



**4th UECE Conference on
Economic and Financial Adjustments in Europe
ISEG-University of Lisbon, Lisbon, 3 July 2015
(Quelhas Building)**

09:00-09:15 Welcome address

Auditório 2, 2nd floor

Mário Caldeira, President of ISEG
António Afonso, President of UECE

09:15-10:00 Keynote address: John Driffill (Birkbeck College, University of London; CEPR)

“Unconventional monetary policy in the Euro zone”

10:15-11:45 Session 1

Chair: **Pedro Gomes** (Universidad Carlos III de Madrid)

Room Novo Banco, 4th floor

“Fiscal Rules and the Intergenerational Welfare Effects of Public Investment”, **Pedro Bom** (Department of Economics, University of Vienna)

“Sovereign Risk, Private Credit, and Stabilization Policies”, Roberto Pancrazi (University of Warwick), **Hernán D. Seoane** (Universidad Carlos III de Madrid), Marija Vukotic (University of Warwick)

“Heterogeneity and the Public Sector Wage Policy”, **Pedro Gomes** (Universidad Carlos III de Madrid)

10:15-11:45 Session 2

Chair: **Ettore Panetti** (Banco de Portugal; CRENoS; UECE)

Anfiteatro 1, 4th floor

“Credible enough? Forward guidance and perceived National Bank of Poland’s policy rule”, Pawel Baranowski (University of Lodz, Poland), **Pawel Gajewski** (University of Lodz, Poland)

“Surviving the perfect storm: the role of the lender of last resort”, Nuno Alves (Banco de Portugal), **Diana Bonfim** (Banco de Portugal), Carla Soares (Banco de Portugal)

“A Dynamic Quantitative Macroeconomic Model of Bank Runs”, Elena Mattana (Université Catholique de Louvain-CORE), **Ettore Panetti** (Economics and Research Department, Banco de Portugal; CRENoS-University of Sassari; UECE)

10:15-11:45 Session 3

Chair: **Joana Pais** (ISEG-ULisboa; UECE)

Anfiteatro 4, 4th floor

“How to fund common public goods in Europe?”, **Guillaume Claveres** (Department of Economics, Université Paris 1)

“Minimum Wage and Lithuanian Labour Market”, **Algirdas Bartkus** (Department of Quantitative Methods and Modelling, Faculty of Economics, Vilnius University)

“Coordination, convergence and solidarity in the euro area: towards a European unemployment insurance scheme”, **Luís Teles Morais** (Institute of Public Policy Thomas Jefferson-Correia da Serra), Paulo Trigo Pereira (ISEG-Lisbon School of Economics and Management, Universidade de Lisboa)

11:45-12:00 Coffee break

12:00-13:30 Session 4

Chair: **João Duque** (ISEG-ULisboa; Advance)

Room Novo Banco, 4th floor

“Bond Market Variance Decompositions and the Impact of Monetary Policy”, **Alexandros Kontonikas** (Adam Smith Business School, University of Glasgow), Charles Nolan (Adam Smith Business School, University of Glasgow), Zivile Zekaite (Adam Smith Business School, University of Glasgow)

“Current Account and Fiscal Frameworks: the link between fiscal stringency and external balances”, Harald Badinger (Vienna University of Economics and Business), Aurélien Fichet de Clairfontaine (Vienna University of Economics and Business), **Wolf Heinrich Reuter** (Vienna University of Economics and Business)

“The Home Bias in Sovereign Ratings”, Andreas Fuchs (Heidelberg University, Alfred-Weber-Institute for Economics), **Kai Gehring** (University of Goettingen, Faculty of Economic Sciences)

12:00-13:30 Session 5

Chair: **Florence Huart** (University of Lille)

Anfiteatro 1, 4th floor

"Fiscal sustainability in a monetary union. Some theory and evidence before and after global financial crisis", **Piotr Stanek** (Cracow University of Economics)

