

Fiscal Policy and Macroeconomic Performance

Frankfurt, 21/22 July 2014

21 July 2014

*Interactions of fiscal and monetary policy
(Chair: Josef Hollmayr)*

- 09.00 – 09.45 Fiscal multipliers at the zero lower bound: the role of policy inertia, Timothy Hills (Federal Reserve Board), **Taisuke Nakata** (Federal Reserve Board). Discussant: Sebastian Schmidt (ECB).
- 09.45 – 10.30 Estimating US Fiscal and Monetary Interactions: From Volcker Chairmanship to the Great Recession, **Eddie Gerba** (LSE), Klemens Hauzenberger (Deutsche Bundesbank). Discussant: Tomi Wang (University of Hamburg).

Fiscal policy and uncertainty (Chair: Claire Reicher)

- 11.00 – 11.45 Signals from the Government: Policy Uncertainty and the Transmission of Fiscal Shocks, Giovanni Ricco (London Business School), Giovanni Callegari (European Central Bank), **Jacopo Cimadomo** (European Central Bank). Discussant: Norbert Metiu (Deutsche Bundesbank).
- 11.45 – 12.30 Fiscal policy with imperfect information, **Nuno Gonçalves** (University of Porto and CEF.UP), Ana Paula Ribeiro (University of Porto and CEF.UP). Discussant: Tim Schwarz Müller (IfW Kiel).

12.30 – 13.30 **Lunch**

Deutsche Bundesbank, Stiftung Geld und Währung, Kiel Institute for the World Economy, University of Kiel

Fiscal austerity (Chair: Maik Wolters)

- 13.30 – 14.15 Does austerity pay off? Benjamin Born (University of Mannheim), Gernot Müller (University of Bonn), **Johannes Pfeifer** (University of Mannheim). Discussant: Klemens Hauzenberger (Deutsche Bundesbank).
- 14.15 – 15.00 Fiscal austerity and the informativeness of credit ratings, **Anna Gibert** (European University Institute). Discussant: Shafik Hebous (University of Frankfurt).
- (15 minute pause)
- 15.15 – 16.00 The macroeconomic effects of the European Monetary Union's fiscal consolidation from 2011 to 2013: A quantitative assessment, **Ansgar Rannenberg** (IMK), Christian Schoder (Vienna University of Economics and Business), Jan Strasky (OECD). Discussant: Roland Winkler (Technical University of Dortmund).

Keynote speech

- 16.30 - 18.00 Keynote speech "Fiscal Backing", **Eric Leeper (Indiana University)**

20:00 **Conference Dinner**



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22 July 2014

Fiscal policy and the banking sector (Chair: Maik Wolters)

- 09.00 – 09.45 Sovereign risk, interbank freezes, and aggregate fluctuations, Philipp Engler (Free University of Berlin), **Christoph Große Steffen** (DIW Berlin). Discussant: Dennis Bonam (VU Amsterdam).
- 09:45 – 10.30 Banks paying for banks: a dynamic general equilibrium perspective, **Tsvetomira Tsenova** (Bulgarian National Bank). Discussant: Björn van Roye (IfW Kiel)

Fiscal limits and default (Chair: Claire Reicher)

- 11:00 – 11.45 Fiscal and monetary policy coordination, macroeconomic stability, and sovereign risk, Dennis Bonam (VU University Amsterdam and Tinbergen Institute), **Jasper Lukkezen** (University of Utrecht and CPB). Discussant: Patrick Hürtgen (Deutsche Bundesbank).
- 11:45 – 12:30 Collateral, liquidity and debt sustainability, **Stefan Niemann** (University of Exeter), Paul Pichler (Austrian National Bank). Discussant: Ctirad Slavik (University of Frankfurt).
- 12:30 – 13:30 **Lunch**

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Fiscal policy in currency unions (Chair: Nikolai Stähler)

- 13.30 – 14.15 Exit expectations in currency unions, Alexander Kriwoluzky (University of Bonn), **Gernot Müller** (University of Bonn), Martin Wolf (University of Bonn). Discussant: Franz Seitz (Technical University of Weiden)
- 14.15 – 15.00 Fiscal delegation in a monetary union with decentralized public spending, Henrique Basso (Bank of Spain), **James Costain** (Bank of Spain). Discussant: Sigrid Röhrs (University of Frankfurt).
(15 minute pause)
- 15.15 – 16.00 Sovereign Default in a Multi-Country Economy, **Niccolò Battistini** (Rutgers University). Discussant: Henning Weber (Deutsche Bundesbank).

Format:

25 minutes for the presentation, 10 minutes for the discussant's comments, 10 minutes for general discussion.

Organizers:

Josef Hollmayr (Deutsche Bundesbank)

Claire Reicher (Kiel Institute for the World Economy)

Nikolai Stähler (Deutsche Bundesbank)

Maik Wolters (Kiel Institute for the World Economy and University of Kiel)

Sponsors:

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