since 1992. Then, China with its longer and stronger economic engagement triggers the United States re-engages again started in 2009 after decades of being inactive in the Mekong development. However, both countries apply different engagement approaches toward the Mekong development. In order to look deeper at the Sino-American engagement approaches in the Mekong sub-region, this paper will focus on answering why China and the United States apply different engagement policies towards the Mekong sub-region development? How have the United States and China sought to attain their respective geopolitical interest in the Mekong development? This paper answers the reasons behind Beijing and Washington's different engagement approaches in the Mekong. China and the United States uphold different norms to engage with the Mekong sub-region in which construct their engagement approaches and inform their geopolitical interest. Through liberal idealist norms, Washington constructs its engagement behavior with the Mekong sub-region in order to achieve its geopolitical interest to maintain its liberal-capitalist ideological sphere of influence, which the United States has upheld since the Second World War, and to work on its lack of strategic foreign policy focus towards the region in the time when China possess the greater amount of cooperation strategies on the region development sector, especially in the Mekong sub-region. Meanwhile, through flexible-pragmatism norms, Beijing shapes its engagement interaction towards the Mekong countries in the context of gaining more authority and leadership in the Southeast Asia region and at the same time supporting its national economic growth through development aid in the Mekong sub-region. Then, as a means to achieve their geopolitical interest, Washington and Beijing commits to do institutional linkages with ASEAN and Japan.

Keywords Mekong Development, Sino-American relations, International Political Economy, Constructivism approach

14:30 – 14:50

Strategic Hedging: the Best Solution for Southeast Asia's Ambivalence toward China

Tran Thi Bich

Ritsumeikan Asia Pacific University

For the last few decades, the People's Republic of China (PRC) has emerged with enormous economic and military power. Southeast Asian nations have ambivalent feelings about the rise of China. On one hand, they want to have close economic ties with China to take advantages of its rise. On the other hand, they resist China's domination in the region. Therefore, it is critical for them to carefully select their foreign policies toward China. Many International Relations scholars agree that most of Southeast Asian countries are pursuing a hedging strategy in dealing with the PRC. However, the distinctness of hedging as a strategy is not discussed sufficiently. In addition, there is no agreement on its composition. To simplify the discussion of this paper, the assumption is that Southeast Asia is a unified entity. As a qualitative research, this study uses documentary as a tool to collect data from various sources including books, journal articles, official websites, and trustworthy newspapers. This paper aims at explaining the formation of hedging, satisfying it as a distinguishable strategy, and demonstrating why it is the best solution for Southeast Asia at the moment. In doing so, it will build a theoretical framework based on existing literature, differentiate hedging from other strategies, and discuss what would happen if Southeast Asia employed other strategies rather than hedging. The findings show that hedging is a mix of realism and liberalism, which consist of four components: economic engagement, diplomatic engagement, hard balancing, and soft balancing. Although it includes elements of engagement and balancing, it is neither engagement nor balancing. Hedging is the most desirable strategy for Southeast Asia at the moment because it enables the employing nations to minimize their threats, while maximize their opportunities.

Keywords: Hedging, engagement, balancing, Southeast Asia, China

Security Policy Amidst of Terrorism and Volatility: A Case Study of Pakistan

Imran Ali Sultan

National Graduate Institute for Policy Studies (GRIPS)

