

Call for Participation

Online Workshop on *Inflation Targeting in a World of Large and Persistent Shocks*

Many central banks in emerging economies have recently been adopting inflation-targeting regimes to steer inflation towards a target, thus reducing inflation volatility and ensuring macroeconomic stabilization, especially at times of adverse shocks. Although emerging markets differ substantially in terms of inflation targeting policy rules and parameters, operational design and policy tools, the empirical evidence seems to broadly suggest that inflation targeting is effective even in volatile and vulnerable macroeconomic environments. However, the uneven recovery in demand and supply following recent events, such as the pandemic and the war in Ukraine, may generate novel challenges for central banks and governments: How anchored are inflation expectations in this new environment? For how long can central banks rely on inflation anchoring? How to phase out ultra-cheap money in an increasingly fragile real and financial sector? How to choose between risks of over-tightening versus under-tightening? Is an inflation targeting framework useful for tackling these issues?

The virtual workshop, hosted by the National Bank of Ukraine on **November 25th** (2022), will bring together economists, experts, and policymakers from central banks, academia, think tanks, and international financial institutions to discuss the lessons learned and challenges faced by inflation-targeting central banks in a period of large and persistent shocks.

We invite analytical and policy notes submissions on the broad topic of the workshop. The **topics** include but are not limited to:

- 1) Dos and don'ts of inflation targeting
- 2) Optimal inflation target and the natural rate of interest in economies with limited transmission
- 3) Constraints of fiscal dominance and optimal balance between fiscal and monetary policy
- 4) Policy with fluctuating credibility
- 5) Central bank communication in times of unprecedented uncertainty.

Submissions: Authors interested in presenting an analytical or policy work at this workshop are invited to send a draft presentation (pdf) or an extended abstract with key highlights to conference@bank.gov.ua. **The submission deadline is 8 November 2022.** Authors of accepted works will be notified by 12 November 2022.

Please feel free to circulate this call for papers among your colleagues. We look forward to your participation.

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of Large and Persistent Shocks**

Workshop | Online

