

CALL FOR PAPERS – CONFERENCES
Inflation Challenges in an Era of Relative Price Shocks

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The recent surge in global commodity prices, particularly food and energy, has produced a significant relative price shock and this raises a number of interesting and important questions. A first set of questions relate to the causes and nature of the shock. What are the causes of these price changes? Are they truly a shift in relative prices or do they represent a fundamental shift in global inflation with global demand growing faster than supply? In the former case, are the changes likely to be temporary or permanent? How are domestic imbalances transmitted to the world economy? A second set of questions relate to how policy makers should respond. For example, how do relative price shocks influence policy making among central banks that follow different strategies, from inflation targeting to exchange rate targeting, and how are these communicated to the public?

TOPICS

1. Is there a new global paradigm of resource shortages or is it the 1970s all over again?
2. Modeling commodity prices and inflation – globally and nationally – and monetary policy responses.
3. How are inflationary expectations affected by relative price shocks?
4. The transmission mechanism of global shocks. Are new modeling strategies needed?
5. How should national monetary and fiscal policies respond to relative price shocks as opposed to inflation shocks?
6. The international transmission of policy responses. Is a co-ordinated policy response required or is it better for countries to pursue independent policies?

Extended abstracts will be considered but preference will be given to completed papers.

KEYNOTE SPEAKERS: *Graciela Kaminsky (George Washington University) and Lutz Kilian (University of Michigan)*

LOCATION: There will be two conferences. The first will take place on **16-17 JUNE 2009 in Münster, Germany**. A follow-up conference will be held on **17-18 AUGUST 2009 in Sydney, Australia**.

EXPENSES: Expenses for travel (economy class airfare round-trip) and accommodation will be partially covered for speakers and discussants.

SUBMISSION: Proposals should be sent to: conference@rba.gov.au by **31 January 2009**. Only completed papers, however, will be accepted for the final program. Drafts will be due by **1 June 2009**. Prospective participants should indicate for which conference they wish to be considered. Limited papers will be considered for both.

Notifications of conditional acceptance will be sent by **28 February 2009**.

WEBSITES: More information on the conference will be available at <http://www.rba.gov.au/>, <http://cama.anu.edu.au/>, <http://www.wlu.ca/viessmann> , http://www.wiwi.uni-muenster.de/me_en/, <http://www.wiwi.uni-muenster.de/iif/>.