This paper attempts to describe the domestic security policy of Pakistan influenced by international wave of terrorism and analyze the challenges in achieving socio-politico-economic goals. Experiences and lessons drawn through this case study could also be relevant to other countries confronting similar dilemmas e.g., Afghanistan, Syria, Turkey. It was '9/11' that increased the world attention about the challenges posed by Terrorism though Pakistan was not unfamiliar to terrorist activities even prior to 9/11, but its decision to participate in the 'Global War on Terror' as a state policy exposed it to renewed and heightened activity of terrorist organizations which caused a serious blow to its domestic security and economic development. Statistics show that there is continuous increase in the terrorist attacks during last fifteen years. There had been popular belief that poor socioeconomic conditions create favorable milieu for terrorist tendencies. As peace, development and sustainability are interdependent themes; peace creates an enabling environment for economic growth & development but again these must be sustained. Failures to cruise the economic take-off and sustain the development initiatives led towards insecurity and instability in Pakistan. Under this backdrop, Pakistan undertook unprecedented changes in its security policy that included formulation of national action plan to counter terrorism, introduction of military courts for swift trials on charges of terrorist activities and military operation in terrorists hideouts. The results of this policy are mixed and overthrew certain new challenges of social (in)cohesion, political (in)stability and economic (under)development. Without undermining the achievements of new domestic security policy, negative aspects of this policy may strengthen the underlying causes of terrorism. It is important to mention here is that this research is not on terrorism rather to understand its impact upon security policy and socio-politico-economic dynamics of the country. Based on this analysis, this paper advocates for holistic approach to the counter terrorism strategy that takes care of justice, good governance, literacy and equality in all spheres of life.

15:10 – 15:30

Counter Terrorism Imperatives for Pakistan since 9/11 – Sustainable Policy Measures—An Enquiry into Policy Effectiveness of Indonesia, Malaysia and Singapore

Bazgha Syed

National Graduate Institute for Policy Studies (GRIPS)

Terrorism, since 9/11, has been a serious issue for the world and while countering terrorism is a global challenge, various states have adopted individual policies and programs to counter this threat depending upon the severity of the issue faced by them. The structural spectrum of these efforts is broad and may include all activities ranging from political, punitive and judicial to the actions taken by the military, intelligence agencies, the police, the media and the public.

Pakistan, regardless of the geopolitical imperatives or the imperial hegemonic assertions, is still facing the challenge of countering terrorism. The sources of threat are various and not from just one group and spring from internal and external factors. Despite the stated resolve, counter-terrorism policy has so far failed to yield tangible results and the potential for radicalization and extremism from society has not been curtailed. The environment still requires comprehensive, practical, indigenous and sustainable long-term counter terrorism policy measures. The severity of the problem of extremism can be judged by the fact that thousands of lives of both innocent civilians and state functionaries have been lost in Pakistan. To overcome the policy shortcomings various military operations have been launched in the past. While the necessity of operational military aspect cannot be undermined, thorough neutralization of extremists requires sustainable and strategic policy measures that aim at addressing the issue from grass root level and is all encompassing in nature.

The paper therefore aims at sufficiently indicating instances and causes of the failure of counter terrorism efforts and suggest practical and remedial policies such as deradicalization and community engagement to fortify these efforts. In order to do so the paper studies the counter terrorism policy measures of Indonesia, Malaysia and Singapore so that Pakistan could benefit by the successful counter extremist efforts of these countries.

Keywords: Counter terrorism, terrorism, deradicalization, extremism, community engagement

13:30 – 13:50

Impact of Global Policy on Women of Developing Countries: Rebirth of Colonization in the Age of Globalization

Saima Khan

Sophia University, Tokyo, Japan

Globalization emerged as politico-economic project and social process with capitalism as its substratum to establish a harmonious and integrated world order. The penetration of globalization in the paradigm of womanhood of developing countries is an attempt of the same process of attaining homogeneity. It concluded in the policies made effective through conventions like, CEDAW, in order to provide more options for income generation and economic autonomy of local women. These policies are based on principles which deconstruct the existing structures of society, responsible for formulating the conception about local womanhood, in order to reconstruct this image to restructure the society according to global policies; consequentially the concept of development is introduced as a point of culmination towards modernization or by eradicating poverty. However, the result is heterogeneity through generation of contradiction between 'have and have not'. Thus, global policies bifurcates the feminine population of the local society, where few are privileged and others are deprived. The condition of women instead of becoming homogeneously better leads towards differential inequalities. The privileged class of local women associate themselves more than the global policies without relating themselves to the local society and cultures, whereas, the unprivileged group of local women become a source of cheap labor for multinational companies and other economic projects of globalization. It is argued in this paper that this tendency of globalization to split the society through its policies and projects make it similar to the historical processes of colonialism and imperialism which had also divided the colonized indigenous societies by reconstructing the local bourgeoisie class of colonizers preference and rest of the society as 'others'. Therefore, like colonialism, globalization also concludes in degradation of developing societies and progress of the developed world; thus, nonsymmetrical global development.

