

GARRY J. SCHINASI – BIO, CURRICULUM VITAE, AND PUBLICATIONS
MARCH 2011

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BRIEF BIOGRAPHY

Garry J. Schinasi is an INDEPENDENT ADVISOR on Global, European, and U.S. financial stability issues and VISITING FELLOW (nonresident) at Bruegel (a Brussels based economic-policy think tank). He worked for a decade (1979-89) at the U.S. Federal Reserve Board in Washington DC and for two decades at the International Monetary Fund (1989 – 2010). While at the IMF, Mr. Schinasi co-managed the IMF's global capital markets surveillance and the IMF's *International Capital Markets-Key Developments, Issues and Prospects* and later the *Global Financial Stability Report*. He was a visiting policy advisor (2008-09) in the European Commission's Bureau of European Policy Advisors – advising President Barroso on the global financial crisis and European financial issues—and a visiting scholar and advisor (2003-4 and 2006-7) on financial-stability issues at the European Central Bank. Mr. Schinasi has published articles in *The Review of Economic Studies*, *Journal of Economic Theory*, *Journal of International Money and Finance*, and other academic and policy journals. His book titled *Safeguarding Financial Stability: Theory and Practice* was published by the IMF in 2006.

EDUCATION

- PH. D. (Economics and Econometrics) – Columbia University, 1979.
- M. PHIL. (Economics and Econometrics) – Columbia University, 1976.
- M.S. (Economics) – State University of New York at Albany, 1972.
- B.S. cum laude (Economics) – State University of New York at Albany, 1971.

CURRENT PROFESSIONAL ACTIVITIES

- *INDEPENDENT ADVISOR*, Global financial stability issues and policies.
- *TECHNICAL ASSISTANCE ADVISOR*, International Monetary Fund.
- *VISITING FELLOW*, Bruegel (the Brussels-based economic policy think tank).
- *ASSOCIATE EDITOR*, *Encyclopedia of Financial Globalization* (Forthcoming), Elsevier.
- *ASSOCIATE EDITOR*, *Journal of Financial Stability*.

PREVIOUS PROFESSIONAL POSITIONS

- 1989-2010 – INTERNATIONAL MONETARY FUND: Various research, policy, and managerial positions focused on global financial-stability issues and policy. During 1996-2003, I co-managed the IMF's surveillance of international capital markets – which included the design, content, writing, and dissemination of the IMF's International Capital Markets Report and its successor the Global Financial Stability Report. This entailed the development of a framework for assessing sources of risks and vulnerabilities in the global financial system.

VISITING POSITIONS (WHILE ON VARIOUS SABBATICALS FROM THE IMF):

- 2009-PRESENT – VISITING FELLOW AT BRUEGEL, the Brussels-based economic policy think tank. Prepared papers on the challenges in developing a European architecture for safeguarding financial Stability and for improving the global financial architecture.
- 2008-2009 – VISITING POLICY ADVISOR, EU Commission President Barroso's BUREAU OF ECONOMIC POLICY ADVISORS. Prepared briefing papers (with Vitor Gaspar) for President Barroso on the ongoing global crisis and policies to deal with it.
- 2009 – VISITING SCHOLAR (FOR TWO WEEKS), THE EUROPEAN CENTRAL BANK, DG RESEARCH. Drafted a note for ECB VP LUCAS PAPADEMOS on potential improvements in the financial-stability work at the ECB.
- 2007 – VISITOR (SEVERAL VISITS), THE EUROPEAN CENTRAL BANK, DIRECTORATE FINANCIAL STABILITY AND BANKING SUPERVISION. Assisted Directorate staff and ECB VP Papademos in conceiving and designing the ECB's second crisis-management exercise and participated in the exercise.
- 2005 – VISITOR (SEVERAL VISITS), THE EUROPEAN CENTRAL BANK, DIRECTORATE FINANCIAL STABILITY AND BANKING SUPERVISION. Assisted Directorate staff and EBM Padoa-Schioppa to conceive, design, and execute the ECB's first crisis-management exercise and participated in the work of the technical team during the exercise.
- 2004 – VISITING SCHOLAR (AUGUST–OCTOBER), THE EUROPEAN CENTRAL BANK, DIRECTORATE FINANCIAL STABILITY AND BANKING SUPERVISION. While researching and writing my book on safeguarding financial stability, I worked closely with DIRECTORATE staff and Executive BOARD MEMBER TOMMASO PADOA-SCHIOPPA in envisioning and designing the ECB's assessment of sources of financial risks and vulnerabilities in the European financial system and the ECB's publication, the Financial Stability Review.

