Contents

1 A Road Map to "Progress and Confusion" 1 Olivier Blanchard and Rafael Portillo

The "New Normal"

- 2 Debt Supercycle, Not Secular Stagnation 19 Kenneth Rogoff
- 3 Rethinking Secular Stagnation after Seventeen Months 29
 Lawrence H. Summers

Systemic Risk and Financial Regulation

- 4 A Note from the Session on Systemic Risk and Financial Regulation 41 Paul A. Volcker
- A Comparative Analysis of Financial Sector Health in the United
 States, Europe, and Asia 43
 Viral V. Acharya
- 6 Rethinking Financial Regulation: How Confusion Has Prevented Progress 61
 Anat R. Admati
- 7 Systemic Risk and Financial Regulation: Where Do We
 Stand? 73
 Philipp Hildebrand
- 8 Shadow Banking as a Source of Systemic Risk 81 Robert E. Rubin

Macroprudential	Policies:	Gathering	Evidence
-----------------	-----------	-----------	----------

- 9 Macroprudential Policy Regimes: Definition and Institutional Implications 89
 Paul Tucker
- Macroprudential Tools, Their Limits, and Their Connection with
 Monetary Policy
 Hyun Song Shin
- 11 A Simple Cost-Benefit Analysis of Using Monetary Policy for Financial Stability Purposes 107 Lars E. O. Svensson

Monetary Policy in the Future

- 12 Introduction to the Monetary Policy Section 121 Iosé Viñals
- 13 Monetary Policy in the Future 129
 Ben Bernanke
- 14 A Monetary Policy for the Future 135 John B. Taylor
- 15 The Credit Surface and Monetary Policy 143
 John Geanakoplos
- 16 Remarks on the Future of Monetary Policy 155
 Gill Marcus

Fiscal Policy in the Future

- 17 Fiscal Policy for the Twenty-First Century: Testing the Limits of the Tax State? 165Vitor Gaspar
- 18 The Future of Fiscal Policy 177
 Martin Feldstein
- 19 What Future for Rules-Based Fiscal Policy? 183
- On the Proper Size of the Public Sector and the Level of Public Debt in the Twenty-First Century 197
 J. Bradford DeLong

Capital Flows,	Exchange	Rate	Management,	and	Capital	Control
----------------	----------	------	-------------	-----	---------	---------

- Floating Exchange Rates, Self-Oriented Policies, and Limits to
 Economic Integration 213
 Maurice Obstfeld
- Some Lessons of the Global Financial Crisis from an EME and a
 Brazilian Perspective 219
 Luiz Awazu Pereira da Silva
- Capital Inflows, Exchange Rate Management, and Capital
 Controls 233
 Agustín Carstens

The International Monetary and Financial System

- 24 The International Monetary and Financial System: Eliminating the Blind Spot 245
 Jaime Caruana
- Prospects and Challenges for Financial and Macroeconomic Policy Coordination 255Zeti Akhtar Aziz
- 26 Global Safe Asset Shortage: The Role of Central Banks 261Ricardo J. Caballero
- 27 Going Bust for Growth 267 Raghuram Rajan

Conclusion

28 Rethinking Macro Policy: Progress or Confusion? 287
Olivier Blanchard

List of Contributors 291 Index 295