



# The Oxford Central Banking Senior Executive Programme

24-28 July 2017



## Organized by the Association for Research on Banking and the Economy (ARBE) and the Centre for Banking, Finance and Sustainable Development, University of Southampton at Linacre College, University of Oxford

The Oxford Central Banking Senior Executive Programme at Linacre College, University of Oxford, offers senior central bank executives the opportunity to engage with the world leading experts in central banking, finance, banking and economics in analyzing the latest challenges in central bank operations and policy.

Central banks today face an unprecedented number and diverse range of demands. Many problems, however, can be traced to the role of banks as creators of the money supply, which has major implications for bank regulation, central banking operations and monetary and macroeconomic policies. Yet, this fact has remained ignored by economists and regulators alike for too long. Key instructors in this Oxford Executive Programme have been at the forefront of the currently ongoing revolution in monetary and macroeconomics and its ramifications for central bank policies.

Expert instructors include Professor Charles Goodhart (LSE), the UK's leading central bank and monetary economics expert, Dr James Forder (Vice-Master, Balliol College, Oxford), the leading expert on central bank independence, credibility and transparency policies, Professor Dariusz Wójcik (Oxford University), an expert on international financial centres, Charlie Haswell (former adviser to the chairman of HSBC), a world leading bank regulation policy expert and Professor Richard Werner (Linacre College, Oxford, and University of Southampton), the inventor of 'Quantitative Easing' and the Quantity Theory of Credit.

### The programme will cover:

- Unconventional monetary policies – pitfalls, unintended side-effects and policy options
- Interest rate policy reconsidered – challenges at the zero bound, negative rates and empirical evidence on a half-century of interest rate policy during diverse macroeconomic scenarios
- Central bank independence reconsidered – the theory, the evidence, the challenges and the meaning of accountability
- Delivering high, sustainable, equitable, stable, non-inflationary growth – The Holy Grail of Central Banking
- The role of cash and the increasing digitalization of transactions – issues and impacts
- Calls for monetary reform and how central banks can respond and engage
- Banking sector structure and monetary policy effectiveness
- Bank regulation: The Basel approach and its shortcomings – New approaches and empirical evidence
- The interaction of fiscal and monetary policy – new ways towards constructive engagement
- Empirical evidence and methods to harness it for policy discussions, including an applied econometrics crash course
- Debates and controversies surrounding central bank policy – and how central banks can engage better with researchers, media and the public

## Cutting-edge research results and their implications for central banks

Modern macro and monetary economics, finance and bank regulation have been premised on the idea that banks are merely financial intermediaries, receiving deposits and lending these out. However, Professor Werner has argued since 1991 that banks are in fact the creators of the money supply and that this has crucial implications for bank regulation, central bank policy, fiscal policy and macroeconomics in general. In 2014 and 2015, Professor Werner published the first empirical evidence in peer-reviewed journals in the history of banking which finally settled this question concerning banks, demonstrating that banks are not intermediaries, but creators of the money supply. Both the financial intermediation and the fractional reserve theories of banking were rejected. Werner's Quantity Theory of Credit led him to warn of the impending collapse of the Japanese banking system in 1991, when the top ten banks in the world were all Japanese and Japanese GDP grew by about 7%. In 1994 and 1995 Professor Werner proposed new policies to avoid banking crises, but also how to quickly end them once they have struck – introducing his concepts of Quantitative Easing (expanding credit creation for GDP transactions) and Enhanced Debt Management (policies to quickly kick-start broad credit creation and hence economic growth). It is possible to deliver high, sustainable, stable, non-inflationary and equitable economic growth without crises – and participants in this Executive Programme will be able to delve into the details of such policies in a challenging comparative analysis. They will be able to pick the brains of leading thinkers in central banking research, as well as draw on decades of personal experience (Professor Goodhart has been a leading practitioner in central banking for over 50 years).

## Certificate of Completion from Linacre College, University of Oxford

There will be a Certificate of Completion issued by the Principal of Linacre College, University of Oxford, and Professor Richard Werner, the Convenor of ARBE, a registered UK educational charity specializing in banking. The five-day programme of seminars, lectures, work-shops and discussions will be followed by a joint excursion on Saturday. Outside class, all participants have the chance to taste the diverse range of Oxford social, cultural and sporting life.