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- 2004 – VISITING SCHOLAR (SEVERAL VISITS), DE NEDERLANDSCHE BANK. While researching and writing my book, I worked with Bank staff to develop a framework for assessing sources of financial risks and vulnerabilities in the Dutch financial system – which became the template for their financial-stability team.
 - 1979-1989 – BOARD OF GOVERNORS OF THE U.S. FEDERAL RESERVE SYSTEM: Various policy and research positions, with the last five years focusing on European and G-10 economic and financial policy issues.
 - 1983-1984 – UNITED STATES SENATE, COMMITTEE ON THE BUDGET: Senior/Chief Economist and Advisor to Senator Lawton Chiles, Ranking Minority Member of the Committee.
 - 1979-1990 – ADJUNCT TEACHING POSITIONS: Taught graduate and undergraduate courses as an Adjunct Professor at American, Georgetown, and George Washington Universities.

PUBLICATIONS AND RESEARCH PAPERS

BOOKS AND OCCASIONAL PAPERS

Safeguarding Financial Stability: Theory and Practice (Washington: IMF, January 2006).

Preserving Financial Stability, Economic Issues No. 36 (Washington: IMF, September 2005).

Towards a Framework for Safeguarding Financial Stability, with Aerdts Houben and Jan Kakes, *Occasional Studies* Vol. 2/Nr.1, 2004, De Nederlandsche Bank.

Modern Banking and OTC Derivatives Markets: The Transformation of Global Finance and its Implications for Systemic Risk, with others, IMF Occasional Paper No.203 (Washington: IMF, 2000).

PEER-REVIEWED PAPERS IN JOURNALS, BOOKS, AND OTHER PUBLICATIONS—1979-2010

“US and EU Reform Efforts to Improve the Management of Systemic Financial Risk,” a chapter in, *An Ocean Apart? Comparing Transatlantic Responses to the Financial Crisis*, a conference volume co-sponsored by Banca d’ Italia, Bruegel, and the Peterson Institute for International Economics, and edited by Jean Pisany-Ferry, Adam Posen, and Fabrizio Saccomani (Bruegel/Peterson Institute: Brussels, March 2011).

“Financial Stability and Policy Cooperation,” with Vitor Gaspar, *Bank of Portugal Occasional Papers* 1/2010 (Lisbon: Bank of Portugal, July 2010).

“More Than One Step to Financial Stability,” *Bruegel Policy Brief* 2009/06, October 2009.

“Towards an EU Framework for Safeguarding Financial Stability,” with Maria Nieto, *CESifo DICE Report - Journal for Institutional Comparisons* 3/2008 (Dresden: CES Ifo Institute for Economic Research).

“EU Framework for Safeguarding Financial Stability: Towards an Analytical Benchmark for Assessing its Effectiveness,” with Maria Nieto, in *Globalization and Systemic Risk*, edited by Douglass Evanoff and George G. Kaufman (London: World Scientific Publishing Company, Forthcoming in 2008). Also issued as *IMF Working Paper* 07/260 (Nov 2007).

“Safeguarding Financial Stability: Conceptual Issues and Policy Challenges,” in a special issue of *Moneda y Crédito* No. 224 (2007) on the XIX Annual Symposium on “Monetary and Financial Stability: Harmony or Conflict?” Madrid, Spain on November 6-7, 2006.

“Causes and Conditions for Cross-Border Threats to Financial Stability,” in *Cross-Border Banking and National Regulation*, edited by George G. Kaufman, et al (London: World Scientific Publishing Company, 2007).

“Understanding Financial Stability: Towards a Practical Framework,” Chapter in *Current Developments in Monetary and Financial Law—Volume 4* (Washington: IMF, 2006).

