

Institute for
Monetary and
Financial
Stability



Institute for Monetary
and Financial Stability

Annual Report
2013

Institute for Monetary and Financial Stability

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TABLE OF CONTENTS

| | |
|------------------------------------------------------------------------------|-----------|
| TABLE OF CONTENTS | 3 |
| A. IMFS Key Developments and Strategy | 5 |
| I. The Institute: Its Objectives and Professors | 5 |
| 1. The Institute's Objectives..... | 5 |
| 2. Professors at the Institute..... | 7 |
| II. Overview of Institute Activities and Achievements | 9 |
| III. Key Results in Research | 10 |
| IV. Notable Achievements in Doctoral and Post-Doctoral Training..... | 13 |
| V. Key Developments in Research-Based Policy Advice | 14 |
| VI. Notable Achievements in Public Outreach and Dissemination..... | 15 |
| VII. Fellows | 17 |
| B. IMFS Publications | 20 |
| I. IMFS Working Papers..... | 20 |
| II. IMFS Interdisciplinary Studies in Monetary and Financial Stability | 21 |
| C. IMFS Events | 22 |
| I. Conferences | 23 |
| II. Distinguished Lectures..... | 27 |
| III. IMFS Working Lunches..... | 28 |
| D. Endowed Chairs..... | 30 |
| I. Endowed Chair of Monetary Economics..... | 31 |
| I.1. Prof. Volker Wieland, Ph.D. (since 2012) | 31 |
| 1. Research..... | 31 |
| 2. Doctoral and Post-Doctoral Training | 33 |
| 3. Research-based Policy Advice | 34 |
| 4. Public Outreach and Dissemination..... | 35 |
| 5. Research Assistants..... | 38 |
| 6. Administration | 41 |
| II. Endowed Chair of Money, Currency, and Central Bank Law..... | 42 |
| II.1. Prof. Dr. Dr. h.c. Helmut Siekmann (since 2007) | 42 |
| 1. Research..... | 42 |
| 2. Undergraduate, Graduate and Post-Doctoral Training | 44 |
| 3. Policy Advice | 46 |
| 4. Public Outreach and Dissemination..... | 46 |

| | |
|------------------------------|----|
| 5. Research Assistants | 47 |
| 6. Administration | 48 |

E. Founding and Associated Professors..... 50

| | |
|----------------------------------------------------|----|
| I. Prof. Dr. Dr. h.c. Reinhard H. Schmidt..... | 50 |
| 1. Research..... | 50 |
| 2. Doctoral and Post-Doctoral Training | 51 |
| II. Prof. Michael Binder, Ph.D. (since 2013) | 52 |
| 1. Research..... | 52 |
| 2. Doctoral and Post-Doctoral Training | 54 |

A. IMFS Key Developments and Strategy

A.I. The Institute: Its Objectives and Professors

A.I.1. The Institute and its Objectives

The Institute for Monetary and Financial Stability (IMFS) is a research center of the Johann Wolfgang Goethe University, Frankfurt am Main, located in the “House of Finance”. The Institute was established as implementation of the project “Currency and Financial Stability” funded by a grant of the *Stiftung Geld und Währung* (Foundation of Monetary and Financial Stability). The Foundation of Monetary and Financial Stability was created January 1, 2002 by federal law.

The Institute consists of three endowed chairs in monetary economics, finance, and money, currency and central-bank law. These chairs are complemented by three Founding/Associated Professors from the University’s regular faculty. An advisory board supervises and guides the activities of the Institute.

Promoting public awareness of the benefits of monetary and financial stability is the main objective of the IMFS. It is set up to fulfill this objective by (1) economic and legal research, (2) doctoral and post-doctoral training, (3) economic and legal policy advice, and (4) public outreach and dissemination. It focuses on questions regarding monetary and financial stability that are to be addressed from economic, financial and legal perspectives. The Institute provides a platform for interdisciplinary cooperation and debate covering all four dimensions of its work.

