

Introductory Comments by Mr. Guffey

Hello. I am Roger Guffey, the president of the Federal Reserve Bank of Kansas City. I want to welcome all of you to this, our eighth, symposium on a major public policy issue.

The subject of this year's symposium is "The U.S. Dollar-- Recent Developments, Outlook, and Policy Options." The strength of the dollar in the 1980s has been both beneficial and harmful: it helped to keep our inflation rate low, but it also led to major imbalances in the economy. However, many have questioned whether the strength of the dollar could be sustained. If the strength of the dollar is not sustainable, when, and by how much, would the dollar fall? Finally, what is the appropriate course for monetary policy in these circumstances? To help us answer these questions, we have brought together leading authorities to discuss these, and other issues, related to the recent behavior of the dollar.

I, and I'm sure my Federal Reserve colleagues, welcome the opportunity to draw on the expertise of leading economists such as those on the program. We also appreciate the views of those of you in the private sector, who must grapple on a day-to-day basis with the vagaries of the dollar. And we are particularly gratified that Dr. Emminger will provide a central bankers' perspective on the international role of the dollar.

In sum, I welcome you all to our symposium and hope you find the discussions here during the sessions as stimulating as you find the Grand Tetons after the sessions.