The programme fee includes one week of academic programme, full accommodation in en-suite College rooms at Oxford University, full board (breakfast, lunch and dinner), including a formal Oxford dinner at College, and an excursion with an expert guide. For more information please contact us at [convenor@arbe.org.uk](mailto:convenor@arbe.org.uk). Participation will be limited to the first 25 participants from central banks and a small number of commercial bank senior executives, so early booking is recommended.

## Instructors



**Professor Taufiq Choudhry** is Professor of Finance, at the Southampton Business School, University of Southampton. He has taught extensively in Europe, Asia and the USA. His research interests include the effect of financial crises, political crises and news on the financial risk of investment and stock markets, as well as effects of exchange rate volatility on international trade.



**Prof. Charles Goodhart** is Director of the Financial Regulation Research Programme at the LSE. The originator of “Goodhart’s law” and a legendary figure in world monetary economics, Professor Goodhart served at the Bank of England for many years and was founding member of its Monetary Policy Committee from June 1997 to May 2000. He has

published extensively in leading journals. He is considered one of the world's top monetary policy experts.



**Dr. James Forder** is the Andrew Graham Fellow and Tutor in Political Economy at Balliol College, Oxford and Executive Vice-Master of the College. Dr Forder is a known expert in the history of economics in the 20th century, on central bank independence, the economics of European integration and the political economy of European Monetary Union. As Vice-Master (Executive), Dr Forder is a source of advice to Balliol College on its budgetary position, and, in particular, on its non-academic income and expenditure.



**Baron Karl-Theodor von und zu Guttenberg** is a German businessman and politician of the Christian Social Union (CSU). He served as Minister of Defence (2009-2011) and Minister for Economics and Technology (2009). In 2011, he joined the Center for Strategic and International Studies, USA, as a Distinguished Statesman. He is also an advisor to the EU Commission on the promotion of internet freedom regarding questions of foreign affairs. Karl-Theodor is the chairman and founder of Spitzberg Partners, New York.



**Charles Haswell** was for many years the Advisor to the Chairman of HSBC in London. He headed the financial sector policy function at HSBC Holdings. Before banking, he was an experienced diplomat with the Foreign and Commonwealth Office. He is an expert in banking regulation, prudential regulation, liquidity regulation and banking policy engagement.



**Dr. Kang-Soek Lee**, Ph.D. in economics from the University of Orléans, holds the French national qualification as Associate Professor of Economics at national universities. Currently candidate for Habilitation, he is a tenured Research Professor at the Paris Chamber of Commerce and Industry, the founding institution of HEC and ESCP. He has taught international finance and applied econometrics in France since 2004. His research interest focuses on econometric analyses of dynamics in exchange rates movement and international financial markets.



**Dr. Tapas Mishra** is an Associate Professor of Financial Econometrics at the Centre for Computational Finance & Business Analysis at the University of Southampton, UK. Tapas served as an Associate Professor of Time Series Econometrics at the School of Management, Swansea University. Prior to joining academics, Tapas has served in different capacities at leading think tanks in Austria, Sweden and India. Tapas has been awarded several prestigious research projects that include, among others, Leverhulme Trust, Ford Foundation-Winrock International, and Swedish Research Council. Since 2010, Tapas has been serving on the editorial board of Cliometrica.



**Daniel Palotai** is an executive director and the chief economist of the Hungarian central bank (Magyar Nemzeti Bank). His professional career started in the monetary strategy division in 2004. From 2007, he worked as an economist at the European Central Bank. From November 2010, he was head of the macroeconomic policy department of the Ministry for National Economy and was actively involved in the development of Hungary's

structural reform programme. As a member of the Economic Policy Committee of the European Union, he has contributed to economic and financial stabilisation in Hungary. In March 2013 Daniel Palotai re-joined the Magyar Nemzeti Bank to become executive director responsible for monetary policy and chief economist. Since September 2015, he has been responsible for international and priority matters. He is also a member of the Monetary Policy Committee of the European Central Bank and of the Economic and Financial Committee of the European Union.



**Dr. Farhad Reyazat**, PhD in finance from the University of Southampton, has worked for many years in the banking industry. He has advised hundreds of businesses in the UK and overseas. His teaching experience spans undergraduate, postgraduate and executive education in Europe and the Middle East. He has taught mainly in the areas of risk management, international banking, financial analysis, and corporate finance. Farhad has also consulted for several investment banks and financial regulators. His research interests include systemic risk modelling, financial risk management, operational risk measurement and international banking. His doctorate focused on risk management and presented a new model of interbank market systems dependency.



