

***Joint Distinguished Lecture***

***Launching of the IMF's Spring 2010  
Regional Economic Outlook***

***"Does Asia Need Rebalancing?"*** (in English)

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**ABSTRACT:**

The global financial crisis has put an end to the credit-fuelled consumption boom that started in the United States and other advanced economies in the early 2000s. For Asia, weaker demand from advanced economies means that an important source of growth would remain subdued. Against this background, we focus on three questions: -

- Is Asia more dependent on external demand than other regions?
- What is needed to strengthen domestic sources of growth in Asia? Are there differences in the region? -
- Which policies, both in Asia and abroad, would achieve a successful rebalancing of global demand?

To answer these questions we follow a three-step strategy. First, we quantify Asia's growth dependence on external demand by looking at a value-added concept of trade flows-capturing not only direct, but also indirect trade linkages between Asia and advanced economies (e.g., Malaysia's export exposure to the United States via its exports of intermediate goods to China). Second, we assess whether consumption and investment in Asia are "too low," and the amount of resources employed in the tradable sector "too high," by comparing them with model-based and empirical benchmarks. And third, we use the IMF GIMF model to assess the impact of macroeconomic and structural policies that could be adopted in Asia and abroad, and that could strengthen domestic sources of growth in the region.

**Date: 30 April 2010 (Friday)**

**Time: 16:30 - 18:00**

**Venue: GEG01, B.Y. Lam Building,**

**Lingnan University, Tuen Mun**

**BIOGRAPHY**

Olaf Unteroberdoerster studied economics and business administration in Germany, France, Japan and the United States and holds a Ph.D. in international economics and finance from Brandeis University. He joined the IMF in 1998 and has worked in the Middle East and Central Asia Department, the Strategy and Policy Review Department, and the Asia Pacific Department. From 2007 to 2009 he was the IMF's Resident Representative in Hong Kong SAR. He is currently a Senior Economist in the Asia Pacific Regional Studies Unit. Prior to joining the Fund, Olaf was a Visiting Researcher at Hitotsubashi University and a Fellow at the United Nations University, both in Tokyo.

**ALL ARE WELCOME**

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