

For release on delivery
9:00 a.m. EST
December 1, 2006

Opening Remarks

by

Ben S. Bernanke

Chairman

Board of Governors of the Federal Reserve System

at the

Fourth Conference of the International Research Forum on Monetary Policy

Washington, D.C.

Vice President Papademos, ladies and gentlemen, I would like to welcome you to the fourth conference of the International Research Forum for Monetary Policy. The forum is one outgrowth of the increased interaction between central banks and academic institutions that, in my opinion, benefits both groups. It is a true joint effort involving the European Central Bank, the Federal Reserve Board, the BMW Institute for German and European Studies at Georgetown University, and the Centre for Financial Studies at Goethe University in Frankfurt.

You have a very full agenda for the next two days. The topics represent a good mix of theoretical work as well as empirical work based on both calibration and econometric estimation. You are beginning with two papers that emphasize the importance of inflation expectations. Other papers examine such topics as the application of search theory, the functioning of mortgage markets, the theoretical analysis of optimal monetary policy, and empirical research on price-setting at the aggregate level.

There is a lot of intellectual food on the table. Bon appetit!