

# 4<sup>th</sup> IWH/INFER-Workshop on Applied Economics and Economic Policy

## Programme

Monday, 17<sup>th</sup> March

on March  
17<sup>th</sup> - 18<sup>th</sup>, 2014  
in Halle (Saale),  
Germany

### Conference venue:

Halle Institute for Economic  
Research (IWH)  
Kleine Maerkerstrasse 8  
D-06108 Halle (Saale),  
Germany

Conference room,  
ground floor

### Contact:

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### Conference language:

English

There will be no registration fees. However, the participants are expected to pay their own expenses for travel and accommodation.

12:00-12:30 Registration

12:30-12:45 Opening

12:45-13:45 Keynote Lecture 1:

#### **Does EMU Need a Fiscal Union?**

*Helge Berger* (International Monetary Fund and Freie Universität Berlin)

13:45-14:15 Coffee Break

14:15-15:45 Session 1: "Fiscal Policy"

Chair: *Martin Altemeyer-Bartscher*, Halle Institute for Economic Research (IWH)

#### **Monetary and Fiscal Policy in a Financial Accelerator Model**

*Marko Ringmann* (University of Potsdam)

#### **Determining the Transmission Channels of Fiscal Policy: Do Exchange Rate Regimes Drive Fiscal Multipliers?**

*Michael O'Grady* (Trinity College Dublin, Ireland)

#### **Banks Paying for Banks: A Dynamic General Equilibrium Perspective**

*Tsvetomira Tsenova* (Bulgarian National Bank, Bulgaria)

15:45-16:00 Coffee Break

16:00-17:30 Session 2: "The Interaction of Banking and Sovereign Risk"

Chair: *Gregor von Schweinitz*, Halle Institute for Economic Research (IWH)

#### **Zero Risk Contagion – Banks' Sovereign Exposure and Sovereign Risk Spillovers**

*Josef Korte, Sascha Steffen* (Goethe University Frankfurt)

#### **Monetary Policy, Bank Bailouts and the Sovereign-Bank Risk Nexus in the Euro Area**

*Marcel Fratzscher, Malte Rieth* (DIW Berlin)

#### **Macro-Networks as Determinants of Crises**

*Michela Rancan, Peter Sarlin* (European Commission, Belgium)

17:30-18:00 Coffee Break

18:00-19:00 Keynote Lecture 2:

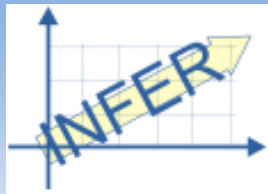
#### **Is a Fiscal Capacity Really Necessary to Complete EMU?**

*Lars Feld* (Walter Eucken Institute Freiburg and German Council of Economic Experts)

19:30 Dinner

Member of the

*Leibniz*  
Leibniz Association



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You will find hotels here:

[www.stadtmarketing-halle.de](http://www.stadtmarketing-halle.de)

### Arrival by plane or train:

From the Leipzig Halle Airport (LEJ), there is a regular train to Halle (Saale), Central Station, taking about 15 minutes.

In Halle (Saale), you may get from the Central Station to the IWH using tram lines 4/7 (Kröllwitz) or 9 (Göttinger Bogen) or by foot along the Leipziger Straße (10 minutes).

[Link to journey planner of MDV.](#)



Find us on [google maps](#).

**09:00-10:30** Session 3: "Fiscal Budgets"

Chair: *Joris Tielens*, KU Leuven

#### **Fiscal and Monetary Policy Coordination, Macroeconomic Stability, and Sovereign Risk**

*Dennis Bonam*, Jasper Lukkezen (VU University Amsterdam, Netherlands)

#### **Allocating Stochastic Public Expenditures under Revenue Volatility: The Role of Strict Budget Constraints**

*Wouter van der Wielen* (KU Leuven, Belgium)

#### **An Unemployment Insurance Scheme for the Euro Area**

*Clemens Fuest*, *Matthias Dolls*, Dirk Neumann, Andreas Peichl (ZEW Mannheim)

**10:30-11:00** Coffee Break

**11:00-12:30** Session 4: "Fiscal Capacities in a Federal System"

Chair: *Peter Haug*, Halle Institute for Economic Research (IWH)

#### **Fiscal Rules and Public Spending: Evidence from Italian Municipalities**

*Wildmer Daniel Gregori* (University of Bologna, Italy)

#### **Fiscal Autonomy and Fiscal Sustainability: Subnational Taxation and Public Indebtedness in Contemporary Spain**

*Bernd Süßmuth*, Benjamin Larin (University of Leipzig)

#### **Fiscal Equalization, Tax Salience, and Tax Competition**

*Martin Altemeyer-Bartscher* (IWH Halle)

**12:30-13:30** Lunch

**13:30-15:00** Session 5: "Sovereign Credit"

Chair: *Felix Noth*, OvGU Magdeburg and Halle Institute for Economic Research (IWH)

#### **Sovereign Credit Risk Co-movements in the Eurozone: Simple Interdependence or Contagion?**

*Manuel Buchholz*, *Lena Tonzer* (European University Institute Florence, Italy)

#### **Effects of Eurobonds: A Stochastic Sovereign Debt Sustainability Analysis for Portugal, Ireland and Greece**

*Bas Van Aarle*, Jan Van Hove, *Joris Tielens* (KU Leuven, Belgium)

#### **Privilege or Burden? Exploring Long-Term Determinants of Country Credit Ratings in Industrialized and Emerging Economies**

*Bernhard Bartels* (Gutenberg University Mainz)

**15:00** Concluding Remarks