

Independent Review of BIS Research

Anonymised answers to open text questions from the survey

31 January 2017¹

The following tables present answers to open text questions from the survey, broken down by responses from: governors and former governors; governors' advisers at the central bank (eg chief economists, heads of the financial stability function); academics and academic visitors to the BIS; and others (mostly private sector economists and journalists).

- Within each table, the order of entries (rows) has been randomised, and spelling has been standardised to US English.
- Where required for anonymisation, references have been replaced by xxx. References to individuals have been replaced by nnn.
- Suggestions of a purely procedural nature have not been included.

Governors (including former governors)	
Suggestions for more/less research ²	Comments
The topics covered by BIS research and analysis are balanced in terms of the issues discussed, and they are always of a current and profound interest for central banks in particular. Yet maybe more focused coverage of xxx countries within the research could be provided.	-
The interaction between monetary policy and financial stability	Overall, BIS documents provide a very useful anchor, at times thought-provoking, for central bank policy thinking.
Very difficult to answer this as BIS research is well balanced. Work using BIS datasets to identify vulnerabilities in cross-country balance sheets (with sectoral breakdowns) could if anything be further intensified.	-
Historical episodes of monetary policy and financial crises	The BIS should absolutely carry on in its current tradition. It is in some way the last bastion of monetary discipline, taking a longer-run perspective than elsewhere, and thereby an important anchor against the politicization and breaches of central bank independence. This role can be rooted in independent and high-quality research only.
-	Research credibility is hurt, and relevance limited, by unvarying support and advocacy of "house view".
The BIS has an important contribution in timely identifying new trends and factors affecting the	We would like to congratulate the BIS for providing excellent, topical and policy-relevant research. This

¹ A preliminary release was made on 16 January 2017. This updated release includes more responses.

² Suggestions for less research were infrequent, and are shown in italics.

Governors (including former governors)	
Suggestions for more/less research ²	Comments
<p>global macroeconomic situation, and which challenges fiscal, monetary and prudential authorities have subsequently to address, including those resulting from domestic and/or international spill-overs of their policies. It is clear that by stressing these interactions, the BIS plays a bold role in illustrating how much international coordination/cooperation can improve the policy-mix and therefore the global outlook. The last years, there is increasing awareness that in the loop between AE-EME there are not just spill-overs but also spill-back effects, a development for which the BIS can surely contribute to a better understanding and an improvement of the global policy-mix. Another bold contribution of the BIS is its expertise to the better understanding of the factors affecting the financial sector. The BIS has had a pioneering role in several fields, such as for instance in advancing macro-financial research on the relevance of financial cycles and their connection to the real economy. Another theme that could become relevant - and increasingly so - in the years to come are the issues related to the financing of the necessary environmental transformation of the economy or issues related to the economic impact of insufficient long-term finance capacity of the economies. These trends are likely to impact (strongly) on the financial sector at large and the banking and insurance sector in particular and hence may be relevant for the society at large.</p>	<p>research has often been a relevant source of information in our own macro- and micro-financial assessments. There is an obvious need for this type of research by an internationally recognized institution such as the BIS and we sincerely hope that the BIS will continue on this path.</p>
<p>Complementarity and trade-offs between monetary policy, macro-prudential policy, and banking supervision</p>	<p>I would appreciate more attention given to the risks of deflation in conditions of high private and public debt in advanced as well as in emerging economies.</p>
<p>Spillovers from monetary policies in advanced economies; developing corporate bond markets in EMEs; macroprudential policies; unintended consequences of new regulatory requirements (particularly Basel III); capital flows and financial Stability in EMEs.</p>	
<p>Credit cycle, effects of regulation</p>	-
-	<p>The Governor regrets the absence of direct contact with the research team (for example presentation, discussion, visits).</p>
<ul style="list-style-type: none"> • Relation between monetary/financial stability and macroprudential policy; • Research on the identification of the point of non-viability of a bank, with a description of the current practices of regulators to determine that point; • Best practices and procedures on licensing financial institutions; • Best practices and procedures on keeping financial sector discipline; 	-

