



The ECB and Its Watchers XVII

April 7, 2016

Program

Conference venue:

Gesellschaftshaus Palmengarten
Palmengartenstraße 11
60325 Frankfurt am Main

8:00 – 8:25

Registration and Coffee

8:25 – 8:30

Welcome
Günter Beck (CFS and IMFS)

8:30 – 10:00

Debate: What are the appropriate instruments to bring inflation back to target in a world of systematic disinflation?

- a) Has forward guidance on interest rates satisfied its hoped-for expectations?
- b) How effective has QE been? Which type of QE (private versus public securities) should be conducted?
- c) Does QE suffer from diminishing pay-offs/increasing marginal costs? What is the right way to weigh the former against the latter? Are these costs different in a currency union relative to a national state?
- d) Is there a need for more QE in the euro area?
- e) What are the alternatives to QE (helicopter money, negative interest rates, ...)?

Chair: **Volker Wieland** (IMFS)

Speakers:

Peter Praet (Member of the Executive Board of the ECB)
Hyun Shin (Bank for International Settlements)
Charles Bean (London School of Economics)

Lead questions:

Sylvain Broyer (Natixis)
Ulrich Kater (Deka Bank)
Beatrice Weder di Mauro (University of Mainz)

10:00 – 10:30 *Coffee Break*

10:30 – 12:00 **Debate: Which challenges do the currently ongoing (and likely future) changes in the financial and (international) economic environment pose on the conduct of monetary policy in the euro area?**

- a) Will the new regulatory financial framework and recent trends in the financial-intermediation sector (towards more market-based financial intermediation) affect the conduct of monetary policy? If so how? What role will the intended Capital Markets Union play in this context?
- b) What likely challenges will arise from international developments, such as divergent monetary policies or subdued economic growth in so-called emerging market economies?
- c) How likely do you think is it that the recommendations of the Five Presidents' Reports are implemented and how would this impact on monetary policy?

Chair: **Otmar Issing** (CFS President)

Speakers:

Benoît Cœuré (Member of the Executive Board of the ECB)

Martin Hellwig (Max Planck Institute for Research on Collective Goods)

Hans-Helmut Kotz (CFS and Harvard University)

Catherine L. Mann (Organization for Economic Co-operation and Development)

Lead questions:

Paul Sheard (Standard & Poor's)

Michael Wolgast (German Savings Banks Association, DSGV)

12:00 – 1:30 *Lunch*

1:30 – 3:00

Debate: Should the current monetary policy framework be adjusted to meet (new) post-crisis challenges?

- a) Are the existing institutional frameworks appropriate with regard to their specifications of the objectives of monetary policy or should they be adjusted? In particular, should monetary policy take into account risks to financial stability explicitly?
- b) Is targeting an inflation rate of (below but close to) 2% too ambitious? What are the factors that may hinder the accomplishment of such a positive inflation target? Are these factors transitory or permanent? What are the sources: global forces or lack of commitment/sufficient instruments on the side of central banks?
- c) Do we need to revisit the reasons for having a sufficient inflation buffer away from zero? Does an inflation buffer of close to 2% represent an appropriate buffer?

Chair: **Helmut Siekmann** (IMFS)

Speakers:

Ignazio Visco (Banca d'Italia)

Lars Svensson (Stockholm School of Economics)

Anil Kashyap (University of Chicago Booth School of Business)

Giovanni Dell-Ariccia (International Monetary Fund)

Lead questions:

Ernst Baltensperger (University of Bern)

Stefan B. Schneider (Deutsche Bank)

3:00 – 3:10

Closing Remarks

Günter Beck (CFS and IMFS)

The conference is made possible by the support of:

