

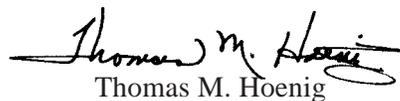
## Foreword

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The increasingly integrated global economy presents both opportunities and challenges to national and international policymakers. Global economic integration is widely thought to improve the allocation of resources, promote technological transfer, and enhance living standards. But, at the same time, economic integration has frequently been associated with growing trade imbalances, increased financial market volatility, and less effective domestic macroeconomic policies.

To identify domestic and international policies that will help nations around the world achieve the greatest net benefits from global integration, the Federal Reserve Bank of Kansas City sponsored a symposium, titled, “Global Economic Integration: Opportunities and Challenges,” at Jackson Hole, Wyoming, on August 24-26, 2000. The symposium brought together a distinguished group of central bankers, academics, and financial market representatives to discuss these issues.

We hope these proceedings will contribute to a better understanding of the opportunities and challenges of global economic integration. We appreciate the contributions of all those who participated in the symposium, including authors, discussants, panelists, and audience members. Special thanks also go to members of the Bank’s Research Division who helped develop the program.



Thomas M. Hoenig

President

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