Physical Infrastructure, Economic Growth, and Poverty Reduction: Analysis with Municipal-level Data of Indonesia

Intan Novia Fatma Nanda

National Graduate Institute for Policy Studies (GRIPS)

Purpose - For years, there has been considerable empirical evidence on the linkage between infrastructure, economic growth, and poverty reduction. However, most of these studies have been focused on cross-country analysis or national-level data, or have only covered economic growth as output. The aim of this study is to investigate the impact of infrastructure on economic growth and poverty reduction in Indonesia, by focusing on infrastructure serving basic needs, particularly electricity and safe water. The secondary aim is to compare the degree of impact of infrastructure on economic growth and poverty reduction between the western part's municipalities and the eastern part's municipalities.

Methodology – A quantitative design is used based on municipal-level data (514 municipalities) from 2000-2013. The independent variables are household access to electricity and household access to safe water. The dependent variables are gross regional domestic product and the percentage of poverty rate. Meanwhile population, infrastructure expenditure, and school enrollment ratio are used as control variables. Firstly, all municipalities' data are analyzed as one pool. Secondly, data and results from the western parts' municipalities (Sumatera, Java, and Bali) and the eastern parts' municipalities (outside Sumatera, Java, and Bali) are compared and analyzed separately.

Findings – (1) Infrastructure is found to make positive and significant contributions to economic growth and poverty reduction, (2) the contribution of infrastructure to economic growth and poverty reduction is found to be more significant in the western parts' municipalities than in the eastern parts' municipalities.

Policy Recommendation – (1) the governments should increase budget allocation for infrastructure development (for at least 5% of total budget as suggested by the World Bank), (2) the central government needs to improve infrastructure in the eastern parts of Indonesia.

Keywords: Household access to electricity, household access to safe water, Gross Domestic Regional Product, poverty rate

New Type of Japan's International Healthcare Cooperation and Policy Implication from the History—Maternal and Child Healthcare (MCH) Handbook Project

Karen Yamashita

National Graduate Institute for Policy Studies (GRIPS)

Reducing mortality and morbidity related to childbirth is one of the most important issues in developing countries. So many stakeholders—domestic health organizations, ministries, medical facilities, international aid donors and NGOs are tackling this challenge in the world.

We could learn lessons and implications from the past. Japan has achieved good outcomes in terms of maternal and child healthcare. According to the latest statistics, maternal mortality ratio (MMR) 4 per 100,000 live births and infant mortality rate (IMR) is 2 per 1,000 live births (World Bank, 2016). When looking back in history, Japan's IMR in 1947, right after the World War II, was 76.0 which was about double to the one of US. This index, however, showed rapid decrease in Japan and it ended up lower number than in US in 1964 (Nakamura, 2010). This achievement was astonishing at that time because Japan's economic level in 1960s was inferior to US and Japan was still a low income country. According to previous studies, it is assumed that there are several contributing factors to this achievement; ensured access to facility-based delivery care, antenatal care and skilled birth attendance, birth control, improvement of nutrition. And especially remarkable contributor was universal use of Maternal-Child Health Handbook (MCH). MCH handbook program was first launched by Ministry of Health and Welfare in 1947. This handbook is distributed to all mothers-to-be after having submitted pregnancy registration to the local government and it is used to record maternal health condition, curve of growth of fetus, health status and vaccination of newborn babies and contains lots of pregnancy-related information.

