



RESEARCH NETWORK
Macroeconomics and Macroeconomic Policies



The Berlin IPE at the Berlin School of Economics & Law



LEVIATHAN
BERLINER ZEITSCHRIFT FÜR SOZIALWISSENSCHAFT

IMK

Macroeconomic Policy
Institute

The IMK is an institute of
the Hans-Böckler-Stiftung

PROGRAM: HOW TO REFORM THE EURO ZONE ARCHITECTURE?

SYMPOSIUM 25 - 26 NOVEMBER 2016

VENUE

Wissenschaftszentrum Berlin (WZB) – Berlin Social Science Center
Reichpietschufer 50, 10785 Berlin

ORGANIZERS

- Prof. Dr. Hansjörg Herr (HWR Berlin, IPE, FMM)
- Prof. Dr. Jan Prieue (HTW Berlin, IPE, IMK, FMM)

COOPERATION

- fmm Research Network Macroeconomics and Macroeconomic Policies
- Macroeconomic Policy Institute (IMK) of Hans Böckler Foundation
- Institute for Political Economy (IPE) at the Berlin School of Economics & Law (HWR)
- Leviathan – Berliner Zeitschrift für Sozialwissenschaft (tbc)

HOW TO REFORM THE EURO ZONE ARCHITECTURE?

There is a widespread consensus that the institutional design of the euro area needs to be reformed in order to establish a full economic and currency union with elements of a political union. The main construction points since the outbreak of the “euro crisis” had been the foundation of the European Stability Mechanism, the so-called “Two Pack” and the “Six Pack”, the banking union and the Macroeconomic Imbalance Procedure. The ECB has changed its policy. Yet, the growth performance of the euro area as a whole is poor, prospects look bleak, and unemployment is in many member states still at an intolerable high level. The mix of expansionary monetary and contractionary fiscal policy is not conducive to fight unemployment and deflation. Austerity in Greece was counterproductive. Citizens may no longer be willing to accept this dire state of economic affairs.

After the Brexit, a rethinking of European Integration has popped up; the euro as the common currency is questioned by economists of differing backgrounds, apart from populist movements in society. Germany is considered the de facto hegemon, but the government seems to defend the status quo with a predominance of austerity and so-called structural reforms.

On this symposium, the reform options to stabilize and improve the working of the euro system shall be debated, regarding both corrections in the design and also change of policies derived from this. We search for strategies capable to reboot the euro area economy, geared to improve employment, price and financial stability, social cohesion, economic convergence and last but not least democracy. Short-term policy changes seem necessary with a vision on medium-term institutional reforms.

FRIDAY 25 NOVEMBER

10:00 - 11:30 Introductory Session

- Optimum currency area theory reconsidered – with a comment on Stiglitz. Jan Prieue, IMK Düsseldorf, HTW Berlin, IPE, FMM
- The euro after 17 years: an unnecessary or a badly designed project? Hansjörg Herr, HWR Berlin, FMM, IPE

11:45 - 13:15 Monetary Policy of the European Central Bank

- Monetary policy in a reformed eurozone. Tom Palley, Washington D.C.
- Monetary policy of the ECB – a critical look forward. Heike Joebges, HTW Berlin, FMM

13:15 - 14:15 Lunch

14:15 - 15:45 Banking Regulation in the European Monetary Union

- The Economics of Banking Regulation in the European Monetary Union - Completion of the banking union – what needs to be done. Helene Schuberth, Österreichische Nationalbank, Vienna
- Can banking union and capital market union stabilize the euro area? Sebastian Dullien, HTW Berlin, European Council of Foreign Relations, FMM

16:00 - 17:45 Fiscal Policy in the European Monetary Union

- Fiscal policy with the Golden Rule. Achim Truger, HWR Berlin, FMM, IPE
- The role of fiscal policy in a reformed monetary union. Willi Semmler, New School of Social Research, New York, Research Associate ZEW Mannheim.

18:15 - 19:45 Imbalances in the EMU and Policies for Convergence

- Macroeconomic imbalances in the European Union. Adalbert Winkler, Frankfurt School of Finance and Management
- How to deal with macroeconomic imbalances in the euro area without exchange rates? Jérôme Creel, Observatoire français des conjonctures économiques (OFCE), Paris
- A short comment on debates about European imbalances. Stefan Collignon, Sant'Anna School of Advanced Studies, Pisa

20:15 Dinner

SATURDAY 26 NOVEMBER

09:00 - 10:30 Wage Policy in the European Monetary Union



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- The economic need for wage coordination in the euro area. Ronald Janssen, Trade Union Advisory Committee to the OECD, Paris
- Political obstacles for wage coordination in the euro area. Torsten Müller, European Trade Union Institute, Brussels

11:00 - 12:30 Macroeconomic Management and Institutional Reforms in the EMU

- An alternative economic policy approach for the Euro area. Eckhard Hein, HWR Berlin, FMM, IPE
- Alternative routes for euro area reform – a comparison. Matthias Matthijs, John Hopkins University, Washington/Bologna

12:30 - 13:30 Lunch

13:30 - 15:30 Governance and Democracy

- Trapped in bad governance – what loopholes. Ulrike Guérot, European Democracy Lab, Berlin, Danube University Krems/Austria
- Can the EMU be reformed? Stefan Collignon, Sant'Anna School of Advanced Studies, Pisa
- A sceptical view on euro area reforms. Fritz Scharpf, Max-Planck Institute for the Study of Societies, Cologne.

15:30 Wrapping up

16:00 Departure