

January 2008

Kevin Clinton

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BSc Econ (1966), MSc Econ (1968): London School of Economics

PhD (1974): University of Western Ontario (Thesis — *An Econometric Model of Portfolio Behaviour* – T Merritt Brown Prize).

Languages: English, French, Spanish (read only).

Professional

University of Maryland 1968-70

Visiting Lecturer (Macroeconomics & Monetary Economics)

Bank of Canada 1972-86

Assistant Chief, Monetary & Financial Analysis
Research Adviser, International

OECD, Paris 1986-88

Principal: Division of Monetary & Fiscal Policy
G-10 (Large Industrialized Countries) Secretary

Bank of Canada 1988-2003

Research Adviser

Financial Markets (1988-91).

Major issues for me included debt management strategy, relaxation of restrictions on banks in the securities industry, movement towards zero reserve requirement for banks, and preparations for real-time large-value payments system.

Monetary & Financial Analysis (1991-2000).

Major issues in monetary policy included: transmission mechanism of monetary policy; strategy for inflation targeting; and dealing with the flexible exchange rate for the Canadian dollar.

Periodically, I reported on developments in the household sector balance sheet—especially with respect to the steep increase in the debt/income ratio.

Prior to establishment of CPP Investment Board (1997), I had the task of predicting likely impacts of its investments on securities and foreign exchange markets.

Prior to the Bank Act Revision of 2001, I was involved in research on the impact of possible mergers among the large banks, and on proposals for relaxing restrictions on ownership and corporate structures for banks.

International (2000-01).

Major issue was the variability of the exchange rate relative to commodity prices.

Ancillary activities at the Bank

Organizer & Chair

Visiting Speakers Program (1992-2000); 5 Economics Conferences (1981-2001).

Human Resources Management & Policy

University recruitment (1992-2000).

Task force to improve presence of women in senior economics positions (1998-2001).

Working Party on Salaries and Job Levels in the Economic Departments (2000-2001).

University of Ottawa Fall 2003

Visiting Professor (Money & Finance)

Queen's University: Department of Economics & School of Policy Studies 2003-2006

Adjunct Professor (Macroeconomic Policy)

Carleton University 2004-05

Visiting Professor (Macroeconomics, Money & Finance)

IMF-Bank of Canada Technical Assistance programs:

Czech National Bank (formerly State Bank of Czechoslovakia), 1990-2000.

Frequent 2-3 week missions for first 3 years with team helping to set up a central bank for a modern market economy. Afterwards, visits at 1½ year intervals, and arranging internships for CNB staff and senior management at Bank of Canada.

1990-96. Framework to implement monetary policy & to encourage money market development: required reserves; cash reserve management; and open-market operations. Consultations with private bankers and traders to help set up the system, and to advise them on the rules of the game under the new market arrangements.

1996-2000. Inflation targeting and related monetary policy operations, following the adoption of a flexible exchange rate for the koruna.

Banco Central de Reserva de Peru. 1998-2001 (3 visits).

Models for monetary policy; inflation targeting.

Central Bank of Trinidad & Tobago. 2001-2003.

Resident monetary policy advisor to Governor.

Participated in all major policy meetings including monetary policy, banking regulation, and foreign reserve management. Research on exchange rate and inflation, and on arrangements for adapting to large foreign exchange revenues accruing from oil and gas exports.

Short-term missions:

China (1995, 2003); Bolivia, Paraguay and Uruguay (2002); Ukraine (2004); Lesotho (2005); Georgia and Pakistan (2007).

Publications

RePec listing has details: <http://ideas.repec.org/e/pcl41.html>

Academic

American Economic Review (1973). *Canadian Journal of Economics* (1973, 1974). *Journal of Political Economy* (1988).

Bank of Canada Technical Reports (examples)

“From Monetary Policy Instruments to Administered Interest Rates: The Transition Mechanism in Canada,” (1994) with Donna Howard—reprinted in *The Transmission of Monetary Policy in Canada* (1996).

“Constraints on the Conduct of Monetary Policy in the 1990s: Dealing with Uncertainty in Financial Markets,” (1997) with Mark Zelmer.

“Implementation of Monetary Policy in a Regime with Zero Reserve Requirements” (1997).

“On Commodity-Sensitive Currencies and Inflation Targeting” (2001).

Bank of Canada Conference Proceedings

Editor: 1981, 1992, 1994, 1998 & 1999 books.

Bank of Canada Review

Numerous articles over the years. Two reprinted in *Transmission of Monetary Policy in Canada* (1996).

“Then and Now: The change in views on the role of monetary policy since the Porter Commission.” (1999). Governor Gordon Thiessen’s Tony Hampson Memorial Lecture, CD Howe Institute.

Task force reports

“A Study of the Efficiency of Foreign Exchange Markets” (1983) for G-7 “Jurgenson Report” on official exchange market intervention.

“International Asset Substitutability: Theory & Evidence for Canada” (1985) for the Royal Commission on the Economic Union.

“International Capital Mobility & Asset Substitutability: Some Theory & Evidence on Recent Structural Changes” (1986) for G-10/BIS study group.

“Strategic Choices for Inflation Targeting in the Czech Republic” (2000) in *Inflation Targeting in Transition Economies: The Case of the Czech Republic*, editor Warren Coates, IMF.

Recent work

“Core Inflation at the Bank of Canada: A Critique.” (2006)

http://www.econ.queensu.ca/working_papers/papers/qed_wp_1077.pdf

“Inflation Targeting in Canada: Origins, Conduct, Accountability, Lessons.” (2006)

Sciences Po Bordeaux, Centre de Recherche et d’Étude sur le Canada et le Québec en Sciences Sociales, with the Institut Québécois des Hautes Études Internationales.

Private sector consulting

ING Bank of Canada—2006, research on market impact.

Payday Loan Association of Canada (2006), and Rentcash Inc, (2007-08). On regulation of payday lending—research, and testifying as expert witness before provincial regulatory boards.