(1) Economic and legal research. The research program of the “Currency and Financial Stability” project covers (i) monetary economics, (ii) financial market economics and systemic financial stability, and (iii) monetary, currency and central bank law. These areas define the activities of the three Endowed Chairs funded by the Foundation of Monetary and Financial Stability. Furthermore, there are three Founding/Associated Professors from Goethe University’s regular faculty who collaborate with the Institute in these areas.

(i) *Monetary Economics:* This research area addresses questions pertaining to the importance of stable prices; the analysis of different stability-oriented strategies of monetary policy; the study of business cycles and the role of expectations in money and financial markets; the development and implementation of monetary macroeconomic models; and the analysis of the interactions between monetary, fiscal and macro-prudential policy.

(ii) *Financial Market Economics and Systemic Financial Stability:* financial regulation and supervision, and particularly its economic aspects and effects, are central to this research area. It addresses questions pertaining to guaranteeing financial stability in the national and international context and how to avoid or mitigate financial crises. Furthermore, it provides analysis of the behavior of financial intermediaries and the functionality of financial markets.

(iii) *Monetary, Currency, and Central Bank Law:* This field of research centers around the stability of financial markets, financial institutions and public finances from a legal perspective. Its focus is on the European Monetary Union encompassing the European system of

central banks (ESCB); the legal aspects of money and monetary policy; provisions of the European and national law to secure sound government finances including government deficits and debt, support mechanisms, and fiscal federalism. Supervision and control of the financial sector is included as well.

The Foundation's support allows for long-term, basic research with an interdisciplinary dimension. Particular emphasis is put on promoting the academic and interdisciplinary exchange of views by means of research seminars, lectures and conferences that are jointly organized and attended by the IMFS professors and involve researchers from around the world that work on economic, financial or legal aspects of the IMFS research areas. Typically, research findings are first made available in the form of IMFS Working Papers or, in the case of joint interdisciplinary work or interdisciplinary conference reports, in the form of IMFS Interdisciplinary Studies in Monetary and Financial Stability. Ultimately, research findings are to be published in scientific journals, collections or monographs according to the practice of the respective field. It is particularly valued, if IMFS research achieves high impact on the respective field as indicated, for example, by publication in a leading international journal or book series, by high citation counts in scientific journals, or frequent mention in legal commentaries.

(2) Doctoral and post-doctoral training. IMFS also aims to advance knowledge about monetary and financial stability by contributing to doctoral and post-doctoral training at Goethe University. IMFS Professors teach advanced Master and Ph.D. level courses and organize research-oriented seminars on the Master and Ph.D. level. IMFS professors interact and collaborate with pre-doctoral and post-doctoral research staff and visitors at the IMFS in various formats, including dissertation supervision, discussions, seminars and sometimes also joint research.

Pre-doctoral members of IMFS research staff typically participate in structured Ph.D. and doctoral programs at Goethe University under the roof of the Graduate School of Economics, Finance and Management and the Law. Training at IMFS involves a preparation for basic research and academic careers as well as practice-oriented work in international organisations, central banks, government and the financial sector. Key indicators of success in doctoral and post-doctoral training include new teaching and seminar formats, research publications by pre-doctoral and post-doctoral research staff and ultimately the placement of young researchers trained at IMFS at top academic or practice-oriented institutions.

(3) Economic and legal policy advice. An essential task of IMFS involves research transfer into the world of financial institutions, central banks, and political decision-makers. Joint interdisciplinary approaches to research-based policy advice are explicitly encouraged. IMFS aims to further the interaction with policy makers and the transfer of research findings to policy by using the following four channels: (i) organization of lectures, seminars and policy-oriented conferences that involve key policy makers together with academics; (ii) producing IMFS working papers and studies with practical policy implications and contributing writings to external policy-oriented publications; (iii) participating in parliamentary hearings and government advisory bodies and contributing to advisory reports requested by governmental agencies; (iv) contributing interviews and commentaries on policy issues to the media.

Indicators of success in this area include the level of the policy makers that interact with academics at IMFS events, the reputation of the policy publications to which IMFS faculty contribute, the importance of the hearings and government advisory bodies, in which IMFS faculty are invited to participate, and the public visibility and media impact of IMFS faculty contributions on policy issues.