Governors (including former governors)	
Suggestions for more/less research ²	Comments
<ul style="list-style-type: none"> • Financial institutions' response to new regulatory framework; • Optimal capital, macroprudential measures and macroeconomic impact. 	
Emerging markets	-
Financial stability as a central banking goal; central banking and banking supervision relation	-
Heterogeneity and diversity of EU monetary policy and financial markets with a focus on smaller economies	-
Interdependence monetary and fiscal policies	-
On issues important to emerging economies	-
<p>The work on Governance of Central Banks is of great practical importance to Governors and is not duplicated elsewhere.</p> <p><i>Note – concerning suggestions for <u>less</u> work, it was noted: The way to make this choice is to ask, in each area: is the area being well-covered by other institutions (e.g. short-term conjunctural analysis; even though that forms a big part of what Governors talk about!)</i></p>	<p>Under very credible leadership, the BIS economic research provides a valuable center of excellence. It would be important, though, for the BIS to avoid taking too specific a “house view” on the question of monetary easing. Yes, it was an important dissident pre-GFC, but if it were to become like a broken record on this point it could discourage independence of thought among BIS researchers.</p>
<p><i>Note – concerning suggestions for <u>less</u> work, it was noted: A less tight focus on how monetary stimulus encourages financial excesses, to the exclusion of considerations of slack and aggregate demand.</i></p>	-
To think about monetary policy frameworks in emerging markets under unconventional policies	-
Although everything is more or less covered very well, maybe the impact of global financial capital flows on EMEA and CEE countries would be suitable to be more analyzed	-
<p>A greater integration of matters affecting emerging market economies into the research done would be useful, including feedback loops into advanced economies and how this impacts; consideration periodically of socio-economic and economic history issues would be useful given the global challenges. This could include some assessment of trends, eg impact of globalization in terms of Facebook/twitter etc rather than only global markets and trade as this is significantly influencing expectations.</p>	<p>BIS research, reports, meetings and documentation are essential reading and invaluable. Coming from an emerging market economy, enhanced opportunities for short-term secondments and working seminars would be useful.</p>
The link between monetary policy and financial stability and scenario and contingency planning for future shocks and spillovers from the global economy.	-
Trinity of monetary stability, financial stability and fiscal sustainability (BIS already participates in corresponding [work/network?]; [Digitization?] and new payment technologies	-
Transmission mechanism - monetary policy	-

Governors (including former governors)	
Suggestions for more/less research ²	Comments
-	I have also benefited from the BIS annual research conference at Lucerne.
More emphasis in emerging market issues and strategic payment system topics	I would like to see more on cost-benefit analysis of monetary policy views.
Global monetary policy spillovers	-
-	The research on financial stability issues, recently led by nnn, has been excellent in helping us think about the configuration of the global financial system after the financial crisis. The main area where BIS research has, in my view, been off-base or perhaps misapplied, has been on monetary policy, where repeated calls for higher interest rates in recent years have not been helpful – made, as they were, by an institution that has no direct responsibility for conducting monetary policy.
Corporate FX indebtedness and balance sheet effects	BIS is a valuable platform where we learn and discuss policy relevant issues. We thank the staff for useful contributions.
-	BIS work is stimulating and of good quality. I wouldn't want the BIS to have the same views as the IMF or other institutions within the comparison group. And their work is presented very well and its factual accuracy is high.
Effectiveness of macroprudential policy; Lender of Last Resort; financial stability frameworks; behavioral finance; reserve management	BIS publications are relevant and timely, and help provide cross-country perspective to our monetary policy and financial stability work. The publications help validate policy work that we have already done, provide a benchmark for policy still to be undertaken, or help generate ideas for new policies to be developed. Academic work/theoretical models presented provide our staff with good material to learn from and test for our own unique circumstances, which help inform and strengthen policy formulation.
Analyses on the recent controversy on the effectiveness of monetary policy, and how to improve the effectiveness of monetary policy; Deeper analyses on the three-pronged approach (monetary, fiscal and structural actions)	-
To deepen understanding in the role of monetary policy (if any) on dealing with short-term financial inflows.	-
<ul style="list-style-type: none"> • Comprehensive market impact of regulatory reform studies. Specifically, BIS could examine (i) regulatory impact on bank behavior or business models, (ii) possible systemic/macprudential risks posed by the new regulation, and (iii) impact of regulation reforms across different regions, including in emerging market and developing economies (“EMDEs”). • To elaborate on point (iii) above – 	The research work conducted by the BIS is generally very useful and appreciated for policy making and for our general knowledge base.

Governors (including former governors)	
Suggestions for more/less research ²	Comments
<p>- It would be helpful for studies on the impact on EMDEs to include a greater number of EMDEs in their data set or as case studies, as even within this category there can be significant variations in market conditions from one EMDE to another. This would help make the conclusions of these studies more applicable across the EMDE world.</p> <p>- Studies on a cross-jurisdictional basis or EMDE-specific studies may also focus on how regulatory reforms impact EMDEs compared to advanced economies, given structural characteristics of financial markets of EMDEs.</p>	
<p>Financial cycle.</p> <p><i>Note – concerning suggestions for <u>less</u> work, the respondent mentioned “regionally focused stuff”.</i></p>	-
<p>Effectiveness of monetary policy</p>	-
<p>The BIS should conduct more profound research of the foundations of the often strong policy recommendations in its flagship publications such as the Annual Report.</p> <p><i>Note - concerning suggestions for <u>less</u> work, it was noted: The BIS should concentrate its research on topics which are directly linked to its core responsibilities in the areas of monetary policy, bank supervision and regulation, and macro-prudential policy.</i></p>	<p>BIS research is generally very interesting, raises important questions and is often well executed. Notwithstanding this overall positive assessment, there is room for improvement:</p> <ul style="list-style-type: none"> • Surprisingly few BIS working papers are published in top academic journals, for example when compared with leading central banks. The BIS should strive to enhance the quality of its research. An independent referee process, using external referees from academia and the central bank community, as is the case at many central banks, may be helpful in this regard. • The BIS may want to promote research that is more independent from its public policy views. Papers that support BIS developed concepts such as the financial cycle sometimes miss a critical attitude and for example lack extensive robustness tests and investigations of alternative explanations. • The BIS may want to publish more policy oriented papers, which seem to be less suited for publication in top academic journals, in a separate Policy Paper Series or Occasional Paper Series. This is standard practice at almost all leading central banks and international policy organizations.

