



**BANK OF ENGLAND
CENTRE FOR CENTRAL BANKING STUDIES**

**Bank of England/Cornell University Workshop
on New Developments in Monetary Policy in
Emerging Economies**

17 - 18 July 2007

**Event Directors: Dr Mario I. Blejer, Ms Gill Hammond,
Prof Ravi Kanbur, Prof Eswar Prasad
Event Administrator: Ms Lisa Burrell**

Website: www.bankofengland.co.uk/education/ccbs

**Bank of England
Threadneedle Street
London
EC2R 8AH**

Day 1 - Tuesday 17th July Morning

09:00 - 09:30

Introduction and welcome

Dr Mario I. Blejer, Director, CCBS, Bank of England
Prof Ravi Kanbur, T.H. Lee Professor of World Affairs, International Professor of Applied Economics and Management and Professor of Economics, Cornell University

Session 1: Monetary and fiscal policy

Chair: Mr Charlie Bean, Chief Economist, Bank of England

09:30 - 09:55

The right mix of fiscal and monetary policy for minimizing potential macroeconomic problems stemming from large, volatile aid flows

Prof Edward Buffie, Professor of Economics, Indiana University

09:55 - 10:20

Fiscal/monetary policy mix in the inflation targeting context: The South African experience

Prof Brian Kahn, South African Reserve Bank

10:20 - 10:50

Round table discussion

10:50 - 11:20

Break

Session 2: Monetary policy issues in Asia

Chair: Prof Eswar Prasad, Professor of the Department of Applied Economics and Management, Cornell University

11:20 - 11:45

Monetary policy and financial stability

Dr Bandid Nijathaworn, Deputy Governor, Bank of Thailand

11:45 - 12:10

Monetary policy and financial stability; the experience of selected Asian countries

Dr Sukhdave Singh, Central Bank of Malaysia

12:10 - 12:40

Round table discussion

12:40 - 14:00

Lunch

Day 1 - Tuesday 17th July Afternoon

Session 3: Inflation targeting in emerging economies

Chair: Ms Gill Hammond, Deputy Director, CCBS

- 14:00 - 14:25 **Defining inflation targets, the policy horizon and the output - inflation trade-off**
Mr Jose De Gregorio, Central Bank of Chile
- 14:25 - 14:50 **Inflation targeting in the Czech Republic**
Dr Ludek Niedermayer, Deputy Governor, Czech National Bank
- 14:50 - 15:15 **Inflation targeting in Brazil**
Mrs Daniela Silva Pires, Central Bank of Brazil
- 15:15 - 15:40 **Transparency, credibility and predictability of monetary policy under inflation targeting in South Africa**
Dr Janine Aron, Researcher, Department of Economics, University of Oxford
- 15:40 - 16:10 **Round table discussion**
- 16:10 - 16:40 **Break**

Session 4: Exchange rate policy issues

Chair: Prof Tim Besley, External MPC Member, Bank of England

- 16:40 - 17:05 **Fear of floating in reverse: Exchange rate and monetary policies in the 2000s**
Prof Eduardo Levy Yeyati, Financial Sector Advisor, Latin American and the Caribbean Region, The World Bank and Di Tella University, Buenos Aires
- 17:05 - 17:30 **Exchange rate policy issues in East Asia**
Prof Marvin Goodfriend, Professor of Economics, Tepper School of Business, Carnegie Mellon University
- 17:30 - 18:00 **Round table discussion**
- 18:00 - 20:30 **Dinner at Restaurant Sauterelle at the Royal Exchange**

Session 5: Monetary policy in emerging economies

Chair: Dr Ibrahim Stevens, Adviser, CCBS

- 09:00 - 09:25 **The monetary and fiscal policy mix in Serbia**
Mrs Diana Dragutinovic, Vice Governor, Monetary Policy/Statistics/Research departments, National Bank of Serbia
- 09:25 - 09:50 **Policy rules for emerging markets**
Dr Gianluca Benigno, London School of Economics
- 09:50 - 10:20 **Round table discussion**
- 10:20 - 10:50 **Break**

Session 6: Transmission mechanism of monetary policy

Chair: Mr Peter Westaway, Head of Monetary Instruments and Markets, Bank of England

- 10:50 - 11:15 **The role of monetary aggregates in policy making**
Prof Charles Goodhart, Financial Markets Group, London School of Economics
- 11:15 - 11:40 **Measuring asymmetries in monetary transmission**
Prof David Fielding, Head of Economics, University of Otago
- 11:40 - 12:05 **Monetary transmission mechanism in transition economies**
Mr Gyorgy Szapary, Former Deputy Governor of the National Bank of Hungary
- 12:05 - 12:35 **Round table discussion**
- 12:35 - 14:00 **Lunch in first floor dining room.**
Hosted by Mario I. Blejer, Director, CCBS

Session 7: Monetary policy in Africa

*Chair: Prof Ravi Kanbur, T.H. Lee Professor of World Affairs,
International Professor of Applied Economics and Management,
Professor of Economics, Cornell University*

14:00 - 14:25

Robust monetary policy rules for African economies

*Dr Christopher Adam, Reader in Development Economics,
University of Oxford*

14:25 - 14:50

Inflation management in Ghana - The output factor

Dr Nii Sowa, MPC Member, Bank of Ghana

14:50 - 15:20

Break

15:20 - 15:45

Monetary policy in Zambia: Experience and challenges

*Dr Denny H Kalyalya, Deputy Governor - Operations, Bank of
Zambia*

15:45 - 16:15

Round table discussion

16:15 - 16:45

Closing Remarks

List of event directors

Dr Mario I. Blejer	Director, CCBS Bank of England	mario.blejer@bankofengland.co.uk
Ms Gill Hammond	Deputy Director, CCBS Bank of England	gill.hammond@bankofengland.co.uk
Prof Ravi Kanbur	T.H. Lee Professor of World Affairs, International Professor of Applied Economics and Management, Professor of Economics, Cornell University	sk145@cornell.edu
Prof Eswar Prasad	Professor of the Department of Applied Economics and Management, Cornell University	eswar.prasad@cornell.edu

List of participants

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The Centre for Central Banking Studies (CCBS)

The CCBS provides an extensive programme of events for central bankers from all over the world. These cover many of the analytical and technical areas of central banking from a practitioner's perspective. Speakers are experts in their field from the Bank of England, the London financial markets, academia and of course the participants themselves.

The seminars and other events are mostly aimed at experienced central bank personnel, who already have expertise in the subject. Participants are often asked to prepare papers beforehand and to give presentations to their course colleagues. This facilitates the sharing of diverse experiences, and contributes to the participative nature of these events, which typically study the different approaches used by central banks around the world. Most seminars include syndicate work and discussions.

Mario I Blejer - Director

Gill Hammond - Deputy Director

Céline Gondat-Larralde - Adviser, Financial Stability

Simon Gray - Adviser, Market Operations

Kevin James - Adviser, Financial Stability

Susan Milton - Advisor, Governance, Organisational Risk Management and Auditing

Ole Rummel - Adviser, Econometric Modelling, Financial Stability and Markets

Ibrahim Stevens - Adviser, Econometrics, Modelling, Forecasting and Financial Stability

Francesco Zanetti - Adviser, Econometrics, Modelling and Forecasting