“How money can help central bankers succeed,” *Letter to the Editor of the Financial Times* (London: Financial Times, November 20, 2006).

“Financial Crisis Management in the European Single Financial Market,” with Pedro Gustavo Teixeira, Chapter 8 in *Special Issue of the Banking Journal of Slovenia* (Ljubljana: Banking Association of Slovenia, November 2006).

“The Lender of Last Resort in the European Single Financial Market,” with Pedro Gustavo Teixeira, Chapter 23 (pp. 349-372) in *Cross-Border Banking: Regulatory Challenges*, edited by Gerard Caprio Jr., Douglas D. Evanoff, and George G. Kaufman (London: World Scientific Publishing Company, September 2006). Also issued as *IMF Working Paper* 06/127 (May 2006).

“Measurement Challenges in Assessing Financial Stability,” with J. Fell, in *Financial Stability Review* (Frankfurt: European Central Bank) December, 2005.

"Assessing Financial Stability: Conceptual Boundaries and Challenges," with J. Fell, in *Financial Stability Review* (Frankfurt: European Central Bank) June, 2005.

"Assessing Financial Stability: Exploring the Boundaries of Analysis," with J. Fell, *National Institute Economic Review*, No.192 (April 2005), pp. 102-117.

"The Euro at Five: Ready for a Global Role?" Paper presented at *Euro at Five: Ready for a Global Role* and published as Chapter 5 in *Euro at Five: Ready for a Global Role*, ed. Adam S. Posen (Washington, D.C.: Institute for International Economics) April 2005.

"A practical approach to financial stability," with Aerdt Houben and Jan Kakes, *The Financial Regulator*, Vol. 9 No. 4 (March 2005), pp. 70-77.

"Responsibility of Central Banks for Stability in Financial Markets," Chapter 17 in *Current Developments in Monetary and Financial Law—Volume 2* (Washington: IMF, 2003). Also issued as *IMF Working Paper* 03/121 (June 2003).

"Portfolio Diversification, Leverage, and Financial Contagion," with R. T. Smith, *IMF Staff Papers* Vol.47, No.2 (May-August 2000).

"Financial Stability in European Economic and Monetary Union," with A. Prati, *Princeton Studies in International Finance* No. 86 (August 1999).

"Will the European Central Bank Be the Lender of Last Resort in EMU," with A. Prati, Chapter 11 in *The Euro: A Challenge and Opportunity for Financial Markets*" (Frankfurt: Routledge and SUERF, 2000). Paper presented at the 21st Colloquium of the Societe Universitaire Europeenne de Recherches Financieres (SUERF), October 15-17, 1998.

"EMU and International Capital Markets: Structural Implications and Risks", in *EMU and the International Monetary System*, eds., Krueger, Masson and Turtleboom, International Monetary Fund, Washington D.C., 1997.

"Asset Prices, Financial Liberalization, and Inflation in Japan," with A. Hoffmaister, Chapter in *Saving Behavior and the Asset Price "Bubble" in Japan: Analytical Studies*, edited by U. Baumgartner and G. Meredith, *IMF Occasional Paper* 124 (Washington: IMF, April 1995). Also issued as *IMF Working Paper*, 94/153, December 1994.

"Asset Price Inflation, Monetary Policy, and the Business Cycle," *IMF Paper on Policy Analysis and Assessment*, 94/6 (February 1994).

"'Boom and Bust' in Asset Markets in the 1980s," with M. Hargraves, *Staff Studies for the World Economic Outlook* (Washington: IMF, December, 1993).

"Effect of Capital Flows on the Domestic Financial Sectors in APEC Developing Countries," with D. Folkerts-Landau and others, in *Capital Flows in the APEC Region*, IMF Occasional Paper 122 (Washington: IMF, March 1993).

"Fiscal Impulse," with Mark Lutz, *The New Palgrave Dictionary of Money and Finance*. Also issued as IMF Working Paper 91/91.

"Monetary and Financial Issues in German Unification," with others, Chapter 10 in L. Lipschitz, et al, *German Unification: Economic Issues*, IMF Occasional Paper 75, (Washington: IMF, December 1990).