"Balanced budget fiscal policy (de)stabilizing rules", **Teresa Lloyd Braga** (UCP - Catolica Lisbon School of Business and Economics), **Leonor Modesto** (UCP - Catolica Lisbon School of Business and Economics and IZA)

"Macroeconomic effects of sovereign risk pooling in a currency union", **Cristina Badarau** (LAREFI, University of Bordeaux), **Florence Huart** (LEM-CNRS (UMR 9221), University of Lille 1), **Ibrahima Sangaré** (LAREFI, University of Bordeaux)

12:00-13:30 Session 6

Chair: **Miguel St. Aubyn** (ISEG-ULisboa; UECE)

Anfiteatro 4, 4th floor

"Macroeconomic imbalances, financial stress and fiscal vulnerability in the euro area before the debt crises: a market view", **Gilles Dufrénot** (Aix-Marseille Université, Aix-Marseille School of Economics), **CNRS & EHESS, Banque de France and CEPII**, **Karine Gente** (Aix-Marseille Université, Aix-Marseille School of Economics, **CNRS & EHESS**), **Frédia Monsia** (Aix-Marseille Université, Aix-Marseille School of Economics, **CNRS & EHESS**)

"Modelling a Financial Crash in the Eurozone - A Monetary Macrodynamics Approach", **Gael Giraud** (Centre d'Economie de la Sorbonne, **AFD, CNRS**), **Thore Kockeroles** (Université Paris 1 Panthéon-Sorbonne)

"Investigating Mean Reversion of Inflation for 15 European Countries", **Süleyman Bolat** (Faculty of Economics and Administrative Sciences, **Aksaray University**), **Aviral Kumar Tiwari** (Faculty of Management, **IBS/IFHE**)

13:30-14:30 Lunch, 2nd floor

14:30-16:00 Session 7

Chair: **António Afonso** (ISEG-ULisboa; UECE)

Room Novo Banco, 4th floor

“The effects of public employment and wages on the level and volatility of the private sector”, Vincenzo Caponi, **Claire Reicher** (IfW, Kiel, Germany)

“Euro Stability”, Lamia Bekkour (Luxembourg School of Finance, University of Luxembourg), Xisong Jin (Luxembourg School of Finance, University of Luxembourg), **Thorsten Lehnert** (Luxembourg School of Finance, University of Luxembourg), Fanou Rasmouki (Luxembourg School of Finance, University of Luxembourg), Christian Wolff (Luxembourg School of Finance, University of Luxembourg)

“Fiscal episodes, technological progress and market power”, **António Afonso** (ISEG-ULisboa; UECE), João Jalles (IMF)

14:30-16:00 Session 8

Chair: **Javier J. Pérez** (Banco de España)

Anfiteatro 1, 4th floor

“Do federal deficits motivate regional fiscal (im)balances? Evidence from the Spanish case”, Agustín Molina-Parra (Pablo Olavide University, Seville), **Diego Martínez-Lopez** (University Pablo de Olavide, Seville)

“The Intertwining of Financialisation and Financial Instability”, **Fabien Labondance** (CRESE - Université de Franche-Comté and OFCE - Sciences PO), Paul Hubert (OFCE - Sciences PO), Jérôme Creel (OFCE - Sciences PO and ESCP - Europe)

“Does slack influence public and private labor market interactions?”, Ana Lamo (European Central Bank), Enrique Moral-Benito (Banco de España), **Javier J. Pérez** (Banco de España)

14:30-16:00 Session 9

Chair: **Luca Opromolla** (Banco de Portugal; UECE)

Anfiteatro 4, 4th floor

“Offshoring and Labour Market Reforms: Modelling the German Experience”, **Joel Hellier** (LEM, University of Lille, and Lemna, University of Nantes), Thomas Beissinger (University of Hohenheim and IZA), Nathalie Chusseau (LEM, University of Lille)

