

Conference
organized by:



Sponsored by:



Keynote speakers:

Martin Wolf
Financial Times
***"The Challenges and
Risks of Globalization"***

Alan Gelb
World Bank
***"The Economic
Development of Africa"***

Oleksandr Savchenko
National Bank of Ukraine
***"Ukraine and Global
Economy"***

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Conference Secretariat
Tel: +48 22 622 66 27,
e-mail: kiev2007@case.com.pl

With high growth rates in Asia, most notably China, India, and South-East and Central Asia, Eurasia's economic centre of gravity is rapidly shifting to the East. At the same time, most of Europe faces serious barriers to growth in the long term.

The CASE 2007 Winds of Change conference will examine the causes and consequences of this major shift in economic power and consider the options available to policymakers in various parts of Europe and Asia.

CONFERENCE NEWS

No. 5, March 13



Opening speech

Jock Mendoza-Wilson, the Director of International and Investor Relations at System Capital Management will give the opening speech on behalf of the main conference sponsor. Founded in 2000, System Capital Management (SCM) is based in Donetsk, Ukraine.

It is one of the Europe's leading industrial holdings and plays a vital role in the economy of Eastern Europe. At present, SCM, whose major shareholder is Rinat Akhmetov, owns a controlling share of over 90 companies, through both direct and indirect ownership.

"SCM's mission is to create a world-class business that contributes to the economic development and social stability of Ukraine, especially in Donetsk and the Eastern part of the country" – says Mendoza-Wilson. ***"As a large commercial holding, SCM is not only concerned with the success of its enterprises but also about the welfare of the communities in which it operates"*** – concludes the Director of International and Investor Relations of SCM.



Outstanding Commentators

Stephen P. Groff, Deputy Vice President for Operations and a member of the senior executive management team at the Millennium Challenge Corporation confirmed his participation as a commentator at Session 4, entitled:
"Is Aid Needed in a World of Free Trade?"

Mr. Groff's bio can be download at:
<http://www.case.com.pl/plik--13845632.pdf?nlang=710>



Volodymyr Makukha, Economics Minister of Ukraine confirmed his participation as a commentator at Session 6: ***"The European Union and its Near Abroad."***

Mr. Makukha's bio can be download at:
http://www.kmu.gov.ua/control/en/publish/article?art_id=22046228&cat_id=32581

CONFERENCE NEWS

No. 5, March 13



Irina Akimova, Director of the Bureau for Economic and Social Technologies (BEST) is the newly confirmed session moderator of session 5: "**Governance and Economic Development.**"



Sergey Drobyshevsky, Director of the Department for Macroeconomics and Finance at the Institute for the Economy in Transition (IET) will chair session 2: "**Global Imbalances: Sources, Sustainability and Policy Responses**"



Wojciech Paczynski, Senior Research Fellow at the Center for Social and Economic Research (CASE) is the newly confirmed chairman of Session 6: "**The European Union and Its Near Abroad.**"



Krassen Stanchev, Executive Director of the Institute for Market Economies and former member of Bulgarian parliament is a newly confirmed commentator of session 3: "**Migration Flows: Between Economic Needs and Social Fears.**"

Media patrons

WirtschaftsBlatt, the German-language newspaper addressed to economic decision makers and opinion leaders became an official conference media partner. WirtschaftsBlatt provides readers with current information on domestic and foreign economic affairs. Two renowned Ukrainian magazines became media partners of the conference as well: **Investgazeta** and **Expert**. The fourth media partner of the conference is Euractiv.com, an independent media portal dedicated to EU affairs.



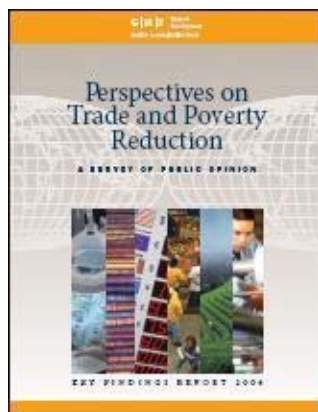
Registration for media

Media representatives interested in participating in the conference can register online at:

<http://aries.case.com.pl/media/>

The media desk officer will contact you to confirm your accreditation and provide you with the conference press kit. For further information, please contact Ms. Paulina Szyrmer at: paulina.szyrmer@case.com.pl