(4) Public outreach and dissemination. The IMFS aims to raise and promote awareness among the general public for the significance of a stable currency. The Institute pursues this objective via two channels: Locally, the IMFS reaches out to the financial community in Frankfurt, Germany's financial center, by organizing occasional lectures and seminars with well-known speakers that deal with current issues in the area of monetary and financial stability. In order to reach out to the public on a national and international level, the Institute's professors regularly contribute interviews and commentaries to national newspapers, international newspapers and magazines, English language websites and blogs and national TV and radio.

Indicators of success include the quality of speakers at IMFS events that are open to the general public and the number of participants. Furthermore, the frequency of commentaries in leading national and international media provides an indication of the visibility of the IMFS faculty and the Institute as a whole. It is valued especially if detailed in-depth analysis of economic and legal questions concerning monetary and financial stability can be placed in the press and internet-based outlets.

A.1.2. Professors at the Institute

At the end of 2013, the chair of Monetary Economics is held by Professor Volker Wieland, Ph.D.; and the chair of Money, Currency and Central bank law by Professor Dr. Dr. h.c. Helmut Siekmann. They will be joined by Professor Vikrant Vig, Ph.D. on May 1, 2014.

Prof. Volker Wieland, Ph.D., has held the IMFS Endowed Chair of Monetary Economics since March 1, 2012. He succeeded Prof. Dr. Stefan Gerlach who held the chair from September 2007 to August 2011. Stefan Gerlach left the Institute in September 2011 after his nomination as Vice President of the Central Bank of Ireland. As one of the three founding professors, Volker Wieland was involved in the application for the "Currency and Financial Stability" project and has been affiliated with the Institute from its beginning. On June 1, 2012 Volker Wieland was elected Managing Director.

Prof. Dr. Dr. h.c. Helmut Siekmann has held the IMFS Endowed Chair of Money, Currency, and Central Bank Law since the summer of 2006. He is the founding director of IMFS and was the Institute's Managing Director from summer 2006 to March 2010, as well as from September 2011 to May 2012. He is currently the Deputy Managing Director of the IMFS.

Prof. Vikrant Vig, Ph.D., will assume the Endowed Chair of Financial Economics on May 1, 2014. The Endowed Chair of Financial Economics was previously held by Prof. Dr. Roman Inderst from October 2006 to September 2012. Effective October 1, 2012, Professor Inderst transferred to a university professorship.

The Founding/Associated Professors complement the endowed chairs. They are part of the Institute and members of its Executive Board. Associated professors are currently Professor Michael Binder, Ph.D., from the Department of Money and Macroeconomics and Professor Dr. Dr. h.c. Reinhard H. Schmidt from the Finance Department of the Faculty of Economics and Business. Michael Binder succeeded Volker Wieland as IMFS Associated Professor in 2013. In early 2014, a member of the Law Faculty will be appointed to succeed Prof. Dr. Dr. h.c. Theodor Baums who served as IMFS Founding Professor from 2006 to 2013.

A.II. Overview of Institute Activities and Achievements

IMFS activities and achievements in research, policy advice, training of young researchers and public outreach and dissemination are briefly summarized in the following table. Particularly notable achievements in research, policy advice, young researchers' promotion, and public research dissemination will be presented in the following sections.

IMFS in Numbers

| | 2013 |
|--------------------------------------------------------------------|-------------|
| Number of IMFS professors | 4 |
| IMFS Working Papers | 9 |
| IMFS Interdisciplinary Studies in Monetary and Financial Stability | 2 |
| Articles in scientific journals | 6 |
| Chapters in scientific books | 12 |
| Scientific books | 3 |
| Completed dissertations | 4 |
| IMFS Post-Docs placed at universities and central banks | 2 |
| Lectures / Keynotes Speeches | 2 |
| Conference and seminar presentations | 43 |
| Policy Reports / Policy Papers | 4 |
| Hearings | 8 |
| Media References to IMFS research papers | 5 |
| Editorials and interviews by IMFS researchers | 28 |
| Press portraits of IMFS researchers | 5 |
| Short press commentaries of IMFS researchers | 26 |
| Radio and TV interviews with IMFS researchers | 19 |
| IMFS Conferences | 2 |
| IMFS Public and Distinguished Lectures | 1 |
| IMFS Working Lunches and Research Seminars | 3 |
| IMFS Workshops | 0 |
| Registered participants at IMFS events | 687 |
| Registered media representatives at IMFS events | 53 |