“Labour mobility in the Euro area during the Great Recession”, Florence Huart (LEM-CNRS (UMR 9221), University of Lille), **Médédé Tcakpalla** (LEM-CNRS (UMR 9221), University of Lille)

“Current Accounts in the Eurozone Countries: The Role of Euro, Fiscal Policies and Financial Developments”, **Jaromír Baxa** (Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague), Tomáš Olešňaník (Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague)

16:00-16:15 Coffee break

16:15-18:15 Session 10

Chair: **Michael G. Arghyrou** (Cardiff Business School)

Room Novo Banco, 4th floor

"The Trade-Off Unemployment Rate/External Deficit: Assessing the Economic Adjustment Programme of the Troika (European Commission, ECB and IMF) for Portugal", João Ferreira do Amaral (ISEG/ULisboa; UECE), **João Carlos Lopes** (ISEG/ULisboa; UECE)

"Changes in the Response of Fiscal Policy to Monetary Policy in the EMU", Sanchit Arora (IGIDR, Mumbai, India), **Claire Reicher** (IfW, Kiel, Germany)

"Is Greece Turning the Corner? A Theory-Based Assessment of Recent Greek Macro-Policy", **Michael G. Arghyrou** (Cardiff Business School)

16:15-18:15 Session 11

Chair: **Caterina Mendicino** (Banco de Portugal; European Central Bank; UECE), **Anfiteatro 1**, 4th floor

"Parsing Financial Fragmentation in the Euro Area: A multi-country DSGE perspective", Matthieu Darracq Paries (European Central Bank), Pascal Jacquinot (European Central Bank), **Niki Papadopoulou** (European Central Bank)

"Crisis, Fiscal Consolidation and Automatic Stabilization", Mathias Dolls (ZEW Mannheim), Clemens Fuest (ZEW, University of Mannheim), Andreas Peichl (ZEW, University of Mannheim and ISER), **Christian Wittneben** (ZEW Mannheim)

"Countercyclical capital rules for small open economies", Daragh Clancy (European Stability Mechanism), **Rossana Merola** (International Labour Organisation)

"Designing Capital Regulation in a Quantitative Macroeconomic Model", **Caterina Mendicino** (Banco de Portugal; European Central Bank; UECE), Kalin Nikolov (European Central Bank, DG Research), Javier Suarez (CEMFI and CEPR), Dominik Supera (European Central Bank, DG Macroprudential Policy and Financial Stability)"

18:30-19:30

Auditório 2, 2nd floor

Keynote address: Carlo Favero (Università Bocconi; IGIER; CEPR).

"**The Output Effects of Fiscal Adjustment Plans: Disaggregating Taxes and Spending**"

20:00 Dinner (Salão Nobre, ISEG)

Selected papers from the conference, after undergoing the standard refereeing process, will be included in a special issue of [Open Economies Review](#).

Program Committee: António Afonso (UECE; ISEG-ULisboa), Michael Arghyrou (Business School, Cardiff University), Mário Centeno (UECE; ISEG-ULisboa; Banco de Portugal), Peter Claeys (University of Barcelona), Gilles Dufrénot (Banque de France; CEPII; Aix-Marseille School of Economics), Raquel Gaspar (CEMAPRE; ISEG-ULisboa), Pedro Gomes (University Carlos III, Madrid), Hubert Kempf (CES - Sorbonne Economic Centre; École Normale Supérieure de Cachan), Alexandros Kontonikas (Adam Smith Business School, University of Glasgow), Clara Raposo (ADVANCE; ISEG-ULisboa); Miguel St. Aubyn (UECE; ISEG-ULisboa).

Local organising committee: António Afonso (UECE; ISEG-ULisboa), Miguel St. Aubyn (UECE; ISEG-ULisboa). **Secretariat:** Sandra Araújo (UECE).

Information available at: <http://pascal.iseg.utl.pt/~uece/efae2015>