2006 GMF Trade Survey *Perspectives on Trade and Poverty Reduction*



Despite uncertainty over the future of the Doha Round of World Trade Organization talks, a survey released on December 5, 2006 shows that most Americans and Europeans support the lowering of tariffs and other trade barriers. The German Marshall Fund of the United States' *Perspectives on Trade and Poverty Reduction*, in its third year, shows that most Americans and Europeans also appreciate the economic benefits of freer trade and believe it contributes to democracy, global stability, and prosperity. Compared to 2005, views on globalization are more favorable in every country surveyed, and majorities in each favor foreign

companies investing in their markets. However, when asked about the impact of freer trade on jobs and businesses, support for trade weakens. Many Americans and Europeans expressed anxiety over import dependency, and most see China's economy as a threat. A project of GMF's Economics Policy Program, *Perspectives on Trade and Poverty Reduction* is a survey of transatlantic public opinion on international trade, economic development, and poverty reduction. Conducted in France, Germany, Italy, Poland, Slovakia, the United Kingdom, and the United States, it also explores views on agricultural subsidies, development aid, and how governments can improve country competitiveness.

The survey can be download from: <http://www.gmfus.org/trade/research/survey.cfm>

German Marshall Fund of the United States is one of the conference sponsors and the patron of session 4: "Is Aid Needed in a World of Free Trade?" The German Marshall Fund of the United States (GMF) is a nonpartisan American public policy and grantmaking institution dedicated to promoting greater cooperation and understanding between the United States and Europe.



Jonathan White, a Program Officer at the German Marshall Fund of the United States will present the results of the 2006 GMF Trade Survey. His presentation entitled "**American and European Perspectives on Trade and Development: How Do We Feel About Living in an Interdependent World?**" followed by a Q&A session will be held on March 23 (Friday) at 17:30.

Links to conference papers and background materials

Session 1. The Asian Challenge to Europe: Growth Performance and Changing Trade Patterns

Anders Aslund, [How Can the EU Emulate the Positive Features of the East Asian Model?](#)

Susan Schadler, [Growth in the Central and Eastern European Countries of the European Union](#)

Session 2. Global Imbalances: Sources, Sustainability, and Policy Responses

Marek Dabrowski, [Rethinking balance-of-payments constraints in a globalized world](#)

Gian Maria Milesi-Feretti, background papers related to conference presentation:

1. [Europe and Imbalances](#)
2. [A Global Perspective on External Positions](#)
3. [Appendix 1.2 in the September 2005 WE](#)
4. [A follow-up BOX in the Spring 2006 WEO](#)

Daniel Gros, background papers related to the conference presentation:

1. [A World Out of Balance? Special report of the CEPS Macroeconomic Policy Group](#)
2. [Foreign Investment in the US \(I\): Disappearing in a black hole?](#)
3. [Foreign Investment in the US \(II\): Being taken to the cleaners?](#)

Session 5. Governance and Economic Development

Paul G. Hare, [The Political Economy of Growth and Governance](#)

Jacek Rostowski, [The Wig and the Pith Helmet - the Impact of "Legal School" versus Colonial Institutions on Economic Performance](#)

Jan Svejnar, Simon Commander, [Do Institutions, Ownership, Exporting and Competition Explain Firm Performance? Evidence from 26 Transition Countries.](#)

Day 1

Conference Sessions

Session 1:

23 March, 9:00

The Asian Challenge to Europe: Growth Performance and Changing Trade Patterns

The rapidly growing economies of China, India and other Asian countries are changing the economic map of the world, while many European economies and Japan have experienced slow growth for more than a decade. This session will: (1) discuss the causes of growth differences across countries in light of modern growth theories and (2) analyze their potential impact on the pattern of world and Eurasian trade and development. Rapidly growing Asian exports are putting pressure on many traditional industries, not only in Europe and the US, but also in middle- and low-income countries. On the other hand, the increasing size of Asian domestic markets is becoming an important source of global demand. How serious is the Asian challenge to Europe and the US, and how can they adjust to this challenge?

Session 2:

23 March, 12:00

Global Imbalances: Sources, Sustainability and Policy Responses

The last ten years the US current account deficit has grown to a record level, which is matched by large and increasing current account surpluses in many East Asian and oil producing countries. Several other groups of countries, such as the Anglo-Saxon OECD members and the new EU member states, have also become persistent net importers of savings. Are these saving-investment imbalances caused by increasing global capital mobility or the macroeconomic policies of particular countries? Are we witnessing a "global savings glut" or a "global liquidity glut"? Can these imbalances be sustained indefinitely? If not, what can be done to correct them?

