

Call for papers

Inflation targeting – prospects and challenges

Wellington, New Zealand

28-29 August 2019

The Reserve Bank of New Zealand and the International Monetary Fund are hosting a conference on the future of inflation targeting. Inflation targeting has delivered low, stable inflation and substantial macroeconomic stability over the last several decades (financial crisis aside). But the last ten years have proved challenging for monetary authorities. Output has been below pre-crisis trends for a sustained period, unemployment rates have been protractedly high relative to ‘natural rates’ and inflation rates in many countries have been persistently below targeted levels. Monetary authorities have been forced to rely on unconventional policies and have kept policy rates low for a long time to stabilise economies. These policy responses have led to renewed debate about central bank mandates, accountability, and independence. Challenges to established monetary policy practice have also arisen from rapid technological change and digital currencies.

In this conference, we seek to tackle issues associated with:

- The objectives of monetary policy
- The transmission and efficacy of monetary policy
- The interface between monetary policy and labour markets, and
- The design of governance frameworks for policy decision-making.

In some countries, monetary policy objectives now place greater emphasis on labour markets. What tensions or trade-offs do such objectives create, and how should policy adapt to these changes? As noted above, price and wage inflation has been low in many countries and difficult to return to targeted levels. Are such outcomes the result of underlying slack or have technological changes materially affected pricing behaviour? How should we measure latent variables such as ‘natural interest rates’ and the ‘natural rate of unemployment’? How have technological changes affected the monetary transmission mechanism? And how should monetary policy be implemented if interest rates are constrained at the lower bound? Should monetary authorities provide new digital products and retire physical currency to adapt to the zero lower bound and technological changes in payments? Lastly, what processes and institutional structures should govern monetary policy frameworks?

Submissions on these and related questions, both empirical and theoretical, are welcomed.

Keynotes

Dr Mary C. Daly, President of the Federal Reserve Bank of San Francisco

Prof Jinill Kim, Korea University

Expenses

Cost reimbursement will be considered on a case-by-case basis. Economy class travel and accommodation will typically be provided for academic presenters.

Key dates

Paper submissions	7 June 2019
Acceptance notifications	21 June 2019
Final papers due	2 August 2019
Conference date	28-29 August 2019

Submissions/enquiries

Please submit to RBNZ-IMFconference2019@rbnz.govt.nz

Organising committee

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