"European Integration, Exchange Rates, and Monetary Reform," *The World Economy*, 12, Number 4, (December 1989).

"The Out-of-Sample Forecasting Performance of Exchange Rate Models When Coefficients Are Allowed to Change," with P.A.V.B. Swamy, *Journal of International Money and Finance*, 8, (September, 1989).

"Should Fixed Coefficients be Re-estimated Every Period for Extrapolation?," with P.A.V.B. Swamy, *Journal of Forecasting*, 8, (January 1989).

"Taxation of Capital Gains on Foreign Exchange Transactions and the Non-neutrality of Changes in Anticipated Inflation," *Economic Letters*, 26, (1988).

"Measures of Money and the Monetary Model of the Canadian-U.S. Exchange Rate," with J. Marquez, *Economic Letters*, 26 (1988).

"Fluctuations in a Dynamic, Intermediate-Run IS-LM Model: Applications of the Poincare-Bendixon Theorem," *Journal of Economic Theory* (December 1982).

"A Nonlinear Disequilibrium Dynamic Model of Short Run Fluctuations," *Review of Economic Studies* (October 1981).

"The Cost of Adjustment and Inventory Accumulation Studies," *Economics Letters*, 6 (1979).

"A Note on Modeling Downturns: A Simple Nonlinear Model vs. Simple Linear Autoregressive Schemes," *Economics Letters*, 3 (1979).

RECENT WORKING PAPERS—2009-2010

“Reform of the Global International Architecture,” with Ted Truman, joint Bruegel and Peterson Institute for International Economics Working Paper prepared for a conference to be held on October 8, 2010 as part of a project on transatlantic relationships in an era of growing economic multi-polarity sponsored by the European Commission.

“Financial Stability and European Policy Cooperation,” paper prepared with Vitor Gaspar for the Conference, “Financial Integration and Stability: the Legacy of the Crisis,” co-organized by the ECB and European Commission’s DG-Markets, April 12, 2010.

“US and EU Reforms for Preventing Future Systemic Crises,” paper prepared for the Korean Development Institute’s international conference, “Post-Crisis Regulatory Reforms to Secure Financial Stability,” to be held in Seoul, Korea on May 27-18, 2010.

“Financial Stability and Cooperation,” with Vitor Gaspar. Paper prepared for the conference “Financial Integration and Stability: the Legacy of the Crisis,” co-organized by the ECB and European Commission’s DG-Markets, April 12, 2010.

“Essay on Financial-System Reform Options: Are Systemically Important Financial Conglomerates Necessary?,” mimeograph, February 2010.

“Europe’s Policies for Restoring Global Prosperity,” with Vitor Gaspar, paper prepared for the European Commission DG ECFIN’s 2009 Annual Research Conference, Brussels, October 15-16, 2009.

“US and EU Reform Efforts to Improve the Management of Systemic Financial Risk,” paper prepared for, “An Ocean Apart? Comparing Transatlantic Responses to the Financial Crisis,” the Conference in Rome, September 10-11, 2009, co-sponsored by Banca d’Italia, Bruegel, and the Peterson Institute of International Economics.

IMF RESEARCH AND WORKING PAPERS—1990-2007

“Resolving EU Financial-Stability Challenges: Is a Decentralized Decision-Making Approach Efficient,” paper prepared for the 2nd Conference on Banking Regulation – Integration and Financial Stability hosted by the Centre for European Economic Research (ZEW), October 29-30, 2007 in Mannheim, Germany.

“Defining Financial Stability,” IMF *Working Paper* WP/04/187, October 2004.

"Private Finance and Public Policy," *IMF Working Paper* WP/04/120, July 2004.

"Towards a Framework for Safeguarding Financial Stability," with Aerd Houben and Jan Kakes, *IMF Working Paper* WP/04/101 June 2004 (also published as *De Nederlandsche Bank Occasional Studies* Vol. 2/Nr.1, 2004).

"Using Asset Prices to Assess Inflationary Pressures: Broad-Based Price Measure for Japan, 1970-2002," with Peter Christoffersen, mimeograph May 2003.

