

Aging Populations and their Impact on Fiscal Sustainability in the PRC, Japan, and the Republic of Korea

22 November 2018, ADBI

Tentative Agenda

Time	Activity
09:00 – 09:30	Registration of participants
09:30 – 09:40	Welcome Remarks <ul style="list-style-type: none"> • Chul Ju Kim, Deputy Dean, ADBI • Yasuto Watanabe, Deputy Director, AMRO
09:40-10:00	Keynote Speech (Pre-recorded video) Naoyuki Yoshino, Dean, ADBI
10:00– 11:30	<p>SESSION 1: Macroeconomic Impacts and Macroeconomic Policies in Aging Society</p> <p><i>Demographic changes have affected economies in many ways. In particular, the aging of population has caused qualitative and quantitative changes in terms of the demand and supply of the whole economy, in turn affecting inflation, household debt, government finance as well as growth. In the long-run, it decreases the potential growth rate of an economy.</i></p> <p><i>The effectiveness of traditional macroeconomic policies in addressing short- and mid-term economic challenges are thus put into question. What are the implications on macroeconomic variables (growth, productivity, inequality, among others) and how should macroeconomic policies be adjusted and conducted in the face of population aging? In this session, we delve deeply into these issues and focus particularly on the experiences of China, Japan, and Korea.</i></p> <p>Chair: Peter Morgan, Senior Consulting Economist, Vice Chair for Research, ADBI</p> <p>Speakers:</p> <ol style="list-style-type: none"> 1. Jun Li, Professor, Institute of Quantitative & Technical Economics, CASS, China 2. Hiroaki Miyamoto, IMF 3. Jaejoon Lee, Senior Fellow, Department of Economic Policy and Strategy, KDI <p>Open Discussion</p>
11:30-11:45	Group Photo and Coffee Break
	SESSION 2: Aging and Fiscal Sustainability and Adequacy of Social Security Systems

<p>11:45-13:15</p>	<p><i>Demographic aging presents a major challenge to fiscal sustainability in terms of decrease in revenue and increase in expenditure. A shrinking labor market can lead to reduced consumption, which after all decreases tax revenue. Moreover, social expenditure on age-related programs such as public pensions, health care and other social safety net is constantly increasing. It can pose a serious fiscal burden in the long-term for most countries, especially for developing countries with less mature and less developed social protection systems. On the other hand, the social demand for enhanced social security systems, particularly caused by population aging, keeps growing, considering call for better social integration and sustainable development. In this session, we look at the experiences of China, Japan, and Korea in terms of designing social security systems that are sustainable, manageable and adequate without compromising long-term fiscal soundness and sustainability.</i></p> <p>Chair: Tae-Suk Lee, Director, Department of Public Finance and Social Policy, KDI</p> <p>Speakers:</p> <ol style="list-style-type: none"> 1. Dahai Sun, Acting Divisional Director, Policy Research Department, Ministry of Finance, People's Republic of China 2. Shunichiro Bessho, Chief Economist of PRI, Ministry of Finance, Japan 3. Yongho Choi, Director of Fiscal Analysis Division, Ministry of Economy and Finance, Korea <p>Open Discussion</p>
<p>13:15 – 14:15</p>	<p>Lunch</p>
<p>14:15-15:45</p>	<p>Session 3: Emerging Asian Economies Perspective</p> <p><i>Some Emerging Asian Economies are also estimated to face large increases in public spending on pension and health care services and significant decrease in tax revenue due to aging population in the foreseeable future. This session will discuss current and future population structures in each respective country, how these countries can learn from the experiences of China, Japan and Korea and what macroeconomic policy responses have been or will be implemented.</i></p> <p>Chair: Yasuto Watanabe, Deputy Director, AMRO</p> <p>Speakers:</p> <ol style="list-style-type: none"> 1. Giang Thanh Long, Director, Institute of Public Policy and Management (IPPM), National Economics University (NEU) 2. Worawan Chandoevrit, Advisor, Social Security, Human Resources and Social Development (HRS), Thailand Development Research Institute (TDRI) <p>Open Discussion</p>
<p>15:45- 16:00</p>	<p>Coffee break</p>
<p>16:00 – 17:00</p>	<p>SESSION 4: Roundtable Discussion – Exchange on Ideas and Finding Solutions</p>

	<p><i>Having discussed the impacts of aging on fiscal sustainability as well as the macroeconomic policy responses and implementation challenges in sessions 1,2 and 3, the next step is therefore to exchange ideas on finding solutions. This session will serve as a roundtable discussion wherein high-level officials and experts could exchange ideas on how to address the challenges of implementing policy responses as well as explore alternative paths economies can take to be able to properly and adequately respond to such demographic changes.</i></p> <p>Chair: Chul Ju Kim, Deputy Dean, ADBI</p> <p>Panelists:</p> <ol style="list-style-type: none"> 1. Hiroaki Miyamoto, IMF 2. Jun Li, Professor, Institute of Quantitative & Technical Economics, CASS, China 3. Seung Hyun Hong, Lead Specialist/Group Head, AMRO 4. Tae-Suk Lee, Director, Department of Public Finance and Social Policy, KDI <p>Open Discussion</p>
<p>17:00 – 17:15</p>	<p>Concluding Remarks:</p> <ul style="list-style-type: none"> • Yasuto Watanabe, Deputy Director, AMRO • Chul Ju Kim, Deputy Dean, ADBI
<p>18:00 – 20:00</p>	<p>Dinner Reception</p>