Governors' advisers (chief economists, heads of the financial stability function, or similar)	
Suggestions for more research	Comments
<ul style="list-style-type: none"> • Fast-moving debt, credit and capital flow developments and implications, as the BIS has excellent access to FI-level and country data. • Monetary policy interactions with macro-prudential regulation and financial stability, and the implications for micro-prudential regulation. • More research into the transmission channels and unintended effects of negative policy rates would be useful. • Charting lower-frequency movements/factors in global savings-investment behavior. 	-
International monetary system, capital flows, international liquidity; derivatives and financial system systemic leverage; macroprudential policy	-
Synergies and trade-offs between fiscal and monetary policy	-
Banking and macroprudential issues	-
General Equilibrium / Monetary Policy Transmission	<p>BIS would benefit from more even-handed presentation of key monetary policy issues.</p> <p><i>Note: The response also contained two additional properties for BIS research: "timely" - often, and "balanced" – rarely.</i></p>
<p>Challenges to monetary policy posed by weak economic growth and below-target inflation.</p> <p><i>Note: Recommends doing <u>less</u> work on the dangers of monetary policy accommodation.</i></p>	-
Macroeconomic policy	-
<p>International financial/risk spillovers, micro-prudential supervision.</p> <p><i>Note: <u>Less</u> work was suggested on "Credit/GDP gaps".</i></p>	<p>I am a supporter and admirer of BIS research, in particular the intellectual leadership role played by nnn. Sometimes I have been less clear whether BIS's judgement– eg on stance of monetary policy have been quite as well-grounded as well on research.</p>
<ul style="list-style-type: none"> - On cost and benefit analyses of macroprudential policy measures as experiences increase - On early warning indicators in relation to the financial cycle 	-
Linkages between macro economy and financial markets	-
Financial imbalances	-
<p>Bit more focus on heterogeneity and country/block-of-country specifics.</p> <p><i>Note: <u>Less</u> work was suggested on "general messages from analyses using pooled panels of countries with widely different economic and financial structures".</i></p>	-
Determinants of financial volatility and its impact on domestic credit and monetary conditions	-

Governors' advisers (chief economists, heads of the financial stability function, or similar)	
Suggestions for more research	Comments
Differences in the regulatory frameworks in different countries/areas, and their effect on the markets, other countries, etc	-
Payments and financial market infrastructure, crypto-currency, fintech	BIS research has been the most valuable in terms of thinking about financial stability for monetary policy, especially the risk-taking channel. Much of the research has been an excellent starting point for policy discussion and further research. There is a clear lack of research in payments, even though there is a Committee on Payments and Market Infrastructures at the BIS. BIS staff always seems to ask the right questions, often before others. However, there is sometimes a lack of depth and clarity.
internal transfer pricing, the role of interest margins as loss absorbers; the prudential treatment of inflation-linked assets and liabilities	-
Global spillovers of macroprudential policies	-
International Economics	-
More papers on emerging economies.	-
Monetary policy impacts of climate change	Policy briefing notes are short, accurate, well documented and topical.
One of the main contributions of BIS Research consists in timely identifying new factors affecting the global outlook and in subsequently making policy recommendations to the fiscal, monetary and prudential authorities around the world. By enhancing awareness of the possible domestic and/or international spill-overs of their actions, the BIS also contributes quite a lot to demonstrate how much international coordination can improve the global policy-mix. From that point of view, the loop between AE-EME may be a domain where the BIS can contribute to a better understanding, as if there is already a good knowledge of the possible spill-overs there is still a lot to learn on which kind of spill-back effects authorities may have to face. Another bold contribution of the BIS Research is its pioneering role in macrofinance, such as for instance in macro-financial research on the relevance of financial cycles and their connection to the real economy. Other issues that could become relevant - and increasingly so - in the years to come are those related to the financing of the necessary environmental transformation of the economy or those related to the economic impact of insufficient long-term finance capacity of the economies.	Among the international organizations, BIS is to be considered as a benchmark for the quality and the policy-relevance of its research activities. It is also striking how frequently BIS research timely anticipates serious policy issues. Just then, keep the direction!
-	The research at the BIS has carved out a niche highlighting at an early stage issues which have been neglected by other institutions, particularly in regard to the interactions between the financial sector and

