



STUDY CENTER
GERZENSEE

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)

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|-------------|---|
| 08.45-10.00 | Financial Restructuring in Banking and Corporate Sector Crises: What Policies to Pursue? Stijin 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) |
| 13.30-14.30 | Currency Crisis Models for Emerging Markets Peter J.G. Vlaar (De Nederlandsche Bank) |

Chair: Georg Rich (University of Berne)

20.00-21.30

Weathering 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)

08.30-09.450

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 Joanílio 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)

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)

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)