



Emerging Markets Group
Cass Business School
City University



Call for Papers
Emerging Markets Group Workshop
on
International Capital Flows: Drivers and Policy Responses

3-4 May, 2018

Venue: Cass Business School
City, University of London

Keynote Speakers

Gian Maria Milesi-Ferretti
Deputy Director
Research Department
International Monetary Fund

Frank Warnock
James C. Wheat Jr
Professor
Head, Global Economies and Markets
Darden Business School
University of Virginia

The global financial crisis saw an unprecedented collapse of international capital flows after years of rapid increase reflecting the rising globalisation over the previous decade. Global capital flows increased rapidly from less than 7% of world GDP in 1998 to over 20% in 2007, but suffered large reversals in late 2008, with bank credit flows being hit the hardest due to their sensitivity of risk perception. However, the retrenchment of capital flows in emerging economies was short lived compared to that experienced in developed economies (Milesi-Ferretti and Tille, 2011). Capital flows to emerging economies remained highly sensitive to monetary policy in developed economies and subject to bouts of volatility. The tapering by the Fed triggered a new sudden stop in capital flows in 2013, compounded by the stock market turbulence in China in 2015-16. Currently, against the background of low global financial volatility and low yields, non-residents returned to invest in emerging markets in search of higher returns. At the same time the increasing liberalisation of private flows in emerging economies has caused a surge in emerging market capital outflows by residents. This volatility of capital flows has motivated us to organise this workshop in order to deepen our knowledge of the factors that shape the constellation of capital flows to emerging markets, their asset prices and credit cycle, including the range of policies available to face external shocks.

On behalf of the **Emerging Markets Group (EMG)**, Cass Business School, City University of London and the **European Central Bank (ECB)** the scientific committee invites submissions for an EMG workshop on “**International Capital Flows: Drivers and Policy responses**” and in particular on the following issues:

- Capital flows to emerging markets and the role of global and idiosyncratic factors in driving banking, portfolio flows and asset prices in emerging markets
- The impact of policy normalisation in developed economies on liquidity and credit conditions in emerging markets
- The impact of policy normalisation in developed economies on financial and currency markets in emerging markets
- The optimal monetary, exchange rate and macro prudential policies to buffer external shocks in emerging markets



- The impact caused by capital flights from emerging markets
- The risks and vulnerabilities in the financing of sovereign and corporate borrowers in emerging markets, with a special reference to the implication of the development of local currency bond markets
- The role of global banks and global institutional investors in emerging markets versus emerging national champions

Submission of papers:

Completed papers in PDF form should be submitted to:

EMGECBworkshopMay2018@city.ac.uk.

The deadline for paper submission is the **22nd January 2018**. Authors of accepted papers for the workshop will be notified by the **end of February 2018**.

The programme will include 16 papers. There will be a discussant for each paper.

Registration is free and participants, apart from keynote speakers, are expected to cover their own travel and accommodation costs.

Conference Organisers:

Kate Phylaktis (Cass Business School);

Livio Stracca (ECB);

Maurizio Habib (ECB);

Scientific Committee:

Menzie Chinn (University of Wisconsin)

Ana-Maria Furtés (Cass Business School)

Maurizio Habib (ECB)

Ian Marsh (Cass Business School)

Richard Payne (Cass Business School)

Kate Phylaktis (Cass Business School)

Livio Stracca (ECB)

Cedric Tille (The Graduate Institute of International and Development Studies)