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January 8, 1993

SECRETARY'S CIRCULAR NO. 93/2

To: Members of the Executive Board
From: The Acting Secretary
Subject: Report on the Seminar on Exchange Rate Policies in
Developing and Transition Economies

Attached for the information of the Executive Directors is a report on the seminar on Exchange Rate Policies in Developing and Transition Economies presented in English by the IMF Institute from December 3-11, 1992.

Att: (1)

Other Distribution:
Department Heads

1. The first part of the document is a list of names and addresses of the members of the committee.

2. The second part is a list of the names of the members of the committee who have been elected to the office of the chair.

3.

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5. The third part of the document is a list of the names of the members of the committee who have been elected to the office of the secretary.

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8. The fourth part of the document is a list of the names of the members of the committee who have been elected to the office of the treasurer.

9. The fifth part of the document is a list of the names of the members of the committee who have been elected to the office of the clerk.

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INTERNATIONAL MONETARY FUND

IMF Institute

Report on the Headquarters Seminar on Exchange Rate Policies in Developing and Transition Economies

December 3-11, 1992

Introduction

The headquarters seminar on exchange rate policies in developing and transition economies for high-level officials was presented over a period of seven working days. The seminar was conducted in English with simultaneous interpretation into French, Russian and Spanish.

Over the recent past, many developing countries have actively pursued external sector liberalization and a move toward currency convertibility, while countries in Eastern Europe and the former Soviet Union have endeavoured to establish new monetary and exchange arrangements as part of their structural reform programs. At the same time, a debate both in academic circles and among policymakers has reemerged on the relative importance of the role of exchange rate policy in maintaining international competitiveness and in providing a nominal anchor for domestic prices. Against this background, the seminar was held to afford senior officials from member countries, academics, and Fund staff an opportunity to discuss current issues in the formulation and implementation of exchange rate policy, with particular focus on developing and transition economies.

Participation

Participants were invited from member countries on as wide a geographic basis as possible. Priority was given to countries that were discussed in the seminar and program or near-program countries.

The following 35 countries accepted the invitation and participated in the seminar: Argentina, Australia, Belarus, Belgium, Brazil, Canada, Chile, Côte d'Ivoire, Czechoslovakia, Egypt, Finland, Germany, Ghana, Hungary, India, Indonesia, Islamic Republic of Iran, Japan, Jordan, Kazakhstan, Kenya, Korea, Lao PDR, Lithuania, Malawi, Mexico, Morocco, Nigeria, Pakistan, Poland, Russian Federation, Senegal, Ukraine, United States, and Venezuela. A list of the participating senior officials from member countries, Fund officials, and guest speakers is given in Attachment I.

Organization and Substance of the Seminar

After the welcoming remarks by the Managing Director and the Director of the IMF Institute, 12 sessions were held to discuss both analytical and practical issues on the subject matter. These included: the choice of exchange rate regimes, recent experience with floating exchange rates in developing countries, multiple exchange rates, causes of real exchange rate misalignments, the real targets and nominal anchor approaches to exchange rate policy, implications of external sector liberalization and currency convertibility for exchange rate policy, exchange rate policies in economies in transition, and exchange rate policy in a monetary union and related

issues. Several case studies (Mexico, Poland, and Czechoslovakia) were presented to illustrate the effectiveness of exchange rate policy under specific circumstances. To facilitate discussions, a synopsis for each session was distributed, highlighting the main points covered in the relevant documents and suggesting issues to be discussed in the session.

Except for the round-table discussion at the end, each session was commenced with a presentation on the topic by either a senior Fund staff member or a well-known academic economist, followed by comments by discussants, and a general discussion period, in which the participants reviewed their own country experiences and exchanged views among themselves as well as with the panelists. Discussants in most sessions were senior Fund staff with practical experience. In the case-study sessions, the discussants were participating officials from the countries concerned. In the final session, several country-specific issues, including the choice of exchange rate regimes, were reviewed in the context of the evolution of the international monetary system, and the general consensus emerged in the seminar as well as unresolved issues were summarized. The program for the seminar is provided in Attachment II.

