



## CPBS 2006 Annual Pacific Basin Conference

Center for Pacific Basin Studies  
Federal Reserve Bank of San Francisco  
June 16-17, 2006

[Conference summary](#)

### Friday, June 16

8:00 a.m. Continental Breakfast

8:45 a.m. **Welcoming Remarks**  
Reuven Glick, *Federal Reserve Bank of San Francisco*

#### **Morning Session**

Moderator: Reuven Glick, *Federal Reserve Bank of San Francisco*

9:00 a.m. **"Incomplete Information Processing: A Solution to the Forward Discount Puzzle"**  
Philippe Bacchetta, *University of Lausanne*  
Eric van Wincoop,\* *University of Virginia*

Discussants: Eric Fisher, *California Polytechnic State University*  
Richard Lyons, *University of California, Berkeley*

10:15 a.m. Break

10:45 a.m. **"The U.S. Current Account Deficit and the Expected Share of World Output"**  
Charles Engel,\* *University of Wisconsin*  
John Rogers, *Board of Governors of the Federal Reserve System*

Discussants: Maurice Obstfeld, *University of California, Berkeley*  
Mario Crucini, *Vanderbilt University*

12:00 p.m. Lunch, Market Street Dining Room, Fourth Floor

#### **Afternoon Session**

Moderator: Diego Valderrama, *Federal Reserve Bank of San Francisco*

1:45 p.m. **"Global Current Account Adjustment: A Decomposition"**  
Michael Devereux, *University of British Columbia*  
Amartya Lahiri,\* *University of British Columbia*

Discussants: Christopher Gust, *Board of Governors of the Federal Reserve System*  
Ken Kasa, *Simon Fraser University*

3:00 p.m. Break

3:30 p.m. **"A Quantitative Analysis of China's Structural Transformation"**  
Robert Dekle,\* *University of Southern California*  
Guillaume Vandenbroucke, *University of Southern California*

Discussants: Chang-Tai Hsieh, *University of California, Berkeley*  
Kar-yiu Wong, *University of Washington*

4:45 p.m. Break

5:00 p.m. **Panel Discussion on Asian Integration**

Moderator: Mark Spiegel, *Federal Reserve Bank of San Francisco*

Peter Kenen, *Princeton University*, **"Monetary Integration in East Asia"**

Sergio Schmukler, *World Bank* **"The International Financial Integration of China and India"**

Peter Petri, *Brandeis University*, **"Is East Asia Becoming More Interdependent?"**

6:30 p.m. **Reception and Dinner, Market Street Dining Room, Fourth Floor**

Introduction: Janet Yellen, *President, Federal Reserve Bank of San Francisco*

Keynote Speaker: Morris Goldstein, *Institute for International Economics*

Topic: **"Currency Manipulation and IMF Reforms"**

**Saturday, June 17**

8:30 a.m. Continental Breakfast

**Morning Session**

Moderator: Michele Cavallo, *Federal Reserve Bank of San Francisco*

9:00 a.m. **"Savings and Interest Rates in Japan: Why They Have Fallen and Why They Will Remain Low"**

R. Anton Braun, *University of Tokyo*

Daisuke Ikeda, *Bank of Japan*

Douglas Joines, \* *University of Southern California*

Discussants: David Weinstein, *Columbia University*

Michael Hutchison, *University of California, Santa Cruz*

10:15 a.m. **"Exchange Rate Effects on China's Trade: An Interim Report"**

Jaime Marquez, \* *Board of Governors of the Federal Reserve System*

John W. Schindler, *Board of Governors of the Federal Reserve System*

Discussants: James Harrigan, *Federal Reserve Bank of New York*

Susan M. Collins, *Georgetown University and Brookings Institution*

11:30 a.m. Break

Moderator: Mark Spiegel, *Federal Reserve Bank of San Francisco*

11:45 a.m. **"Dual Labor Markets and Business Cycles"**

David Cook, \* *Hong Kong University of Science and Technology*

Hiromi Nosaka, *Kansai University*

Discussants: Amartya Lahiri, *University of British Columbia*

Diego Valderrama, *Federal Reserve Bank of San Francisco*

1:00 p.m. Lunch and Adjournment

\*Presenter