

Foreword

This year's Asia Economic Policy Conference, titled "Asia and the Global Financial Crisis," is the first in a series that the Federal Reserve Bank of San Francisco plans to hold every other year. Our objective is to bring together researchers, private market participants, and policymakers to explore Asia's evolving role in the global economy. We hope that this conference series will provide a useful arena for interaction, with opportunities for both formal and informal discussion. We also hope to stimulate more top-quality research on Asian issues.

We decided to begin this venture for several reasons. First and foremost, it goes without saying that Asia is an important force in the global economy. We consider knowledge of the region critical in insuring that the Federal Reserve System has the understanding of global economic trends needed to conduct monetary policy and to address issues relating to the stability of the financial system. Not surprisingly, given the strength of economic and financial ties between Asia and the western United States, the Federal Reserve Bank of San Francisco has a long-standing tradition of focusing on Asian developments through the activities of our Center for Pacific Basin Studies in our Economic Research Department and our Country Analysis Unit in Banking Supervision and Regulation.

This year's conference assembled an outstanding group of experts on a topic of extreme importance. I appreciate the contributions of all those who took part in the conference, including authors, discussants, panelists, and audience members. My special thanks to John Judd, Reuven Glick, and Mark Spiegel, who helped develop the program, and to Anita Todd for her assistance with the production of this volume.



Janet L. Yellen

President and CEO, Federal Reserve Bank of San Francisco