

IMPACT OF THE CURRENT GLOBAL FINANCIAL CRISIS: A COMPARATIVE ANALYSIS

**Presentation at the Workshop jointly organized by
ICRIER and KAS on the 23rd of August, 2010**

Professor Dayanand Arora, HTW Berlin

PROJECT MANDATE

- **Impact of the Current Global Financial Crisis on Germany, Japan and India**
- **To survey the impact of the crisis on the national economies of Germany, Japan and India (Completed in April 2010)**
- **To review the policy response of these countries to the global crisis (Completed in April 2010)**
- **To explain the exposure to the financial crisis through the capital account channel (our first job today)**
- **To draw conclusions from the capital account management experience of Germany, Japan and India (our second job today)**

PROJECT MANDATE

- **Impact of the Current Global Financial Crisis on Germany, Japan and India**
- **Part I: Impact Analysis and Policy Review: Research Papers (mid-term review in April 2010)**
 - On Germany: **Ms. Sirjjan Preet**, Research Associate, ICRIER
 - On India: **Mr. Shuheb Khan**, Research Associate, ICRIER
 - On Japan: **Mr. Francis Rathinam**, Fellow, ICRIER
 - A comparative perspective on Openness and Integration: **Prof. Dayanand Arora**, HTW Berlin

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OUR AGENDA FOR TODAY

Part II: Capital Account Management Experience of Germany, Japan and India:

- Capital Account Management: A Case Study of Germany: **Ms. Neha Malik**, Research Assistant, ICRIER
- Capital Account Liberalization and Management of Capital flows in India: **Mr. Shuheb Khan**, Research Associate, ICRIER
- Sequencing Capital Account Liberalization: The Japanese Experience : **Mr. Francis Rathinam**, Fellow, ICRIER
- Capital Account Management: Lessons from the Comparative Study: **Prof. Dayanand Arora**, HTW Berlin, Germany

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OUR AGENDA FOR TODAY

Part II: Capital Account Management Experience of Germany, Japan and India:

- Discussants on Each Country Study:
- On Germany:
 - **Prof. Dr. Jan Priewe**, Professor of Economics, HTW, Berlin
- On India:
 - **Mr. Ulrich Bartsch**, Senior Macro-Economist, World Bank, India
- On Japan:
 - **Prof. Toshihiko Kinoshita**, Professor, Graduate School of Asia-Pacific Studies, Waseda University, Tokyo

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RESEARCH GOALS

Part II: Capital Account Management Experience of Germany, Japan and India: Research Goals

- To examine the triggers of capital account liberalization and/or policy changes
- Explain the appropriateness of policy response
- Analyze the effectiveness of policy responses and draw conclusions for the liberalization process in emerging economies

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RESEARCH METHODOLOGY

Part II: Capital Account Management Experience of Germany, Japan and India:

- Country case studies: Germany and Japan as capital-exporting countries and India as a capital-importer
- With a strong focus on *five* “Episodes-Analysis” in the capital account management experience of each country
- Used quarterly data for (internal and external sectors) amplifying:
 - the macroeconomic triggers leading to policy responses
 - the impact of various policy measures

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SCHEDULE FOR THE DAY

- Presentations of Country Studies and Comparative Analysis
 - 10:00 to 11:30 hrs.
- Coffee Break
 - 11:30 to 11:45 hrs.
- Feedback by country experts/discussants
 - 11:45 to 12:45 hrs.
- Open Discussion
 - 12:45 to 13:15 hrs.
- Lunch Invitation

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