

# President's Perspective



*Our Globalization and Monetary Policy Institute will delve into tough issues and conduct cutting-edge economic research.*

I have talked a great deal over the past three years about the challenges globalization poses for monetary policy. My gut tells me that a more integrated world economy is transforming the way the economy operates and changing how it responds to policy actions.

Wading into the debate about globalization and monetary policy, we have raised more questions than answers. The need for more research on key issues led the Dallas Fed to establish the Globalization and Monetary Policy Institute last September.

We have assembled a formidable team, starting with Dallas Fed vice president and senior economist Mark Wynne, the institute's inaugural director. Mark oversees a staff of five full-time research economists, all hired at the Dallas Fed within the past year or so. They'll work with three senior fellows—Dallas Fed chief economist W. Michael Cox, Uni-

versity of British Columbia economics professor Michael Devereux and University of Virginia associate professor Francis Warnock.

Providing the map and compass will be the job of the institute's advisory board. Its chairman is Stanford University's John Taylor, one of the most influential monetary economists of our times. He's joined by other world-class scholars—Martin Feldstein, a former chairman of the Council of Economic Advisers who is now president of the National Bureau of Economic Research; R. Glenn Hubbard, dean of the Columbia Business School; Harvard professor Kenneth S. Rogoff; and 2004 Nobel Prize-winner Finn Kydland, a Dallas Fed consultant and professor at the University of California, Santa Barbara.

We also brought international expertise to the board—Charles R. Bean, chief economist of the Bank of England; Otmar Issing, former member of the European Central Bank executive board and current president of Germany's Center for Financial Studies; Guillermo Ortiz, Governor of Banco de México; and William White, head of the Monetary and Economic Department at the Bank for International Settlements in Switzerland.

Our Globalization and Monetary Policy Institute will delve into tough issues and conduct cutting-edge economic research. I believe the institute's efforts will lead to a better understanding of the changes generated by globalization and the development of new tools to assist the Fed in creating the monetary conditions for sustainable non-inflationary economic growth.

The institute's work has already begun. Mark Wynne provides more information on its agenda and aspirations in this issue's *On the Record* interview (pages 8–9).

A handwritten signature in dark ink that reads "Richard W. Fisher". The signature is fluid and cursive, with the first name being the most prominent.

Richard W. Fisher  
President and CEO  
Federal Reserve Bank of Dallas