A.III. Key Results in Research

Research is a top priority at the IMFS. A number of publications and other research-related achievements in 2013 deserve special mention.



Helmut Siekmann and Volker Wieland jointly edited two *IMFS Interdisciplinary Studies in Monetary and Financial Stability* on “*Central Banking: Where are we headed?*” and “*The ECB and Its Watchers*” and co-authored a paper on “*The European Central Bank’s Outright Monetary Transactions and the Federal Constitutional Court of Germany*”. These **joint IMFS publications** indicate their commitment to interdisciplinary collaboration. The recently launched *IMFS Interdisciplinary Studies in Monetary and Financial Stability* series, in particular, serves to present the results of the interdisciplinary work at the Institute in form of co-authored papers or conference reports (see section B.II for further details).

The **Commentary on the European Monetary Union**, edited by Helmut Siekmann, was published in April 2013. The production of this legal commentary was a major IMFS project carried on over several years. The 1500-page commentary was published by the prestigious publisher Mohr & Siebeck in Tübingen. It aimed to satisfy the highest scientific standards and fills a gap between the existing works covering the Treaty on the European Union and the Treaty on the Functioning of the European Union in general and the detailed monographs on specific aspects of the Monetary Union. Leading experts from academia and central banking have joined to expound all relevant provisions of primary



law – including protocols – and of secondary law. In particular, all rules of the Statute of the European System of Central Banks and the European Central Banks are comprehensively treated. The commentaries take into consideration all amendments and supplements by the Lisbon Treaty. Furthermore, they address in detail the problems that result from the current financial crisis and the budgetary crisis of single Member States of the European Union. A particular emphasis has been laid on court rulings concerning the European Monetary Union. This is of special interest for practitioners. The commentary provides an encompassing explanation of all provisions of European Union law in the version of the Lisbon Treaty, which are related to the European Monetary Union. It includes contributions by Florian Becker, Christof Freimuth, Charlotte Gaitanides, Christoph Herrmann, Heinz Herrmann, Stefan Kadelbach, Jörn Axel Kämmerer, Christoph Keller, Julian Langner, Katharina Muscheler-Lorange, Christoph Ohler, Marion Schmidt-Wenzel, Helmut Siekmann, Jochen Sprung, Christine Steven, Christian Waldhoff among others.



Furthermore, a **volume of selected writings** by Helmut Siekmann on “A stable order of money, currency and finances” was published by Duncker & Humblot, 2013. It was edited by Theodor Baums, IMFS Founding Professor.

Volker Wieland contributed **two handbook chapters** (former IMFS WP’s 52 and 62) to new volumes in the prestigious *Arrow-Intriligator Handbooks of Economics* series published by Elsevier in 2013. The chapter on “*Forecasting and Policy Making*”, in, Graham Elliott and Allan Timmermann (eds), Handbook of Economic Forecasting: Vol 2, Elsevier 2013, is co-authored with former IMFS Post-Doc Maik Wolters (now Assistant Professor at the University of Kiel and the Kiel Institute of the World Economy). The chapter on “*The New Keynesian Approach to Dynamic General Equilibrium Modeling: Models, Methods and Macroeconomic Policy Evaluation*,” in, Peter Dixon and Dale Jorgenson (eds), Handbook of Computable General Equilibrium Modeling Vol 1B, Elsevier 2013, was co-authored with former IMFS Pre-Doctoral Student Sebastian Schmidt (now Economist in the Directorate General Research, European Central Bank).



