“Emerging Markets and Macroeconomic Volatility: Lessons from a Decade of Financial Debacles”
Joint Conference by the
Center for Pacific Basin Monetary and Economic Studies
Federal Reserve Bank of San Francisco
and the
Center for International Economics
University of Maryland
June 4-5, 2004

FINAL PROGRAM (6/2/2004)

Location: First Floor Conference Center
101 Market Street, San Francisco, CA

Friday, June 4
8:30 a.m. Continental Breakfast
8:50 a.m. Welcoming Remarks:
Reuven Glick, Federal Reserve Bank of San Francisco
9:00 a.m. Session 1 HOW DO TRADE AND FINANCIAL INTEGRATION AFFECT THE RELATIONSHIP BETWEEN GROWTH AND VOLATILITY?
Presenters: Ayhan Kose, Marco E. Terrones, and Eswar Prasad, International Monetary Fund
Discussant: Linda Tesar, University of Michigan

10:00 a.m. Break

10:30 a.m. Session 2 MACROECONOMIC RISK AND BANKING CRISES IN EMERGING MARKET COUNTRIES: BUSINESS FLUCTUATIONS WITH FINANCIAL CRASHES
Presenters: Pedro Marcelo Oviedo, Iowa State University
Discussant: Michele Cavallo, Federal Reserve Bank of San Francisco

11:30 a.m. Session 3 ENDOGENOUS DOLLARIZATION, EXPECTATIONS, AND EQUILIBRIUM MONETARY POLICY
Presenters: Andrés Velasco, Harvard University and Roberto Chang, Rutgers University
Discussant: Maurice Obstfeld, University of California, Berkeley

12:30 p.m. Lunch Market Street Dining Room, Fourth Floor

2:00 p.m. Session 4 EXCHANGE RATE OVERSHOOTING AND THE COSTS OF FLOATING
Presenters: Fabrizio Perri, New York University, Stern, Michele Cavallo, Federal Reserve Bank of San Francisco, Kate Kisselev, Citigroup, and Nouriel Roubini, New York University, Stern
Discussant: Cristina Arellano, Duke University
3:00 p.m.  Session 5  DOLLAR BLOC OR DOLLAR BLOCK: EXTERNAL CURRENCY PRICING AND THE EAST ASIAN CRISIS  
Presenters:  Michael Devereux, University of British Columbia and David Cook, Hong Kong University of Science and Technology  
Discussant:  Paul Bergin, University of California, Davis  

4:00 p.m.  Break  

4:15 p.m.  Session 6  COUNTRY SPREADS AND EMERGING COUNTRIES: WHO DRIVES WHOM?  
Presenters:  Martin Uribe, Duke University and Vivian Yue, University of Pennsylvania  
Discussant:  Reuven Glick, Federal Reserve Bank of San Francisco  

5:30 p.m.  Reception  
6:30 p.m.  Dinner  
Introduction:  Enrique G. Mendoza, University of Maryland  
Keynote Speaker:  Guillermo Calvo, IADB and University of Maryland  

Saturday, June 5  
8:30 a.m.  Continental Breakfast  

9:00 a.m.  Session 7  WHEN IN PERIL, RETRENCH: TESTING THE PORTFOLIO CHANNEL OF CONTAGION  
Presenters:  Fernando Broner, University of Maryland, Gaston Gelos, International Monetary Fund, and Carmen Reinhart, University of Maryland  
Discussant:  Paolo Pesenti, Federal Reserve Bank of New York  

10:00 a.m.  Break  

10:15 a.m.  Session 8  PUTTING THE BRAKES ON SUDDEN STOPS: THE FINANCIAL FRICTIONS-MORAL HAZARD TRADEOFF OF ASSET PRICE GUARANTEES  
Presenters:  Bora Durdu and Enrique G. Mendoza, University of Maryland  
Discussant:  Urban Jermann, Wharton Business School  

11:15 a.m.  Session 9  ROUNDTABLE DISCUSSION: THE POLICY RESPONSE TO FINANCIAL CRISES  
Panelists:  Guillermo Calvo, IADB and University of Maryland  
Michael P. Dooley, University of California, Santa Cruz  
Agustin Carstens, International Monetary Fund  

12:30 noon  Lunch  

2:00 p.m.  Session 10  DEFAULTABLE DEBT, INTEREST RATES AND THE CURRENT ACCOUNT  
Presenters:  Gita Gopinath and Mark Aguiar, Chicago Graduate School of Business  
Discussant:  Diego Valderrama, Federal Reserve Bank of San Francisco  

3:00 p.m.  Session 11  PRIVATE CAPITAL FLOWS, CAPITAL CONTROLS, AND DEFAULT RISK  
Presenters:  Mark Wright, Stanford University  
Discussant:  Kenneth M. Kletzer, University of California, Santa Cruz  

4:00 p.m.  Adjournment