
Towards an Enlarging European Monetary Union: Challenges for Old and New Member States

Berlin, Friday 2 June 2006

Conference Hall Manzini-Mitte
Reinhardstrasse 14
10117 Berlin

PROGRAMME
8.00 – 8.45: Registration
8.45 – 9.00: Opening Addresses
Georg Meran, DIW Berlin Vice-President,
John Fitz Gerald, EUROFRAME Chairman and ESRI

9.00 – 10.45: Parallel Session 1. Business Cycle Convergence in the EU (Room M4)
Chair: George Gelauff, CPB
Regional Growth Cycle Convergence in the European Union, Gabriele Tondl, Europainstitut,
University of Economics and Business Administration Vienna and Iulia Traistaru-
Siedschlag, ESRI, Dublin and Center for European Integration Studies, University of Bonn
Meta-Analysis of the Business Cycle Correlation between the Euro Area and the CEECs, Jarko
Fidrmuc, University of Munich, Faculty of Economics, CESifo, Comenius University
Bratislava, and Iikka Korhonen, Institute for economies in transition, Bank of Finland
A Model of the Stochastic Convergence between Euro-Zone Business Cycles, Matthieu Lemoine,
OFCE
Explaining Growth Divergences in the Euro Area: The Role of Residential Investment, Klaus-
Jürgen Gern and Carsten-Patrick Meier, Kiel Institute for the World Economy (IfW)
Discussant: Ray Barrell, NIESR

9.00 – 10.45: Parallel Session 2. Exchange Rates Issues for the NMS (Main conference
hall).
Chair: Catherine Mathieu, OFCE
Convergence in Exchange Rates: Market's View on CE-4 Joining EMU, Oxana Babetskaia-
Kukharchuk, Czech National Bank, CNRS-ROSES Paris, State University-Higher School of
Economics Moscow, Ian Babetskii, Czech National Bank, CNRS-ROSES Paris and Jiři
Podpiera, Czech National Bank
Real Equilibrium Exchange Rate in European Union New Members and Candidate Countries,
Virginie Coudert, Bank of France, University of Paris 13, CEPI and Cécile
Couharde, University of Paris 13, CEPN
Fast Sailing toward the Euro: Dangers of the Lee Shore, Aleš Buliř, IMF and Kateřina Šmídková,
Czech National Bank
Exchange Rate Regimes and EMU Accession Strategies, Mateusz Szczurek, ING Bank,
Warszawa
Discussant: Gunther Schnabl, University of Leipzig

10.45-11.15 Coffee Break

11.15 – 12.45: Parallel Session 3. Interest Rate Convergence (Room M4)
Chair: Stefania Tomasini, PROMETEIA
Bond Yield Compression in the Countries Converging to the Euro, Lucjan T. Orlowski, Sacred
Heart University, Fairfield and Kirsten Lommatzsch, DIW Berlin
Interest Rate Pass-Through Convergence in an Enlarged Eurozone, Harald Sander, Faculty of
Economics and Business Administration, University of Applied Sciences Cologne,
METEOR, Maastricht University, and Stefanie Kleimeier, Limburg Institute of Financial
Economics, METEOR, Maastricht University
Investigating the Effects of Monetary Policy in Post-Transition Economies: The Czech Republic
and Poland, Atanas Hristov, DIW Berlin
Discussant: Enzo Weber, Freie Universität Berlin
11.15 – 12.45: Parallel Session 4. Macroeconomic Issues for the NMS (Main conference hall)

Chair: Ewald Walterskirchen, WIFO

Aggregate Wage Flexibility in Selected New EU Member States, Ian Babetskii, Czech National Bank, CNRS-ROSES, University of Paris I-Sorbonne

Current Account Imbalances and Monetary Union, Marek Dabrowski, CASE

The Challenges of EMU Accession Faced by Catching-up Countries: A Slovak Republic Case Study, Anne-Marie Brook, OECD