In recent years, MCH program is introduced to more than 30 countries and regions such as Indonesia, Vietnam, Thailand, Cambodia, Kenya and Palestine. This program is a quite new sort of international cooperation in healthcare sector and expected to have a positive impact to reduce maternal and child mortality and infectious diseases like HIV/AIDS.

Keywords: Healthcare policy, perinatal care, maternal and child healthcare handbook, international cooperation, Southeast Asia

14:30 – 14:50

Factors Affecting the Incidence of Diarrhea Among Children Below the Age of 5, Indonesia, 2012

Raden Muhammad Darajat

National Graduate Institute for Policy Studies (GRIPS)

The child mortality rate in Indonesia remains high. Of the 400 children who die every day, more than 30% die from diarrhea. This paper aims to seek the determining factors of diarrhea cases and formulate needed policies to eradicate it. Using the Indonesia Demographic Health Survey (IDHS) 2012, this paper utilize descriptive analysis and simple logistic regression to identify the determinant factors. The study showed that mother's education, mother's age, and child's age would decrease the probability of diarrhea incidence. While neither toilet facility nor piped water affect significantly, both factors simultaneously reduce the probability of diarrhea incidence. It also showed that boys are slightly weaker than girls. This finding suggest that the government should be more aggressive in providing affordable clean water and improved sanitation. In addition, the government also need to enhance the existing programs on diarrhea eradication. Even though people have replaced their primary source for drinking from piped water to bottled and refill water, communities could be more actively involved to build latrines and protected wells, and to share information on diarrhea prevention.

Keywords: Public Health, Diarrhea, Water, Sanitation, DHS

14:50 – 15:10

Factors Affecting Child Immunization in Indonesia, 2012

Ufi Alaia Furqon

National Graduate Institute for Policy Studies (GRIPS)

Immunization programs have contributed significantly to preventing the spread of infectious diseases and mortality among children. Although Indonesia has experienced remarkable progress in reducing child mortality, universal immunization coverage has not been achieved. This paper aims to identify important factors affecting the incidence of child immunization in Indonesia using the Indonesia Demographic and Health Survey (IDHS) of 2012. By using a probit regression, I estimated the child immunization acceptance using several variables: child characteristics, mother's education, household assets, urbanity, and region. I analyzed the impact of location of households at the provincial level and divided the location of respondents both inside and outside of Java. I found that mother's level of education, household assets, and urbanity are important factors affecting the uptake of vaccinations. In addition, I found significant regional differences in vaccination incidence, indicating that local resources serve as bottlenecks in vaccination, as the local governments are now independent from the national government. By encouraging government policies that improve women's schooling, household assets, and regional support for health, vaccination coverage could increase and even become universal.

Keywords: Vaccination, Children, Policy

15:10 – 15:30

The Impact of Minimum Wage on Child Labor in Indonesia

Caroline Krissyantikaratih Dewi

Ministry of Labor, Indonesia

Child labor and minimum wage laws both aim for one goal, to achieve a better living for all workers but have countervailing effects. This paper examines the impact of minimum wage law on child labor in Indonesia using household panel data from the Indonesia Family Life Survey (IFLS) Wave 4 and 5. Province, year and family fixed effects are applied to absorb any potential bias in the estimation. Minimum wage increase is insignificant on child labor in the overall economy. For child labor in formal employment, the coefficient is positive in most of the specifications. For child labor in informal employment, the coefficient is significantly negative. These findings suggest that increasing income level of the poorest households and providing better education is important to tackle child labor issues. Furthermore, continuous labor inspection is needed to increase the compliance rate of employers to minimum wage law.

