

KDI-HAPI Conference
참석 및 발표를 위한 출장

2023. 8. 16 ~ 8. 19



1 배경 및 목적

□ KDI-HAPI 공동연구 개요

- KDI와 미국의 East-West Center(EWC)는 1989년 이후 매년 한국경제의 주요 현안에 대하여 공동연구를 통해 실천가능하고 현실성 있는 대안을 모색함.
- 코로나로 이후 처음 대면으로 개최되는 이번 컨퍼런스는 EWC와의 협약이 종료됨에 따라 Hawaii Asia Pacific Institute(HAPI)와 함께 2023년 8월 16~18일 기간 동안 Honolulu에서 진행하기로 함.

□ 공동연구 Agenda

- 2023년 컨퍼런스는 「Inflation: A New Normal or a Waning Wave?」 라는 제목으로, 해외 저명 경제학자(Maurice Obstfeld, UC Berkeley; Sebnem Kalemli-Ozcan, U of Maryland; Yuriy Gorodnichenko, UC Berkeley; Pierpaolo Benigno, U of Bern)와 KDI 및 서울대학교 연구진의 인플레이션 관련 연구(e.g. Production and Expenditure Structure and Inflation Dynamics; Are Inflation Expectations Anchored for Everyone? Evidence from Household Surveys; Inflation Expectations Through the Lens of the Slack in the Real Estate Asset Market; CBDC-based New Banking System as a Solution to the Monetary Policy Tradeoff between Price and Financial Stability)의 발표와 토론이 이루어질 예정임.

□ Conference Synopsis

- Inflation is back. Until a couple of years ago, weak inflationary pressure and zero-lower-bound policy rates were significant challenges for advanced economies, which had experienced four-decade-long declining inflation and nominal interest rates since the 1980s. Aging populations and technological changes, among many other factors, were discussed as their rationale. The tide, however, has changed direction. As the Covid-19 pandemic has subsided, inflation has become a policy target that many central banks struggle to push down rather than pull up. Central banks around the

world have sharply increased their policy rates beginning in 2022. In the United States, the annual core Personal Consumption Expenditures Price Index (PCE) in 2022 recorded a historic December-to-December high of 5%, the highest it has been except for the great inflation period from the mid 1970s to the early 1980s. The Fed raised its target policy range to 5% - 5.25% in its May 2023 meeting. Economists believe that inflation is always and everywhere a monetary phenomenon. Monetary authorities committed to fighting inflation can eventually control it. Many questions, however, are as yet unanswered. Why has inflationary pressure soared in 2022 after a 40-year downward trend? Is inflationary pressure the result of unexpected real shocks or unprecedentedly bold combinations of monetary and fiscal policies? How long will inflationary pressure last? What is an appropriate inflation target level? Is 2% a golden rule? Given high debt levels, what are the risks of increased inflationary pressure and elevated nominal interest rates? How do changes such as technology, environment, and demographics affect inflation in the long run? The 2023 conference will address these questions and others of great importance.

2 출장 개요

- 예 산: 주최측 부담
- 기 간: 2023년 8월 16일(수)~19일(토), (3박 4일, 입출국일 포함)
- 출장지: 하와이, 호놀룰루
- 출장자: 총 3명

	이름	소속 및 직함
1	정규철	경제전망실 실장 (선임연구위원)
2	황순주	거시금융정책연구부 (연구위원)
3	조덕상	거시금융정책연구부 (연구위원)

3 주요 논의내용

□ 세부 일정

일자	시간	내용	비고
8.16 (수)	20:20~10:10	출국(인천→호놀룰루)	· OZ232 외
	11:00~15:00	숙소까지 이동 및 체크인	· Prince Waikiki Hotel
	15:00~18:00	Conference 관련 사전준비	· 참석: 조덕상
	18:30~	Opening ceremony	· 참석: 조동철, 정규철, 황순주, 조덕상 · 장소: Morton's The Steak House
8.17 (목)	08:30~09:00	Continental breakfast	· 참석: 컨퍼런슨 참가자 전원 · 장소: Conference room
	09:00~09:30	Keynote speech	· 발표: Maurice Obstfeld(UC Berkeley)
	09:30~11:40	Session 1	· 발표: 정규철(KDI), Sebnem Kalemi-Ozcan(U of Maryland) · 토론: Miroslav Gabrovski(U of Hawaii), Theresa Greaney(U of Hawaii)
	11:50~13:00	Lunch	
	13:00~14:40	Session 2	· 발표: 박용용(서울대), Yuriv Gorodnichenko(UC Berkeley) · 토론: 김진일(연세대)
	15:00~16:40	Session 3	· 발표: 조덕상(KDI), Pierpaolo Benigno(U of Bern) · 토론: Liang Wang(U of Hawaii), Miroslav Gabrovski(U of Hawaii)
8.18 (금)	08:30~09:00	Continental breakfast	· 참석: 컨퍼런슨 참가자 전원 · 장소: Conference room
	09:00~11:00	Session 4	· 발표: 황순주(KDI), Maurice Obstfeld(UC of Berkeley) · 토론: Liang Wang(U of Hawaii)
	11:00~12:00	Wrap Up	· 발표: Maurice Obstfeld(UC Berkeley)
	12:00~1:00	Closing lunch	· 참석: 컨퍼런슨 참가자 전원 · 장소: Conference room

