The Philadelphia Fed Policy Forum:
Three Questions for Monetary Policymakers

November 30, 2001
Federal Reserve Bank of Philadelphia
On 7th Street between Arch and Race Streets

8:30 am - 9:00 am  Continental Breakfast

9:00 am - 9:15 am  Welcoming Remarks
Anthony M. Santomero, President, Federal Reserve Bank of Philadelphia

9:15 am - 12:00 noon  Question 1: How Should Monetary Policy React to Asset Prices?
Moderator: Jeremy Siegel, Wharton School, University of Pennsylvania

"Asset Prices, Consumption, and Business Cycles"
Fernando E. Alvarez, University of Chicago

"The Natural Rate of Tobin’s Q"
William Dupor, Wharton School, University of Pennsylvania

"The Implications of Asset Price Volatility for Monetary Policy"
Mark Gertler, New York University

Discussants:
Mark W. Watson, Princeton University
Ben S. Bernanke, Princeton University
Jeremy Siegel, Wharton School, University of Pennsylvania

12:00 noon - 2:00 pm  Lunch and Keynote Speaker
Arminio Fraga, Governor of the Central Bank of Brazil
2:00 pm - 4:00 pm  
**Question 2: How Should Monetary Policy and Fiscal Policy Interact?**  
**Moderator:** Andrew Abel, *Wharton School, University of Pennsylvania*  

**Panel:**  
R. Glenn Hubbard, *Chairman of the Council of Economic Advisers*  
Laurence J. Kotlikoff, *Boston University*  
Christopher A. Sims, *Princeton University*  
Andrew Abel, *Wharton School, University of Pennsylvania*

4:00 pm - 5:40 pm  
**Question 3: How Transparent Should a Central Bank Be?**  
**Moderator:** Alan S. Blinder, *Princeton University*  

**Panel:**  
William Poole, *President, Federal Reserve Bank of St. Louis*  
Michael J. Prell, *Consultant and Former Director of Research and Statistics, Board of Governors of the Federal Reserve System*  
Mickey D. Levy, *Chief Economist, Bank of America*  
Alan S. Blinder, *Princeton University*

5:40 pm - 5:55 pm  
**Closing Remarks**  
Loretta J. Mester, *Director of Research, Federal Reserve Bank of Philadelphia*

5:55 pm - 7:00 pm  
**Reception and Informal Discussion**

The Federal Reserve Bank of Philadelphia thanks the members of the Policy Forum’s Advisory Group for their help in planning this year’s program:

- Andrew Abel, *Wharton School, University of Pennsylvania*  
- Ben S. Bernanke, *Princeton University*  
- Alan S. Blinder, *Princeton University*  
- Richard Rogerson, *Arizona State University*  
- Jeremy Siegel, *Wharton School, University of Pennsylvania*  
- Christopher A. Sims, *Princeton University*  
- Neil Wallace, *Pennsylvania State University*  
- Mark W. Watson, *Princeton University*  
- Randall Wright, *University of Pennsylvania*
The Federal Reserve Bank of Philadelphia is a 20-minute taxi ride from 30th Street Station (at 30th and Market Streets) and a 30-minute taxi ride from Philadelphia International Airport.