Governors' advisers (chief economists, heads of the financial stability function, or similar)	
Suggestions for more research	Comments
	the broader economy. Given its unique position in the international institutional financial architecture, I think a great job has been done in exploiting its comparative advantage and bringing onto the table issues which have been underplayed by other institutions. Keep up the good work!
<ul style="list-style-type: none"> • Financial Institutions response to new regulatory framework; • Costs and benefits of higher capital requirements; • Optimal capital, macroprudential measures and macroeconomic impact; • Interlinkages between macroeconomic policy and financial stability. 	-
The economic costs of moral hazard in banking, long term consequences of expansionary monetary policy, especially on economic growth and financial stability	-
<ul style="list-style-type: none"> • Interactions between macroprudential and monetary/fiscal policies • Effect of cross-country spillovers when one country uses macroprudential policies or policy divergence • Topics on exchange rates. How do they impact the economy, how are they influenced by policy, and should/could exchange rates be used in to steer the economy given hampered transmission of interest rate policy? <p><i>Note: The respondent recommended doing <u>less</u> conceptualizing</i></p>	-
Regulation topics, international comparisons	-
Effectiveness of macro-prudential policies	-
debt sustainability analysis, external competitiveness with a focus on xxx	-
Analysis on real sector topics, i.e. productivity	-
Comparative analyses of monetary policy (instruments, implementation, performance) across central banks/currency areas.	Overall: excellent research and relevant topics; highly useful for both, senior management and researchers.
Monetary policy	One impression one could get is that BIS staff is set almost always incentives by management to conduct very relevant research and analysis, but only limited value is given to a share of the research being published in good journals.
Unemployment, labor	-
Exploit microeconomic information. For instance, promote studies on the distribution of demand and supply of credit by firms, households, and on credit conditions across firms and households.	-

Governors' advisers (chief economists, heads of the financial stability function, or similar)	
Suggestions for more research	Comments
-	I always appreciate that the BIS provides alternative views on various issues of policy relevance. They may not be well articulated by rigorous theoretical models, but these insights are quite invaluable.
Topics related to financial stability; systemic risk indicators/measures and their application; behavioral finance and implications on financial stability; practical implementation challenges of recently issued BIS reforms	-
Framework of financial stability – oriented monetary policy in emerging economies	Some regional groups are still under-represented at BIS
International financial linkages and spillovers	-
Emerging markets	-
<ul style="list-style-type: none"> • Asia focused research (e.g. on drivers of bank profitability, capital flows) • Reviews on definitional differences across jurisdictions for concepts such as private and public debt and how such differences can affect the comparison of analyzing financial stability metrics • Effectiveness of macroprudential instruments, including findings on spillovers and cross-border effects of macroprudential policies • Interconnectedness between different property market segments (e.g. commercial real estate markets with residential real estate markets) 	-
BIS can try to do more research on medium and small economies. Most of the research is done for big systemic economies and policy conclusions and recommendations are not always relevant for medium and small size economies (this distinction can be made also for developed and emerging economies).	-
Towards a financial intermediation-oriented monetary policy, uncertainty in monetary policy, exchange rate dynamics and inflation targeting, structural reforms and monetary policy	The xxx Department uses the BIS- locational banking statistics (LBS) for the compilation of deposit placements. Data from the LBS can be made available not only for deposits but also for loans.
Micro level analysis of capital flows, banking behavior in negative interest rate scenario, negative interest rate and EMEs. Technological change, productivity and employment prospects	
Research oriented at supporting the definition and calibration of regulatory instruments defined by the Basel Committee on Banking Supervisors	<p>nnn is doing a great job in stimulating top quality research at the BIS. The visibility of BIS research has greatly improved due to several initiatives, including the active participation/sponsoring of some of the top European conferences (in finance).</p> <p>Two initiatives that strongly improved the discussion and quality of research in central banking are the BIS Research Networks, now established as high quality fora for researchers in central banking, and the Central Bank Research Fellowship (CBRF) Program. This last initiative is in our view very useful namely</p>

