

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: International Economic Cooperation

Volume Author/Editor: Martin Feldstein, ed.

Volume Publisher: University of Chicago Press

Volume ISBN: 0-226-24076-2

Volume URL: <http://www.nber.org/books/feld88-4>

Publication Date: 1988

Chapter Title: Front matter, International Economic Cooperation

Chapter Author: Martin S. Feldstein

Chapter URL: <http://www.nber.org/chapters/c9784>

Chapter pages in book: (p. -11 - 0)

# International Economic Cooperation



National  
Bureau of  
Economic  
Research

Edited and with an Introduction by

**Martin Feldstein**

---

**Stanley Fischer**

**W. Michael Blumenthal** □ **Charles L. Schultze** □

**Alan Greenspan** □ **Helmut Schmidt**

---

**Richard C. Marston**

**Guido Carli** □ **Jacques Attali** □

**John R. Petty** □ **Robert Solomon**

---

**J. David Richardson**

**Robert S. Strauss** □ **Michihiko Kunihiro** □

**Edmund T. Pratt, Jr.**

---

**Jeffrey D. Sachs**

**Anthony M. Solomon** □ **William S. Ogden** □

**Eduardo Wiesner** □ **R. T. McNamar**

---

International  
Economic  
Cooperation



A National Bureau  
of Economic Research  
Conference Report

---

# International Economic Cooperation

Edited and with an Introduction by  
Martin Feldstein



The University of Chicago Press

*Chicago and London*

---

MARTIN FELDSTEIN is the George F. Baker Professor of Economics at Harvard University and president of the National Bureau of Economic Research. He is the author of more than 200 scientific papers and four books, including *Inflation, Tax Rules, and Capital Formation* (1983) and the editor of *The American Economy in Transition* (1980), *Behavioral Simulation Methods in Tax Policy Analysis* (1983), *The Effects of Taxation on Capital Accumulation* (1987), *Taxes and Capital Formation* (1987), and *The United States in the World Economy* (1988), all published by the University of Chicago Press in association with the National Bureau of Economic Research.

The University of Chicago Press, Chicago 60637  
The University of Chicago Press, Ltd., London  
©1988 by the National Bureau of Economic Research  
All rights reserved. Published 1988  
Printed in the United States of America

97 96 95 94 93 92 91 90 89      5 4 3 2

**Library of Congress Cataloging-in-Publication Data**

International economic cooperation / edited and with an introduction  
by Martin Feldstein.

p. cm. — (A National Bureau of Economic Research conference  
report)

Bibliography: p.

Includes index.

ISBN 0-226-24075-4. ISBN 0-226-24076-2 (pbk.)

I. International economic relations—Congresses. I. Feldstein,  
Martin S. II. National Bureau of Economic Research. III. Series:  
Conference report (National Bureau of Economic Research)

HF1359.I58 1988

337.1—dc19

88-1883  
CIP

---

## National Bureau of Economic Research

### Officers

Richard N. Rosett, *chairman*

George T. Conklin, Jr., *vice-chairman*

Martin Feldstein, *president and chief executive officer*

Geoffrey Carliner, *executive director*

Charles A. Walworth, *treasurer*

Sam Parker, *director of finance and administration*

### Directors at Large

Moses Abramovitz

John H. Biggs

Andrew Brimmer

Carl F. Christ

George T. Conklin, Jr.