Furthermore, Wieland published two **articles in scientific journals**. One article (former IMFS WP 61), which dealt with the question of “*Fiscal Consolidation Strategy*,” appeared in the Journal of Economic Dynamics and Control and was co-authored with John Cogan, John B. Taylor and Maik Wolters. Another article co-authored with IMFS Research Fellow Athanasios Orphanides on “*Complexity and Monetary Policy*,” appeared in the International Journal of Central Banking.

In terms of the **impact** of Wieland’s research it is worth noting that according to **Google Scholar** the most-cited journal article among all IMFS researchers’ publications in scientific journals since the establishment of IMFS in 2007 is “*New Keynesian versus Old Keynesian Government Spending Multipliers*.” This paper, which was published in the Journal of Economic Dynamics and Control (JEDC) in March 2010 and co-authored with John F. Cogan, Tobias Cwik and John B. Taylor has currently 397 citations on Google Scholar (as of February 4, 2014). On the Elsevier website for JEDC it is currently listed as the most cited JEDC article since 2009 and also as the most downloaded article from the JEDC website (as of February 4, 2014).

Another research-related achievement in 2013 was the **acceptance of an application for a 2.5 million euros 3-year FP7 Research Grant** by the European Commission for a research network responding to the Commission's call for "*Better integrating financial markets into, policy-focused, macro models*". The proposal is titled "*Integrated Macro-Financial Modelling for Robust Policy Design*" and uses the acronym MACFINROBODS. It was submitted in January 2013 by Volker Wieland as Coordinating Scientist. He received substantial support from Michael Binder, IMFS Associated Professor, in drafting the proposal.

Besides the IMFS, the following institutes and universities are members of the consortium: CEPREMAP in Paris, IAE-UAB in Barcelona, CenDEF at the University of Amsterdam, the City University London, the University of Surrey, the Catholic University of Löwen, the CERGE Institute at the Charles University in Prague, the Catholic University in Milan, as well as the University of Pavia. Researchers in the consortium include Albert Marcet, Joseph Pearlman, Paul Levine, Cars Hommes, Frank Smets, Raf Wouters, Michel Juillard, Ester Faia, Michael Binder, Maurizio Motolese, Domenico Delli Gatti, Guido Ascari, Sergey Slobodyan, and many more.

There is typically intense competition for FP7 grants. The proposal submitted by Wieland garnered 15 out of 15 possible points in the evaluation by outside experts and is one of two proposals funded under the above-mentioned call. Due to Wieland's appointment to the German Council of Economic Experts he was unable to take on the substantial managerial role as coordinator of the whole research network. It was decided that Cars Hommes from the University of Amsterdam research node would serve instead as network coordinator. Michael Binder will manage the contributions of the IMFS/Frankfurt node and represent IMFS on the network's steering committee. The IMFS contribution to the network's research agenda will cover three areas (i) modeling of heterogeneous beliefs in financial markets, (ii) fiscal consolidation and sovereign debt and (iii) the design of robust monetary and macro-prudential policies. Furthermore, the Macroeconomic Model Database (see www.macromodelbase.com and Wieland et al. (2012)) plays a key role in the overall proposal and several new policy-focused models and evaluation tools developed by the other nodes are to be integrated in this unique tool for research, teaching and policy analysis.

A.IV. Notable Achievements in Doctoral and Post-Doctoral Training

All Endowed Chairs at the IMFS contribute to the training of doctoral students as part of structured Ph.D. and doctoral programs. For this purpose the chairs have offered several lectures and seminars at doctoral level. In addition, many doctoral candidates work as research assistants in IMFS research projects. Supervision for individual research projects is also available.

The successful completion of a dissertation and the subsequent employment at a university, research institute, central bank, ministry, international organization, commercial enterprise, or law firm, is of particular importance.

Doctoral and post-doctoral training at the IMFS also focuses on providing a productive research environment for post-docs who were either hired as research assistants or received third-party funding to temporarily work at the IMFS. Thus, the subsequent placement of post-docs also represents an important benchmark of the success of doctoral and post-doctoral training.

In 2013 two doctoral candidates, who were supervised by Helmut Siekmann, earned their doctorates in law.

