



**WORKSHOP ON QUANTIFYING THE COSTS AND BENEFITS OF  
REGIONAL ECONOMIC INTEGRATION IN ASIA**



Co-hosted by ADB and the Hong Kong Institute for Monetary Research  
56/F Two International Finance Centre, Hong Kong, 19-20 January 2009

**19 January, Monday**

- 8:15 - 8:40           **Registration**
- 8:40 - 8:50           **Welcoming Remarks: Hans Genberg, HKIMR**
- 8:50 - 9:00           **Opening Remarks: Jong-Wha Lee, ADB**

**Session I.           Asia Currency Union**  
Chair: Hans Genberg, HKIMR

- 9:00 – 9:25           Robert Barro, Harvard University and Jong-Wha Lee, ADB  
*East Asian Currency Union*
- 9:25 – 9:40           Discussant: Francis Lui, Hong Kong University of Science and  
Technology
- 9:40 – 10:00          Open discussion
- 10:00 – 10:25         Hans-Joachim Voth, Universitat Pompeu Fabra and  
Kris James Mitchener, Santa Clara University and NBER  
*Trading Silver for Gold: Nineteenth-century Asian Exports and the  
Political Economy of Currency Unions*
- 10:25 – 10:40         Discussant: Andrew K. Rose, University of California, Berkeley
- 10:40 – 11:00         Open discussion
- 11:00 – 11:20         Coffee break

**Session II.          Monetary and Exchange Rate Policy Cooperation**  
Chair: Robert Barro, Harvard University

- 11:20 – 11:45         Warwick McKibbin and Waranya Pim Chanthapun, Australian National  
University  
*Exchange Rate Regimes and Monetary Cooperation in the Asia Pacific  
Region*
- 11:45 – 12:00         Discussant: Hsiao Chink Tang, ADB

12:00 – 12:20	Open discussion
12:20 – 12:45	Andrew K. Rose, University of California, Berkeley <i>Understanding Business Cycle Synchronization: Is Inflation Targeting Paving the way to Asian Monetary Union?</i>
12:45 – 13:00	Discussant: Kwanho Shin, Korea University
13:00 – 13:20	Open discussion
<b>13:20 – 15:00</b>	<b>Lunch</b>
<b>Session III.</b>	<b>Financial Reform and Integration</b> Chair: Jong-Wha Lee, ADB
15:00 – 15:25	Eduardo Borensztein, IDB and Prakash Loungani, IMF <i>Financial Integration in Asia</i>
15:25 – 15:40	Discussant: David Cook, Hong Kong University of Science and Technology
15:40 – 16:00	Open discussion
16:00 – 16:20	Coffee break
16:20 – 16:45	Laurence Fung, Chi-Sang Tam and Ip-Wing Yu, Hong Kong Monetary Authority <i>Assessing Financial Market Integration in Asia – Equity and Bond Markets</i>
16:45 – 17:00	Discussant: Hector Calvo Pardo, Southampton University
17:00 – 17:20	Open discussion
<b>18:00 – 20:30</b>	<b>Conference Dinner - Four Seasons Hotel</b>  Lawrence J. Lau, The Chinese University of Hong Kong Speech: <i>Thirty Years of Chinese Economic Reform: Reasons for its Success and Future Directions</i>

**20 January, Tuesday**

**Session IV. Free Trade Agreements**

Chair: Wook Chae, Korea Institute for International Economic Policy

- 9:00 – 9:25 Emanuel Ornelas, London School of Economics, Caroline Freund, World Bank, and Hector Calvo Pardo, Southampton University  
*The ASEAN Free Trade Agreement: Impact of Intra-Bloc Liberalization on External Trade Flows and External Trade Barriers*
- 9:25 – 9:40 Discussant: Fukunari Kimura, Keio University
- 9:40 – 10:00 Open discussion
- 10:00 – 10:25 Antoni Esteveordal, IDB, Christian Volpe Martincus, IDB and Mitsuyo Ando, Keio University  
*Sectoral Sequencing in Free Trade Agreements: Patterns and Implications*
- 10:25 – 10:40 Discussant: Heiwai Tang, Hong Kong University of Science and Technology
- 10:40 – 11:00 Open discussion
- 11:00 – 11:20 Coffee break

**Session V. Integrating Production**

Chair: Jesús Seade, Lingnan University

- 11:20 – 11:45 Pol Antras and C. Fritz Foley, Harvard University  
*US Multinational Strategies and the ASEAN Free Trade Area*
- 11:45 – 12:00 Discussant: Emanuel Ornelas, LSE
- 12:00 – 12:20 Open discussion
- 12:20 – 12:45 Shang-Jin Wei, Columbia Business School, Robert Koopman and Zhi Wang, United States International Trade Commission  
*China in Global Production Chains: Estimating Imported Value-Added in China's Exports*
- 12:45 – 13:00 Discussant: Prakash Loungani, IMF
- 13:00 – 13:20 Open discussion

13:20 – 15:00

**Lunch**

Robert Barro, Harvard University  
Speech: *Stock-Market Crashes and Depressions*

**Session VI.**

**Cross-Border Transport Infrastructure**

Chair: Shang-Jin Wei, Columbia Business School

15:00 – 15:25

Anthony Venables, University of Oxford  
*Economic Integration in Remote Resource Rich Regions: Analytical Issues*

15:25 – 15:40

Discussant: Chong-En Bai, Tsinghua University

15:40 – 16:00

Open discussion

16:00 – 16:20

Coffee break

16:20 – 16:45

Jayant Menon, ADB and Peter Warr, Australian National University  
*Cross-Border Infrastructure in Thailand and Lao PDR:  
A General Equilibrium Approach to Estimation of Economic Impacts*

16:45 – 17:00

Discussant: Anthony Venables, University of Oxford

17:00 – 17:20

Open discussion

17:20 – 17:40

**Summary and Closing Remarks**

Robert Barro, Harvard University  
Jong-Wha Lee, ADB