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'New centrality' for central bankers

London, 13 January 2012

The resignation of Phillipp Hildebrand from the Swiss National Bank highlights the 'new centrality' of central bankers as well as their need to espouse a rigorous code of conduct, according to OMFIF Co-chairman David Marsh in the January 2012 Bulletin.

Building on the theme of diverse pressures on official institutions, Himadri Bhattacharya, former Chief General Manager at the Reserve Bank of India, sets out an innovative form of stress testing for central banks. On a broader note, Meghnad Desai, Chairman of the Advisory Board, warns against ambitious monetary moves in Asia following the recent Japan, India and China credit swaps.

Other highlights of the January issue are:

-  **A special correspondent** explains the row between Bank of Thailand and the Thai government over central bank independence.
-  **John Kornblum, Advisory Board**, says EU leaders and Russia's Vladimir Putin are making a similar mistake in their top-down attempts at stability.
-  **Michael Kaimakliotis** and **Marina Shargorodska, Quantum Global Wealth Management**, say 2012 will be a year of decisive action on the euro front, with more 'muddle-through' no longer tolerable
-  **Gerard Lyons, Advisory Board**, brings a note of optimism in his discussion of the West-East shift.
-  **Martin Feldstein, Harvard University**, says Italy should be welcomed back to the capital markets, and suggests that country-by-country fiscal reforms are the solution to the Eurozone crisis.
-  **Darrell Delamaide, Board of Contributing Editors**, believes that the improving US economy will favour President Obama in the November election – but warns of substantial risk of a downturn from the euro's woes.
-  **Frederick Hopson, Advisory Board**, predicts another Year of the Dollar in 2012.
-  **Thanos Papasavvas, Investec Asset Management**, disputes the contention that the euro will break up, arguing that self-interest and European Realpolitik will ensure it stays together.
-  **Trevor Greetham, Advisory Board**, argues that European governments' determination to proceed simultaneously towards austerity is tantamount to an economic suicide pact.
-  **Paul Betts, Advisory Board**, analyses President Nicolas Sarkozy's recent frenzy of activity prior to the official start of his election campaign including his embrace of Joan of Arc as an electoral ally
-  **Roel Janssen, Advisory Board**, examines Prime Minister Mark Rutte's constrained room for manoeuvre over euro jostling in the Netherlands.
-  **John Nugée, Deputy Chairman, Advisory Board**, discusses governments' new activist approach towards financial regulation, suggesting that it demonstrates a fundamental shift in the attitude of the public sector towards markets and finance itself.
-  **William Keegan, Chairman, Board of Contributing Editors**, says that the current policy mood in the UK and Europe would have Keynes turning in his grave – if he hadn't been cremated.

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