

# Monetary policy in uncertain times: Towards robustness and resilience

50<sup>th</sup> OeNB Economics Conference and  
60<sup>th</sup> SUERF Anniversary Conference

*Latest update: March 31, 2023*

May 22 and 23, 2023, *hybrid in-person and online event*  
MuseumsQuartier (Museumsplatz 1, 1070 Vienna), Austria

## Conference aspects

Monetary policy strategy reviews conducted in the early 2020s by several central banks were informed by a persistent undershooting of inflation targets. A key aim was thus to ensure the effectiveness of monetary policy at the effective lower bound on interest rates, and to bring inflation and inflation expectations back up to target. Given the dramatic overshooting of inflation above target starting from 2021, the question arises whether the analyses made at the time were overly focused on a particular state of the world and failed to be robust to the possibility of dramatically and fast-changing circumstances. The current environment is characterized by higher volatility and higher uncertainty and has shown how large and sudden shocks in a matter of months can sharply change economic and financial conditions, not only locally but also globally. The conference aims to explore avenues to render central banks' strategies and analytical tools more robust and resilient to unexpected changes in the conditions under which they may need to operate. How to make monetary policy decisions robust and resilient to uncertain outcomes. And how to tailor central bank communication to high inflation and high uncertainty.

12:30 p.m. **Standing lunch**

1:30 p.m. **Welcome remarks**  
**Robert Holzmann**  
Governor  
Oesterreichische Nationalbank

**Jakob de Haan**  
President | SUERF  
Professor | University of Groningen

1:45 p.m. **Opening keynote**  
**Robustness and resilience in an uncertain and complex world:  
implications for monetary policy**

Moderator  
**Jakob de Haan**  
President | SUERF  
Professor | University of Groningen

**Markus Brunnermeier**  
Professor  
Princeton University

2:30 p.m. **Session I**  
**Shock identification and optimal monetary policy responses in an  
uncertain and complex environment**

*How to correctly identify the nature of shocks, their duration, their relative strength (e.g. supply versus demand), and their transmission in an increasingly complex environment? What lessons have we learned during the Covid and energy crises to improve our tools? Would such improvements change monetary policy strategies and the conduct of monetary policy?*

Moderator  
**Ernest Gnan**  
Secretary General  
SUERF

**Sandra Eickmeier**  
Senior Economist  
Deutsche Bundesbank

**Raffaella Giacomini**  
Professor of Economics | University College London  
Senior Economist and Economic Advisor | Federal Reserve Bank of Chicago

**Boris Hofmann**

Research Adviser, Monetary and Economic Department  
Bank for International Settlements

**Adrian Penalver**

Deputy Director of the Monetary and Financial Studies Directorate  
Banque de France

3:45 p.m. Break

4:15 p.m. Policy panel

**The Great Volatility: How to cope? What is different this time?  
How to manage side effects and tradeoffs?**

*Controlling inflation in a volatile and uncertain environment requires not only good forecasting models but also implementation robust to rapid changes in economic conditions. How to make monetary policy robust to uncertain outcomes How to deal with risks for fiscal sustainability and financial stability? How to preserve central bank credibility in a volatile environment and at the same time secure public acceptance, given difficult tradeoffs? Does this require central banks to expand their policy tool kit even further? Are there asymmetries between monetary policy easing and tightening, and if so, what would such asymmetries imply in a longer-term perspective?*

Moderator

**Robert Holzmann**

Governor  
Oesterreichische Nationalbank

**Tobias Adrian**

Financial Counsellor and Director  
Monetary and Capital Markets Department  
International Monetary Fund

**Claudio Borio**

Head of the Monetary and Economic Department | Bank for International  
Settlements  
Fellow | SUERF

**Sarah Breeden**

Executive Director  
Bank of England

**Philip Lane**

Member of the Executive Board  
European Central Bank

5:45 p.m. End of panel

Monday, May 22, 2023

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6:30 p.m.     Aperitif

7:00 p.m.     Dinner and dinner speech  
**How to deal with extreme uncertainty in an interconnected world?**  
**An investor perspective**