Keywords: Minimum wage, child labour, labour policy

Empirical Approach of Tax Avoidance Risk Assessment in Indonesia

Agung Endika Satyadini

National Graduate Institute for Policy Studies (GRIPS)

This study analyzes tax avoidance risk assessment including dimension and magnitude of tax avoidance risk exposure using several enterprise-related and government-related variables. Providing far-reaching analysis and examining a relatively unexplored area of conforming tax avoidance, this study employs two measurements of tax avoidance including non-conforming and conforming tax avoidance. As an extensive analysis, this paper also examines the magnitude of tax avoidance responsiveness with respect to different types of enterprises. These analyses employ fixed-effect model to control omitted variable bias (OVB), adopts heteroskedasticity and autocorrelation-consistent standard errors (HAC/clustered SE), and also perform instrumental variable estimation to ensure the robustness of the model. Results suggest that the size of enterprise has a negative correlation with tax aggressiveness, meaning that bigger enterprises tend to be more comply. Result also suggests that the age has a positive correlation with tax avoidance risk, meaning that older enterprises tend to exhibit higher tax avoidance. It is important to emphasize that tax aggressiveness is closely related to managerial expertise, which is also linked with companies' age as one factor related to managerial and market expertise. Examining the impact of audit penalty and tax assistance on tax aggressiveness, this study also suggests that both audit penalty and tax assistance have effective impact in reducing tax aggressiveness. As an extensive analysis, this study also concludes that the magnitude of tax avoidance risks vary depending on the characteristic of taxpayers. Higher risks were found in so-called foreign-controlled enterprises, in this case Permanent Establishment (PE) and foreign invested enterprises.

Keywords: Tax avoidance, evasion, risk assessment, audit

13:50 – 14:10

Are Tax Havens Becoming Tax Hells? An Empirical Study to Test the Impact of Tax Treaties on FPI Levels

Gaurav Pundir

National Graduate Institute for Policy Studies (GRIPS),

This study aims to empirically investigate if signing and enforcement of bilateral tax treaties are effective in curbing offshore tax evasion manifested through round tripping of funds. It provides the first empirical evidence in the field by exploiting cross-country bilateral data on portfolio investment. The study shows that the crusade against offshore tax evasion has started bearing fruit and as an outcome, the levels of inbound portfolio investments from tax havens are decreasing significantly in response to the signing and enforcement of tax treaties. Evidence from the study suggests that levels of inbound FPI (Foreign Portfolio Investment) decrease from other tax havens also. These findings have far reaching policy implications such as to make more efforts for deepening of the bilateral treaty network and also to use the tool of upon request exchange of information with other available ways like AEOI (Automatic Exchange of Information), exchange of information through Multilateral Convention.

Keywords: Tax Treaties, Exchange of Information, Offshore Tax Evasion, Round Tripping, Foreign Portfolio Investment (FPI)

Fiscal Federalism- A Case Study of Nepal

Resham Lal Kandel

Ministry of Federal Affairs and Local Development, Government of Nepal, National Graduate Institute for Policy Studies (GRIPS)

This paper attempts to identify the fiscal gap among the provinces in Nepal and provides policy options for efficient inter-governmental transfers. This study is primarily a content analysis based on the past literature relating to fiscal federalism in the international arena and the best practices worldwide. I also draw upon various legal documents and financial reports of the Government of Nepal to understand the legal provisions relating to Government fiscal transfers and details of its local revenue and expenditure. The research reveals the existence of a vertical fiscal gap due to the centralization of the tax rights. The paper also shows that disparities exist among the provinces in terms of revenue generation, expenditure distribution, demographic and socio-economic indicators such as population, area, poverty, and human development index (HDI). I recommend the adoption of formula-based, scientific fiscal transfer mechanism built upon the population, area, poverty, and HDI measures to minimize disparities and address the fiscal gaps, both vertical and horizontal. Furthermore, fiscal capacity and fiscal needs measures could be applied to develop essential economic infrastructures which brings multiplier effects on economy and ultimately supports to achieve macroeconomic stability and sustainability of provinces by generating revenue.