Kathleen B. Cooper

Jean A. Crockett

George C. Eads

Morton Ehrlich

Martin Feldstein

Edward L. Ginzton

David L. Grove

George Hatsopoulos

Franklin A. Lindsay

Paul W. McCracken

Geoffrey H. Moore

Michael H. Moskow

James J. O'Leary

Robert T. Parry

Peter G. Peterson

Robert V. Roosa

Richard N. Rosett

Bert Seidman

Eli Shapiro

Donald S. Wasserman

### Directors by University Appointment

Charles H. Berry, *Princeton*

James Duesenberry, *Harvard*

Ann F. Friedlaender, *Massachusetts Institute of Technology*

Jonathan Hughes, *Northwestern*

J. C. LaForce, *California, Los Angeles*

Marjorie McElroy, *Duke*

Merton J. Peck, *Yale*

James L. Pierce, *California, Berkeley*

Andrew Postlewaite, *Pennsylvania*

Nathan Rosenberg, *Stanford*

Harold Shapiro, *Michigan*

James Simler, *Minnesota*

William S. Vickrey, *Columbia*

Burton A. Weisbrod, *Wisconsin*

Arnold Zellner, *Chicago*

### Directors by Appointment of Other Organizations

Richard Easterlin, *Economic History Association*

Edgar Fiedler, *National Association of Business Economists*

Robert S. Hamada, *American Finance Association*

Robert C. Holland, *Committee for Economic Development*

James Houck, *American Agricultural Economics Association*

David Kendrick, *American Economic Association*

Rudolph A. Oswald, *American Federation of Labor and Congress of Industrial Organizations*

Douglas D. Purvis, *Canadian Economics Association*

Albert T. Sommers, *The Conference Board*

Dudley Wallace, *American Statistical Association*

Charles A. Walworth, *American Institute of Certified Public Accountants*

### Directors Emeriti

Emilio G. Collado

Solomon Fabricant

Frank W. Fetter

Thomas D. Flynn

Gottfried Haberler

George B. Roberts

Willard L. Thorp

Since this volume is a record of conference proceedings, it has been exempted from the rules governing critical review of manuscripts by the Board of Directors of the National Bureau (resolution adopted 8 June 1948, as revised 21 November 1949 and 20 April 1968).





---

# Contents

	Preface	ix
	<b>International Economic Cooperation:</b>	
	<b>Introduction</b>	1
	Martin Feldstein	
<b>1.</b>	<b>Macroeconomic Policy</b>	
	1. Stanley Fischer	11
	2. W. Michael Blumenthal	43
	3. Charles L. Schultze	49
	4. Alan Greenspan	61
	5. Helmut Schmidt	65
<b>2.</b>	<b>Exchange Rate Coordination</b>	
	1. Richard C. Marston	79
	2. Guido Carli	136
	3. Jacques Attali	147
	4. John R. Petty	151
	5. Robert Solomon	156
<b>3.</b>	<b>Trade Policy</b>	
	1. J. David Richardson	167
	2. Robert S. Strauss	204
	3. Michihiko Kunihiro	211
	4. Edmund T. Pratt, Jr.	218

<b>4.</b>	<b>Developing Country Debt</b>	
	1. Jeffrey D. Sachs	233
	2. Anthony M. Solomon	278
	3. William S. Ogden	283
	4. Eduardo Wiesner	290
	5. R. T. McNamar	305
	Biographies	321
	Contributors	325
	Name Index	329
	Subject Index	333

---

# Preface

In April 1987 the National Bureau of Economic Research (NBER) held a conference on international economic cooperation. The conference focused on four general areas: macroeconomic policy, exchange rate policy, trade, and the international debt of developing countries. In preparation for this conference, NBER Research Associates prepared nontechnical background papers on each subject. At the conference itself, the discussion of each of these subjects was launched by prepared personal statements by individuals who have played leading roles in government or business in either the United States or another country. This volume brings together the background papers, the personal statements, and a detailed summary of the discussion at the conference.

The authors of the background papers met as a group on two occasions before the final conference to discuss the approach to be taken in each paper and to review critically the preliminary drafts of the papers. Each of the authors also benefited from the comments of an outside reviewer.

The fifteen individuals who prepared the remarks that launched the individual sessions included former government officials who held key positions dealing with international economic issues, current officials from Japan, France, and the International Monetary Fund with international responsibilities, and American business leaders who are actively involved in international business and finance. Their willingness to share their experiences and to participate throughout the conference made for a uniquely interesting series of discussions. The summaries of the discussions were prepared by Professor Kenneth Froot.

I am grateful to The Ford Foundation for financial support of both this conference and the research presented in the background papers.

I am grateful also to the members of the NBER staff for their assistance with all of the details involved in the planning and execution of the meeting and this volume, particularly to Kirsten Foss Davis, Ilana Hardesty, Mark Fitz-Patrick, and Carolyn Terry.

*Martin Feldstein*