

CURRENCIES, CAPITAL, AND CENTRAL BANK BALANCES: A POLICY CONFERENCE

May 4, 2018

Hauck Auditorium, David & Joan Traitel Building, Hoover Institution, Stanford University

Background Two related issues pervade discussions of monetary policy at individual central banks and reform of the international monetary and financial system: (1) The volatility of capital flows and exchange rates, and (2) The use of balance sheet policy by central banks. The key issues are whether capital flow management is appropriate to deal with volatility and whether the central bank balance sheet should be reduced to a level where interest rates are market-determined. The issues are related because of the large effect of balance sheet operations on exchange rates and capital flows. The aim of the policy conference is to examine relevant research developments and debate the policy options. The conference consists of five formal presentations, three policy panels, and in-depth discussions.

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| 7:45 AM | CONTINENTAL BREAKFAST |
| 8:15 AM | International Rules of the Monetary Game
Chair: John Cochrane, Hoover Institution, Stanford University
Presenter: Raghu Rajan, University of Chicago and former
Governor Reserve Bank of India
Lead Discussant: Thomas Sargent, Hoover Institution and
New York University |
| 9:15 AM | Break |
| 9:30 AM | Banking, Trade and the Making of the Dominant Currency
Chair: Juliane Begenau, GSB, Stanford University
Presenter: Gita Gopinath, Harvard University
Lead Discussant: Adrien Auclert, Stanford University |
| 10:30 AM | Break |
| 10:45 AM | Panel on “Capital Flows, the IMF’s Institutional View and Alternatives”
Chair: George Shultz, Hoover Institution, Stanford University
Panelists:
Jonathan Ostry, International Monetary Fund
Sebastian Edwards, University of California, Los Angeles
John Taylor, Hoover Institution, Stanford University |
| 12:00-1:15 PM | LUNCH
Remarks: John C. Williams, President, Federal Reserve Bank of
San Francisco |

AGENDA



- 1:15 PM **Payments, Credit and Asset Prices**
Chair: Michael Bordo, Hoover Institution and Rutgers University
Presenter: Martin Schneider, Stanford University
Lead Discussant: Oleg Itskhoki, Princeton University
- 2:15 PM Break
- 2:30 PM **Financial Stability, Regulations and the Balance Sheet**
Chair: John Taylor, Hoover Institution, Stanford University
Presenter: Randal Quarles, Vice Chair, Federal Reserve Board
Lead Discussant: Paul Tucker, Harvard University and former
Deputy Governor Bank of England
- 3:30 PM Break
- 3:45 PM **Panel on “The Future of the Central Bank Balance Sheet”**
Chair: Kevin Warsh, Hoover Institution, Stanford University
Panelists:
Lorie Logan, Federal Reserve Bank of New York
Peter Fisher, Dartmouth College
Mickey Levy, Berenberg Capital Markets
William Nelson, The Clearing House
- 5:00 PM **Panel on “Monetary Policy and Reform in Practice”**
Chair: Charles Plosser, Hoover Institution, Stanford University
Panelists:
Raphael Bostic, President, Federal Reserve Bank of Atlanta
Esther George, President, Federal Reserve Bank of Kansas City
Robert Kaplan, President, Federal Reserve Bank of Dallas
- 6:15 PM **ADJOURN**
- 6:30 PM **RECEPTION AND DINNER**
Preview on Next Steps in Macro Model Comparisons
Volker Wieland, Goethe University Frankfurt, Member of the
German Council of Economic Experts