Christian Hissnauer's dissertation was titled "Die Reform der Einlagensicherung und Anlegerentschädigung in Deutschland". Thus, it dealt with the reform of deposit insurance and investors' compensation in Germany. Hissnauer is now in the regular German legal intern/clerkship stage (Referendariat).

Volker Perten's dissertation was titled "Rundfunkfinanzierung in Europa". It investigated the financing of public radio and television in Europe. Perten is now working as lawyer at the prestigious partnership Prinz Neidhardt Engelschall in Hamburg.

Matthias Burgert, a pre-doctoral researcher in the research team of Volker Wieland, was hired for a research staff position in the economic modelling group of the Directorate General Economic and Financial Affairs at the European Commission. He is a co-author of Wieland on a paper titled "The role of tax policy in fiscal consolidation: Insights from Macroeconomic Modelling" that recently appeared in a conference proceedings volume of European Economy, titled "*The role of tax policy in times of fiscal consolidation*". Burgert plans to complete his dissertation on topics in fiscal policy by fall 2014.

A.V. Key Developments in Research-Based Policy Advice

A central pillar of the IMFS mandate within the framework of the “Currency and Financial Stability” project funded by the Foundation of Monetary and Financial Stability is the transfer of knowledge into the world of financial institutes and central banks, as well as consultations and discussions with political decision-makers. This occurs through a number of conferences that serve as platforms for exchange between scholars, business, and politics (see section C).

Research-based policy advice also takes place directly through the IMFS professors. They are active in certain advisory committees, they participate in parliamentary hearings and more informal meetings with policy makers, and they write particular policy reports and policy papers that aim to provide research-based policy advice.

A special event for the IMFS was the appointment of Volker Wieland by the President of the Federal Republic as a **member of the German Council of Economic Experts** (*Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung*) following his nomination through the Federal Government. Wieland joined the Council on March 1, 2013. The Advisory Council was established by federal law in 1963. Its goal is to provide periodical surveys of the macroeconomic development of the Federal Republic of Germany and to thereby help forming the opinion by all economic authorities and the general public. The Advisory Council fulfills its mandate independently. Its assessment and concepts have since become a crucial part of economic policy discussion in Germany and notably influence political decision-making. The Advisory Council has five members. It holds regular hearings with ministries, employer organisations and unions and meets with the Chancellor to present its annual report and economic forecast for Germany.

