Summer Symposium for Central Bank Researchers
24-28 June 2002

The objective of this symposium is to bring together different Central Banks’ researchers to discuss issues that are particularly relevant to central banks. In 2002, the selected topics are financial crises and exchange rate regimes.

Organizing Committee:
Philippe Bacchetta, Study Center Gerzensee and University of Lausanne
Stephen Cecchetti, Ohio State University
Georg Rich, University of Berne

Programme

(* = presenter)

Monday, June 24

Chair: Philippe Bacchetta (Study Center Gerzensee and University of Lausanne)

08.45-10.00 Financial Restructuring in Banking and Corporate Sector Crises: What Policies to Pursue? Stijn Claessens* (University of Amsterdam and World Bank), Daniela Klingebiel and Luc Laeven

10.30-11.45 Monetary Policy and Fears of Financial Instability Vincent Brousseau and Carsten Detken* (European Central Bank)

Chair: Georg Rich (University of Berne)

20.00-21.30 Wheathering Financial Crises (Short Presentations)

The Philippine Peso in the Context of the 1997 Asian Financial Crises
Regina Tabayoyong Yu (Central Bank of the Philippines)

Financial Sector Reforms in India since 1991
Charan Singh (Reserve Bank of India)

Tuesday, June 25

Chair: Alexandre Swoboda (Graduate Institute of International Studies)

08.30-09.45 A Theory of the Currency Denomination of International Trade
Philippe Bacchetta* (Study Center Gerzensee and Université de Lausanne) and Eric van Wincoop (University of Virginia)

10.15-11.30 Why Is Inflation So Low After Large Devaluations?
Ariel Burstein, Martin Eichenbaum, and Sergio Rebelo* (Northwestern University)

On the Fiscal Implications of Twin Crises
Craig Burnside (The World Bank), Martina Eichenbaum, and Sergio Rebelo* (Northwestern University)

18.30 Dinner and Speech
Conducting Research in Central Banks
Stephen Cecchetti (Ohio State University)

20.00-21.00 Macroeconomic Coordination and Inflation Targeting in a Two-Country Model
Eui Jung Chang, Marcelo Kfoury Muinhos* (Central Bank of Brazil), and Joanilho Rodolpho Teixeira (CEPREMAP, Paris)

Wednesday, June 26

Chair: Harris Dellas (University of Berne)

08.30-09.45 Commodity Currencies and Empirical Exchange Rate Puzzles
Kenneth Rogoff (IMF) and Yu-chin Chen* (Harvard University)

10.15-11.30 Understanding Reserve Volatility in Emerging Markets: A Look at the Last Thirty Years
Andreas Fischer* (Swiss National Bank) and Riccarda Demarmels (Swiss National Bank and University of St. Gallen)
Afternoon  

**Excursion to Bernes Alps**  
(the excursion will take place between Tuesday and Thursday depending on the weather)

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**Thursday, June 27**

*Chair: Ernst Baltensperger (University of Berne)*

**08.30-09.45**  
**Self-Validating Optimum Currency Area**  
Giancarlo Corsetti* (Yale University and University of Rome) and Paolo Pesenti (Federal Reserve Bank of New York)

**10.15-11.30**  
**Asset Prices, Financial and Monetary Stability: Exploring the Nexus**  
Claudio Borio* and Philip Lowe (BIS)

**13.30-14.30**  
**Tail Wags Dog? Time-Varying Information Shares in the Bond Market**  
Christian Upper* and Thomas Werner (Deutsche Bundesbank)

*Chair: Georg Rich (University of Berne)*

**20.00-21.30**  
**The Choice of Exchange Rate Regime** (Short Presentations)

**Optimal Exchange Rate Policy: The Case of Iceland**  
Mar Gudmundsson*, Thórarinn G. Pétursson and Arnór Sighvatsson (Central Bank of Iceland)

**Anchor Currency for Bosnia And Herzegovina: Experiences and Prospects**  
Damir Cosic (Central Bank of Bosnia & Herzegovina)

*“Fear of Floating”. Is it Justified in the Case of Primary Commodities Dependent Country?*  
Oleg Smolyakov (National Bank of Kazakhstan)

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**Friday, June 28**

*Chair: Stephen Cecchetti (Ohio State University)*

**08.30-09.45**  
**The Behavior of the Nominal Exchange Rate at the Beginning of Disinflations**  
Peter Benczur* (National Bank of Hungary and Central European University), Andras Simon, and Viktor Varpalotai (National Bank of Hungary)

**10.15-11.30**  
**The Effect of Common Currencies on International Trade: A Meta-Analysis**  
Andrew Rose (University of California at Berkeley)