□ Maurice Obstfeld(UC Berkeley), Keynote Speech

- 제목: Natural and Neutral Real Interest Rates: Past and Future
- 내용: Economists posit a critical real rate of interest below which the monetary policy setting is inflationary and above which it is deflationary. For roughly a decade after the Great Financial Crisis, many economists linked deflationary pressures to the difficulty central banks encountered in attaining sufficiently low policy interest rates, after decades of global decline in market real rates of interest. In contrast, some ascribe the recent global upsurge in inflation to central banks' tardiness in perceiving the need for real interest rates high enough to place a sharp brake on demand. This paper surveys the decline in real interest rates in advanced and emerging economies over the past several decades, linking that process to a range of global factors that have operated with different force in different periods. The paper argues that estimates of long-run equilibrium real rates (\bar{r}) may not always furnish an accurate guide to the rate appropriate for short-term monetary policy (r^*). It argues further that effective monetary should consider not only equilibrium in the market for domestic goods, but also the current account balance, financial conditions (including capital flows), and imperfect policy credibility. Equilibrium long-term real interest rates have risen recently, according to market indicators. However, the main underlying factors that have pushed real interest rates down since the 1980s and 1990s - notably demographic shifts, lower productivity growth, corporate market power, and safe asset demand relative to supply - do not appear poised to reverse and drive a durable rise in global real interest rates over the coming years. Low equilibrium interest rates probably will continue to bedevil monetary policy and financial stability.

□ 정규철 (KDI)

- 제목: Korea's Inflation, Monetary Policy, and Expenditure Structure

- 내용: 최근 한국의 경제상황과 인플레이션, 그리고 통화정책에 대한 논의

□ Kalem-Ozcan(U of Maryland)

- 제목: Pandemic-Era Inflation Drivers and Global Spillovers
- 초록: We estimate a multi-country multi-sector model to quantify the drivers of inflation during 2020-2023 and to measure inflation spillovers across countries. This exercise yields four key findings. First, negative supply shocks arising from constrained domestic labor and imported intermediates sparked inflation in advanced economies initially. Second, positive aggregate demand shocks created by expansionary fiscal policy widened demand-supply imbalances, intensifying inflation during 2021 - 2022. Third, reallocation of consumption between goods and service sectors further amplified these imbalances and transmitted inflation across countries through global production networks. Fourth, complementarities in production amplified the impact of energy shocks and tight labor markets on inflation.

□ 박응용(서울대)

- 제목: Are inflation expectations anchored for everyone? Evidence from household surveys
- 초록: We empirically characterize the heterogeneity in the conditional distribution of household inflation expectations across the demographic groups using the Survey of Consumer Expectations data and also investigate how the monetary policy shock affects the conditional distribution. It is found that, across all the groups, the peak of the group-specific distribution of household inflation expectations aligns closely with the 2% target by the Federal Reserve, but there is substantial heterogeneity in both the left and right tails, primarily on the right. In response to a contractionary monetary policy shock, households overall adjust their inflation expectations significantly downward, which implies

that monetary policy is effective in stabilizing inflation expectations.

□ Yuriv Gorodnichenko(UC Berkeley)

- 제목: Fiscal Policy and Households' Inflation Expectations: Evidence from a Randomized Control Trial
- 초록: Rising government debt levels around the world are raising the specter that authorities might seek to inflate away the debt. In theoretical settings where fiscal policy “dominates” monetary policy, higher debt without offsetting changes in primary surpluses should lead households to anticipate this higher inflation. Are household inflation expectations sensitive to fiscal considerations in practice? We field a large randomized control trial on U.S. households to address this question by providing randomly chosen subsets of households with information treatments about the fiscal outlook and then observing how they revise their expectations about future inflation as well as taxes and government spending. We find that information about the current debt or deficit levels has little impact on inflation expectations but that news about future debt leads them to anticipate higher inflation, both in the short run and long run. News about rising debt also induces households

