



**FOURTEENTH JACQUES POLAK ANNUAL RESEARCH CONFERENCE**  
**RESEARCH DEPARTMENT, IMF**  
**NOVEMBER 7–8, 2013**

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**Crises: Yesterday and Today**

**Venue: HQ2, Conference Hall 1**

**Thursday, November 7, 2013**

**8:00–8:45 am Registration and Continental Breakfast**

**8:45–9:15 am Opening Remarks – David Lipton (First Deputy Managing Director, IMF)**

**9:15–10:35 am Session 1: Capital Flows and Liquidity Provision**

**Chair:** David Lipton (First Deputy Managing Director, IMF)

**Unintended Consequences of LOLR Facilities: The Case of Illiquid Leverage**  
Viral V. Acharya (New York University's Leonard N. Stern School of Business) and  
Bruce Tuckman (New York University's Leonard N. Stern School of Business)  
*Discussant: Ricardo Caballero (MIT)*

**Dilemma not Trilemma? Capital Controls and Exchange Rates with Volatile  
Capital Flows**  
Emmanuel Farhi (Harvard University) and Iván Werning (MIT)  
*Discussant: Guy Debelle (Reserve Bank of Australia)*

**10:35–10:50 am \*\*\*Coffee Break\*\*\***

**10:50–12:10 pm Session 2: Lessons—The Case of Japan and Monetary Policy Independence**

**Chair:** Masood Ahmed (IMF)

**Will the U.S. and Europe Avoid a Lost Decade? Lessons from Japan's Post Crisis  
Experience**  
Takeo Hoshi (Stanford University) and Anil Kashyap (University of Chicago  
Booth School of Business)  
*Discussant: David Romer (University of California, Berkeley)*

**Goal Dependence for Central Banks: Is the Malign View Correct?**

Kenneth N. Kuttner (Williams College) and Adam S. Posen (Peterson Institute)

*Discussant: Frederic Mishkin (Columbia Business School)***12:15–1:45 pm****\*\*\*Lunch\*\*\****(By invitation only, HQ2, Conference Hall 2)***Luncheon Remarks – Tribute to Stanley Fischer**

Mohamed El-Erian (Pimco)

**1:45–3:45 pm****Session 3: Lessons—Exchange Rate Regimes and Cost of Crisis****Chair:** Kemal Dervis (The Brookings Institution)**Exchange Rate Management and Crisis Susceptibility: A Reassessment**

Atish R. Ghosh (IMF), Jonathan D. Ostry (IMF), and Mahvash S. Qureshi (IMF)

*Discussant: Jeffrey Frankel (Harvard University)***Aggregate Supply in the United States: Recent Developments and Implications for the Conduct of Monetary Policy**

David Reifschneider (Federal Reserve Board), William L. Wascher (Federal Reserve Board), and David W. Wilcox (Federal Reserve Board)

*Discussant: Gregory Mankiw (Harvard University)***Pegs in Latin America, Lessons for Europe?**

Ariel Burstein (University of California, LA) and Iván Werning (MIT)

*Discussant: Alberto Martin (IMF, CREI, UPF and Barcelona GSE)***3:45–4:00 pm****\*\*\*Coffee Break\*\*\*****4:00–5:30 pm****Mundell-Fleming Lecture “Currency Regimes, Capital Flows, and Crises”**

Paul Krugman (Princeton University)

Introduction by: Olivier Blanchard (Economic Counsellor and Director, Research Department, IMF)

## **Friday, November 8, 2013**

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

**9:15–10:35 am Session 4: Then and Now—Latin America**

**Chair:** Alejandro M. Werner (IMF)

**Why did Latin America and Developing Countries Perform Better in the Global Financial Crisis than in the Asian Crisis?**

Roberto Alvarez (Universidad de Chile) and José De Gregorio (Universidad de Chile)  
*Discussant: Ilan Goldfajn (Itau Unibanco)*

**The Road to Redemption: Policy Response to Crises in Latin America**

Carlos A. Vegh (Johns Hopkins University) and Guillermo Vuletin (The Brookings Institution)  
*Discussant: Vittorio Corbo (Centro de Estudios Publicos, Chile)*

**10:35–10:50 am \*\*\*Coffee Break\*\*\***

**10:50–12:10 pm Session 5: Then and Now—Policies and Resilience**

**Chair:** George Akerlof (IMF)

**The Federal Reserve’s Framework for Monetary Policy – Recent Changes and New Questions**

William English (Federal Reserve Board), David López-Salido (Federal Reserve Board) and Robert Tetlow (Federal Reserve Board)  
*Discussant: Christina Romer (University of California, Berkeley)*

**Pick Your Poison: The Choices and Consequences of Policy Responses to Crises**

Kristin Forbes (MIT Sloan School of Management) and Michael W. Klein (Tufts-Fletcher School)  
*Discussant: Jeffrey Sachs (Columbia University)*

**12:15–1:45 pm \*\*\*Lunch\*\*\***

*(By invitation only, HQ2, Conference Hall 2)*

**Luncheon Remarks – Tribute to Stanley Fischer**

Ratna Sahay (IMF) and Karnit Flug (Bank of Israel)

**1:45–3:05 pm      Session 6: Then and Now—East Asia**

**Chair:** Dan Citrin (IMF)

**Two Tales of Adjustment: East Asian Lessons for European Growth**

Anusha Chari (University of North Carolina at Chapel Hill) and Peter Blair Henry (New York University's Leonard N. Stern School of Business)

*Discussant: Morris Goldstein (Peterson Institute)*

**Never Say Never: Commentary on a Policymaker's Reflections**

Maurice Obstfeld (University of California, Berkeley)

*Discussant: Carmen Reinhart (Harvard University)*

**3:05–3:30 pm**

**\*\*\*Coffee Break\*\*\***

**3:30–5:00 pm      Economic Forum: Policy Responses to Crises**

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

**Panelists:**

1. Ben Bernanke
2. Stanley Fischer
3. Kenneth Rogoff
4. Lawrence H. Summers

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**Conference Organizing Committee:** M. Ayhan Kose (Conference Chair, IMF; Co-Editor, *IMF Economic Review*), Suman Basu, Mai Dao, Davide Furceri, and Rafael Portillo, (All IMF) and Pierre-Olivier Gourinchas (Editor of the *IMF Economic Review*; University of California, Berkeley).

**Conference Coordinator:** Tracey Lookadoo