"Financial Implications of the Shrinking Supply of U.S. Treasury Securities", with C. Kramer and R. T. Smith, *IMF Working Paper*, 01/61 (May 2001).

"Fixed-income Markets in the United States, Europe, and Japan; some Lessons for Emerging Markets," with R. T. Smith, *IMF Working Paper*, 98/173 (December 1998).

"The European Central Bank and the Stability of the Financial System," with A. Prati, paper prepared for *Monetary Policy of the European System of Central Banks: Strategic and Implementation Issues*, a conference cosponsored by Banca d'Italia and Universita Bocconi, Milan, Italy, July 6-7, 1998.

"European Monetary Union and International Capital Markets: Structural Implications and Risks," *IMF Working Paper* 1997/62.

"Real Estate Price Inflation, Monetary Policy, and Expectations in the United States and Japan," with H. Samiei, *IMF Working Paper*, 94/12 (January 1994).

"Asset Price Inflation in the 1980s: A Flow of Funds Perspective," with M. Hargraves and S. Weisbrod, *IMF Working Paper* 93/77 (October 1993).

"The Demand for Broad Money Balances in Hungary," Mimeo, (February 1992). (Annex to *Recent Economic Developments* for 1991 Article IV Consultation.)

"Monetary and Financial Issues in the Transition to a Reunified Germany," (May 1990).

"Monetary Policy and Inflation in the United Kingdom: the Choice of an Operating Instrument," (March 1990).

PEER-REVIEWED IMF PUBLICATIONS—1990-2004

"Are central banks responsible for financial market stability?," *IMF Survey* Vol.33, No.2 (Washington: IMF, February 2, 2004).

Global Financial Stability Report: Market Developments and Issues, with others (Washington: IMF, March 2003).

“Markets remain resilient, but recent losses and heightened risk aversion pose significant dangers,” with D. Ordoobadi, *IMF Survey* Vol.31, No.23 (Washington: IMF, December 16, 2002).

Global Financial Stability Report: Market Developments and Issues, with others (Washington: IMF, December 2002).

Global Financial Stability Report: Market Developments and Issues, with others (Washington: IMF, September 2002).

Global Financial Stability Report: Market Developments and Issues, with others (Washington: IMF, June 2002).

Global Financial Stability Report: Market Developments and Issues, with others (Washington: IMF, March 2002).

International Capital Markets Report: Developments, Prospects, and Policy Issues, with others, (Washington: IMF, September 2001).

International Capital Markets Report: Developments, Prospects, and Policy Issues, with others (Washington: IMF, September 2000).

“Managing Global Finance and Risk,” with B. Drees, and W. Lee, *Finance and Development*; Vol.36, No.4 (Washington: IMF, December 1999).

International Capital Markets Report: Developments, Prospects, and Policy Issues, with others, (Washington: IMF, September 1999).

“Systemic Aspects of Recent Turbulence in Mature Markets,” *Finance and Development*, Vol.36, No.1 (Washington: IMF, March 1999).

World Economic Outlook and International Capital Markets: Interim Assessment, with others, (Washington: IMF, December 1998).

“Turbulence in Mature Financial Markets,” Chapter III in *World Economic Outlook and International Capital Markets: Interim Assessment*, with others, (Washington: IMF, December 1998).

“Ensuring Financial Stability in EMU,” with A. Prati, *Finance and Development*, Vol.35, No.4 (Washington: IMF, December 1998).

International Capital Markets Report: Developments, Prospects, and Policy Issues, with others (Washington: IMF, September 1998).

International Capital Markets Report: Developments, Prospects, and Policy Issues, with others (Washington: IMF, September 1997).

“What Impact Will EMU Have on European Securities Markets?,” with A. Prati, *Finance and Development*, Vol.34, No. 3 (Washington: IMF, September 1997).

International Capital Markets Report: Developments, Prospects, and Policy Issues, with others (Washington: IMF, September 1996).

International Capital Markets Report: Developments, Prospects, and Policy Issues, with others (Washington: IMF, August 1995).

“Asset Prices, Monetary Policy, and the Business Cycle,” *Finance and Development*, Vol.32, (Washington: IMF, June 1995).

World Economic Outlook, with others (Washington: IMF, May 1994).

