



BANK FOR INTERNATIONAL SETTLEMENTS



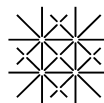
BANK OF ENGLAND

Institute for  
New Economic Thinking



UNIVERSITY OF  
CAMBRIDGE

Faculty of Economics



University  
of Basel

Faculty of  
Business and Economics

Call for papers

## New economics of exchange rate adjustment

BIS, Bank of England, Cambridge University, University of Basel

Cambridge, 21-22 March 2019

The main aim of this conference is to take stock of the latest research on the economics of exchange rate adjustment. Economists and policymakers have been discussing for quite a while whether and how far the exchange rate is an effective shock absorber or a source of macroeconomic and financial instability. This discussion has been influenced by the shift in thinking about the determinants of exchange rates from trade related to financial factors, which has become more pronounced since the financial crisis of 2008/09, as well as by recent micro-economic research on exporters' behaviour and the role of the dollar as dominant currency in trade invoicing and pricing.

We welcome theoretical, empirical and policy analysis papers that provide insights on the evolving drivers of exchange rate movements; on how exchange rate shifts propagate through the real economy, the financial sector and across economies; and on how economic policies can facilitate adjustment to exchange rate movements. We especially welcome papers that consider strategic interactions among national, regional and global policymakers; provide new insights on the benefits and costs of alternative arrangements for cooperation; and help identify types of cooperation that could make national policies and instruments more efficient.

The conference will be jointly organised by the **Bank for International Settlements**, the **Bank of England** and the **Universities of Cambridge and Basel**. It will be held in Cambridge (UK) on 21-22 March 2019. The event will be organised so as to promote an interactive and forward-looking discussion, and provide an open forum for policymakers and academics to define key issues and share research agendas.

### Relevant topics include, but are not limited to:

- Dominant currency paradigm: implications for theory and policy; international transmission of monetary policy
- Distributional/welfare effects of exchange-rate movements
- International prices, mark-ups and exchange rates
- Monetary policy design with exchange rate as a consideration
- Old and new puzzles in international financial markets; the new Fama puzzle
- Exchange rates, financial intermediation, and global cycles; global banks and the dollar
- Domestic and external sector macroprudential tools and exchange rate volatility
- Policy cooperation and global rebalancing

## **Organisers**

Giancarlo Corsetti (University of Cambridge), Olivier Jeanne (Johns Hopkins University), Sarah Lein (University of Basel), Simon Lloyd (Bank of England), Giovanni Lombardo (BIS), Dubravko Mihaljek (BIS) and Luiz Pereira A. da Silva (BIS).

## **Invited speakers**

Invited speakers: Hélène Rey, London Business School; Pierre-Olivier Gourinchas, Berkeley; Maurice Obstfeld; Berkeley.

## **Submissions**

Authors are invited to submit theoretical and empirical papers on the above topics. Submissions must consist of either a full paper (preferred) or an extended abstract, and should be sent to [er2019.conference@bis.org](mailto:er2019.conference@bis.org) by **15 November 2018**. Authors of accepted papers will be notified by mid-January 2019. Each paper will be assigned a discussant.

## **Expenses**

The organisers will cover reasonable travel expenses for paper presenters and discussants. Participants from central banks and other official institutions are expected to cover their own expenses. Further details of the programme and other arrangements will be made available closer to the conference date.