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Suggestions for more research	Comments
	for small central banks because it allows for a temporary exposition of our researchers to a different and interesting environment with a very good mix between policy and research.
Besides the current Quantitative Impact Studies; impact analysis of reforms in terms of both single reform area and combined effects using both top-down and bottom-up approaches with emerging market focus; liquidity developments; and the interplay between monetary policy and financial stability in both developed and developing economies.	Overall, we think that BIS Research is of high quality and effectively monitors both the reform agenda and market developments. Regarding question 6, we think that BIS Research has better quality and relevance than other international institutions with the exception of the IMF. Academia seems to follow financial reform agenda and financial markets developments at a slower pace. On the other hand, while the financial press seems to follow financial reform agenda and financial markets in tandem, their analyses are not as deep in coverage.
UMP, macroprudential measures (costs & benefits), capital flows management	Non-technical, policy-relevant & high quality research is key for practitioners
International spillover of monetary policies; international currency topics	-
EM monetary policy challenges, pension systems	-
<ul style="list-style-type: none"> • Analysis of the new dimensions of the BIS international banking and debt statistics, for example on the behavior of non-bank financial sectors to examine the implications of the shifting patterns of financial intermediation or on the transmission of monetary and prudential policies via debt flows. • Now much of the post-crisis regulatory framework is in place, a key question is how different regulations interact and drive financial institutions' behavior, including any potential unintended consequences. • Theoretical models providing a normative role for macroprudential policy, but only if the BIS feels it has or can acquire the necessary expertise. • For instance, we would like to see the BIS focus more on developing macroprudential policy strategies. • In particular, policymakers would benefit greatly from a workhorse dynamic model of macroprudential policy, which has realistic crisis-like episodes, and a normative role for macroprudential policy. Such work is not produced in sufficient quantity by academia and there is a role for research from policy institutions such as the BIS in bridging this gap • The influence of BIS work on the monetary policy side has been rather less than on the FS side of late. This probably reflects the relative focus on FS issues in their research outputs. We would welcome 	<p>The most positive aspect of BIS research – especially compared to other policy institutions – is that it does not shy away from advocating unpopular or unfashionable positions. Of course it has been proved right on the link between credit and financial crises. But even in the cases when BIS research is ultimately found wanting, it can play a positive role by stimulating more debate in the policy community and leading outsiders to question their assumptions in ways they might not otherwise do. To its credit, the BIS does seem to engage with, rather than ignore, researchers with different views.</p> <p>It is also refreshing to see the BIS take a longer-run and broader perspective on issues than do many other policymaking institutions. For instance there have been a few economic history outputs which we feel add richness to the policy debate.</p> <p>All this said, on occasion there appears to be a BIS 'house view' which permeates research output in such a way that the uncertainties around BIS research findings and policy positions are played down. In terms of working papers, this manifests itself through the interpretation of empirical or theoretical results in a way which is consistent with the BIS policy line, with little discussion of other interpretations. Ultimately this approach may lead to question marks about the quality of some BIS research and reduce its influence.</p>

Governors' advisers (chief economists, heads of the financial stability function, or similar)	
Suggestions for more research	Comments
<p>further work on the transmission of conventional and unconventional monetary policies, and their interactions with financial regulation. This is an area in which BIS can bring expertise and one which is less studied by academic economists.</p> <p><i>Concerning <u>less</u> work, the following was noted: "While we welcome research on how monetary policy strategies can be changed to take into account financial stability risks, we feel the BIS has devoted relatively too much to this at the expense of research on macroprudential policy (for example, euro area member central banks have little control of monetary policy, so are forced to use other policies in pursuing financial stability)."</i></p>	
<ul style="list-style-type: none"> • Commodity prices • Interaction of macroprudential and monetary policies • China 	-
<ul style="list-style-type: none"> • Macroprudential policy beyond the banking sector, reciprocity of macroprudential instruments, impact and effects of regulation on the banking sector ; • Issues related to macro-prudential policies and analysis of the effects of the use of macro-prudential instruments • Modeling systemic risks 	-
International comparative studies	-
Focus on topical issues and policy options + politicisation of monetary policy in EMEs	Hopefully the BIS will continue to remain focused on in-depth analysis of complex issues confronting policy makers and implications of apolitical policy options for central banks. Future research may emphasize the importance of central banks' operational independence without political interference.
Growth, finance and aggregate fluctuations	-
Macrofinance	-
The effect of negative interest rate on financial stability	-
<ul style="list-style-type: none"> • Central bank balance sheets. • Crisis-prevention and management 	-
Capital account openness in emerging economies: cost/benefit analysis and timing. Financial market structures and regulation, especially in emerging economies. FX and market risk-related bank capital regulation. Comparative financial conglomerate analysis and regulation.	Keep up the good work. Continue enhancing your technical analysis and capabilities. Maintain an independent and consistent stand on the relevant issues. This is fundamental to enrich the world policy discussion.
Crisis probabilities, natural rate of interest, causes of secular increase in debt, causes of secular decline in real interest rates	BIS research on the nexus between monetary policy and financial stability, the risk-taking channel and the effectiveness of unconventional monetary policies has proved valuable. However, the tendency