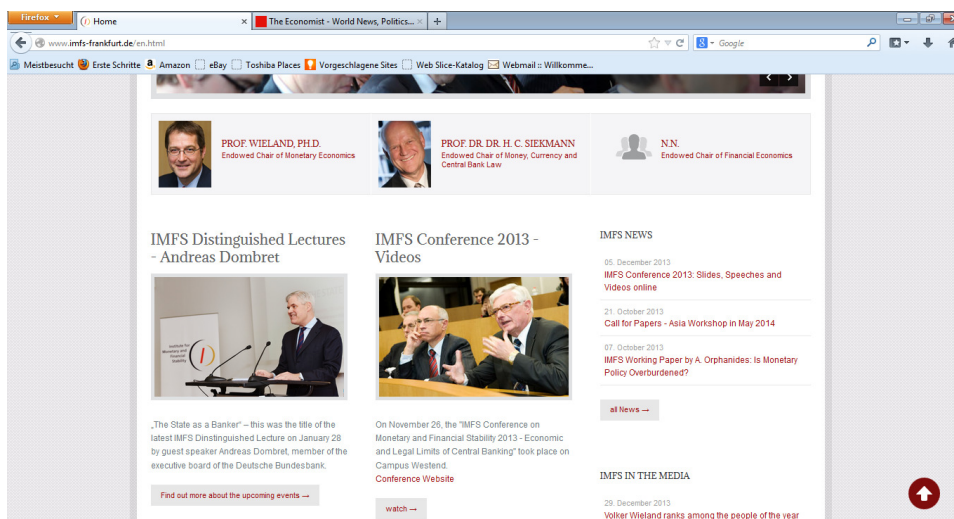
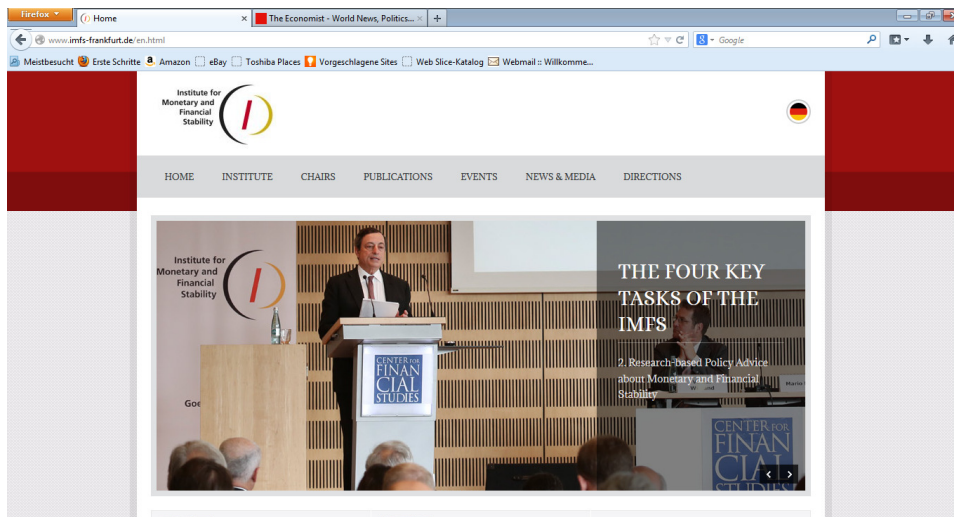


On November 13, 2013, the GCEE annual report 2013 titled “Against a backward-looking economic policy” was presented to Chancellor Merkel. Some of the **chapters incorporated analysis that built on IMFS research**. For example, the section on euro area monetary policy contained a rules-based evaluation of ECB interest rate setting and forward guidance that built on IMFS WP 74 by Bletzinger and Wieland. The section on euro area fiscal policy developments included an assessment of the potential impact of a credible and sustained implementation of consolidation measures that have already been decided by euro area economies. This analysis made use of an extended version of a dynamic macroeconomic model developed at the European Central Bank and built on earlier work by Matthias Burgert, Volker Wieland, John Taylor, Maik Wolters and John Cogan (IMFS WP’s 68 and 61). Finally, the chapters on banking union and euro area institutions benefitted from discussions of Wieland with Siekmann and Tröger regarding the legal framework.

A.VI. Notable Achievements in Public Outreach and Dissemination

The IMFS is committed to educate the public on monetary and financial stability and raise the public's awareness for the significance of a stable currency. Reaching a **large number of participants** since the fall of 2010, the IMFS Distinguished Lectures are especially important in this regard. The media covers these and other IMFS events on a regular basis. In 2013 the IMFS registered **53 representatives of the media** as participants at its events. There were 687 regular participants in 2013, including many members of academia, policy making institutions and the financial community (see section C for more information in this regard).

The **IMFS website** www.imfs-frankfurt.de is also an important tool for communication research findings, policy analysis, new events, conference reports and videos and information about IMFS researchers to the public. The website has been re-launched in September 2013. Further improvements are planned for spring 2014.



IMFS professors also frequently interact with the public through the media. They give **interviews** to newspapers, TV and radio; they write **editorials and opinion pieces** for newspapers, magazines and internet blogs; and they provide **shorter commentaries** to the press. Furthermore, **findings of particular IMFS research papers** are occasionally picked up by the press. Finally, a large number of **portrait articles** about IMFS professors have appeared in the press.

Links to online press articles and blog contributions are provided on the **IMFS website** under **IMFS in the media**. In the following only a few highlights are mentioned for each year. A fairly complete list is provided in sections D and E for each professorship.

