



Initiative for Policy Dialogue
Columbia University



Towards A World Reserve System

Co-sponsored by: Friedrich Ebert Stiftung and Initiative for Policy Dialogue
with support from the Ford Foundation

Date & location: November 6, 2009, 9:00am – 5:00pm
Satow Room, 5th Floor, Lerner Hall, Columbia University

In the long run, a national currency cannot provide the basis for a stable, international monetary system. Recognition of this fundamental problem provided the rationale for creating the IMF's Special Drawing Rights (SDRs) in the 1960s. The dollar standard – in place since the early 1970s – has three fundamental flaws: 1) It puts the burden of adjustment on deficit, rather than surplus, countries; 2) the system is unstable because the major reserve currency's value is dependent on US macroeconomic policy and the vagaries of the US balance of payments and associated domestic deficits; 3) the current system is inequitable because it forces a transfer of resources from developing countries to the industrial nations that provide reserve currencies. This meeting will bring experts in the history, alternative forms and regional strategies toward a World Reserve System into dialogue with senior policymakers and key representatives from the United Nations, Bretton Woods Institutions and civil society organizations to discuss the prospects for a World Reserve System.

PROPOSED PROGRAM:

9:00am **Introductory remarks** by Joseph Stiglitz and Werner Puschra

9:30 am – 11:00 am **Arguments For A New Global Reserve System, In Historical Perspective**

Moderator: **Chrystia Freeland**, US Managing Editor of the
Financial Times

Panelists: **Barry Eichengreen**, Professor of Economics and
Political Science, University of California Berkeley
Peter Kenen, Professor of Economics, Princeton University,
and Senior Fellow for International Economics, Council on
Foreign Relations

José Antonio Ocampo, Co-President Initiative for Policy Dialogue, Professor of Economics, Columbia University

John Williamson, Senior Fellow, Peterson Institute for International Economics

Discussant: **Eric Helleiner**, CIGI Chair in International Political Economy, University of Waterloo

11:15 am – 1:00 pm Alternative Forms of Global Reserve Systems

Moderator: **Stephany Griffith-Jones**, Financial Markets Director, Initiative for Policy Dialogue

Panelists: **Bruce Greenwald**, Robert Heilbrunn Professor of Finance and Asset Management, Columbia Business School
Joseph Stiglitz, Co-President Initiative for Policy Dialogue, Professor of Economics, Columbia University
Liqing Zhang, Dean, School of Finance, Central University of Finance and Economics, China

Discussant: **Deepak Nayyar**, Professor, Department of Economics, Jawaharlal Nehru University, India

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2:30 pm – 4:15 pm Transitional Paths via Regional Reserves: A Bottom-Up Approach to a Global System

Moderator: **Werner Puschra**, Executive Director, Friedrich Ebert Stiftung, New York Office

Panelists: **Peter Bofinger**, Professor of Economics, University of Würzburg and Member, German Council of Economic Experts
Ricardo Ffrench-Davis, Professor of Economics and Business, University of Chile
Alexander Dynkin, Director, the Institute of World Economy and International Relations

Discussant: **Aleksei Mozhin**, IMF Executive Director for the Russian Federation

4:15pm Closing Remarks