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Suggestions for more research	Comments
	of research in these areas to support official BIS views undermines the perceived independence of such research. Enhancing the diversity of views in BIS research would help to reinforce its credibility.
To increase focus in emerging market financial systems (which are less developed than those of the G10 countries). Increase emphasis in capital market development.	-
Global and cross-border financial stability issues	-
-	<ul style="list-style-type: none"> • The Hong Kong office and provision of Asian research networks has increased our connectivity to other central banks in the Asia-Pacific region. However, diverse policy frameworks, issues and interests make direct research collaborations difficult to sustain. • Provision of financial (eg debt securities derivatives and exchange rate) data is particularly useful.
Implication of capital flows; statistics	-
Exchange rate intervention, macro-prudential frameworks, the effect of low interest rates, bank profitability, financial system efficiency	BIS research is an authoritative source of financial stability-related analysis both conceptual and policy-wise. I greatly value it, particularly given the pioneering nature of much of it.
I particularly enjoy research that takes the "long view", i.e. using data spanning a substantial time period or research that uses the BIS cross-border banking data.	-
<ul style="list-style-type: none"> • How to practically improve monetary policy frameworks, mandates, instruments • Exploring frontiers of monetary policymaking at the current juncture 	-
International banking and capital flows	-

Academics and academic visitors to the BIS
Comments
BIS produces interesting research papers that highlights key facts for financial stability and the conduct of monetary policy from individual country point of view and also from a global perspective. In my opinion in recent years there has been a constant improvement in the quality of the research output as the BIS attracts high quality researchers. I had the chance to attend also a couple of conferences and I found them of high value in terms of the choice of the topic and content along with the high quality of the contributions.
I feel that the BIS research is under-appreciated and little read by the academic community. The researchers rarely present their work at academic conferences, and do not necessarily seek to publish the results in well-recognized academic journals. It is not surprising, therefore, that few academics – outside the top academics who may present at the annual conference or be invited to present -- know about the BIS and its work. Given the quality of its researchers, I would expect that the BIS should be on par with the ECB, the IMF, and the regional Federal Reserve Banks (excluding New York) when it comes to reputation. But instead I find that the research of the BIS is not nearly as well recognized or circulated. Of course, there are some exceptions to this rule for those researchers who have published widely (eg nnn, nnn, nnn). But overall the BIS could do much more to make an impact on research in areas where it has expertise, namely banking, financial markets, macro- and microprudential policies, systemic risk, exchange rates, and monetary policy.
The great value of BIS research is that it provides an original perspective. Most monetary research is done INSIDE central banks, and therefore has a bias towards justifying whatever those same central banks have already done. The BIS is free of that bias.
I view the BIS research output, at least in MED, and especially regarding financial markets, as superb. They provide a link between market practice (deep understanding of functioning of markets and instruments) and policy that no other international organization can match.
I find the annual report to be fantastic. The research meant for academic publications is not the very top notch stuff at this point. They should be willing to work with academics to produce the highest quality research with the great data they have.
The BIS has opened up a lot more to visitors in recent years, which is a welcome step. Making calls twice a year for visiting fellowships is a positive development, and having a strategy for joint research with staff is likely to improve the quality of research output and extend the reach of the institution. nnn and nnn should be congratulated.
Some issues to think through: 1. Process. The priorities for research are general (of interest to the BIS) but those priorities are not necessarily all that clear to people outside the BIS – a list of some main themes might be useful – as a guide but not an exclusive list to follow. What meant by a proposal that ‘allows for fruitful collaboration with BIS economists’ and is the requirement to provide ‘suggestions for possible co-authorships’ a binding commitment to joint work? The evaluation process for the proposals – by whom, using what criteria etc - could be better explained to attract higher quality applications. The timing of the calls could be signaled by the BIS using a mailing list. I would guess many of the target audience miss the deadlines because of lack of information since they occur only twice a year (why not more frequently?). 2. Timescale. The duration of research is short. The website says the duration is for ‘short periods, ranging from a few days to several weeks’. I doubt much could be achieved in a few days or a couple of weeks, as most research of any lasting value takes longer to complete than that. Leading researchers can seldom commit for long periods, but multiple visits over a longer duration are more feasible. The BIS would benefit from sustained engagement with high quality visitors in multiple visits spread over a longer period than three months. Other research related activities including short duration conferences, workshops, seminar presentations etc should be separately funded under a different budget. 3. Conflicting demands. The BIS research agenda is only one aspect of its function. At times other responsibilities dominate the research function. The Annual Report in particular ties up a great deal of (too much?) research active staff time and research assistance. The period February through May is not a good time to make progress on research. BIS staff would benefit from allocated time in their workloads for research collaborations, with a realistic assessment of the duration of any research project they are