Moderator

**Robert Holzmann**

Governor

Oesterreichische Nationalbank

**Philipp Hildebrand**

Vice Chairman

BlackRock

8:30 a.m. **Registration**

9:00 a.m. Academic session A: Prices, wages and expectations

Moderator

**Fabio Rumler**

Lead Economist

Oesterreichische Nationalbank

Inflation persistence, noisy information and the Phillips Curve

**José-Elías Gallegos**

Banco de España

Price setting frequency and the Phillips Curve

**Alex Grimaud**

Vienna University of Economics and Business

*Co-author: Emanuel Gasteiger, TU Wien*

A single monetary policy for heterogeneous labour markets: the case of the euro area

**Matija Lozej**

Central Bank of Ireland

*Co-authors: Sandra Gomes, Bank of Portugal; Pascal Jaquinot, European Central Bank*

Undesired consequences of Calvo Pricing in a non-linear world

**Aleš Maršál**

National Bank of Slovakia

*Co-authors: Katrin Rabitsch, Vienna University of Economics and Business; Lóránt Kaszab, Magyar Nemzeti Bank*

House price expectations and inflation expectations: evidence from survey data

**Roshni Tara**

University of Surrey

*Co-authors: Vedanta Dhamija, University of Surrey; Ricardo Nunes, University of Surrey*

10:30 a.m. Break

10:45 a.m. Academic session B: Monetary policy transmission and implementation

Moderator

**Claudia Kwapil**

Senior Principal

Oesterreichische Nationalbank

Nonbank lending and the transmission of monetary policy

**Denis Gorea**

European Investment Bank

*Co-author: Dominic Cucic, Danmarks Nationalbank*

Financial panics and liquidity interventions

**Alexander Haas**

University of Oxford

*Co-author: Derrick Kanngiesser, Bank of England*

Building central bank credibility: the role of forecast performance

**Ryan Rholes**

University of Oxford

*Co-author: Michael McMahon, University of Oxford*

Pushing risky firms on a string: asymmetric effects of monetary policy

**Ander Perez-Orive**

Board of Governors of the Federal Reserve System

*Co-author: Yannick Timmer, Board of Governors of the Federal Reserve System*

12:15 p.m. Standing lunch

1:00 p.m. Session 2

**Fiscal and monetary policy interactions: side effects, tradeoffs and complementarities, need for coordination?**

*The nature, number and size of current shocks and the strong policy measures required highlight potential side effects, spill-overs and tradeoffs. The session focuses on monetary and fiscal interactions. How can monetary and fiscal policies interact optimally to achieve complementarities and synergies? Which strategies to follow without coordination?*

Moderator

**Maria T. Valderrama**

Head of Monetary Policy Section

Oesterreichische Nationalbank

**Dennis Bonam**

Principal Economist

Economic Policy and Research Division

De Nederlandsche Bank

**Sven Langedijk**

Advisor

Directorate-General for Economic and Financial Affairs

European Commission

**Aaron Mehrotra**

Principal Economist

Bank for International Settlements

**Francesco Papadia**

Senior Fellow

Bruegel

2:15 p.m.

Keynote lecture

**Central banks as risk managers: long-term side-effects, risks and limitations**

Moderator

**Gottfried Haber**

Vice Governor

Oesterreichische Nationalbank

**Jon Danielsson**

Director of the Systemic Risk Centre

The London School of Economics and Political Science

3:00 p.m.

Break

3:30 p.m.

Session 3

**Monetary policy communication in uncertain times**

*Large and multiple shocks and high uncertainty go hand in hand with the risk of volatile and diverse perceptions and expectations of the economic outlook and policy responses. How should central banks communicate to stabilize and anchor expectations instead of contributing to uncertainty? Can communication about the central bank's reaction function in lieu of forward guidance accomplish this? How to preserve/reestablish credibility once inflation has been above target for an extended period? How to design communication that is robust to volatile events?*

Moderator

**Birgit Niessner**

Director of Economic Analysis and Research Department

Oesterreichische Nationalbank

**Klodiana Istrefi**

Senior Economist

European Central Bank

**Michael McMahon**  
Professor of Economics  
University of Oxford

**Emanuel Moench**  
Professor | Frankfurt School of Finance & Management  
Fellow | SUERF

**Kilian Rieder**  
Principal Economist | Oesterreichische Nationalbank  
Research Associate | SUERF

5:00 p.m.    **Concluding remarks**  
**Barbara Kolm**  
Vice President  
Oesterreichische Nationalbank

5:15 p.m.    End of conference

*This program is subject to change.*

*Speakers and panelists are listed in alphabetical order.*

**Scientific coordination**

Ernest Gnan, SUERF | OeNB, Maria T. Valderrama, OeNB  
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