World Economic Outlook, with others (Washington: IMF, October 1993).

“Monetary Policy, Financial Liberalization, and Asset Price Inflation,” with M. Hargraves, Annex I, *World Economic Outlook, World Economic and Financial Surveys*, (Washington: IMF, May 1993).

World Economic Outlook, with others (Washington: IMF, May 1993).

World Economic Outlook—Interim Assessment, with others (Washington: IMF, January 1993).

“Asset Price Deflation, Balance Sheet Adjustment, and Financial Fragility,” with M. Hargraves, Annex I, *World Economic Outlook, World Economic and Financial Surveys*, (Washington: IMF, October, 1992).

World Economic Outlook, with others (Washington: IMF, October 1992).

"Balance Sheet Constraints and the Sluggishness of the Current Recovery," Annex I, *World Economic Outlook, World Economic and Financial Surveys*, (Washington: IMF, May 1992).

World Economic Outlook, with others (Washington: IMF, May 1992).

"Economic Developments in the Federal Republic of Germany," Chapter 2 in Lipschitz, et al, *German Unification: Economic Issues*, IMF Occasional Paper 75 (Washington: IMF, December 1990).

PEER-REVIEWED U.S. FEDERAL RESERVE BOARD RESEARCH PAPERS (1979-89)

"European Integration, Exchange Rates, and Monetary Reform: Review of the Issues," *International Finance Discussion Paper No. 364* (Washington: Federal Reserve Board, October 1989).

"Savings Rates and Output Variability in Industrial Countries," with J. Gagnon, *International Finance Discussion Paper No. 363* (Washington: Federal Reserve Board, October 1989).

"The (Fisher Ideal) Monetary Model of the Canadian-U.S. Dollar Exchange Rate," with J. Marquez, mimeo, (Washington: Federal Reserve Board, December 1987). Presented at the 1986 Winter meetings of the Econometric Society in New Orleans.

"Taxation of Capital Gains on Foreign Exchange Transactions and the Non-Neutrality of Changes in Anticipated Inflation," *International Finance Discussion Paper No. 280* (Washington: Federal Reserve Board, April 1986)

"International Comparisons of Fiscal Policy: The OECD and the IMF Measures of Fiscal Impulse," *International Finance Discussion Paper No. 274* (Washington: Federal Reserve Board, February 1986).

"Canadian Financial Market Developments: The Government's Proposal for Reform," *International Finance Discussion Paper No. 269* (Washington: Federal Reserve Board, November 1985).

"The Phase-out of Deposit Rate Ceilings and the Efficacy of Monetary Policy," *FRB Special Studies Paper No. 161* (Washington: Federal Reserve Board, August 1981). Presented at Committee of Financial Analysis, Federal Reserve Bank of New York, January 12, 1981.

"Price, Wage, Inventory Dynamics of a Non-Walrasian Firm," with R. Jha, *FRB Special Studies Paper No. 160* (Washington: Federal Reserve Board, November 1981).

"Price, Inventory Dynamics of a Phelps-Winter Type Firm," *FRB Special Studies Paper No. 159* (Washington: Federal Reserve Board, November 1981).

"The Microfoundations of Aggregate Supply: Wage, Price, Inventory, and Unemployment Dynamics and the Natural Rate Hypothesis," with R. Jha, *FRB Special Studies Paper No. 139* (Washington: Federal Reserve Board, July 1981). Presented at World Congress of the Econometric Society, Aix-en-provence, France, 1980.

"The Cost of Adjustment and the Microfoundations of the Kaldor Nonlinear Investment Function," *FRB Special Studies Paper No. 138* (Washington: FRB, June 1981).

"Two Papers on Macroeconomic Fluctuations," *FRB Special Studies Paper No. 135* (Washington: Federal Reserve Board, July 1981).

DOCTORAL DISSERTATION—COLUMBIA UNIVERSITY

A Nonlinear Dynamic Disequilibrium Model of Macroeconomic Fluctuations Under Monetary and Fiscal Policy: A Theoretical and Empirical Study. Doctoral Dissertation (New York: Columbia University, 1979). (Advisor: John B. Taylor)