

Stabilizing the Economy: What Roles for Fiscal and Monetary Policy?

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Conference organizers:
Adam Posen (IIE) and **Benn Steil** (CFR)

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How much should monetary policy take output growth into account, and what is the best way to do so?

Chair: Chuck Freedman (Bank of Canada)

"Monetary Policy, Price Stability and Output Gap Stabilisation"

Vitor Gaspar and Frank Smets (both ECB)

"Monetary Policy in the New Neoclassical Synthesis: A Primer"

Marvin Goodfriend (Federal Reserve Bank of Richmond)

"Monetary Policy in an Era of Financial Deregulation and Innovation"

Thomas I. Palley (Open Society Institute)

"Is Business Cycle Volatility Costly? Evidence from Surveys of Subjective Wellbeing"

Justin Wolfers (Stanford Business School)

"The Role of Output in the Conduct of Monetary Policy"

Frederic S. Mishkin (Graduate School of Business, Columbia University)

Discussants: Mark Gertler (NYU); Lars Svensson (Princeton) Discussion

What financial and institutional factors make economies more responsive or less responsive to stabilization policy?

Chair: Michael Weinstein (CFR)

"Fiscal Policy and Uncertainty"

Alan J. Auerbach (U.C. Berkeley) and Kevin Hassett (AEI)

"Monetary Policy and Asset Prices: Does 'Benign Neglect' make sense?"

Michael Bordo (Rutgers) and Olivier Jeanne (IMF)

"Macroeconomic Vulnerabilities in the Twenty-First Century Economy: A Preliminary Taxonomy"

J. Bradford DeLong (U.C. Berkeley)

"Automatic Fiscal Policy: A New Design"

Laurence S. Seidman and Kenneth A. Lewis (both Univ. of Delaware)

Discussants: Olivier Blanchard (MIT) Discussion; Charles Steindel (Federal Reserve Bank of New York) Discussion

Should emerging markets be more aggressive or less aggressive about stabilization policy than developed economies? If less, what should guide their macroeconomic policy instead?

Chair: Benn Steil (CFR)

"Stabilization Policy in Emerging Markets: How Different Is It?"

Barry Bosworth (Brookings Institution)

"A Proposed Monetary Regime for Small Commodity-Exporters: Peg the Currency in Terms of the Export Price"

Jeffrey Frankel (Harvard University)

"The Role of Sterilized Intervention in Exchange Rate Stabilization Policy"

Michael Hutchison (U.C. Santa Cruz)

"Business Cycles and Macroeconomic Policy in Emerging Market Economies"

Philip R. Lane (Trinity College, Dublin)

Discussants: Richard Clarida (U.S. Treasury); Kenneth Kuttner (Federal Reserve Bank of New York) Discussion