

Communications

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Commemorative publication *The Swiss National Bank 1907–2007*

Central bank history and monetary policy as seen by economists and experts

To mark its 100-year anniversary, the Swiss National Bank is presenting its commemorative publication, which has been penned by central bank experts and leading international economists. Launched on Thursday, the work looks back over the central bank's eventful history and addresses current monetary policy issues. It is intended for all those interested in economic history and policy in Switzerland.

The first part of the book deals with the first seventy-five years of the National Bank's history. During this period, the SNB's policy moved away from its defence of gold parity, focusing instead on the fight against inflation. Key events include the devaluation of the Swiss franc in 1936, and post-war market interventions – through which the National Bank sought to resolve the conflict between a fixed exchange rate and price stability. This first part was written by internationally renowned economists Michael Bordo, Harold James and Peter Bernholz.

The second part, written by members of the National Bank's own staff, covers the period following the adoption of flexible exchange rates in the 1970s, after which the SNB was able to pursue a more autonomous policy. What strategies did it choose and which instruments did it employ? What was the significance of the exchange rate? And of communications? How was written law reconciled with modern-day reality? How has the SNB developed as a company? What role did it play in the Holocaust debate?

The third part of this commemorative work presents an assessment of recent Swiss monetary policy (Ernst Baltensperger) and a discussion of current central bank policy issues as seen by economists: Is there an optimum inflation rate? (Marvin Goodfriend); Switzerland and Euroland (Martin Hellwig); What is the purpose of foreign exchange reserves? (Peter B. Kenen); Is inflation targeting true progress? (Frederic S. Mishkin); An assessment of monetary policy under flexible exchange rates (Manfred J. M. Neumann); International financial architecture in an integrating world economy (Alexander K. Swoboda); Is price stability enough as an objective of monetary policy? (William R.

21 June 2007

2

White). Parts 1 and 2 of the book are published in French, German, Italian and English; Part 3 is English only.

The commemorative publication was officially launched in Zurich on 21 June by Professor Ernst Baltensperger, Professor Harold James and the Chairman of the Governing Board of the Swiss National Bank, Jean-Pierre Roth. Published by Neue Zürcher Zeitung Publishing, P.O. Box, 8021 Zurich (www.nzz-libro.ch), it is now on sale in bookstores.

Press release