There was general agreement that an exchange rate policy based on a single unified rate and consistent with a substantial degree of convertibility is an important element of the macroeconomic framework supporting the reform process in transition and developing economies. However, there were differences of opinion as to whether convertibility should be limited to the current account in these economies. While the merits of full currency convertibility were generally recognized, concerns were expressed about the problem of excessive capital inflows after financial and trade liberalization and full convertibility have been implemented. In this context, there was substantial discussion on the extent to which capital flows can and should be sterilized and the appropriate exchange rate policy to be pursued under the circumstances.

Participants also agreed that the degree of exchange rate fixity or flexibility must be tailored to fit the initial conditions, policy priorities, and institutional realities of the country concerned, be it a developing or transition economy. A pegged exchange rate as a nominal anchor may be appropriate when reducing inflation is an important objective, and a highly visible signal of the authorities' commitment to financial discipline is needed, whereas greater exchange rate flexibility may be necessary if international reserves are at a very low level and strengthening the balance of payments is a top priority. It was pointed out that in transition economies, a pegged exchange rate, in addition to serving as an anchor for price stability, would enable international prices to provide a guide for market-clearing domestic prices. However, as in other economies, credibility is of crucial importance in pursuing an exchange rate based stabilization program; a lack of credibility could be more disruptive under pegged exchange rates than under flexible exchange rates.

Participants firmly believed that exchange rate changes will succeed in achieving an improvement in the balance of payments only if they are accompanied by appropriate financial policies and structural measures. Similarly, exchange rate stability depends primarily on underlying financial

policies that are consistent with price stability. However, opinions differed as to the pace and the way in which the exchange rate should be moved toward the equilibrium level. In particular, there was a debate among participants regarding whether crawling peg is the most appropriate policy in high or chronic inflation countries.

On a more specific issue relating to the current situation in the ruble area, it was clear to the participants that each country in the area has to decide between two distinct alternatives: either remaining in the area with a common monetary policy, or introducing a separate currency. Participants from the former Soviet Union were also receptive to the idea of establishing a multilateral clearing union among the FSU countries, which could be modelled after the European Payments Union in the 1950s or similar systems, in the event that these countries opt for separate currencies.

In preparing and conducting this seminar, the IMF Institute received invaluable contributions from management and the rest of the Fund. The Managing Director addressed the group both in the opening session and during the farewell luncheon. Senior staff members, including several Department Heads, from the African, Central Asia, European I, European II, Middle Eastern, Monetary and Exchange Affairs, Policy Development and Review, Research, Southeast Asia and Pacific, and Western Hemisphere Departments participated in the seminar. Papers prepared by the staff and other documents used in the seminar are listed in Attachment III.

Social Activities

A welcome reception was held at the Fund on December 3, 1992. The participants were also entertained at various luncheons given by several Executive Directors, by the area departments representing their countries, and by the IMF Institute. Other social activities included a day-long city tour and an evening at the Kennedy Center. A farewell luncheon was hosted by the Managing Director on the concluding day of the seminar.

IMF Institute
January 1993

Attachments

INTERNATIONAL MONETARY FUND

IMF Institute

Seminar on Exchange Rate Policies in
Developing and Transition Economies

December 3-11, 1992

Senior Officials of Member Countries

| NAME | COUNTRY | POSITION AND AFFILIATION |
|-----------------------|-----------|---|
| AHMED, Imtiaz | Pakistan | Director Foreign Exchange Department State Bank of Pakistan |
| AKERHOLM, Johnny | Finland | Director Central Policy Department Bank of Finland |
| APEA, Samuel Kye | Ghana | Deputy Secretary Ministry of Finance and Economic Planning |
| BARBURSKI, Krzysztof | Poland | Deputy President National Bank of Poland |
| BERNATONIS, Daumantas | Lithuania | Assistant Governor Bank of Lithuania |
| CHUKA, Charles S. R. | Malawi | Director Research and Statistics Department Reserve Bank of Malawi |
| DACO, Daniel | Belgium | Advisor International Agreements Office National Bank of Belgium |
| DONECKER, Wolf-Dieter | Germany | Division Chief Hauptabteilung J Deutsche Bundesbank |