Discussant: Jiri Slacalek, DIW Berlin

12.45-13.45 Lunch

13.45 – 15.30: Parallel Session 5. Macroeconomic Strategies in the Accession Process (Main conference hall)

Chair: Iulia Traistaru-Siedschlag, ESRI

Economic and Monetary Integration of the New Member States: Helping to Chart the Route, Ignazio Angeloni, Italian Ministry of Economy and Finance, Michael Flad, Johann Wolfgang Goethe University Frankfurt, and Francesco Paolo Mongelli, European Central Bank

Exchange Rate Stability, Inflation and Growth in (South) Eastern and Central Europe, Paul de Grauwe, Katholieke Universiteit Leuven, Center for Economic Studies and Gunther Schnabl, University of Leipzig

Debts, Deficits, and the Accession of the New Member States to the Euro, Andrew Hugues Hallett, Vanderbilt University, CEPR and John Lewis, De Nederlandsche Bank, Tallinn Technology University

Discussant: Henri Sterdyniak, OFCE

13.45 – 15.30: Parallel Session 6. Exchange Rates (2) (Room M4)

Chair: Markku Kotilainen, ETLA

Exchange Rate Regimes and the Transition Process in the Western Balkans - A Comparative Analysis, Ansgar Belke and Albina Zenkić, Universität Hohenheim, Stuttgart

Euro Adoption and the Transfer Problem: The Case of the “Visegrad Countries”, Jan-Alexander Bethge and Renate Ohr, University of Göttingen

Capital Inflows, Monetary Policy and Exchange Rate Regime in New Member States: Implications for the Accession to the Euro Area, Pavel Diev and Emmanuel Kurtz, Banque de France

Two-Stage Games of Endogenous Fiscal Coalition Formation: Institutional Design of Stabilization Policies and the Accession to a Monetary Union, Jacob Engwerda, Tilburg University, Tomasz Michalak, University of Antwerp, Joseph Plasmans, University of Antwerp, Tilburg University and Bas Van Aarle, University of Maastricht

Discussant: Agnès Bénassy-Quéré, CEPII

15.30 – 16.45: Parallel Session 7. Monetary Policy in an Enlarged Union (Main conference hall)

Chair: Joachim Scheide, IfW

ECB Governance in an Enlarged Eurozone, Agnès Bénassy-Quéré, CEPII and Edouard Turkisch, University Paris X

Regional Biases and Monetary Policy in the EMU, Wojciech Paczynski, CASE
Does Money Matter in the ECB Strategy? New Evidence Based on ECB Communication, Helge Berger, Free University Berlin, CESifo Munich, Jakob de Haan, University of Groningen, CESifo Munich and Jan-Egbert Sturm, ETH – Swiss Federal Institute of Technology, CESifo Munich

Discussant: Bas Van Aarle, University of Maastricht

15.30 – 16.45: Parallel Session 8. Financial Issues for the NMS (Room M4)
Chair: Klaus-Jürgen Gern, IfW

Lending Booms in the New EU Member States: Will Euro Adoption Matter?, Michal Brzoza-Brzezina, National Bank of Poland and Warsaw School of Economics

The Expected Effect of the Euro on the Hungarian Monetary Transmission, Gábor Orbán and Zoltán Szalai, Magyar Nemzeti Bank

The Structure of the Central Eastern European Countries’ Banking Market as an Element of European Financial Integration, Ion Lapteacru, LARE-EFi-Université Montesquieu Bordeaux IV
Discussant: Kirsten Lommatzsch, DIW Berlin

16.45-17.00 Coffee Break

17.00 – 18.45: Roundtable: Towards an Enlarging European Monetary Union: Challenges for Old and New Member States (Main conference hall)
Chair: Alfred Steinherr, DIW Berlin

Marek Dabrowski, CASE
John Fitz Gerald, ESRI
Juergen Kroeger, European Commission
Wolfram Schrettl, Freie Universität Berlin