



## Hong Kong's Currency Board at 25

Institute for Historical Research

London, 21 October 2008

In October 1983, in a dramatic response to currency instability, the Hong Kong government restored the currency board system that had operated from 1935-1973. This year marks the 25<sup>th</sup> anniversary of this event and provides an opportunity to reflect on the currency board's performance and on its future prospects. Hong Kong SAR is now highly unusual as a large and sophisticated economy with international financial centre status running a currency board system that pegs the Hong Kong Dollar to the US Dollar. While usually credited with providing stability and prosperity for Hong Kong, the system faces new challenges from the recent depreciation of the US Dollar and the growing flexibility of the Renminbi since 2005.

To commemorate the anniversary a one-day conference will be held on **21 October 2008** at the Institute of Historical Research, London, sponsored by the ESRC World Economy and Finance Programme, the Economic History Society and the Institute for Monetary and Financial Stability, Goethe University, Frankfurt am Main.

Attendance is free of charge, but for catering purposes please indicate your intention to attend by e-mail to one of the addresses below:

Professor Stefan Gerlach ([stefan.gerlach@wiwi.uni-frankfurt.de](mailto:stefan.gerlach@wiwi.uni-frankfurt.de))

Professor Catherine Schenk ([c.schenk@socsci.gla.ac.uk](mailto:c.schenk@socsci.gla.ac.uk))

Wolfson Room  
Institute of Historical Research  
University of London  
Senate House  
Malet Street  
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# Programme

## **09:30 Registration and Coffee**

10:00 Session 1

Catherine R. Schenk (University of Glasgow)  
The Evolution of the Hong Kong Currency Board and its restoration in 1983

Stefan Gerlach (IMFS, University of Frankfurt)  
The Operation of the Hong Kong Currency Board: an overview

## **11:15-11:30 Coffee**

11:30-13:00 Session 2

Chun-Yu Ho (Georgia Institute of Technology) and Wai-Yip Alex Ho (Boston University)

On the sustainability of currency boards: evidence from Argentina and Hong Kong

*Comments:* Michael Chui, Bank for International Settlements

Cho-Hoi Hui (Hong Kong Monetary Authority) and Hans Genberg (Hong Kong Monetary Authority)

The credibility of The Link from the perspective of modern financial theory

*Comments:* Charles Goodhart, London School of Economics

## **1-2:30 Buffet Lunch**

## **2:30-4:30 Structured Roundtable on the Events of 1983**

Chair: Leo Goodstadt  
(Chief Policy Adviser to Hong Kong Government 1989-1997, Adjunct Professor Trinity College, Dublin)

Tony Latter  
(Deputy Secretary for Monetary Affairs Hong Kong 1982-1985, Deputy Chief Executive of the Hong Kong Monetary Authority 1999-2003)

Charles Goodhart  
(Chief Adviser Bank of England 1980-85, Member of Advisory Committee, Hong Kong Exchange Fund 1990-97, external member of Bank of England Monetary Policy Committee 1997-2000, Emeritus Professor and Member of Financial Markets Group, London School of Economics)

John Greenwood  
(Publisher of Asia Monetary Monitor 1976-1996, economic adviser to Hong Kong Government 1992-3, Chief Economist INVESCO)