Cross-Border Spillovers

Thursday, November 13, 2014

8:00–9:00 am  Registration and Continental Breakfast

9:00–9:15 am  Opening Remarks – Olivier Blanchard (Economic Counsellor and Director, Research Department, IMF)

9:15–10:45 am Session 1: Spillovers from Monetary Policy

Chair: José Viñals (Financial Counsellor and Director, Monetary and Capital Markets Department, IMF)

Marcel Fratzscher (DIW Berlin, Humboldt-University Berlin), Marco Lo Duca (European Central Bank), and Roland Straub (European Central Bank)
Discussant: Laurence Ball (Johns Hopkins University and IMF)

U.S. Monetary Policy and Foreign Bond Yields
Simon Gilchrist (Boston University), Vivian Yue (Emory University and Federal Reserve Bank of Atlanta), and Egon Zakrajsek (Federal Reserve Board)
Discussant: Jonathan Wright (Johns Hopkins University)

10:45–11:00 am  ***Coffee Break***

11:00–12:30 pm  Session 2: Fiscal Spillovers

Chair: Vitor Gaspar (Director, Fiscal Affairs Department, IMF)

Effects of Fiscal Shocks in a Globalized World
Alan J. Auerbach (University of California, Berkeley) and Yuriy Gorodnichenko (University of California, Berkeley)
Discussant: Christopher Erceg (Federal Reserve Board)
Linkages across Sovereign Debt Markets
Yan Bai (University of Rochester) and Cristina Arellano (Federal Reserve Bank of Minneapolis)
Discussant: Alberto Martin (CREI and IMF)

12:30–2:00 pm ***Lunch***
(By invitation only, HQ2, Conference Hall 2)

Luncheon Remarks – David Wessel, The Brookings Institution

2:10–3:40 pm Session 3: Policy Frameworks to Mitigate Spillovers

Chair: Chang Yong Rhee (Director, Asia and Pacific Department, IMF)

On the Desirability of Capital Controls
Jonathan Heathcote (Federal Reserve Bank of Minneapolis) and Fabrizio Perri
(Federal Reserve Bank of Minneapolis)
Discussant: Markus Brunnermeier (Princeton University)

International Spillovers and Guidelines for Policy Cooperation
Anton Korinek (Johns Hopkins University)
Discussant: Fernando Broner (CREI)

3:40–4:00 pm ***Coffee Break***

4:00–5:30 pm Mundell-Fleming Lecture–Monetary Policy and International Capital Flows
Hélène Rey (London Business School)

Introduction by: Olivier Blanchard (Economic Counsellor and Director, Research Department, IMF)
Friday, November 14, 2014

8:30–9:15 am  Registration and Continental Breakfast

9:15–10:45 am  Session 4: Real and Financial Spillovers

**Chair:** Sharmini Coorey (Director, Institute for Capacity Development, IMF)

Real and Financial Spillovers in the Eurozone
Joseba Martinez (New York University) and Thomas Philippon (New York University)
*Discussant: Stijn Claessens (IMF)*

Input Linkages and the Transmission of Shocks: Firm-Level Evidence from the 2011 Tōhoku Earthquake
Christoph Boehm (University of Michigan), Aaron Flaaen (University of Michigan) and Nitya Pandalai Nayar (University of Michigan)
*Discussant: Robert Johnson (Dartmouth College)*

10:45–11:00 am  ***Coffee Break***

11:00–12:30 pm  Session 5: Management of Capital Flow Measures

**Chair:** Alejandro Werner (Director, Western Hemisphere Department, IMF)

Capital Controls in Brazil: Effective?
Marcos Chamon (IMF) and Márcio Garcia (PUC-Rio)
*Discussant: Sebastian Edwards (UCLA)*

Capital Flow Management when Capital Controls Leak
Julien Bengui (Université de Montréal) and Javier Bianchi (University of Wisconsin-Madison)
*Discussant: Olivier Jeanne (Johns Hopkins University and IMF)*

12:30–2:00 pm  ***Lunch***
*(By invitation only, HQ2, Conference Hall 2)*
2:10–3:40 pm  
**Session 6: Policy Frameworks in Open Economies**

**Chair:** Tamim Bayoumi (Dep. Director, Strategy, Policy, and Review Department, IMF)

**Policy Cooperation, Incomplete Markets and Risk Sharing**  
**Charles Engel** (University of Wisconsin-Madison)  
*Discussant: Linda Tesar (Council of Economic Advisers)*

**The Great Recession: Divide between Integrated and Less Integrated Countries**  
Guillermo Hausmann-Guil (University of Virginia), **Eric van Wincoop** (University of Virginia), and Gang Zhang (University of Virginia)  
*Discussant: Marianne Baxter (Boston University)*

3:40–3:55 pm  
***Coffee Break***

4:00–5:30 pm  
**Economic Forum: Cross-Border Spillovers and International Policy Coordination**

**Moderator:** Olivier Blanchard, Economic Counsellor and Director, Research Department, IMF

**Panelists:**
1. Jean Boivin (BlackRock)  
2. Maurice Obstfeld (Council of Economic Advisers)  
3. Hector Torres (IMF)  
4. David Vines (University of Oxford)

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**Conference Organizing Committee:** Esteban R. Vesperoni (IMF, Conference Chair), Rabah Arezki (IMF), Pierre-Olivier Gourinchas (Editor of the *IMF Economic Review*, University of California at Berkeley), M. Ayhan Kose (The World Bank), Luc Laeven (IMF and Co-Editor of the *IMF Economic Review*), Rui C. Mano (IMF), Camelia Minoiu (IMF), and Sweta Saxena (IMF).

**Conference Coordinator:** Tracey Lookadoo