| NAME | COUNTRY | POSITION AND AFFILIATION |
|-------------------------------|---------|---|
| EYZAGUIRRE Guzmán, Nicolás | Chile | Director of Research Central Bank of Chile |
| FREITAS, Carlos Eduardo de | Brazil | Head, Economic Department Central Bank of Brazil |
| GOU, Yoshiya | Japan | Deputy Director International Organizations Division International Finance Bureau Ministry of Finance |
| INTHAVONG, Kheuangkham | Lao PDR | Deputy Director International Department Bank of the Lao People's Democratic Republic |
| KANGA, Maurice John Pette | Kenya | Director Research Department Central Bank of Kenya |
| KULKARNI, P.B. | India | Executive Director Reserve Bank of India |
| LEE, Keun Yung | Korea | Deputy Director International Department Bank of Korea |
| LUZGIN, Nikolay V. | Belarus | Head, Foreign Exchange Department National Bank of Belarus |
| MOHAMED HUSSEIN, Nadia (Mrs.) | Egypt | Deputy General Manager Foreign Department Central Bank of Egypt |
| MUSTAFA, Ahmad Hasan | Jordan | Head, Special Monetary and Banking Studies Office Central Bank of Jordan |

| NAME | COUNTRY | POSITION AND AFFILIATION |
|------------------------|----------------|---|
| NORIEGA Curtis, Carlos | Mexico | Director General of Financial Planning Secretariat of Finance and Public Credit |
| NYERS, Rezső | Hungary | Director Research Department National Bank of Hungary |
| O'REILLY, Brian | Canada | Deputy Chief International Department Bank of Canada |
| OUENNICHE, Abdelmalek | Morocco | Central Director Foreign Department Bank Al-Maghrib |
| POSPISIL, Jiri | Czechoslovakia | Chief Executive Director Economic Section State Bank of Czechoslovakia |
| POTTS, Gary | Australia | First Assistant Secretary Economic Division Department of the Treasury |
| POU, Pedro | Argentina | Second Vice President Central Bank of the Republic of Argentina |
| RAKOV, Victor V. | Russia | Deputy Managing Director International Monetary Department Central Bank of the Russian Federation |
| RASHEED, Alhaji M.R. | Nigeria | Director Foreign Operations Department Central Bank of Nigeria |
| SABIRIN, Syahril | Indonesia | Managing Director Bank Indonesia |

| NAME | COUNTRY | POSITION AND AFFILIATION |
|----------------------|---------------|---|
| SECK, Galaye | Senegal | Director of Money and Credit Ministry of Economy, Finance and Planning |
| SHAROV, Alexander N. | Ukraine | Deputy Chairman National Bank of Ukraine |
| SHEIBANI, Ebrahim | Iran, IR | Vice Governor Central Bank of the Islamic Republic of Iran |
| SMITH Jr., Ralph W. | United States | Assistant Director Division of International Finance Board of Governors of the Federal Reserve System |
| TADZHIYAKOV, B. Sh. | Kazakhstan | First Deputy Chairman National Bank of Kazakhstan |
| UTRERAS, Germán | Venezuela | Manager Vice Presidency of International Operations Central Bank of Venezuela |
| YAI, Eugène | Côte d'Ivoire | Director Forecasting Directorate Ministry of Economy, Finance and Planning |

Guest Speakers

Mr. C. Fred Bergsten
Director
Institute for International
Economics

Mr. Sebastian Edwards
Henry Ford II Professor of
International Business Economics
University of California,
Los Angeles

Mr. W. Max Corden
Professor of International
Economics
School of Advanced International
Studies
Johns Hopkins University

Mr. Steven B. Kamin
Senior Staff Economist
U.S. Council of Economic Advisers

Mr. Rudiger Dornbusch
Henry Ford II Professor of
International Economics
Massachusetts Institute
of Technology

