



Ministry of Finance,  
China

People's Bank of  
China



COMMITTED TO  
IMPROVING THE STATE  
OF THE WORLD

## INTERNATIONAL ECONOMIC COOPERATION FOR A BALANCED WORLD ECONOMY

### Chongqing, China

Hotel Hilton Chongqing, 139 Zhong Shan San Lu

12-13 March 2005

## AGENDA

### Saturday 12 March

09.00

#### Welcome to Participants

Opening Remarks and Introduction

- **Li Yong**, Vice Minister, Ministry of Finance, China
- **Li Ruogu**, Vice Governor, People's Bank of China
- **Marc Uzan**, Executive Director, Reinventing Bretton Woods Committee
- **Richard Samans**, Managing Director, World Economic Forum

09.30 – 12.15

#### Session 1: Currency Blocs and the Choice of Exchange Rate Regimes

- The current international monetary system is in a state of flux. There are two *de facto* major currency blocs: the US dollar and Euro. What kinds of exchange rate regimes should countries outside these two currency blocs follow, based on what principles?
- In Asia, there are a large number of pegged currencies and managed float arrangements, reflecting a preference for exchange rate stability. Will the US dollar remain a reference given that intra-regional trade in East Asia is becoming a large proportion of total trade in the region? Can the Smithsonian Agreement of 1971 and subsequent European regional monetary integration be a model for Asia? Is an Asian currency bloc in the making? How would such different currency blocs interact and cooperate?
- What should be the policy advisory role of the IMF with respect to the choice of exchange rate regimes by its member countries and regarding the sequencing of capital account liberalisation? What expanded role, if any, is there for the SDR in the context of currency blocs?

Discussion Leaders

- **Masahiro Kawai**, Professor of Economics, University of Tokyo
- **Yu Yongding**, Member of the Monetary Policy Committee, PBOC
- **Richard Cooper**, Professor of Economics, Harvard University, USA
- **Andy Xie**, Managing Director, Morgan Stanley Dean Witter Asia, Hong Kong

Chaired by

- **Pierre Jaillet**, Deputy Director General, International Affairs, Banque de France

*Support for this roundtable is provided by Morgan Stanley*

12:30 – 14:00

**Lunch**

- **Li Ruogu**, Vice Governor, People's Bank of China

**Session 1 continued:**

14.00 – 15.30

**Implications for the IMF's Role in Surveillance and Policy Coordination**

- The adjustment of current global economic imbalances is hindered by the lack of an effective framework for international policy coordination, the IMF notwithstanding. Is a more inclusive and formal architecture appropriate and feasible?
- With the accumulation of high level of reserves in Asia, motivated by the desire to self insure, it raises nevertheless the question of the role of the IMF in the region in potential future crises. What does this trend mean for the IMF's surveillance function?

Discussion Leaders

- **John Williamson**, Senior Fellow, Institute for International Economics, USA
- **Yung Chul Park**, Professor of Economics, Korea University

Chaired by

- **Mark Allen**, Director, Policy Review Department, IMF

15:30 - 15:45

Coffee Break

15.45-18.15

**Session 2: The International Development Architecture and the Future of the World Bank**

- Should the World Bank be more selective in its activities? Should it focus more on the least developed countries and less on the emerging economies which have access to capital markets?
- In least developed countries, should direct lending be further deemphasized in favour of grants? In other developing countries, should greater resources be focused on catalyzing private investment, whether through risk mitigation instruments or institution building within the enabling environment?

Discussion Leaders

- **David Dollar**, Country Director, The World Bank
- **Luis Pereira**, Secretary for International Affairs, Ministry of Finance Brazil
- **Zhong Wei**, Professor of Economics, Normal Beijing University

Chaired by

- **Gao Jian**, Deputy Governor, China Development Bank

19.00 – 22.00

**Welcome Drinks and Dinner Hosted by the Ministry of Finance, China**

- **Li Yong**, Vice Minister, Ministry of Finance, China

*Support for this roundtable is provided by Morgan Stanley*

## Sunday 13 March

08.30

**Breakfast**

9.00 – 12.00

### **Session 3: International Financial Institution Governance**

- There is widespread perception that the advanced industrial countries as a group, and European countries in particular, have voting shares in the IMF disproportionate to their size in the world economy. How sustainable are the Fund's and the World Bank's current governance structure? Should governance of the Bretton Woods institutions be recalibrated?
- What would be the most appropriate and feasible approach to Fund governance reform? Should basic votes be increased? Should voting shares be consolidated to reflect regional monetary integration? Should some constituencies be consolidated? Should the absolute level of quotas be increased to reflect growth in the world economy and capital flows?

Discussion Leaders

- **Angel Ubide**, Director, Tudor Investments
- **Lawrence Broz**, Associate Professor of Political Science, University of California, San Diego
- **Caio Koch Weser**, Deputy Finance Minister, Germany
- **Randy Quarles**, Assistant Secretary for International Affairs, US Treasury

Chaired by

- **Andrew Large**, Deputy Governor, Bank of England

12.15 – 14.00

### **Concluding Lunch**

- **Wei Benhua**, Deputy Director General, SAFE

14.30 – 18.00

**Facilitated Sightseeing of Chongqing, details to follow**