



ශ්‍රී ලංකා මහ බැංකුව
இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Communications Department

30, Janadhipathi Mawatha, Colombo 01, Sri Lanka.

Tel : 2477424, 2477423, 2477311

Fax: 2346257, 2477739

E-mail: dcommunications@cbsl.lk, communications@cbsl.lk

Web: www.cbsl.gov.lk

Press Release

Issued By Economic Research Department

Date 09-12-2016

Central Bank of Sri Lanka – 9th International Research Conference

The 9th International Research Conference of the Central Bank of Sri Lanka was held on 2 December 2016 at the John Exter International Conference Hall of the Central Bank. The conference, organised by the Economic Research Department of the Central Bank, aims to stimulate research on contemporary themes while providing a forum for researchers of central banks, monetary authorities, universities and other research institutions to present recent theoretical and empirical work on issues relating to central banking and macroeconomic management. Since its inception in 2008, the International Research Conference has attracted scholars from across the globe and featured keynote addresses by eminent central bankers, academics and policy makers.

This year's conference was held under the broad theme of 'Sustainable Development and Macroeconomic Policies in a Challenging Global and Domestic Environment'. The conference brought together distinguished members of academia, government institutions, policy making bodies and research institutions.

The keynote address of the conference was delivered by Dr. Montek Singh Ahluwalia, former Deputy Chairman, Planning Commission of the Republic of India, who has been a key figure in the Indian economic reform process in the last few decades. In his keynote address, Dr. Ahluwalia highlighted the importance of the ability of central banks to guide the markets through credible policy actions, in which quality research plays a pivotal role. Moreover, he pointed out the importance of shared efforts by the central bank and the fiscal authority to control aggregate demand in the economy by means of appropriate monetary instruments and fiscal tools. As such, he

pointed out that the joint credibility of the central bank and fiscal authority, complemented by political stability, plays a critical role in maintaining macroeconomic stability of an economy. Meanwhile, talking about macroeconomic modelling, Dr. Ahluwalia stated that appropriate modelling of institutional constraints in developing countries and the selection of right models are crucial for providing model based economic advice for macroeconomic policy making.

The inaugural address of the conference was delivered by Dr. Indrajit Coomaraswamy, the Governor of the Central Bank of Sri Lanka. Speaking on sustainable development, the Governor highlighted that social development has to be supplemented by creation of wealth and productive employment, in which quality of growth is an important factor. Moreover, promotion of inclusive growth primarily through empowering people with education, training and skills development, presence of social safety nets, environment sustainability, gender parity and regional balance are essential for sustainable development. Further, the Governor emphasised that in the context of a challenging global economic landscape, developing countries like Sri Lanka need to attach a high premium on prudent macroeconomic management. Under this, developing clear and stable frameworks for macroeconomic policymaking remains imperative. Such frameworks would enhance predictability and certainty of actions of the policymakers, while creating necessary space to weather exogenous shocks.

An invited presentation was delivered by Professor Lalith Samarakoon, Professor of Finance, University of St. Thomas, USA, on ‘A Blueprint for Developing the Sri Lankan Financial Markets’. Professor Samarakoon highlighted the key elements that need to be embedded in a capital market development plan, and identified economic development policy and mechanism, financial sector development policy and mechanism, and national level policy and high-level commitment as an indispensable trinity in a national framework for capital market development.

During the technical sessions of the conference, 8 research papers on monetary policy, macroeconomic issues and financial sector issues, which were carefully selected through a thorough review process, were presented by researchers from various institutions, representing France, Germany, India, as well as researchers from the Central Bank of Sri Lanka. In recognition of excellence in research, the Dr. D. S. Wijesinghe Memorial Award for the Best Research Paper was awarded to Dr. (Mrs.) Sujeetha Jegajeevan of the Central Bank of Sri Lanka for the paper titled ‘Understanding Sri Lankan Business Cycles through an Estimated DSGE Model’.

The Central Bank of Sri Lanka intends to hold its next International Research Conference in late 2017.

Photographic Captures of the International Research Conference



Back Row from Left: Prof. Günther Rehme (Technische Universität Darmstadt), Mr. Deepak Kumar Behera (Indian Institute of Technology Madras), Charith Gamage (Central Bank of Sri Lanka), Dr. (Mrs.) Sujeetha Jegajeevan (Central Bank of Sri Lanka), Dr. Yannick Lucotte (PSB Paris School of Business), Dr. Raj Rajesh (Reserve Bank of India), Dr. Kithsiri Ehelepola (Central Bank of Sri Lanka) and Mr. Rudra Prosad Roy (Jadavpur University)

Front Row from Left: Dr. Chandranath Amarasekara (Additional Director of Economic Research), Dr. (Mrs.) Yuthika Indraratne (Additional Director of Economic Research and Chairperson of Research Advisory Panel), Prof. Lalith Samarakoon (Professor of Finance, University of St. Thomas, USA), Dr. Montek Singh Ahluwalia (Former Deputy Chairman, Planning Commission of the Republic of India), Dr. Indrajit Coomaraswamy (Governor), Mr. S. Lankatilake (Deputy Governor), Mr. Mahinda Siriwardana (Assistant Governor and Director of Economic Research) and Mrs. W. A. Dilrukshini (Additional Director of Economic Research)



Inaugural session of the International Research Conference



Dr. Montek Singh Ahluwalia delivering the keynote address



Dr. Indrajit Coomaraswamy, the Governor of the Central Bank of Sri Lanka,
delivering the inaugural address



Professor Samarakoon addressing the International Research Conference