



BANK FOR INTERNATIONAL SETTLEMENTS



EUROPEAN CENTRAL BANK
EUROSYSTEM



Call for papers

Policies to harness global financial interconnectedness

Joint BIS, BoE, ECB and IMF Workshop

BIS, Basel, 25–26 April 2019

The last few decades have seen a rapid evolution of financial markets and an ever-increasing complexity of cross-country economic and financial interdependencies. The resulting high degree of real and financial sector interconnectedness, and the apparent increased sensitivity of the real economy to financial factors, have confronted policymakers with harder trade-offs, such as limited monetary policy independence in small open economies, or rising asset prices in an environment of low inflation. This has prompted a discussion on whether traditional monetary and fiscal policy tools are still sufficient to cope with these challenges. Additional policy instruments, which may include unconventional monetary policy, exchange rate policies, and macroprudential interventions, may then be required to give policymakers additional scope to contain disorderly market movements and financial excesses and their spillovers across countries. However, there appears to be relatively little theoretical and empirical analyses of the effectiveness of these instruments and the degree to which they could tame adverse cross-border spillovers in a globalised world.

The workshop aims to narrow the gaps in our understanding of the transmission channel of monetary, fiscal, foreign exchange and macroprudential policies in the post-GFC economic environment. We seek contributions on novel empirical and theoretical research on the channels and relative effectiveness of policies dealing with the potential macroeconomic side-effects of economic and financial globalisation. We welcome the submission of papers in the following areas:

- Identification and transmission of policy shocks in open economies;
- Global financial interconnectedness and policy responses;
- Role of monetary policy and exchange rate regime in containing cross-border financial spillovers;
- Theoretical analyses and empirical evidence on the effectiveness of macroprudential policies and on their international impact;
- Monetary- and macroprudential-policy interdependence and gains from international policy coordination;
- (Cross-country) datasets on macroprudential policy measures.

Full papers should be sent to spillovers2019@bis.org by 15 February 2019. The selection of papers will be communicated by 15 March 2019. Travelling and lodging expenditure for participants (excluding central banks and official institutions) with accepted papers will be covered by the organizers.