Academics and academic visitors to the BIS
Comments
committed to (with demands for time input at each stage). Data dependent projects need some dedicated RA commitment built in.
I have the feeling that some BIS research starts with a prior view for which evidence is sought. I think it would be desirable to reduce this bias in BIS research.
I find BIS research extremely valuable because it often provides a unique perspective compared to other international institutions and central banks. As it is not so much a policy making institution as others it is more open to unconventional views and need not be as defensive about previous policy decisions as central banks themselves. BIS research could benefit further from more use of structural macro – financial modeling.
Keep up the good work on monetary policy spillovers and the need for central bank independence.
I have often the impression that the results of BIS research are somehow “cooked” until they support the BIS policy views. Results that do not support the BIS views are rarely published. That was also my impression when I was visiting the BIS. Only publishing research that supports your own view, is not good for credibility of research to outsiders. However, overall, the reputation of BIS research is still very good and very interesting and useful.
BIS immersion in academic community is really on the right track. BIS has very good quality data and so its focus on empirical research natural. Next step is to involve academics even further in shaping their data sets, like the xxx is doing.
I always obtain and examine BIS research when working on banking-related projects. It is very helpful for both my teaching and research papers.
I think bringing many visitors at the same time will be great and also bringing same visitor over longer periods of time.
I have valued a lot the collaboration with BIS in various forms. I have a coauthor at the BIS and the research visits facilitated by the BIS have greatly facilitated this collaboration, which has led to papers published in leading academic journals such as the Journal of Finance or the Journal of Financial Economics. I have also benefitted and tried to contribute to the high-quality conferences organized by the BIS, which provides an excellent intellectual hub for the intersection of academics and policy makers.
Given the wording of question 1, I should also declare that I have worked closely with several members of the staff at the BIS over the years and, previous to that, I have also had the opportunity to present some of my research to members of the research staff. As a result, my judgment may well be colored by the connection I have had with the BIS. Nevertheless, I will try to explain, as honestly as I can, my overall impressions of research at the BIS. As indicated in my answer to the remaining questions I have high regard for the BIS’s work. Arguably, one of the least publicized contributions of the BIS’s research is the dissemination of critically important data for macroeconomists. It was only a few years ago that one could only obtain a series of real and nominal effective exchange rate series and not much else that is directly useful to macroeconomists. The data on various asset prices (e.g., housing, credit) is not only essential for estimating macro models but the expansion in the coverage of the data sets (i.e., number of series and economies covered) has also been impressive. Even the introduction of the Central Bank Hub has proved to be an invaluable source for quick links to central bank websites (not all of whom are BIS members) and outside research and researchers. The research, published as working papers or in other forms, clearly informs the Annual Report which remains one of the most readable and, especially for upper level undergraduates and graduate students, essential sources for current issues and controversies in monetary and macroeconomic policy. The discussion inside the BIS is largely free of ideology though it is understood that there is a so-called “BIS view” originating at least since the time nnn was still employed by the institution. Whether this has limited the scope and breadth of the topics that BIS research has considered is debatable. For example, in view of the consequences of what are referred to as ‘unconventional’ policies there could be more effort to investigate and disseminate information about central bank balance sheets. Another area that is possibly underserved concerns the benefits and costs of greater cooperation, if not coordination among central banks. Finally, given the long history of the BIS more perhaps could be done to promote or coordinate with relevant central banks to develop an archive of historical monetary and banking statistics. Clearly, individual central banks will want to take the lead in this kind of work but the BIS could well assist in improving links to different data sets and even promote studies in monetary and financial history. Many central banks have

Academics and academic visitors to the BIS
Comments
<p>already done so (especially in the Nordic countries and in Southern Europe) but this could also serve as an outreach vehicle and promote new research. After all, the BIS has a long and rich history of its own that has been well documented.</p> <p>Since nnn has joined the BIS there is much needed research being produced about financial markets, their risk characteristics, and the potential distortions created by attempts over the years to regulate or, in some cases, remove regulations. The team of nnn and nnn have done an excellent job of covering critical areas in macroeconomics and finance. Perhaps it might be useful to generate more research about the performance of member central banks themselves. I am aware of the peculiar place of the BIS among central banks but, as pressure on these institutions mounts, the BIS offers an opportunity for reasoned, if need be, critical assessment of policy regimes.</p> <p>One cannot argue with the success of BIS research as is clear from the impressive list of external publications. To some extent, the growing involvement of outside staff members of central banks and academics in BIS research is a factor but not the only one.</p>
<p>I think the quality and relevance of BIS research varies quite a bit. Some is very good and important, and other less so. I think the overall average is slightly below the quality at, say, the Federal Reserve Board or the European Central bank.</p>
<p>The quality upward trend over the past few years is impressive. BIS research has managed to become an important player in a crowded field of international organizations (IMF, central banks). They now have resources to operate at the frontier in both theory and applied work. My only concern is that there is a “BIS view”, which is good, but which may stifle research if pursued in a monolithic way.</p>
<p>On data, the BIS has stepped up quite a bit; besides the International Banking Statistics, which are unique in their own way and improving, BIS now put out data on house prices, credit series for non-financial corporations and households, as well as exchange rate indexes. This is generally good quality and useful, and indeed the BIS could do more, say on collecting indicators of financial sector policies.</p> <p>On research, it is much more mixed. Quality is ok and very diverse, with the main indicator is how little of it ends up in respected academic journals. As a consequence, it is taken less serious, at least by academics. Some of the more applied work has been useful, sometimes in starting a field where others do then more analytical work (say their work on financial cycles); but other times it is of questionable quality and appears more of the advocacy type. It is getting somewhat better with the new chief economist and some recent recruits, but still has a way to go, even compared to many central banks.</p>
<p>Despite an often strong meta prior (“the world is coming to an end”), the work is nearly always interesting, and well informed.</p>
<p>BIS research is excellent in terms of having a good judgment of big and important questions that are relevant to practice and policy. It can sometimes be light on technique and heavily focused on useful, descriptive facts... but may be this is its value as this is often lacking in more technical academic research. My one concern often is that BIS policy research can sometimes be too focused on an overall agenda and this may cause some lack of objectivity in research findings and what the research looks out for. The problem is much lower though than what I have seen at central bank research including at the Feds and the ECB, and BOE.</p>
<p>The strength of much BIS research cannot measured on conventional “academic” dimensions, but that doesn’t make it any less important. In fact, some of the most useful BIS research concerns issues that wouldn’t ordinarily make it into academic journals, but are nonetheless quite relevant to economic policy. Having said that, the quality of research (e.g. skill with which empirical methods are deployed) is somewhat uneven, and there could be some gains to a more rigorous internal or external review process.</p>

