

# **The Shadow Gn 2009**

February 4 and 5

Lerner Hall 555, Columbia University, New York City



## **Wednesday, February 4, 2009**

*Breakfast to be served at Empire Hotel for hotel guest with coffee available at the meeting venue*

*Lunch will be served at Lerner Hall, Columbia University for all participants*

9.00-17.00 Shadow GN Meeting

19.00 Formal dinner for meeting participants at the Italian Consulate (690 Park Avenue)

## **Thursday, February 5, 2009**

*Breakfast to be served at Empire Hotel for hotel guest with coffee available at the meeting venue*

*Lunch will be served at Lerner Hall, Columbia University for all participants*

9.00-17.00 Shadow GN Meeting

**PLEASE NOTE THAT THE ORDER OF BELOW AGENDA ITEMS MAY CHANGE**

# The Shadow Gn 2009

February 4 and 5

Lerner Hall 555, Columbia University, New York City

## Wednesday, February 4<sup>th</sup>

<b>Pre 9.00</b>	<b>Coffee available</b>
<b><u>Session I</u></b> <b>9.00-11.00</b>  <i>Kemal Dervis</i> <i>Jean-Paul Fitoussi</i> <i>Joseph Stiglitz</i> <i>Maria João Rodrigues</i> <i>John Evans</i>	<b>Introduction</b> Overview of the downturn Length and duration, how it is likely to spread to developing countries, and what are the prospects for 2010-11.  <b>Stimulus</b> a. What are the principles and elements of an effective stimulus package? What can be done to prevent free-riders? What size stimulus packages are required?
<b>11.00-11.15</b>	<b>Coffee Break</b>
<b><u>Session II</u></b> <b>11.15-13.00</b>  <i>E V Fitzgerald</i> <i>Rob Vos</i> <i>Brian Pinto</i> <i>Mamdou Diouf</i> <i>Ernst Stetter</i>	<b>How can (and should) developing countries engage in countercyclical fiscal policies?</b> a. What assistance is required from developed countries for safety net programs? b. What assistance is required for developed countries for infrastructure programs? c. What conditionality should be associated with such programs? d. How can funds that are available in those countries with high liquidity be best channeled to developing countries? e. Is there a difference between middle-income and low-income countries?  <b>Ensuring credit flows to developing countries</b> a. What is the best way to ensure a flow of credit to developing countries? b. What is the best way to prevent a credit run against firms in developing countries? c. What are the particular problems of Africa?
<b>13.00-14.00</b>	<b>Lunch</b>
<b><u>Session III</u></b> <b>14.00-15.30</b>  <i>Keya Chatterjee</i> <i>Fulai Sheng</i> <i>Hussein Abaza</i> <i>Juanita Castaño</i> <i>Alicia Bárcena</i>	<b>Climate change</b>  How can we best ensure that long run issues do not get short changed, as we address the short run problems?
<b><u>Session IV</u></b> <b>15.30-17.00</b>  <i>Jose Antonio Ocampo</i> <i>Lord Meghnad Desai</i> <i>Stephany Griffith-Jones</i> <i>Patrick Bolton</i> <i>Marc Uzan</i> <i>Akbar Noman</i>	<b>Reforming the governance of the global financial system</b> a. What can be done to prevent protectionism, and especially financial protectionism? b. Is a reform in the global reserve system necessary? Desirable? Feasible? c. Are reforms in the system of risk bearing necessary and desirable? What are the best ways of bringing this about? d. Are reforms in the system of cross-country default (including defaults of sovereigns) necessary, desirable, feasible? e. What are the appropriate fora in which issues of reforming the global financial system should be discussed? f. What reforms are necessary if the IMF and World Bank and regional institutions are to play the role they should have played in this crisis?