**Dr. Josh Ryan-Collins**, PhD from the University of Southampton, is a Senior Economist at the New Economics Foundation, one of the UK's leading think tanks. His research focuses on financial reform, including structural banking reform, monetary policy, the macroeconomics of land and housing, ecological economics and alternative money and exchange systems. He is a lead author of a bestselling guide to the monetary system, 'Where Does Money Come From?' which is used as a textbook in a number of universities. He is a co-founder of the 'Brixton Pound' local currency in South London. He is a visiting research fellow at the University of Southampton Centre for Banking, Finance and Sustainable Development.



**Dr. Konstantinos Voutsinas** is the risk and compliance officer of Providence Asset Management and director of Local First CIC. Konstantinos completed a PhD in Corporate Finance from the University of Southampton where he examined the impact of credit rationing on capital structure decisions. Subsequently he has been working in the asset management industry, with a specialization in risk and compliance, becoming an FCA approved person in 2010 (CF10, CF11, CF28). Konstantinos is one of the founding members of Hampshire Community Bank, currently in the process of obtaining a banking license from the PRA/FCA.



**Prof. Richard A. Werner, D.Phil. (Oxon)** is a Member of Linacre College. He is a leading expert on central banking and banking. He chairs the MSc International Banking programme at the University of Southampton and has taught monetary, macro and development economics across the globe – Sophia University, Japan; Moscow State University, Russia; and Goethe University Frankfurt, Germany. He developed a new macroeconomic theory, the “Quantity Theory of Credit” in 1992. In his book “New Paradigm in Macroeconomics” (2005) he warned of the coming banking crisis. In his book “Princes of the Yen” (2003), a best-seller in Japan, he warned that the ECB would create banking crises in the Eurozone. As chief economist of Jardine Fleming Securities (Asia) Ltd. in Tokyo he coined the monetary policy concept of “quantitative easing” (1995).



**Prof. Dariusz Wójcik** is Professor of economic geography at the University of Oxford, specializing in financial geography. He has published three books and over forty articles and book chapters in leading journals and edited volumes. He co-leads one of the largest ever research projects on financial centre development in co-operation with lawyers and economists, funded by the Hong Kong government. His book *The Global Stock Market: Issuers, Investors and Intermediaries in an Uneven World* (OUP 2011) focuses on the relationships between issuers, investors, and intermediaries and how these relationships impact the performance of stock markets and the economy of cities, countries, and the world. The book examines the rise of emerging markets, the impact of the global financial crisis, the revolution in the stock exchange business model, and the continued dominance of London and New York as financial centres.

## Inclusive Fee

The all-inclusive fee for the Oxford Central Banking Senior Executive Programme is £6,250 which comprises programme registration and participation with light refreshments, accommodation/meals, a formal Oxford University dinner, a guided excursion and a programme-end dinner. The accommodation and meals include each delegate’s housing for the duration of the programme, including breakfast, lunch and dinner at Oxford University colleges and the Linacre College dining room, one formal dinner at Linacre College, as well as the programme end dinner at a special location.

### Oxford Central Banking Senior Executive Programme Fees

Course fee	£5,305
Accommodation & Meals	£ 945
<b>Total all-inclusive fee (excluding only your travel costs)</b>	<b>£6,250</b>

## Accommodation & Meals

The Oxford Central Banking Senior Executive Programme offers a range of rooms for accommodation. The standard, included in the price, is a single occupancy room with en-suite bathroom in a College of the University of Oxford. The room will be supplied with internet access, shared laundry facilities and kitchenettes. The College accommodation includes breakfast. For lunch and dinner, all participants will be provided with the Linacre College dining facilities. A formal Oxford dinner is also included at Linacre College, University of Oxford, which is an integral part of Oxford college life.

## How to Register

Participation is limited to 25 central bank professionals. We thus recommend early registration. Please send an email with your name, your affiliation and department, your contact details (address, telephone number and direct email address) to [convenor@arbe.org.uk](mailto:convenor@arbe.org.uk) . We will process your registration and get back in touch with you.

The Association for Research on Banking and the Economy (ARBE) is a registered UK educational charity.