



Workshop on Fiscal and Monetary Policies and Growth

April 11, 2008

Venue: The Brookings Institution

Biggs Conference Room

1775 Massachusetts Avenue, NW, Washington, D.C. 20036

8:30-9:00am Registration and Breakfast

9:00-10:00am Introduction and Welcome: Michael **Spence**, Philip H. Knight Professor Emeritus, Graduate School of Business, Stanford University, and Commission Chair

Session I: Modern Growth Theory: Implications for Fiscal and Monetary Policies

Chair: Mike **Spence**, Philip H. Knight Professor Emeritus, Graduate School of Business, Stanford University, and Commission Chair

Panelists: Robert E. **Lucas**, John Dewey Distinguished Service Professor of Economics, University of Chicago

Robert **Solow**, Professor Emeritus, Massachusetts Institute of Technology

Francesco **Giavazzi**, Professor, Bocconi University (Italy) and Massachusetts Institute of Technology

10:00-11:00am Session II: What Do We Know About Monetary Policy That Friedman Didn't Know?

Chair: Dwight **Venner**, Governor, Eastern Caribbean Central Bank, St. Kitts and Nevis, and Commissioner

Presenter: Charles **Wyplosz**, Graduate School of International and Development Studies, Geneva (Switzerland)

Discussants: Vito **Tanzi**, Former Director, Fiscal Affairs Department, International Monetary Fund

Francesco **Giavazzi**, Professor, Bocconi University (Italy) and Massachusetts Institute of Technology

General discussion

11:00-11:15am Coffee Break

11:15-12:30pm Session III: The U.S. Subprime Mortgage Crisis: Issues Raised and Lessons Learned

Chair: Han Duck-soo, former Prime Minister, The Republic of Korea, and Commissioner

Presenters: Dwight **Jaffee**, Willis Booth Professor of Banking, Finance, and Real Estate, University of California-Berkeley

Discussants: Alice **Rivlin**, Senior Fellow, Metropolitan Policy Program, The Brookings Institution

Kevin **Villani**, Adjunct Professor, San Diego State University

Loic **Chiquier**, Program Manager for Housing Finance, FPDSN, The World

Bank

Discussion will continue over the Working Lunch

12:30-1:00pm Working Lunch

1:00-2:00pm Session IV: What Do We Know About The Macroeconomics of Fiscal Policy in Emerging Market Economies?

Chair: Mike **Spence**, Philip H. Knight Professor Emeritus, Graduate School of Business, Stanford University, and Commission Chair
Presenter: Roberto **Perotti**, Professor, University of Bocconi (Italy)
Discussants: Homi **Kharas**, Senior Fellow, the Brookings Institution

2:00-3:00pm Session V: The Future of Fiscal Federalism

Chair: Gobind **Nankani**, President, Global Development Network
Presenter: Vito **Tanzi**, former Director, Fiscal Affairs Department, International Monetary Fund
Discussants: Charles **Wyplosz**, Graduate School of International and Development Studies, Geneva (Switzerland)
Roger **Gordon**, Professor, University of California, San Diego

3:00-4:00pm Session VI: It Is Mostly Fiscal: A Public Finance Perspective on Economic Development

Chair: Mahmoud **Mohieldin**, Minister of Investment, Arab Republic of Egypt
Presenters: Roger **Gordon**, Professor, University of California, San Diego
Discussant: Teresa **Ter-Minassian**, Director, Fiscal Affairs Department, International Monetary Fund

4:00-4:15pm Coffee Break

4:15-5:15pm Session VII: Fiscal Policy, Volatility, and Growth

Chair: Mike **Spence**, Philip H. Knight Professor Emeritus, Graduate School of Business, Stanford University, and Commission Chair
Presenter: Antonio **Fatás**, Professor of Economics, INSEAD
Discussants: Roberto **Perotti**, Professor, University of Bocconi (Italy)

5:15-5:55pm Overview Panel

Chair: Mike **Spence**, Philip H. Knight Professor Emeritus, Graduate School of Business, Stanford University, and Commission Chair
Panelists: Robert **Lucas**, John Dewey Distinguished Service Professor of Economics, University of Chicago
Robert **Solow**, Professor Emeritus, Massachusetts Institute of Technology

5:55-6:00pm Closing Remarks

Mike **Spence**, Philip H. Knight Professor Emeritus, Graduate School of Business, Stanford University, and Commission Chair