Session 3:

23 March, 15:00

Migration Flows: Between Economic Needs and Social Fears

Population aging in Europe, which is particularly acute in the East, puts serious pressure on public finances and may undermine productivity growth in the long term. Migration from countries and regions with surplus labor may be an economic solution. However, the increasing economic demand for imported labor in Europe goes hand-in-hand with increasing opposition to immigration in many European societies, based on social and cultural fears. The session will discuss the economic benefits of the free movement of people and migration, the geographic origins of migratory flows to Europe, and policies which can simultaneously address economic needs and social fears.

23 March, 17:30

GMF Trade Survey:

American and European Perspectives on Trade and Development: How Do We Feel About Living in an Interdependent World?

Jonathan White, German Marshall Fund of the United States

Day 2

Conference Sessions

Session 4 sponsored by the German Marshall Fund

24 March, 8:30

Is Aid Needed in a World of Free Trade?

The income gap between developed and developing countries is not disappearing in spite of a number of spectacular development successes over the last few decades (mostly in East Asia). The number of people living in deep poverty is still very large and certain countries and regions are caught in an “underdevelopment trap”. The question of optimal development aid strategies has been a subject of heated economic and political debate for many decades. This session will discuss the role and effectiveness of various aid strategies and instruments: creating market access for developing countries’ goods and services (trade liberalization), financial aid, and technical assistance involving various kinds of policy and institutional transfers. Within the technical assistance strategy, issues related to the country ownership of imported reforms, its institutional absorption capacity and incentives will be discussed.

24 March, 10:50

Keynote address: The Economic Development of Africa

Alan Gelb, World Bank

Session 5:

24 March, 12:00

Governance and Economic Development

A major reason why countries fail to develop economically is the weakness of their institutions. In many less developed countries such weakness may affect institutions ranging from the broader judiciary and the legal systems to the banking and monetary systems. This session will concentrate on the decisive role that political institutions, public administration, judiciary and legal systems play in accelerating or hindering economic development. Special attention will be paid to the role of democracy, political pluralism and civil liberties in building a competitive market economy.

Session 6:

24 March, 15:00

The European Union and its Near Abroad

The experience of the consecutive EU enlargements (including future ones) shows that European integration is an attractive opportunity for less developed countries in Europe. The prospect of EU membership has become a powerful incentive to intensify both democratic and market reforms, as originally demonstrated in the Mediterranean region, then Central Europe and the Baltic states, and more recently in the Balkan region and Turkey. However, “enlargement fatigue” is surfacing among the incumbent EU members, particularly in Western Europe. What will be effects of slowing down or halting further EU enlargement projects on the stability and prosperity of the European periphery? How attractive is the prospect of EU membership for countries located far from the economic and cultural core of Europe? Are other attractive integration alternatives available? Can the European Neighborhood Policy, which covers a very heterogeneous group of countries, serve as an effective substitute for actual EU membership?

24 March, 17:20

Keynote address: The Challenges and Risks of Globalization

Martin Wolf, Financial Times

Day 1. Friday, March 23

8:00 Registration
8:50 Opening Remarks
Marek Dąbrowski
Chairman of the CASE Supervisory Council
Chairman of the Supervisory Board of CASE Ukraine
Jock Mendoza-Wilson
Director of International and Investors Relations
System Capital Management

9:00 Session 1: The Asian Challenge to Europe: Growth Performance and Changing Trade Patterns

Chairman:

Lucjan Orlowski, Professor of Economics and International Finance, Sacred Heart University
Member of the CASE Advisory Council

Speakers:

Anders Aslund, Senior Fellow
Peterson Institute for International Economics

Susan Schadler

Deputy Director of the European Department,
International Monetary Fund (IMF)

Wing Thye Woo

Senior Fellow, The Brookings Institution

Commentators:

Jean Pisani-Ferry

Director, Brussels European and Global Economic
Laboratory (Bruegel)

Wei Zhang

University Lecturer, University of Cambridge

11:30 Morning Coffee

12:00 Session 2: Global Imbalances: Sources, Sustainability, and Policy Responses

Chairman: **Sergey Drobyshevsky**, Director of the
Department for Macroeconomics and Finance
Institute for the Economy in Transition (IET)

Speakers:

Daniel Gros

Director, Centre for European Policy Studies (CEPS)

Jürgen von Hagen, Professor of Economics

University of Bonn, Indiana University, and CEPR

Gian Maria Milesi-Ferretti

Division Chief, International Monetary Fund (IMF)

Commentators:

George Kopits

Member of the Monetary Council,
National Bank of Hungary

Marek Dąbrowski

Chairman of the CASE Supervisory Council and Chairman
of the Supervisory Board of CASE Ukraine

Ray Barell, Senior Research Fellow, National Institute of
Economics and Social Research