Keywords Fiscal federalism, Fiscal gap, Intergovernmental transfer

14:30 – 14:50

Coordination Failure in the Government Offices: A Case of Tanzania

Nicolaus Herman Shombe

National Graduate Institute for Policy Studies (GRIPS)

An extensive literature offers compelling evidence that public sector in developing countries is inefficient. However, the source of this inefficiency remains unclear. Economists have ascribed that government failure is the major sources of inefficiency and they proposed the market-based model of public service improvement. In contrast, political scientists argue that quality of institutions and citizenship are key triggers of public sector inefficiency. These arguments are built around incentive theory, organizational theory, human resource theory, and resource capacity. Governments and donor community have implemented reform policies to enhance governments' performance. Yet, the majority of governments in developing countries, especially those in sub-Saharan Africa (SSA), are still inefficient. In this study, I use the game theory concept to empirically investigate coordination among government officials; that is, the activity-based interactions of bureaucrats in the government offices, in pursuit of achieving the common goal. I conducted an interview with 29 office managers and 102 frontline workers who deal with day to day activities in the sample government offices in Dar es Salaam, Tanzania. The preliminary findings suggest that workers decision are significantly dependent on the expected actions of other workers. Also, office members individually are capable as shown by their level of education and working experience but as a group, they are incapable. Furthermore, government officials perceive that they could do better given available office resources. I equate the situation to the coordination failure and show that indeed the sample government offices are trapped in coordination failure. These findings imply that interventions like Kaizen can induce leadership, communication, and management practices improvement which, in turn, can contribute to effective workplace coordination among government officials, and hence, government performance improvement.

Keywords: Coordination failure, government offices performance, game theory, leadership, Kaizen

The Impact of the Single Window Facility on Customs Revenue in Africa

Perfect Ahamadzie

National Graduate Institute for Policy Studies (GRIPS)

This study investigates empirically the impact of single window facility on customs revenue and the time taken to clear shipments by customs at the ports and harbor in 43 African countries. A single window as defined by WCO (2011, p. 16) as “a cross-border, ‘intelligent’, facility that allows parties involved in trade and transport to lodge standardized information, mainly electronic, with a single entry point to fulfill all import, export, and transit-related regulatory requirements”. In this paper, the study used the difference-in-difference regression estimation, fixed effect model, and heteroskedasticity, and autocorrelation-consistent standard errors (HAC/ clustered SE). The findings from this paper showed that single window facility has a positive and significant effect on customs revenue while the time for clearance also showed a negative and significant relationship. The results of the regression shows on average the SW increases customs revenue collection by 5.9% and reduce the time of clearance by 4 days in Africa. Furthermore, the results suggest that there are certain country specific events that play an essential role in evaluating the impact of SW on customs revenue generation and cargoes clearance time. The research concluded that even though the SW stimulates customs revenue, it is important for African countries to consider their country circumstances before implementing the SW and in addition adopt other WTO trade facilitation agreement measures to ensure effective and efficient customs revenue collection in Africa.

Keywords: Single window, customs revenue, WTO, WCO, difference-in-difference

15:10 – 15:30

Restructuring the Port State Control System of the Philippines

Jay Tarriela

Philippine Coast Guard, National Graduate Institute for Policy Studies (GRIPS)

This study investigates the causes why the Philippines as a member of Tokyo-MOU has the lowest detention rate and low deficiency rate from 2005-2014 in comparison with other Southeast Asian countries when conducting port state control (PSC) inspections. This paper is both a comparative study of the Philippines and other Southeast Asian members of the Tokyo MOU and a thorough evaluation of the current structure that the Philippine Coast Guard (PCG) in performing PSC inspections. The study's findings show that the main cause of such performance is the PCG's lack of a centralized organizational structure to oversee PSC activities. On a related note, the PCG does not have enough qualified port state control officers (PSCOs) in conducting ship inspections. These findings have important policy implications for the restructuring of the Philippines' PSC system, in which the PCG has designated the Maritime Safety Services Command to assume the PSC functions, revised its policy that defines PSCOs' required qualifications, screened its current PSCOs, and utilized the PCG's maritime professionals in PSC activities.

Keywords: Port State Control Coast Guard Tokyo MOU

Memo

