
Macroeconomic Linkage

Savings, Exchange Rates, and
Capital Flows

Edited by

Takatoshi Ito
and Anne O. Krueger



The University of Chicago Press

Chicago and London

Contents

	Acknowledgments	xi
	Introduction	1
	Takatoshi Ito and Anne O. Krueger	
1.	International Growth Linkages: Evidence from Asia and the OECD	7
	John F. Helliwell	
	<i>Comment: Shin-ichi Fukuda</i>	
2.	On Recent Movements of Japanese Current Accounts and Capital Flows	31
	Takatoshi Ito	
	<i>Comment: Naohiro Yashiro</i>	
	<i>Comment: Maria S. Gochoco</i>	
3.	Perspectives on Korea's External Adjustment: Comparison with Japan and Taiwan	53
	Bon Ho Koo and Won-Am Park	
	<i>Comment: Bih Jane Liu</i>	
	<i>Comment: Hiroo Taguchi</i>	
4.	The Effects of NT Dollar Variations on Taiwan's Trade Flows	89
	San Gee	
	<i>Comment: Hideki Funatsu</i>	
	<i>Comment: Chong-Hyun Nam</i>	
5.	Capital Mobility in Korea since the Early 1980s: Comparison with Japan and Taiwan	123
	Sung Hee Jwa	

- Comment:* Kazuo Ueda
Comment: Pochih Chen
6. **An Asian Capital Crunch? Implications for East Asia of a Global Capital Shortage** 167
Rachel McCulloch
Comment: Chong-Hyun Nam
Comment: Kazumi Asako
7. **Money, Output, Exchange Rate, and Price: The Case of Taiwan** 185
Chung-Shu Wu and Jin-Lung Lin
Comment: Maria S. Gochoco
8. **Endogenous Exchange Rate Fluctuations under the Flexible Exchange Rate Regime** 203
Shin-ichi Fukuda
Comment: Michihiro Ohyama
Comment: Shang-Jin Wei
9. **Export Structure and Exchange Rate Variation in Taiwan: A Comparison with Japan and the United States** 227
Pochih Chen, Chi Schive, and Cheng Chung Chu
Comment: Rachel McCulloch
Comment: Shin-ichi Fukuda
10. **Cost Externality and Exchange Rate Pass-Through: Some Evidence from Taiwan** 247
Bih Jane Liu
Comment: Won-Am Park
Comment: Serguey Braguinsky
11. **Tariffs, Quotas, and Inventory Adjustment** 273
Kazumi Asako and Yoshiyasu Ono
Comment: Kazuo Nishimura
Comment: John F. Helliwell
12. **Yen Bloc or Dollar Bloc? Exchange Rate Policies of the East Asian Economies** 295
Jeffrey A. Frankel and Shang-Jin Wei
Comment: Koichi Hamada
Comment: Sung Hee Jwa
13. **On the Internationalization of the Japanese Yen** 335
Hiroo Taguchi
Comment: Kazuo Ueda
Comment: Anne O. Krueger

14.	Economic Preconditions for Asian Regional Integration	359
	Junichi Goto and Koichi Hamada	
	<i>Comment:</i> Masao Satake	
	<i>Comment:</i> Toshiaki Tachibanaki	
	Contributors	389
	Author Index	393
	Subject Index	397