

First Annual Workshop on the Macroeconomics of Global Interdependence

Sponsored by IMF and Study Center Gerzensee

3-4 March 2006

Study Center Gerzensee

Programme

Friday, 3 March

- 09.00-10.00 **An Equilibrium Model of “Global Imbalances” and Low Interest Rates**
Ricardo Caballero (MIT)
Emmanuel Farhi (MIT)
*Pierre-Olivier Gourinchas (University of California, Berkeley and CEPR)
- Discussant: Jaume Ventura (CREI - Universitat Pompeu Fabra and CEPR)
- 10.00-11.00 **Current Account Adjustment With High Financial Integration: A Scenario Analysis**
Michele Cavallo (Federal Reserve Bank of San Francisco)
*Cédric Tille (Federal Reserve Bank of New York and University of Geneva - HEI)
- Discussant: Hélène Rey (Princeton University and CEPR)
- 11.00-11.30 Coffee Break

- 11:30-12:30 **The External Wealth of Nations Mark II: Revised and Extended Estimates of Foreign Assets and Liabilities, 1970-2004**
Philip R. Lane Institute for International Integration Studies (IIS), Trinity College Dublin and CEPR)
*Gian Maria Milesi-Ferretti (International Monetary Fund and CEPR)
- Discussant: Jean Imbs (University of Lausanne and CEPR)
- 12:30-14:15 Lunch
- 14:15-15:00 **The Macroeconomic Implications of Financial Globalization: A Reappraisal and Synthesis**
M. Ayhan Kose (IMF)
*Eswar Prasad (IMF)
Kenneth Rogoff (Harvard University and IMF)
Shang-Jin Wei (Harvard University, IMF, The Brookings Institute and CEPR)
- 15:00-16:00 **Adjusting to Capital Liberalization**
Kosuke Aoki (LSE and CEPR)
*Gianluca Benigno (LSE and CEPR)
Nobuhiro Kiyotaki (LSE and CEPR)
- Discussant: Fernando Broner (CREI - Universitat Pompeu Fabra and CEPR)
- 16.00-16.30 Coffee Break
- 16:30-17:30 **Output Drops, and The Shocks That Matter**
*Torbjorn Becker (IMF)
Paolo Mauro (IMF)
- Discussant: Alan Sutherland (University of St Andrews and CEPR)
- 19.00 Dinner
Dinner speech by Ulrich Kohli (Swiss National Bank)

Saturday, 4 March

- 8:30-9:30 **Monetary Policy Rules in Economies with Traded and Non-Traded Goods**
Brian Doyle (Board of Governors of the Federal Reserve System)
Christopher Erceg (Board of Governors of the Federal Reserve System)
*Andrew Levin (Board of Governors of the Federal Reserve System and CEPR)
- Discussant: Robert Kollman (University of Paris XII)
- 9:30-10:30 **A Portfolio Theory of International Capital Flows**
*Michael Devereux (University of British Columbia and CEPR)
Makoto Saito (Hitotsubashi University)
- Discussant: Anna Pavlova (LBS and CEPR)
- 10:30-11:00 Coffee Break
- 11:00-12:00 **Global Financial Transmission of Monetary Policy Shocks**
Michael Ehrmann (European Central Bank)
*Marcel Fratzscher (European Central Bank)
- Discussant: Gian Maria Milesi-Ferretti (International Monetary Fund and CEPR)
- Organisers: Professor Philippe Bacchetta (Study Center Gerzensee, Université de Lausanne and CEPR)
Mr Robin Brooks (IMF)
Professor Beatrice Weder (University of Mainz and CEPR)

* denotes presenter