



PRESS RELEASE

Wednesday, September 14, 2020

The Central Bank of Chile publishes new volume of its "Central Banking, Analysis and Economic Policies" book series

Today, the Central Bank of Chile published the 27th volume of its Central Banking Series, entitled "Changing Inflation Dynamics, Evolving Monetary Policy" (<https://www.bcentral.cl/en/web/banco-central/content/-/detalle/volumen-27-serie-banca-central-changing-inflation-dynamics-evolving-monetary-policy>). This latest volume was edited by economists Gonzalo Castex (UNSW), Jordi Galí (UPF) and Diego Saravia (Proficio Investment) and features revised versions of the papers presented at the XXII Central Bank of Chile Conference, held in Santiago on October 25 and 26, 2018.

The Central Bank of Chile's Book Series contains recent research on central banking issues and the economy in general, with special emphasis on topics that are relevant to economic policy in developing countries.

The new volume reflects efforts made to understand the phenomenon of "absent deflation" during periods of crisis and "absent inflation" during periods of economic recovery. This phenomenon, which became evident during the latest global financial crisis, is known in the specialized literature as the "twin puzzle," and points to an apparent inability of the so-called "Phillips Curve" to represent the empirical relationship between activity and inflation in developed countries over the past decade. The papers compiled in the book, written and commented by a select group of academics and policymakers, explore several of the hypotheses that have been put forward to explain the twin-puzzle phenomenon, and how they relate to the validity of the Phillips curve.

As was our practice with the previous 26 books of our series, we would have liked to make an official launch of this volume with the participation of renowned academics and authorities, as well as with specific comments from specialists in monetary policy and central banking issues. Unfortunately, the current demands of social distancing force us to pause in this tradition. We trust that, once the restrictions are relaxed, we will be able to give the new book the same deserved treatment of its predecessors.