Officials of the International Monetary Fund

Mr. Michel Camdessus
Managing Director

African Department

Mr. Saleh M. Nsouli
Assistant Director

Mr. Reinold H. van Til
Division Chief

Mr. G. G. Johnson
Advisor

Central Asia Department

Mr. Bijan B. Aghevli
Deputy Director

Mr. John R. Dodsworth
Division Chief

European I Department

Mr. Gerard Belanger
Senior Advisor

Mr. Liam Patrick Ebrill
Division Chief

Mr. Leslie J. Lipschitz
Assistant Director

Mr. Paul Robert Masson
Advisor

European II Department

Mr. John Odling-Smee
Director

Mr. Thomas A. Wolf
Division Chief

IMF Institute

Mr. Patrick B. de Fontenay
Director

Mrs. Zaynab Shatila
Chief, Social Section

Mr. Anthony Lanyi
Deputy Director

Mrs. Arlette Mitton
Chief, Library and Documents Unit

Mr. Chorng-Huey Wong
Assistant Director

Mrs. Ulla Sjöström-Odone
Admissions Assistant

Mr. Shuja Nawaz
Division Chief

Miss Suzy Yazbeck
Social Programs Assistant

Mr. V. Hugo Juan-Ramon
Economist

Middle Eastern Department

Mr. Mohamed A. El-Erian
Division Chief

Monetary and Exchange Affairs Department

Mr. Manuel Guitián
Associate Director

Mr. Peter J. Quirk
Division Chief

Policy Development and Review Department

Mr. Anupam Basu
Senior Adviser

Mr. Hans M. Flickenschild
Adviser

Research Department

Mr. Michael Mussa
Economic Counsellor and Director

Mr. Malcolm D. Knight
Assistant Director

Mr. Guillermo Calvo
Senior Adviser

Mr. Peter Wickham
Division Chief

Mr. Moshin S. Khan
Senior Adviser

Southeast Asia and Pacific Department

Mr. Martin J. Fetherston
Division Chief

Western Hemisphere Department

Mr. Claudio M. Loser
Deputy Director

Mr. Lorenzo L. Pérez
Division Chief

Mr. Thomas M. Reichmann
Assistant Director

INTERNATIONAL MONETARY FUND

IMF INSTITUTE

Seminar on Exchange Rate Policies in Developing
and Transition Economies

December 3-11, 1992

Program 1/

Thursday, December 3

- | | |
|--------------------|--|
| 9:30 - 9:45 a.m. | (1) <u>Welcoming Remarks</u> Mr. Michel Camdessus Managing Director |
| 9:45 - 10:00 a.m. | (2) <u>Introduction to the Seminar</u> Mr. Patrick B. de Fontenay Director, IMF Institute |
| 10:00 - 11:00 a.m. | (3) <u>The Choice of Exchange Rate Regimes</u> Mr. Manuel Guitian Associate Director, Monetary and Exchange Affairs Department |
| 11:00 - 11:15 a.m. | Coffee Break |
| 11:15 - 12:30 p.m. | Discussion on (3) Discussants: Mr. Anthony Lanyi Deputy Director, IMF Institute Mr. Peter Wickham Division Chief, Research Department |

1/ Meetings will be held in Room 4-108.

Thursday, December 3 (cont.)

- 2:30 - 3:30 p.m. (4) Recent Experience with Floating Exchange Rates in Developing Countries
- Mr. Peter J. Quirk
Division Chief,
Monetary and Exchange Affairs Department
- 3:30 - 3:45 p.m. Coffee Break
- 3:45 - 5:00 p.m. Discussion on (4)
- Discussants:
- Mr. Reinold H. van Til
Division Chief,
African Department
(to discuss Ghana)
- Mr. Lorenzo L. Perez
Division Chief,
Western Hemisphere Department
(to discuss Venezuela)
- 5:00 p.m. Welcome Reception 1/

1/ Please see separate invitation.

