



6<sup>TH</sup> EUROFRAME CONFERENCE  
ON ECONOMIC POLICY ISSUES IN THE EUROPEAN UNION  
**Causes and consequences  
of the current financial crisis:  
What lessons for European Union countries?**  
Friday, 12 June 2009, London

Organised by the EUROFRAME group  
of Research Institutes  
[www.euroframe.org](http://www.euroframe.org)

Venue: **British Academy,**  
**10 Carlton House Terrace, London SW1Y 5AH**

***PROGRAMME***

**8.30 – 9.00: Registration**

**9.00 – 9.10: Opening Addresses (Lecture Hall)**

**9.10 – 9.45: Keynote Lecture (Lecture Hall)**

Chair: **Andy Mullineux, University of Birmingham**

Macro prudential regulation - the missing policy pillar, **Philip Davis, Brunel University and NIESR**

**9.45 – 10.05: Coffee Break (Mall Room)**

**10.05 – 11.20: Session. Causes of the crisis (Lecture Hall)**

Chair: **Paolo Onofri, PROMETEIA**

Confidence, crashes and animal spirits, **Roger E.A. Farmer, UCLA**

From global imbalances to excess liquidity: A political economy view, **Paul van den Noord, European Commission, DG ECFIN**

Optimal regulation of bank capital and liquidity: How to calibrate new international standards, **Ray Barrell, Philip Davis, Tatiana Fic, Iana Liadze and Dawn Holland, NIESR and Brunel University**

**11.20 – 12.40: Parallel Session. Financial crisis contagion (Lecture Hall)**

Chair: **Michiel van Leuvensteijn, CPB**

Pathology of a heart attack: The LIBOR market, **Jagjit S. Chadha, University of Kent**

Contagion in the credit default swap market: The case of the GM and Ford crisis in 2005, **Virginie Coudert, Bank of France, CEPII, Mathieu Gex, Bank of France, CERAG, University of Grenoble 2**

Towards a more integrated money market in Europe? A comparison study on bank contagion risk in Europe and in the U.S.A. via extreme dependence of credit default swap spreads, **Bei Xu, LAREefi, University of Montesquieu Bordeaux IV**

Risk of liquidity and contagion of the crisis in the US, UK and euro area money markets, **Bertrand Blancheton, GREThA, University of Montesquieu-Bordeaux IV, Christian Bordes, CES, University of Paris I, Samuel Maveyraud, GREThA, University of Montesquieu-Bordeaux IV, Philippe Rous, LAPE, University of Limoges**

**11.20 – 12.40: Parallel Session 3. Banks (Council Room)**

Chair: **Wim Suyker, CPB**

Liquidity, moral hazard and bank runs, **Shurojit Chatterji and Sayantan Ghosal, Centro de Investigacion Economica, ITAM, and University of Warwick**

Nonlinearity of bank capital and charter values, **Terhi Jokipii, Swiss National Bank**

Lessons from the collapse in hybrid bank capital securities, **Peiyi Yu, University of East London, Bac Van Luu, Russell Investments**

## **11.20 – 12.40: Parallel Session. Housing bubbles and pension funds (Reading Room)**

Chair: **Christian Dreger, DIW**

Blowing bubbles – and bursting them: Ireland and Spain, **John Fitz Gerald, ESRI**

The housing price boom of the late '90s: Did inflation targeting matter?, **Sébastien Frappa and Jean-Stéphane Mésonnier, Bank of France**

Pension funds: The hidden side of the financial crisis, **Paola Monperrus-Veroni, OFCE**

Back to the drawing board: The economic crisis and its implications for pension provision in the United Kingdom, **Frank Eich and Amarendra Swarup, Pension Corporation**

## **12.40 – 13.40: Lunch**

## **13.40 – 15.00: Parallel Session. New regulation issues (1) (Lecture Hall)**

Chair: **Klaus-Jürgen Gern, IfW**

The Global Financial Crisis, the disclosure paradigm, and European financial regulation: The case for reform, **Emilios Avgouleas, University of Manchester**

Voluntary cooperation in terms of international financial supervision, **Pavel Diev, Bank of France**

Controlling global leverage: A new challenge for regulatory authorities, **Sonia Ondo-Ndong and Sandra Rigot, University of Paris Ouest la Défense, Nanterre**

## **13.40 – 15.00 Parallel Session. Credit availability in the crisis (Council Room)**

Chair: **Markku Kotilainen, ETLA**

Credit availability during financial crisis: Which role for external agents?, **Alessandro Fedele, University of Brescia, Francesco Liucci and Andrea Mantovani, University of Bologna**

Systemic shocks, banking spreads and the external finance premium, **Ethan Cohen-Cole, Federal Reserve Bank of Boston, Enrique Martinez-Garcia, Federal Reserve Bank of Dallas, Jonathan Morse, Federal Reserve Bank of Boston**

Financial system architecture and systematic risk, **José Jorge, CEMPRE and University of Porto**

## **13.40 – 15.00: Parallel Session. Financial crisis in the NMS (Reading Room)**

Chair: **Marek Dabrowski, CASE**

Household debt and foreign currency borrowing in new members of the EU, **Ray Barrell, NIESR, Philip Davis, NIESR and Brunel University, Tatiana Fic, NIESR and National Bank of Poland, Ali Orazgani, NIESR**

Why and how financial meltdown occurs in East and threatens the West? A one side of the iceberg of problems of the EU banks, **Stéphane Colliac and Ion Lapteacru, LARE-efi, University of Montesquieu-Bordeaux IV**

Foreign currency borrowing of households in New EU Member States, **Attila Csajbók, András Hudecz and Bálint Tamási, Central bank of Hungary**

## **15.00 – 16.15: Parallel Session. New regulation issues (2) (Lecture Hall)**

Chair: **Karl Aiginger, WIFO**

The global financial crisis: Lessons for European integration, **Marek Dabrowski, CASE**

The regulation of British retail banking utilities, **Andy Mullineux, University of Birmingham**

Evaluating the European management of the financial crisis: Which regulatory and supervisory model should be adopted?, **Dominique Perrut, Granem, Angers University**

## **15.00 – 16.15: Parallel Session. A new financial architecture (Council Room)**

Chair: **Catherine Mathieu, OFCE**

Financial integration and crisis management arrangements in the EU, **John Grahl, Middlesex University Business School, Marika Frangakis, Nicos Poulantzas Institute**

Credit allocation, capital requirements and procyclicality, **Esa Jokivuolle, Bank of Finland, Ilkka Kiema, University of Helsinki, Timo Vesala, Tapiola Group**

Agenda for building a new financial market architecture, **Dorothea Schäfer, DIW**

## **15.00 – 16.15: Parallel Session. Financial crisis and the real economy (Reading Room)**

**Chair: Sandra Steindl, WIFO**

Quantifying the impact of the financial crisis on the real sphere for France and the United States, **Christophe Blot, Sabine Le Bayon, Matthieu Lemoine and Sandrine Levasseur, OFCE**

An early warning signals approach to the currency crises: The Turkish case, **Ali Ari, LEAD, Université du Sud, Toulon-Var**

## **16.15 – 16.30: Coffee Break (Mall Room)**

## **16.30 – 18.00: Roundtable (Lecture Hall)**

**Chair: Ray Barrell, NIESR**

**John Fitz Gerald, ESRI**

**Joachim Scheide, IfW**

**Henri Sterdyniak, OFCE**

**Martin Weale, NIESR**

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