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FOR IMMEDIATE RELEASE

**LEADING POLICYMAKERS AND ECONOMISTS
TO EXPLORE ECONOMIC IMBALANCES AND THEIR IMPACT
AT LEVY INSTITUTE CONFERENCE ON APRIL 21–22**

Participants include Donald L. Kohn, Federal Reserve Board of Governors; Sandra Pianalto, President, Federal Reserve Bank of Cleveland; Richard Peach, Vice President, Federal Reserve Bank of New York; Bruce C. Kasman, Head of Economic Research, JPMorgan Chase; and James K. Galbraith, Levy Institute and University of Texas, Austin

ANNANDALE-ON-HUDSON, N.Y.—Federal Reserve Chairman Alan Greenspan’s recent warning to Congress that current federal budget deficits are unsustainable underscores the impact that record budget and trade deficits are having on policymakers’ efforts to sustain economic growth and employment. On **April 21–22, The Levy Economics Institute of Bard College** will gather top policymakers, economists, and analysts at the 15th Annual Hyman P. Minsky Conference on the State of the U.S. and World Economies to discuss the implications of current economic trends.

The conference, “**Economic Imbalance, Fiscal and Monetary Policy for Sustainable Growth,**” will take place on Thursday and Friday, April 21–22, at the Levy Economics Institute of Bard College in Annandale-on-Hudson, New York. It will include, among other topics, a discussion of fiscal and monetary policy, the U.S. trade deficit, jobs and outsourcing, and currency market fluctuations. **Richard Peach**, vice president, Federal Reserve Bank of New York, will explore the question of a housing bubble. The conference will also include presentations by **Donald L. Kohn**, Federal Reserve Board of Governors; **Sandra Pianalto**, president, Federal Reserve Bank of Cleveland; **Bruce C. Kasman**, head of economic research, JPMorgan Chase; **James K. Galbraith**; Levy Institute and

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University of Texas; **James W. Paulsen**, chief investment strategist, Wells Capital Management; **Steven B. Kamin**, economist, Federal Reserve Board; **Lakshman Achuthan**, Economic Cycle Research Institute; **Paul Davidson**, New School University; **Dimitri B. Papadimitriou**, president, Levy Institute; **Edwin (Ted) Truman**, Institute for International Economics; **Albert Wojnilower**, Craig Drill Capital Corp.; and **L. Randall Wray**, Levy Institute and University of Missouri—Kansas City.

The conference will be webcast live at www.levy.org.

Program:

“Economic Imbalance, Fiscal and Monetary Policy for Sustainable Growth”

Levy Economics Institute of Bard College, Annandale-on-Hudson, N.Y., April 21–22, 2005

Thursday, April 21

8:30–9:15 a.m.

BREAKFAST AND REGISTRATION

9:15–10:00 a.m.

WELCOME AND INTRODUCTION

Dimitri B. Papadimitriou, *president, Levy Institute*

“How Fragile Is the U.S. Economy”

10:00–10:45 a.m.

SPEAKER: Sandra Pianalto, *president, Federal Reserve Bank of Cleveland*

“Central Banks, Monetary Policy, and Fiscal Deficits”

11:00 a.m. – 12:45 p.m.

SESSION 1

THE STATE OF THE U.S. AND WORLD ECONOMIES

Moderator: Dimitri B. Papadimitriou, *president, Levy Institute*

Steven B. Kamin, *economist, Federal Reserve Board*

“Financial Market Developments and Economic Activity During Current Account Adjustments in Industrial Economies”

James W. Paulsen, *Wells Capital Management*

“Economic and Financial Market Outlook”

***Frank Veneroso**, *RCM*

“China’s Inevitable Investment Bust: Ignore It at Your Peril”

12:45–2:00 p.m.

LUNCH

2:00–3:45 p.m.

SESSION 2

MONETARY POLICY IN THE U.S. ECONOMY

Moderator: Greg Hannsgen, *Levy Institute*

Bruce C. Kasman, *JPMorgan Chase*

“The End of Easy Money”

-continued-

Albert Wojnilower, *Craig Drill Capital Corp.*

“Why Monetary Policy?”

L. Randall Wray, *Levy Institute and University of Missouri-Kansas City*

“The New Monetary Consensus and Neutral Rate Targets: What Would Minsky Think?”

4:00–5:30 p.m.

SESSION 3

FINANCIAL INSTABILITY IN A GLOBAL ECONOMY

Moderator: W. Ray Towle, *Levy Institute*

Robert Z. Lawrence, *Harvard University*

“What Happened to the Great American Job Machine? The Role of Trade and Outsourcing”

Edwin (Ted) Truman, *Institute for International Economics*

“The United States and the World Economy”

5:30–6:30 p.m.

RECEPTION

6:30 p.m.

DINNER

Friday, April 22

9:00 a.m.

BREAKFAST

9:30–11:00 a.m.

SESSION 4

THE MACROECONOMIC PROSPECTS FOR THE U.S. ECONOMY

Moderator: Ajit Zacharias, *Levy Institute*

Lakshman Achuthan, *Economic Cycle Research Institute*

“The Importance of Being a ‘Monitorist’”

James K. Galbraith, *University of Texas, Austin*

“Breaking Out of the Deficit Trap”

Richard W. Peach, *vice president, Federal Reserve Bank of New York*

“Is there a Housing Bubble?”

***Brad Setser**, *Oxford University*

-continued-

11:00 a.m.–12:15 p.m. **SPEAKER:** **Paul Davidson**, *New School University*
“Is a Declining Dollar Good for the U.S. Economy
or the Global Economy? (The Exchange Rate and
the Twin Deficits)”

12:15–2:00 p.m. **LUNCH**
SPEAKER: **Donald L. Kohn**, *Board of Governors, Federal
Reserve System*
“Imbalances in the U.S. Economy.”

2:00–3:00 p.m. **CLOSING REMARKS AND RECEPTION**

***To be confirmed**

All program details subject to change.

The conference will take place at the Levy Economics Institute of Bard College, Annandale-on-Hudson, New York. To register for attendance, call 845-758-7700; e-mail info@levy.org; or register online on the Levy Institute’s website, www.levy.org.

**PRESS REGISTRATIONS SHOULD BE MADE BY CALLING MARK PRIMOFF AT
845-758-7412 OR SENDING E-MAIL TO primoff@levy.org.**

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