

Workshop “International finance: do exchange rates still matter?”

November 16th, 2018

LEM - CNRS, University of Lille
Research axis “Markets, Organizations and Finance”
and
European Research Group (GdRe) *Money, Banking, Finance*
Research axis “Sustainable and International Finance”

University of Lille

Subject

The persistence of global imbalances raises some concerns about resurgence of protectionist tendencies while the gradual tightening of monetary policy in some advanced economies raises fears about a sudden stop in capital inflows in emerging market economies. These issues are related to the role of exchange rates in determining international trade and capital flows. Are exchange rates more important than trade policy in correcting trade imbalances? Do they influence foreign direct investment? Do floating exchange rates help current account adjustments? Do they give full monetary autonomy? To what extent do exchange rates affect stock markets and bond markets?

Topics include:

- Exchange rates and competitiveness, international trade and foreign direct investment
- The effects of exchange rate changes and tariffs on international trade
- The role of the exchange rate regime in current account adjustments
- The valuation effects of changes in exchange rates
- Policy trilemma vs. dilemma
- The degree of exchange rate pass-through
- Exchange rates and financial markets

Scientific committee

António AFONSO (University of Lisbon), Renaud BEAUPAIN (IÉSEG School of Management, Lille/Paris), Sophie BRANA (University of Bordeaux), Jean-Bernard CHATELAIN (University Paris 1), Peter CLAEYS (Vrije Universiteit Brussel), Cécile COUHARDE (University of Paris Nanterre), Balazs EGERT (OECD), Etienne FARVAQUE (University of Lille), Rémi GENEROSO (University of Lille), Florence HUART (University of Lille), Hubert KEMPF (Ecole Normale Supérieure Cachan), John LEWIS (Bank of England), Matija LOZEJ (Central Bank of Ireland), Jean-Christophe POUTINEAU (University of Rennes 1), Piotr STANEK (Cracow University of Economics), Gregory THWAITES (Bank of England and London School of Economics), Fabien TRIPIER (University of Evry)

Local organization

Contact: Florence HUART (florence.huart@univ-lille.fr)

Venue

Université de Lille, Cité Scientifique
Faculté des Sciences Economiques et Sociales, 59655 Villeneuve d’Ascq, France

Building SH2, First Floor, Room “Salle des conférences”



PROGRAMME

8:30 Welcome coffee

9:00-10:00 Keynote address

Chair: Florence Huart (LEM, University of Lille)

Agnès Bénassy-Quéré (Paris School of Economics, University Paris 1)

“Trade and currency weapons”

10:00-10:15 Coffee break

10:15-12:30 Session 1

Chair: Etienne Farvaque (LEM, University of Lille)

“Nobody Wins: Protectionism and (Un)employment In a Model-Based Analysis”

Pascal Jacquinot (European Central Bank), Matija Lozej (Central Bank of Ireland) and Massimiliano Pisani (Bank of Italia)

Discussant: Peter Claeys (Vrije Universiteit Brussel)

“Global Value Chain Participation and Exchange Rate Pass-through”

Georgios Georgiadis (European Central Bank), **Johannes Gräb** (European Central Bank) and Makram Khalil (Deutsche Bundesbank)

Discussant: Jérôme Héricourt (LEM, University of Lille and CEPII)

“Does Inflation Targeting Matter for the ERPT? A robust approach”

Antonia López-Villavicencio (GATE-CNRS, University Lyon 2) and Marc Pourroy (University of Poitiers)

Discussant: Renaud Beaupain (LEM and IÉSEG School of Management, Lille/Paris)

12:30-13:30 Lunch (Room “Salle des conférences”)

13:30-15:00 Session 2

Chair: Jérôme Creel (OFCE)

“Financial Spillovers and Macroprudential Policies”

Joshua Aizenman (University of Southern California and NBER), **Menzie D. Chinn** (University of Wisconsin and NBER) and **Hiro Ito** (Portland State University)

Discussant: Balazs Egert (OECD)

“Trilemma, or Dilemma? Some New Evidence”

Georgios Georgiadis (European Central Bank) and **Feng Zhu** (Bank for International Settlements)

Discussant: Samuel Ligonnière (LEM, University of Lille and Ecole Normale Supérieure Paris-Saclay)

15:00-15:15 Coffee break

15:15-17:30 Session 3

Chair: Jean-Yves Gnabo (University of Namur)

“International Propagation of Financial Shocks in a Search and Matching Environment”

Marlène Isoré (Bank of Finland and EPEE-Evry, University Paris-Saclay)

Discussant: Jean-Bernard Chatelain (University Paris 1)

“Sudden stops, productivity and the exchange rate”

Laura Castillo-Martínez (London School of Economics and Political Science, Centre for Macroeconomics)

Discussant: John Lewis (Bank of England)

“Real Effective Exchange Rates determinants and growth: lessons from Italian regions”

Silvia Calò (Central Bank of Ireland) and **Mariarosaria Comunale** (Bank of Lithuania and ECB)

Discussant: Michael Brei (LEM, University of Lille)