14:00 Lunch

15:00 Session 3: Migration Flows: Between Economic Needs and Social Fears

Chairman: **Roman Mogilevsky**, Executive Director
Center for Social and Economic Research
CASE-Kyrgyzstan

Speakers:

Sebastien Jean, Research Director
INRA, UMR INRA-AgroParisTech Economie Publique

Jacob von Weizsacker

Research Fellow, Brussels European and Global
Economic Laboratory (Bruegel)

Commentators:

Georges de Menil, Professor of Economics, Ecole des
Hautes Etudes en Sciences Sociales

Krassen Stanchev, Executive Director, Institute for
Market Economies

Matthias Lücke, Senior Economist, Kiel Institute for the
World Economy

17:00 Afternoon Tea

17:30 GMF Trade Survey: American and European Perspectives on Trade and Development: How Do We Feel About Living in an Interdependent World?

Jonathan White, Program Officer, The German Marshall
Fund of the United States

19.30 CASE 15th Anniversary Dinner

Keynote address:

Oleksandr Savchenko, "Ukraine and Global Economy"

Day 2. Saturday, March 24

8:30 Session 4 sponsored by the German Marshall Fund: Is Aid Needed in a World of Free Trade?

Chairman:

Kalman Mizsei, EU Special representative for Moldova
and Visiting Professor at the Central European University

Speakers:

Refik Erzan

Professor of Economics, Director, Center for Economics
and Econometrics, Bogazici University, Istanbul

Paolo Garonna & Abdur Chowdhury

Joint paper of P. Garonna (Deputy Executive Secretary)
and A. Chowdhury (Director, Technical Cooperation Unit)
United Nations Economic Commission for Europe

Commentators:

Chia Siow Yue, Senior Research Fellow,
Singapore Institute of International Affairs

Keun Lee

Professor of Economics, Seoul National University

Stephen P. Groff

Deputy Vice President, Department of Operations
Millennium Challenge Corporation

10.50 Keynote address:

Alan Gelb, "The Economic Development of Africa"

11:30 Morning Coffee

12:00 Session 5: Governance and Economic Development

Chairwoman: **Irina Akimova**, Director, Bureau for
Economic and Social Technologies (BEST)

Speakers:

Leszek Balcerowicz

Former President of the National Bank of Poland
Paul G. Hare

Professor of Economics, Heriot-Watt University
Jan Svejnar

Professor of Economics, Business Administration
and Public Policy, University of Michigan

Commentators:

Leonid Polishchuk

Associate Director, IRIS Centre

Jacek Rostowski

Professor of Economics, Central European University in
Budapest, Member of the CASE Supervisory Council

14:00 Lunch

15:00 Session 6: The European Union and Its Near Abroad

Chairman: **Wojciech Paczynski**, Senior Fellow
Center for Social and Economic Research (CASE)

Speakers:

Michael Emerson

Associate Senior Research Fellow
Centre for European Policy Studies (CEPS)

Lucio Vinhas de Souza

Head of the Russia/Belarus Desk
DG-ECFIN, European Commission

Commentators:

Boris Nemtsov

Former First Deputy Prime Minister
of the Russian Federation

Samir Radwan

Ex Managing Director, Economic Research Forum
Milica Uvalic

Professor of Economics, University of Perugia

17:00 Afternoon Tea

17:20 Keynote address

Martin Wolf, "The Challenges and Risks of Globalization"

18:00 Closing Remarks

The conference program is still subject to
minor changes. The final program will be
sent to participants as soon as all invited
speakers confirm their participation.

Practical Information

Dates: 23-24 March 2007

Location: Kyiv, Ukraine

Information about Kyiv at:

<http://kievukraine.info/> and <http://www.go2kyiv.com/>

Venue: Hotel President, 12, Hospitalna street, Kyiv, 01023, Ukraine

Link: <http://www.president-hotel.com.ua/en/conferencecenter>

Participants: 200 attendees mostly from Europe, Asia, the Middle East and North America

Accommodation: Hotel Rus is offering a special rate to conference participants. Single standard room: \$115 USD, Single superior room: \$130 USD. The hotel is located in the very heart of Kiev, within walking distance from Khreschatik Street.

If you would like to take advantage of the special rates offered by Hotel Rus, then please fill out the appropriate section of the conference registration form (To register go to: <http://aries.case.com.pl/register/>). Be sure to indicate the dates of your stay and room preference. You do not need to contact the hotel independently. We will send you a confirmation email as soon as we receive your completed registration and full payment. More information about the Hotel Rus can be found here <http://www.hotelrus.kiev.ua/>

Language & Documentation: The conference will be held in English.