# The Shadow G'n 2009

February 4 and 5

Lerner Hall 555, Columbia University, New York City

19.00	Dinner at the Italian Consulate
-------	---------------------------------

## Thursday, February 5<sup>th</sup>

<b>Pre 9.00</b>	<b>Coffee available</b>
<b><u>Session I</u></b> <b>9.00-11.00</b>  <i>Joseph Stiglitz</i> <i>Jean-Paul Fitoussi</i> <i>Luca Cordero di Montezemolo</i> <i>Damon Silvers</i>	<b>Financial Sector Bail-outs</b> a. Why have the bail-outs to the financial institutions worked so poorly? b. What reforms should be undertaken going forward? What lessons are there to be learned from these failures? c. Have taxpayers received fair value? d. How much concern should there be about the lack of transparency? e. Is this an unfair trade practice? Especially if governments have not received fair value? Can or should developed countries provide compensation to developing countries?  <b>Other bail-outs</b> a. Are there criteria for which bail-outs should be acceptable? b. Is there guidance about what forms bail-outs should take? c. Do these bail-outs represent unfair trade practices? d. Bail-outs vs. bankruptcy
<b>11.00-11.15</b>	<b>Coffee Break</b>
<b><u>Session II</u></b> <b>11.15-13.00</b>  <i>Howard Stein</i> <i>E.V.K Fitzgerald</i> <i>Marc Uzan</i> <i>Rob Vos</i>	<b>Credit Interventions</b> a. Are the credit guarantees and lending by government unfair trade practices? Were they necessary? Can or should developed countries provide compensation to developing countries? a. In the United States and some other countries, governments have taken on an increased role in lending. Was this necessary? In some cases, this seems to be done without adequate credit assessment. What is the magnitude of risks that this poses to the U.S. and other countries engaged in the process (both in terms of credit allocation, long term budgets, and interventions in the functioning of the market economy)? b. How much concern should there be about the lack of transparency?  <b>Are current/proposed bail-out/stimuli/credit guarantees programs sustainable?</b> a. What risks are posed in the long term by the growing balance sheet of the Fed and other central banks? How worried should we be about long term inflation? A double dip recession? b. What risks are posed by the growth of debt/GDP ratios?
<b>13.00-14.00</b>	<b>Lunch</b>
<b><u>Session III</u></b> <b>14.00-15.30</b>  <i>Heiner Flassbeck</i> <i>Juan Antonio Morales</i> <i>Jose Antonio Ocampo</i> <i>Joseph Stiglitz</i> <i>Jean-Paul Fitoussi</i>	<b>Monetary policy</b> a. Have we reached the limits of standard monetary easing? Is there a need for more coordinated action? b. Some developing countries are being encouraged or seem to be forced to engage in higher interest rates. Do these policies make sense? Is there an alternative? c. Will “quantitative easing” work? How can it best be affected? d. How worried should we be by the increase in the Fed’s balance sheet? Can it be smoothly unwound? What are the dangers of inflation? Of overreaction, leading to a double-dip downturn?

# The Shadow G*n* 2009

February 4 and 5

Lerner Hall 555, Columbia University, New York City

	<p>e. What are the lessons for the future conduct of monetary policy? To what extent are current problems the result of excessive liquidity? Should views about inflation targeting be revised? What additional instruments need to be used? Who should be responsible for financial market stability?</p>
<p><b>15.30-15.45</b></p>	<p><b>Coffee Break</b></p>
<p><b><u>Session IV</u></b>  <b>15.40-17.30</b></p> <p><i>Jane D'Arista</i>  <i>Giorgio Di Giorgio</i>  <i>Massimo Edigi</i>  <i>Stephany Griffith-Jones</i></p>	<p><b>Regulatory Policy</b></p> <p>a. Are there some reforms in regulatory policy that should be undertaken quickly?</p> <p>b. To what extent are the problems a result of inadequate regulation? Is there a need for tighter regulatory frameworks in the context of low interest rates?</p> <p>c. To what extent are improvements in transparency sufficient? Can there be “partial” transparency, or must hedge funds and others be brought into the net? What does it say that markets on their own have not provided desirable levels of transparency? Is the emphasis on transparency an attempt to shift attention away from more fundamental reforms?</p> <p>d. How can we tell whether reforms are “cosmetic” or real? What are some examples of cosmetic reforms that we should be wary of?</p> <p>e. Is it imperative that something be done with off-shore financial sectors?</p> <p>f. What are the areas where regulation should be strengthened?</p> <p>g. To what extent are the problems a result of inadequate regulatory institutions?</p> <p>h. What reforms would protect regulatory institutions against regulators who don't believe in regulation?</p> <p>i. What is the need for, possibility of, global coordinated regulation?</p> <p><b>Wrap up:</b></p> <p>a. Other issues that should be on the agenda?</p> <p>b. What should be done in preparation for the Rome meeting?</p> <p>c. What should be the agenda/structure of the Rome meeting?</p>