Friday, December 4

- 9:30 - 10:30 a.m. (5) The Equilibrium Real Exchange Rate and Causes of Real Exchange Rate Misalignments

Professor Sebastian Edwards
University of California at Los Angeles

10:30 - 10:45 a.m. Coffee Break

10:45 a.m. - 12:00 noon Discussion on (5)

Discussant:

Mr. Malcolm D. Knight
Assistant Director,
Research Department

- 2:30 - 3:30 p.m. (6) Multiple Exchange Rates

Mr. Steven B. Kamin
Senior Staff Economist,
U. S. Council of Economic Advisers

3:30 - 3:45 p.m. Coffee Break

3:45 - 5:00 p.m. Discussion on (6)

Discussants:

Mr. Mohamed A. El-Erian
Division Chief,
Middle Eastern Department

Mr. Peter J. Quirk
Division Chief,
Monetary and Exchange Affairs Department

Saturday, December 5

10:00 a.m. City Tour 1/

1:00 p.m. Luncheon 1/

1/ Please see separate invitation.

Monday, December 7

9:30 - 10:45 a.m.

- (7) The Role of Exchange Rate Policy in
Economic Adjustment: The Real Targets
Approach

Professor W. Max Corden
The School of Advanced
International Studies
Johns Hopkins University

10:45 - 11:00 a.m.

Coffee Break

11:00 a.m. - 12:00 noon

- (8) The Role of Exchange Rate Policy in
Economic Adjustment: The Nominal Anchor
Approach

Mr. Guillermo Calvo
Senior Advisor,
Research Department

2:30 - 3:30 p.m.

Discussion on (7) and (8)

Discussants:

Mr. Hans M. Flickenschild
Advisor,
Policy Development and Review Department

Mr. G. G. Johnson
Advisor,
African Department

3:30 - 3:45 p.m.

Coffee Break

3:45 - 5:30 p.m.

Discussion on (7) and (8), continued

Tuesday, December 8

9:30 - 10:30 a.m.

- (9) External Account Liberalization, Currency Convertibility, and Implications for Exchange Rate Policy

Mr. Anupam Basu
Senior Advisor,
Policy Development and Review Department

10:30 - 10:45 a.m.

Coffee Break

10:45 - 12:00 noon

Discussion on (9)

Discussants:

Mr. Claudio M. Loser
Deputy Director,
Western Hemisphere Department

Mr. John R. Dodsworth
Division Chief,
Central Asia Department

2:30 - 3:30 p.m.

- (10) Case Study of Mexico, 1982-91

Mr. Thomas M. Reichmann
Assistant Director,
Western Hemisphere Department

3:30 - 3:45 p.m.

Coffee Break

3:45 - 5:00 p.m.

Discussion on (10)

Discussant:

Mr. Carlos Noriega
Director General of
Financial Planning,
Secretariat of Finance and Public Credit
Mexico

Wednesday, December 9

| | |
|-------------------------|--|
| 9:30 - 10:45 a.m. | (11) <u>Exchange Rate Policies in Economies in Transition</u> Professor Rudiger Dornbusch Massachusetts Institute of Technology |
| 10:45 - 11:00 a.m. | Coffee Break |
| 11:00 a.m. - 12:00 noon | Discussion on (11) Discussants: Mr. Thomas A. Wolf Division Chief, European II Department Mr. Gerard Belanger Senior Advisor, European I Department Mr. Martin J. Fetherston Division Chief, Southeast Asia and Pacific Department |
| 2:30 - 4:00 p.m. | Discussion on (11), continued |
| 4:00 p.m. | Coffee |
| 8:00 p.m. | Evening at Kennedy Center <u>1/</u> |

1/ Please see separate invitation.

Thursday, December 10

9:30 - 10:30 a.m.

(12) Exchange Rate Policy in a Monetary Union
and Related Issues

Mr. Paul Robert Masson
Advisor,
European I Department

10:30 - 10:45 a.m.