□ 조덕상(KDI)

- 제목: Inflation Expectation Through the Lens of the Slack in the Real Estate Asset Market
- 초록: Phillips (1958) uses century-long British data to show that a labor market slack condition measured by unemployment rates correlates with wage inflation. Economists have studied on labor markets to examine inflation dynamics since then. In contrast, this paper focuses on capital markets. It introduces a capital market slack condition variable q , which is defined as the ratio of nominal GDP per capita to the housing price index, to show that q has negative associations with output market

inflationary pressures in the United States (1970-2022), Japan (1971-2022), and South Korea (1985-2022). q allows a one-dimension Phillips curve of unemployment rates to expand into a two-dimension inflation surface of labor and capital market slack conditions, i.e., unemployment rates and q , which offers new perspectives on inflation dynamics. For instance, the US inflation dynamics in the era of three Fed chairs are observed through the lens of this inflation surface. The tight connection between housing prices and aggregate household lending volumes is examined as a rationale behind the link between inflation and q , and a simple capital market equilibrium condition is used to show that q can be interpreted as Tobin's marginal q in the real estate asset market.

□ Pierpaolo Benigno(U of Bern)

- 제목: It's Baaack: The Surge in Inflation in the 2020s and the Return of the Non-Linear Phillips Curve
- 초록: This paper proposes a non-linear New Keynesian Phillips curve (Inv-L NK Phillips Curve) to explain the surge of inflation in the 2020s. Economic slack is measured as firms' job vacancies over the number of unemployed workers. After showing empirical evidence of statistically significant nonlinearities, we propose a New Keynesian model with search and matching frictions, complemented by a form of wage rigidity, in the spirit of Phillips (1958), that generates strong nonlinearities. Policy implications include the thesis that appropriate monetary policy can bring inflation down without a significant recession and that the recent inflationary surge was mostly generated by a "labor shortage" - i.e. an exceptionally tight labor market.

□ 황순주(KDI)

- 제목: CBDC-based New Banking System, Bank Runs, Efficient Allocation, and Monetary Policy Tradeoff between Price and Financial Stability

- 초록: The current banking system cannot prevent bank runs completely. Nor can it achieve a socially efficient allocation, since bank competition can restrain banks' money creation. As an alternative, I consider a CBDC-based new banking system in which deposit-taking is centralized by a central bank through CBDC while lending is decentralized by commercial banks. I show theoretically that this new banking system prevents panic-based bank runs entirely. Commercial bank runs cannot occur as banks do not take customer deposits and central bank runs can be prevented due to some special powers only central banks can exercise. I also find that this new banking system induces a first-best allocation by solving a tradeoff between competition and money creation. Furthermore, this new system can mitigate a monetary policy tradeoff between price and financial stability, by neutralizing negative effects of monetary policy tightening on bank run risks.

□ Maurice Obstfeld(UC of Berkeley)

- 제목: The Global Dollar Cycle
- 초록: The U.S. dollar's nominal effective exchange rate closely tracks global financial conditions, which themselves show a cyclical pattern. Over that cycle, world asset prices, leverage, and capital flows move in concert with global growth, especially influencing the fortunes of emerging and developing economies (EMDEs). This paper documents that dollar appreciation shocks predict economic downturns in EMDEs and highlights policies countries could implement to dampen the effects of dollar fluctuations. Dollar appreciation shocks themselves are highly correlated not just with tighter U.S. monetary policies, but also with measures of U.S. domestic and international dollar funding stress that themselves reflect global investors' risk appetite. After the initial market panic and upward dollar spike at the start of the COVID-19 pandemic, the dollar fell as global financial conditions eased; but the higher inflation

that followed has induced central banks everywhere to tighten monetary policies more recently. The dollar has strengthened considerably since mid-2021 and a contractionary phase of the global financial cycle is now under way. Owing to increases in public- and business-sector debts during the pandemic, a strong dollar, higher interest rates, and slower economic growth will be challenging for EMDEs.

4 참고사항

□ 호텔 정보

Select Hotel Berlin Gendarmenmarkt	
주소	100 Holomoana Street, Honolulu, HI 96815
전화	1-855-277-3123
웹사이트	https://www.princewaikiki.com/

□ 비상 연락망

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5 기타사항

- 주최측(HAPI)에서 항공료, 숙박비, 일비, 식비를 부담.
- 원내 기념품 수령 예정: 유기방짜 수저세트 12개*
- * 기념품: 운영지원팀 비치용 활용