30.10.2019

XXIV Meeting of the Central Bank Researchers Network
Madrid, Banco de España
Opening Ceremony
Óscar Arce
Director General Economics, Statistics and Research
Good morning. It is a pleasure for me to welcome you all to Banco de España. First of all, I would like to thank all the participants in this XXIV Meeting of Central Bank Researchers Network of CEMLA and, especially, to CEMLA and its Director General, Dr. Manuel Ramos Francia, who unfortunately has been unable to join us today, as well as all his team for their leading role in the organization of this event.

This meeting is an important element of our international cooperation activity, to which Banco de España gives the highest importance. Indeed, one area of priority in our international cooperation agenda has always been Latin America, where we count on the very valuable collaboration of CEMLA; a partnership that increases the quality and scope of our activities and help us strengthen our historical, cultural and economic links with this region.

This CEMLA meeting has consolidated as one of the most relevant and prestigious forums for the exchange of ideas between researchers of Latin American central banks on subjects of interest linked to macroeconomics, monetary policy and the financial sector. The last time the Banco de España hosted the meeting of the Network was in 2007, just before the global financial crisis. Since then, there have been huge changes in the world economy, reshaping the mandates and functioning of our institutions and our research agendas in the areas that I have just mentioned.

The fundamental role of the financial system as a source and propagator of shocks, together with the new scenario of low growth, low inflation and low interest rates, have led to profound changes in the formulation of economic policies and, in particular, monetary policies. Looking at the agenda of this meeting I find a compelling similarity between the debates in the euro area and in the Latin American community of central banks. To name a few examples:

- The nature of inflation expectations and how we measure them.
- The renewed attention on fiscal sustainability issues, now in the context of the “r minus g” debate.
- Or the different channels though which monetary policy affects the economy: for example, the reaction of exchange rates, the influence of the global financial cycle, the propagation of credit shocks or the rising relevance of individual heterogeneity as a first-order determinant of the transmission of shocks and policy decisions in the economy.

In addition to contributions from the participants themselves, we will also be able to count on three invited keynote lectures that will shed light on some of these issues. It is a privilege to have with us Prof. Dimitrios Tsomocos, who will talk on macroprudential and monetary policy, Prof. Gianluca Violante, addressing precisely the role of heterogeneous agents in monetary policy, and Prof. Serafín Martínez Jaramillo, dealing with financial stability issues and systemic risk from overlapping portfolios.

I hope that you will find this opportunity a fruitful one to broaden our horizons of exchange and mutual knowledge. And I wish you, of course, a pleasant stay in our country.

Thank you very much.