Coffee Break

10:45 a.m. - 12:00 noon

Discussion on (12)

Discussants:

Mr. John Odling-Smee
Director,
European II Department
(to focus on the ruble area)

Mr. Saleh M. Nsouli
Assistant Director,
African Department
(to focus on the CFA franc zone)

2:30 - 3:45 p.m..

(13) Case Studies of Poland (1990-91)
and Czech and Slovak Federal Republic
(1990-91)

Mr. Liam Patrick Ebrill
Division Chief,
European I Department

Mr. Leslie J. Lipschitz
Assistant Director,
European I Department

3:45 - 4:00 p.m.

Coffee Break

4:00 - 5:00 p.m.

Discussion on (13)

Discussants:

Mr. Krzysztof Barbarski
Deputy President,
National Bank of Poland

Mr. Jiri Pospisil
Chief Executive Director
Economic Section
State Bank of Czechoslovakia

Friday, December 11

9:30 - 10:30 a.m.

(14) Round Table Discussion on Key Issues in
Exchange Rate Policy Today

Mr. Michael Mussa
Economic Counsellor and Director,
Research Department

Mr. C. Fred Bergsten
Director
Institute for International Economics

Mr. Anthony Lanyi
Deputy Director,
IMF Institute

10:30 - 10:45 a.m.

Coffee Break

10:45 a.m. - 12:00 noon

Presentation of (14), continued

12:30 p.m.

Farewell Lunch 1/

1/ Please see separate invitation.

INTERNATIONAL MONETARY FUND

IMF Institute

Seminar on Exchange Rate Policies in Developing and
Transition Economies

December 3-11, 1992

List of Documents

Session 3: The Choice of Exchange Rate Regimes

Main Paper

Gutián, Manuel, "The Choice of Exchange Rate Regimes," unpublished, International Monetary Fund, November 1992.

Other References

Aghevli, Bijan B., Mohsin S. Khan and Peter J. Montiel, Exchange Rate Policy in Developing Countries: Some Analytical Issues, IMF Occasional Paper 78, March 1991, pp. 5-7.

Flickenschild, Hans M., et al, "Developments in International Exchange and Payments Systems," IMF World Economic and Financial Surveys (June 1992).

Flood, Robert F. and Nancy P. Marion, "Exchange Rate Regime Choice," IMF Working Paper, WP/91/90, September 1991.

Gutián, Manuel, "The Effects of Changes in the Exchange Rate on Output, Prices and the Balance of Payments," Journal of International Economics 6, 1976, pp. 65-74.

Wickham, Peter, "The Choice of Exchange Rate Regime in Developing Countries," IMF Staff Papers, June 1985, pp. 248-88.

Session 4: Recent Experience with Floating Exchange Rates
in Developing Countries

Main Paper

Quirk, Peter J., "Recent Experience with Floating Exchange Rates in Developing Countries," unpublished, International Monetary Fund, December 1992.

Other References

Kapur, Ishan, et al, Ghana: Adjustment and Growth, 1983-91, IMF Occasional Paper 86, September 1991.

Quirk, Peter J., et al, Floating Exchange Rates in Developing Countries: Experience With Auction and Interbank Markets, IMF Occasional Paper 53, May 1987.

Session 5: The Equilibrium Exchange Rate and Causes
of Real Exchange Rate Misalignments

Main Paper

Edwards, S., "The Economics of Real Exchange Rates," in Exchange Rate Misalignment in Developing Countries (Chapter I), Occasional Paper No. 2, The World Bank, 1988.

Other References

Aghevli, B., M. Khan, and P. Montiel, Exchange Rate Policy in Developing Countries: Some Analytical Issues, IMF Occasional Paper 78, March 1991, pp. 8-12.

Session 6: Multiple Exchange Rates

Main Papers

Kamin, Steven B., "Parallel Markets and the Effectiveness of Exchange Controls in Argentina: 1981-1989," unpublished, Division of International Finance, Board of Governors of the Federal Reserve System, January 1992.

SM/84/64, "Review of Experience with Multiple Exchange Rate Regimes," International Monetary Fund, March 19, 1984.

