



13th EUROFRAME CONFERENCE
ON ECONOMIC POLICY ISSUES IN THE EUROPEAN UNION

**Balance sheets misalignments:
Effects and policy implications for the
EU economies**

Friday, 10 June 2016, Utrecht, The Netherlands

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

www.euroframe.org

Venue: **Utrecht School of Economics (City Center Utrecht),
Janskerkhof 3,
Utrecht**

PROGRAMME

8.15 – 9.00: Registration (Catacomben, room -1.08)

9.00 – 9.10: Opening Addresses (room 13)

Clemens Kool, CPB, Stefania Tomasini, PROMETEIA and EUROFRAME

9.10 – 10.40: Financial regulation, 1 (room 19)

Chair: Giulia Piccillo, Utrecht University

Central banks as balance sheets of last resort: ECB's monetary policy in a flow-of-funds perspective

Philippine Cour-Thimann and Bernhard Winkler, ECB

Finance and inclusive growth

Boris Cournède, Oliver Denk, and Peter Hoeller, OECD

Fiscal policy and financial distress: A balance sheet perspective,

John Fitzgerald, ESRI and Trinity College Dublin, Philip R. Lane, Trinity College Dublin

Discussant: Jasper Lukkezen, ESB / Utrecht University

9.10 – 10.40: Euro area imbalances (room 21)

Chair: Catherine Mathieu, OFCE

Estimating the effects of the "flight to quality", with an application to German bond yields and interest payments during the Euro crisis

Claire A. Boeing-Reicher and Jens Boysen-Hogrefe, IfW

Asymmetric credit growth and current account imbalances in the euro area

Robert Unger, Deutsche Bundesbank

Rebalancing in the Eurozone - Implications for the real exchange rate, terms of trade and welfare

Thor Andreas Aursland, Norwegian School of Economics

Discussant: Bert Smid, CPB

10.40 – 11.00: Coffee Break (Catacomben, room -1.08)

11.00 – 12.30: Financial regulation, 2 (room 19)

Chair: Stefano Lugo, Utrecht University

Transmission of global financial shocks to EMU Member States: The role of monetary policy and national factors

Maria Gelman, Christian-Albrechts-University, Kiel, Axel Jochem, Deutsche Bundesbank, Stefan Reitz, Christian-Albrechts-University and IfW Kiel

Does mortgage lending decrease lending to business? Evidence from UK bank balance sheets

Lu Zhang, University of Groningen and Utrecht University, Arzu Uluc, Bank of England, Dirk Bezemer, University of Groningen

Interdependence between monetary policy and financial sector regulation in the post-crisis period

Marek Dabrowski, CASE

Discussant: Adam Elbourne, CPB

11.00 – 12.30: Households' debt and macroeconomic equilibrium (room 21)

Chair: Stefania Tomasini, PROMETEIA

Household debt in OECD countries - Stylised facts and policy issues

Christophe André, OECD

Heterogeneous household finances and the effect of fiscal policy

Javier Andrés, University of Valencia, José E. Boscá, University of Valencia, FEDEA, Javier Ferri, University of Valencia, Fedea, and Cristina Fuentes-Albero, Federal Reserve Board

Negative home equity and household mobility: Evidence from administrative data

Sander van Veldhuizen, Benedikt Vogt, and Bart Voogt, CPB

Discussant: Dennis Bonam, DNB

12.30 – 13.30: Lunch Break (Catacomben, room -1.08)

13.30 – 15.30: Public finance (room 19)

Chair: Klaus-Jürgen Gern, IfW Kiel

A balance sheet approach to general government finance: the legacy of the crisis in selected euro area countries

Maria Valentina Bresciani and Lucia Cossaro, Prometeia

Determinants of fiscal distress in Italian municipalities

Wildmer Daniel Gregori, Prometeia, Luigi Marattin, University of Bologna

Sovereign debt crisis and economic growth: new evidence for the euro area,

Iuliana Matei, IESEG

Potential output and fiscal rules in a monetary union under asymmetric information

Luigi Marattin, University of Bologna, Simone Meraglia, University of Exeter

Discussant: Henri Sterdyniak, OFCE

13.30 – 15.30: Credit and growth patterns (room 21)

Chair: Markku Kotilainen, ETLA

The effect of debt overhang on the investment decisions of Italian and Spanish firms

Gianluca Antonicchia and Monica Ferrari, PROMETEIA

Stock-flow consistent modelling of real-financial cycles and balance sheet dynamics

Michael Gregor Miess and Stefan Schmelzer, Institute for Advanced Studies and Vienna University of Economics and Business

The real effects of the credit constraints in the economic crisis

Ioana Neamtu, Aarhus University, Niels Westergaard-Nielsen, Center for Owner Managed Business, Copenhagen Business School and IZA

Discussant: Dirk Bezemer, University of Groningen

15.30 – 15.50: Coffee Break (Catacomben, room -1.08)

15.50 – 17.45: Roundtable (room 13)

Chair: Jasper Lukkezen, ESB / Utrecht University

15.50 – 16.50: Keynote introduction: Kevin Lansing, SF Fed, 'Explaining the boom-bust cycle in the U.S. housing market: A reverse-engineering approach'

Discussion: Clemens Kool, CPB

16.50 – 17.45: Panel discussion (room 13)

John FitzGerald, ESRI, Paolo Onofri, PROMETEIA

17.45 – 19.00: Drinks (Catacomben, room -1.08)

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The EUROFRAME group of research institutes brings together: CASE (Warsaw), CPB (The Hague), DIW (Berlin), ESRI (Dublin), ETLA (Helsinki), IfW (Kiel), NIESR (London), OFCE (Paris), PROMETEIA (Bologna), and WIFO (Austria). The EUROFRAME group was founded at the end of 1998 as an initiative of the nine independent research institutes towards more integrated forecasting and macroeconomic policy analysis in the European Union. In 2007 CASE joined EUROFRAME as the tenth member.

The history of co-operation between the EUROFRAME members includes the experience in producing joint macroeconomic analyses and forecasts, both independently and for the European and national authorities since 1998, as well as the organisation of joint conferences and round tables. The group has built up experience of producing consensus-based recommendations on European macroeconomic policy from a team with widely differing approaches and orientations.

From 2001 to 2004, the EUROFRAME group has been organising **annual conferences on Growth Prospects in the euro area.**

In June 2004 the EUROFRAME group launched an annual conference series on '**Economic Policies in the European Union**'. The aim of the June Conference is to provide an economic forum for debate on economic policy issues relevant in the European context. The Conference brings together academics, economists from independent research institutes, national government administration, European and international institutions. Papers are selected through a submission procedure.

The EUROFRAME group releases an annual '**Economic Assessment of the Euro Area**'.

Since the beginning of 2000 the EUROFRAME group has been producing monthly the EURO GROWTH indicator, **a leading indicator for euro area output growth.**

More information about EUROFRAME available at: www.euroframe.org