



15<sup>th</sup> EUROFRAME CONFERENCE  
ON ECONOMIC POLICY ISSUES IN THE EUROPEAN UNION

**Economic policy and political economy  
in the EU after the crisis**

Friday, 8 June 2018, Milan

**Organised by the EUROFRAME  
group of Research Institutes**

[www.euroframe.org](http://www.euroframe.org)

Venue: **Hotel Palazzo delle Stelline**,  
Corso Magenta 61, Milan

***PROGRAMME***

**8.15 – 9.15: Registration**

**9.15 – 9.30: Opening Addresses (Sala Solari)**

Catherine Mathieu, OFCE and EUROFRAME, Stefania Tomasini, Prometeia Associazione and EUROFRAME

**9.30 – 11.00: Parallel Session: Fiscal sustainability (Sala Solari)**

Chair: Francesco Daveri, Bocconi University

**Is the debt brake behind Germany's successful fiscal consolidation?**

Katja Rietzler, Macroeconomic Policy Institute (IMK) at Hans-Boeckler-Foundation, Düsseldorf, and Achim Truger, Berlin School of Economics and Law & Macroeconomic Policy Institute (IMK) at Hans-Boeckler-Foundation, Düsseldorf

**Have fiscal rules made discretionary policy more countercyclical? – Evidence from fiscal reaction functions for the euro Area**

Christoph Paetz, University of Duisburg-Essen, Macroeconomic Policy Institute (IMK) at Hans-Boeckler-Foundation, Düsseldorf

**New output gap estimates for assessing fiscal policy with lessons for euro area reform**

Heikki Oksanen, University of Helsinki

Discussant: Andrea Boitani, Catholic University of Milan

**9.30 – 11.00: Parallel Session: Core-periphery developments (Sala Borromeo)**

Chair: Markku Kotilainen, ETLA

**Internal devaluations and equilibrium exchange rates: New evidences and perspectives for the EMU**

Jamel Saadaoui, University of Strasbourg, BETA-CNRS, CEPN-CNRS

**Profit shifting by EU banks: evidence from country-by-country reporting**

Serena Fatica and Wildmer Daniel Gregori, European Commission, Joint Research Centre

**Does political instability matter for sovereign yield spreads in the euro area market?**

Angela Cheptea, INRA, Iuliana Matei, IESEG Paris and University Paris 1

Discussant: Gianpaolo Rossini, University of Bologna

**11.00 – 11.20: Coffee Break**

## **11.20 – 12.50: Parallel session: Governance in EMU (Sala Solari)**

Chair: Lorena Vincenzi, Prometeia Associazione

**Completing EMU: a feasible and shared goal? Economics and political economy of the next EU reforms**

Riccardo Rovelli, University of Bologna

**European monetary union reform preferences of French and German parliamentarians**

Sebastian Blesse, ZEW Mannheim, Pierre C. Boyer, CREST, École Polytechnique, Friedrich Heinemann, ZEW Mannheim, Eckhard Janeba, University of Mannheim, and Anasuya Raj, CREST, École Polytechnique

**Euro area macroeconomics, where do we stand?**

Catherine Mathieu and Henri Sterdyniak, OFCE

Discussant: John FitzGerald, ESRI and Trinity College Dublin

## **11.20 – 12.50: Parallel Session: Unemployment (Sala Agnesi)**

Chair: Stefania Tomasini, Prometeia Associazione

**New evidence on unemployment hysteresis in the EU**

Robert Calvert Jump, University of the West of England, and Engelbert Stockhammer, Kingston University

**The long-term unemployment adjusted NAWRU estimates for selected European countries**

Markku Lehmus, ETLA

**How different are supply shocks under the zero lower bound and normal times? Empirical investigation of the New-Keynesian model and paradoxes**

Raphael S.H. Lee and Jocelyn Boussard, INSEE-CREST

Discussant: Gerdien Meijerink, CPB

## **11.20 – 12.50: Parallel Session: Public debt stabilisation (Sala Borromeo)**

Chair: Marek Dabrowski, CASE

**A threshold multivariate model to explain fiscal multipliers with government debt**

Leonardo Augusto Tariffi, Universidad de los Andes and Universitat Autònoma de Barcelona

**Effects of debt mutualization in a monetary union with endogenous risk premia: Can Eurobonds contribute to debt stabilization?**

Bas van Aarle, KU Leuven, Jacob Engwerda, Tilburg University, and Arie Weeren, Mathworks BV

**Bank stability and the European deposit insurance scheme**

Ilkka Kiema, Labour Institute for Economic Research, Esa Jokivuolle, Bank of Finland

Discussant: Emilia Pezzolla, Prometeia Associazione

## **12.50 – 14.00: Lunch Break**

## **14.00 – 16.00: Parallel session Fiscal policy rules (Sala Solari)**

Chair: Paolo Onofri, Prometeia Associazione

**Fiscal implications of the ECB's Public Sector Purchase Programme (PSPP)**

Harmen Lehment, Kiel Institute for the World Economy

**Finding the bottom line: A quantitative model of the EU's fiscal rules and their compliance**

Tero Kuusi, ETLA

**Enhancing credibility and commitment to fiscal rules**

Grzegorz Poniowski, CASE, Warsaw School of Economics

Discussant: Angelo Stefano Baglioni, Catholic University of Milan

## **14.00 – 16.00: Parallel session: Monetary policy (Sala Agnesi)**

Chair: Klaus-Jürgen Gern, IfW

**What does "below, but close to, two percent" mean? Assessing the ECB's reaction function with real time data**

Maritta Paloviita, Markus Haavio, Pirkka Jalasjoki and Juha Kilponen, Bank of Finland

**Banks' lending technology and the transmission of monetary policy**

Salvatore Capasso, Oreste Napolitano and Ana Laura Viveros, Parthenope University of Naples

**Macroprudential policies interactions**

José A. Carrasco-Gallego, King Juan Carlos University, Madrid

**Prospects of monetary policy normalization in major currency areas**

Marek Dabrowski, CASE – Bruegel

Discussant: Elizabeth Casabianca, Prometeia Associazione

**14.00 – 16.00: Parallel session: Unconventional monetary policy effects (Sala Borromeo)**

Chair: Markus Scheiblecker, WIFO

**The impact of quantitative easing on a small open euro area economy: the case of the Netherlands**

Huub Meijers and Joan Muysken, Maastricht University

**The impact of the ECB's QE programme: core versus periphery**

Jagjit S. Chadha and Arno Hantzsche, NIESR

**The effects of unconventional monetary policy in the euro area**

Adam Elbourne, Kan Ji and Sem Duijndam, CPB

Discussant: Lea Zicchino, Prometeia

**16.00 – 16.20: Coffee Break**

**16.20 – 18.00: Roundtable (Sala Solari)**

Chair: Paolo Onofri, Prometeia Associazione

Massimo Bordignon, Catholic University of Milan

Jagjit S. Chadha, NIESR

Klaus-Jürgen Gern, IfW

Henri Sterdyniak, OFCE

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