Session 7: The Role of Exchange Rate Policy in Economic
Adjustment: The Real Targets Approach

Main Papers

Aghevli, Bijan B., Mohsin S. Khan, and Peter J. Montiel, Exchange Rate Policy in Developing Countries: Some Analytical Issues, IMF Occasional Paper 78, March 1991.

Corden, W. Max, Exchange Rate Policy in Developing Countries, World Bank Working Papers, WPS 412, Country Economic Department, The World Bank, April 1990.

Session 8: The Role of Exchange Rate Policy in Economic
Adjustment: The Nominal Anchor Approach

Main Papers

Aghevli, Bijan B., Mohsin S. Khan, and Peter J. Montiel, Exchange Rate Policy in Developing Countries: Some Analytical Issues, IMF Occasional Paper 78, March 1991.

Calvo, Guillermo A. and Carlos A. Vegh, "Inflation Stabilization and Nominal Anchors," unpublished, Research Department, International Monetary Fund, November 6, 1992.

Session 9: External Account Liberalization, Currency Convertibility,
and Implications for Exchange Rate Policy

Main Papers

Corden, W. Max, Protection and Liberalization: A Review of Analytical Issues, IMF Occasional Paper 54, August 1987, Chapter VI.

Mathieson, D.J. and Liliana Rojas-Suarez, "Liberalization of the Capital Account: Experiences and Issues," IMF Working Paper, WP/92/46, June 1992.

McKinnon, Ronald I., The Order of Economic Liberalization: Financial Control in the Transition to a Market Economy, The Johns Hopkins University Press, 1991, Chapters 8 and 9.

Other References

Loser, Claudio and Eliot Kalter (editors), Mexico: The Strategy to Achieve Sustained Economic Growth, IMF Occasional Paper 99, September 1992.

Session 10: Case Study of Mexico, 1982-91

Main Paper

Loser, Claudio and Eliot Kalter (editors), Mexico: The Strategy to Achieve Sustained Economic Growth, IMF Occasional Paper 99, September 1992.

Session 11: Exchange Rate Policies in Economies in Transition

Main Papers

Greene, Joshua E. and Peter Isard, Currency Convertibility and the Transformation of Centrally Planned Economies, IMF Occasional Paper 81, June 1991.

SM/92/30, "Exchange Arrangements of Previously Centrally Planned Economies," International Monetary Fund, February 11, 1992.

SM/92/132, "Review of Experience with Programs in Eastern Europe," International Monetary Fund, June 30, 1992.

Other References

Dornbusch, Rudiger, "Monetary Problems of Post-Communism: Lessons from the End of the Austro-Hungarian Empire," Weltwirtschaftliches Archiv, Vol. 3, No. 128, 1992.

Fisher, Stanley, "Stabilization and Economic Reform in Russia," Brookings Papers on Economic Activity, 1, 1992, pp. 77-111.

Williamson, John (ed.), Currency Convertibility in Eastern Europe, Institute for International Economics, September 1991, Chapter 10.

Session 12: Exchange Rate Policy in a Monetary Union and Related Issues

Main Papers

Habermeier, Karl and Horst Ungerer, "A Single Currency for the European Community," Finance and Development, September 1992.

McLenaghan, John B., Saleh M. Nsouli, and Klaus-Walter Riechel, Currency Convertibility in the Economic Community of West African States, IMF Occasional Paper No. 13, August 1982.

Nsouli, Saleh M., "Monetary Integration in Developing Countries," Finance and Development, December 1981.

Other References

Williamson, John, Trade and Payments after Soviet Disintegration, Policy Analysis in International Economics 37, Institute for International Economics, June 1992.

Session 13: Case Studies of Poland (1990-91) and Czech
and Slovak Federal Republic (1990-1991)

Main Papers

Lane, Timothy D., "Inflation Stabilization and Economic Transformation in Poland: The First Year," IMF Working Paper, WP/91/70, July 1991.

Aghevli, Bijan B., et al, Stabilization and Structural Reform in the Czech and Slovak Federal Republic: First Stage, IMF Occasional Paper 92, March 1992.