First conference documents have been already made available on the website: www.case.com.pl

Conference Fee: \$200

The fee covers attendance at all sessions, conference materials, lunch and coffee breaks.

Two ways to pay:

1. by PayPal

Please go to the website: <http://www.case.com.pl>

2. by banking transfer

Please follow instructions below:

Payment in US dollars should be made by bank transfer to:

Beneficiary:

CASE - Centrum Analiz Społeczno-Ekonomicznych - Fundacja Naukowa
ul. Sienkiewicza 12, 00-944 Warszawa, Polska

Beneficiary's Bank: BRE Bank SA, Oddział Regionalny Warszawy

ul. Królewska 14, 00-950 Warszawa, Polska

SWIFT Code: BREXPLPW

IBAN: PL28 1140 1010 0000 2230 6600 1019

Please be sure to indicate your name and reference title (WINDS OF CHANGE) on the money transfer to ensure efficient money handling.

Visa requirements to Ukraine:

A list of countries that do not require a visa for Ukraine is available at the [Boryspil Airport website](#):

If you need a visa, please see the Go2Kiev City Guide and check with appropriate [Embassy of Ukraine](#) or contact the conference manager, Ms. Lena Kozarzewska at kyiv2007@case.com.pl tel. (+48 22) 622 66 27, fax: (+48 22) 828 60 69.



Conference Venue: The brand new conference hall at the Hotel President will be used for the conference proceedings on March 23-24. Located 200 meters from the Hotel Rus, where delegates are offered attractive discounts, the new conference centre is well equipped, and offers a friendly designed space for coffee breaks and informal meetings.

Social Programme

Invitation to CASE 15th Anniversary Dinner

CASE President, Ewa Balcerowicz would like to extend an invitation to the conference participants to attend a dinner in honour of the 15th Anniversary of CASE.

Oleksandr Savchenko, Deputy Governor of the National Bank of Ukraine will be giving the keynote speech on "Ukraine and Global Economy."

The dinner will take place on March 23rd at 7.30 pm. Participation is free of charge. Invitations will be provided to delegates at the reception desk on the first day of the conference.

Registration form

Fifth International CASE Conference
Winds of Change: The Impact of Globalization on Europe and Asia
Kyiv, Ukraine
23 & 24 March 2007

Two ways to register

1

Book online at www.case.com.pl
<http://aries.case.com.pl/register/>

2

Fax bookings direct to CASE
+48 22 828 60 69

1. First name: _____ 2. Last name: _____
3. Institution: _____ 4. Position: _____
5. Street address: _____
6. ZIP/Postal code: _____ 7. City: _____ 8. Country: _____
9. Phone: _____ 10. Fax: _____ 11. Mobile phone: _____
12. Citizenship _____ 13. E-mail: _____
14. I am interested in special conference rates at the Hotel Rus for the CASE conference participants:
a) Yes _____ Single standard room – 115 USD _____
Single superior room – 130 USD _____
b) No _____
15. Travel details: Arrival date: _____ March 2007 Departure date: _____ March 2007
16. Please specify any special needs you have (wheelchair accessibility, etc.):

17. I need a visa: _____ Yes _____ No 18. My passport No _____ issued _____ (date)

Signature

Conference fee (including conference materials, coffee and lunch breaks) is \$200.

A registration will not be processed until full payment is received. Two ways to pay:

1. by PayPal

Please go to CASE website: http://www.case.com.pl/strona--ID-winds_register.nlang-710.html

2. by banking transfer

Payment details: Payment in US dollars should be made by bank transfer to:
Beneficiary: CASE - Centrum Analiz Społeczno-Ekonomicznych - Fundacja Naukowa
ul. Sienkiewicza 12, 00-944 Warszawa, Polska
Beneficiary's Bank: BRE Bank SA, Oddział Regionalny Warszawa
ul. Krolewska 14, 00-950 Warszawa, Polska
SWIFT Code: BREXPLPW IBAN: PL28 1140 1010 0000 2230 6600 1019

Please indicate your name and reference title (WINDS OF CHANGE) on money transfer to ensure efficient money handling.

For further information please contact conference secretariat kiev2007@case.com.pl, (+48 22) 622 66 27



The Power to Make a Difference.

System Capital Management is one of Ukraine's leading companies. We employ more than 160,000 people in businesses that range from mining and metals through to energy, finance and telecommunications. Since 2000 we have built a business that is now a major contributor to the country's GDP. And we are not stopping there. We have the power, commitment and muscle to take Ukraine to the heart of Europe.



HEAVY INDUSTRIES, RAW MATERIALS, ENERGY,
BANKING, INSURANCE *and much more...*