Other respondents (mostly private sector economists and journalists)
Comments
I am a big fan of BIS research. I do not always agree with the policy recommendation, but the perspective is challenging and the quality is high. My one suggestion would be to work on clever, less technical presentations - I find the Fed and Bank of England, for example, as superior in this respect.
I am a big user and fan of their data for research purposes – especially the non-financial credit database. I would welcome real-time updates as each countries’ data becomes available. Generally, I find the research to be extremely well written and practical – i.e. not produced for an academic audience.
The BIS has unique experience in examining debt issues. I don’t always agree with the conclusions – but I very much value the thought-provoking, well-argued research that is backed up with facts
I hold the BIS and its research in high regard, and I would encourage you to make a greater effort to share your work with the press. Other producers of economic research seek to contact me directly about work they regard as most likely to interest the educated public. I’ve never had that experience with the BIS.
The BIS take on monetary policy, banking and cross-border capital is distinctive and valuable. It can draw on original datasets, such as the triennial survey of forex and derivatives. And nnn is one of the most original thinkers in these areas. My one (small) criticism is that the BIS is too strongly associated with one particular prescription: the Federal Reserve should raise interest rates. It means that editors can be too dismissive of its research output, allowing them to take an attitude of, “I know what those guys think; why are we drawing on their research?” For the record, I have recently drawn quite heavily on BIS research for a longish piece I wrote. My editor expressed surprise, when xxx saw my piece, that the BIS was doing such interesting work. There may be something of an image problem here.
Most research and data provided by the BIS is very relevant and high quality. BIS thinking on Basel II and III, and concentration risks has been very useful. Also helpful for getting up to speed on macro financial vulnerability, in particular the work by nnn. More research and data focused on EMDEs is suggested.
BIS research on financial markets is highly relevant, but sometimes seems disconnected from work that addresses “real side” issues such as productivity and equity issues. More research is suggested on financial exposures– real outcomes; and on volatility – real linkages.
I do appreciate the fact that BIS research is not “theoretical” but provides data/facts and empirical analysis on topical issues.
You asked for my opinion and here it is: Papers from BIS are often backward looking and very rarely set the agenda for what people are talking about in markets. Investors need advice on whether to buy or sell and BIS papers and quarterly and annual reviews tend to be toothless and too much “on the one hand and on the other hand” and it is difficult to find out quickly what the conclusion is and important points are “buried in footnotes”. More clear and upfront communication about findings would be most helpful. In 2016 it is no longer enough to just publish a 20 page single-page working paper and put it up on the BIS homepage and expect readers themselves to find out what the conclusions are. I would also suggest a much more active Twitter presence to promote research and analytical work, most people on the sell-side and buy-side actually use = read Twitter frequently.
An economist’s simple guide to banking regulation would be very helpful.
I associate the research output of the BIS predominantly with the work of nnn and nnn. They have carved out a unique position in the analysis of monetary policy. This is immensely valuable. Sometimes, they have been resoundingly right and sometimes (in my view) wrong. But they have always been original. More important, they have taken on the dominant official professional consensus of monetary economists in central banks and international organizations. This is immensely important and I salute them for it. The consensus must always be challenged, but particularly one that has proved resoundingly wrong on occasion. I would also praise the work of nnn, while at the BIS, particularly on the impact of finance on productivity.
The research seems more cutting edge, and less constrained by ‘political constraints’ than other international agencies.