

# 18TH EUROFRAME CONFERENCE ON ECONOMIC POLICY ISSUES IN THE EUROPEAN UNION

## Macroeconomic policy challenges in pandemic times

Venue : Pikku Finlandia,  
Karamziniranta 4, 00100 Helsinki

3 June 2022

Programme,  
as of 01.06.22

### 8.15 – 8.45: Registration

### 8.45 – 9.00: Opening Addresses

Aki Kangasharju, ETLA, Klaus-Jürgen Gern, IfW and EUROFRAME

Conference room: Honka

### 9.00 – 9.40: Keynote Lecture

Chair: Markku Lehmus, ETLA and EUROFRAME

### Economic Consequences of the Pandemic – the Nordic Countries Seppo Honkapohja, Aalto University

Conference room: Honka

### 9.40 – 11.10: Parallel Session A1: Fiscal policy and institutions

Chair: Catherine Mathieu, OFCE and EUROFRAME

#### Kiel Model of Corporate Stabilization Grants - Functionality and Application in the COVID-19 Crisis

Gabriel Felbermayr, Wifo, Stefan Kooths, Kiel Institute for the World Economy

#### Scarring effects of major economic downturns: the role of fiscal policy and government investment

Martin Larch, European Fiscal Board, European Commission, Peter Claeys, Economics Department, College of Europe, Bruges, Wouter van der Wielen, European Investment Bank

#### Public debt, economic growth and quality of institutions: A panel smooth transition regression approach for EU countries

Iuliana Matej, University Paris 1

Discussant: Stefania Tomasini, Prometeia and EUROFRAME

Conference room: Kelo

## **9.40 – 11.10: Parallel session: A2: Interest rates and Covid crisis**

Chair:

**The effects of climate policy on the real interest rate**

**Cecilie Marie Løchte Jørgensen**, Aarhus University

**Inequality and the Zero Lower Bound**

Jesús Fernández-Villaverde, University of Pennsylvania, NBER, CEPR, Joel Marbet, CEMFI, Galo Nuño, Banco de España, and **Omar Rachedi**, ESADE Business School

**European investment Bank loan appraisal, the EU climate bank?**

**Antoine Ebeling**, University of Strasbourg, CNRS, BETA

Discussant: **Tarmo Valkonen**, ETLA

Conference room: Latvia

## **11.10 – 11.30: Coffee Break**

## **11.30 – 13.15: Parallel Session B1: Supply shocks**

Chair: **Gerdien Meijerink**, CPB and EUROFRAME

**Shock infections through global value chains**

Tero Kuusi and Jyrki Ali-Yrkkö, The Research Institute of the Finnish Economy

**Optimal supply-side fiscal policies for Covid-19**

**Emanuele Colombo Azimonti**, University of Pavia, **Luca Portoghese**, University of Pavia, and **Patrizio Tirelli**, University of Pavia, CefES and Griffith University

**Business development grants in disruptive times -- evaluating the covid-19 government support for business development on firm outcomes**

**Johannes Hirvonen**, **Otto Kässi** and **Olli Ropponen**, ETLA

**Matching for three: search activity of workers, firms, and employment service**

**Tobias Hartl**, Institute for Employment Research (IAB), Nürnberg and University of Regensburg, **Christian Hutter** (IAB), and **Enzo Weber** (IAB and University of Regensburg)

Discussants: **Alexis Guillaume**, University Dauphine-PSL and **Otto Kässi**, ETLA

Conference room: Kelo

## **11.30 – 13.15: Parallel Session B2: Financial conditions**

Chair: **Klaus-Jürgen Gern**, IfW and EUROFRAME

**A new macro-financial condition index for the euro area**

**Claudio Morana**, University of Milano-Bicocca, Center for European Studies (CefES), Rimini Centre for Economic Analysis (RCEA-Europe ETS, RCEA-HQ), Center for Research on Pensions and Welfare Policies (CeRP)

**Financial stocks and flows in the time of COVID-19**

**Nicholas Jackson**, Government of Victoria – Department of Treasury and Finance, and **Stephen Millard**, National Institute of Economic and Social Research, Durham University Business School, Portsmouth University and Centre for Macroeconomics

**Demand- and supply-side factors behind the higher inflation**

**Marek Dabrowski**, CASE – Center for Social and Economic Research, Warsaw, Bruegel, Brussels, Higher School of Economics, Moscow

Discussant: **Markku Lehmus**, ETLA and EUROFRAME

Conference room: Latvia

## **13.15 – 14.20: Lunch**

## **14.20 – 15.50: Parallel session C1: Fiscal discipline and monetary union**

Chair: **Olli Ropponen**, ETLA

### **The impact of income tax changes on government revenue: moving beyond the Laffer curve**

Richard McManus, Canterbury Christ Church University, F. Gulcin Ozkan, King's College London, **Dawid Trzeciakiewicz**, Loughborough University

### **Fiscal discipline meets macroeconomic stability: When the Eurobonds are a good idea**

Luciano Greco, CRIEP & Department of Economics and Management, University of Padova, **Francesco J. Pintus**, CRIEP & Department of Economics and Management, University of Padova, Davide Raggi, Department of Economics, University Ca' Foscari of Venice

### **Towards new fiscal rules in the euro area?**

Catherine Mathieu and Henri Sterdyniak, OFCE

Discussant: **Ilkka Kiema**, Labore

Conference room: Kelo

## **14.20 – 15.50: Parallel session C2: Term structure of interest rates**

Chair: **Lorenzo Forni**, Prometeia Associazione

### **The term structure of interest rates in a heterogeneous monetary union**

**James Costain**, Galo Nuño, and Carlos Thomas, Banco de España

### **Treasury supply shocks and the term structure of interest rates in the UK**

**Andras Lengyel**, University of Amsterdam

### **Reaction of euro area government risk premia to common policy responses during the COVID crisis**

Anne-Laure Delatte, CNRS, University Dauphine-PSL, CEPR, **Alexis Guillaume**, University Dauphine-PSL

Discussant: **Stephen Millard**, NIESR and EUROFRAME

Conference room: Latvia

## **15.50 – 16.20: Coffee Break**

## **16.20 – 18.00: Roundtable**

Chair: **Tero Kuusi**, ETLA

**Lorenzo Forni**, Prometeia Associazione

**Stefan Kooths**, IfW Kiel

**Niku Määttä**, University of Helsinki

Conference room: Honka

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Ten independent Research Institutes throughout Europe have founded the EUROFRAME network, an initiative for improved forecasting and macroeconomic analysis in the European Union.