Helmut Siekmann and Volker Wieland co-authored a **viewpoint** on “The case before the court” regarding the ECB’s OMT and the deliberations of the German Constitutional Court on the Free exchange blog of the “Economist’s” website. **IMFS Working Paper 68** by Cogan, Taylor, Wieland and Wolters on “Fiscal consolidation strategy: An update for the budget reform proposal of March 2013” was **reviewed** in an article in the “Wall Street Journal”. IMFS Working Paper 74 by Bletzinger and Wieland was featured in the “Börsen-Zeitung”, on CNBC.com and on VoxEU. Volker Wieland was **ranked 11th in the FAZ-Ranking** of Germany’s most influential economists according to frequency of research citations and press contributions. Helmut Siekmann was interviewed several times in the German public news (“Tagesschau”) and on CNBC. Interviews with Volker Wieland were printed by the “Handelsblatt”, “Börsen-Zeitung” and “Wirtschaftswoche” among others.



A.VII. Fellows

In the fall of 2012 the IMFS Executive Board created the positions of IMFS Distinguished Fellow and IMFS Research Fellow. By appointing IMFS Fellows, the Executive Board aims to affiliate with the IMFS selected scientists and distinguished persons from the area of monetary policy and financial economics. The appointment is for a period of three years. Reappointment is possible.

IMFS Distinguished Fellows

IMFS Distinguished Fellows are exceptional individuals with great experience in policy-making institutions and in the financial sector that have either already made outstanding contributions to the IMFS and its activities in research and policy advice or who aim to get actively involved in the future and further collaborate with key institutions. There will be up to six IMFS Distinguished Fellows. They are nominated by the IMFS Managing Director and appointed by its Executive Board.

Ignazio Angeloni



Ignazio Angeloni is Adviser to the European Central Bank's Executive Board on European financial integration, financial stability and monetary policy, and a visiting fellow at Bruegel. Prior to this, he was Director-General for International Financial Relations at the Italian Ministry of Economy and Finance (2005-2008), Deputy Director-General for Research at the European Central Bank (1998-2005) and Director of the Monetary and Financial Sector Research Department of Banca d'Italia (1981-1998). Angeloni graduated in economics from Bocconi University (Italy) and holds a Ph.D. in economics from the University of Pennsylvania.

Prof. Dr. Daniel Zimmer, LL.M.

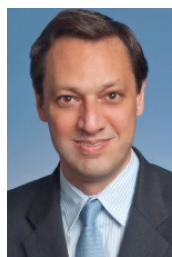


Daniel Zimmer is the Director of the Institute of Commercial and Economic Law and of the Center for Advanced Studies in Law and Economics (CASTLE) at the University of Bonn. He has been a member of the German Monopolies Commission since 2008 and the Chairman of the Commission since July 2012. Prior to this, he was the Chairman of the Expert Council for the Development of Exit-Strategies regarding the Federal Republic's Investment in the Financial Sector (2010-2011), member of the Forum on Auditor Liability of the EU Commission (2005-2008), and also member of the special Commission "International Company Law" of the German Council for Private International Law (preparing a legislative proposal concerning International Company Law for the German Ministry of Justice) (2004-2006). Zimmer studied law in Mainz, Lausanne, Göttingen and at the University of California at Los Angeles (UCLA). He received his doctor juris and his postdoctoral degree ("Habilitation") from the University of Göttingen.

IMFS Research Fellows

IMFS Research Fellows are excellent scholars from other universities and institutions who collaborate closely with one of the IMFS endowed chairs. The IMFS offers its Research Fellows opportunities to get involved in IMFS research, policy advice, and events and to contribute to IMFS activities. Each of the IMFS endowed chairs can appoint up to six Research Fellows for a period of three years each.

Tobias Adrian, Ph.D.



Tobias Adrian, Ph.D. is a Vice President of the Federal Reserve Bank of New York and head of the Capital Markets Function of the Research and Statistics Group. He has contributed to the NY Fed's financial stability policy and to its monetary policy briefings. His research covers asset pricing, financial intermediation, and macroeconomics, with a focus on the aggregate implications of capital market developments. Adrian holds a Ph.D. in Economics from Massachusetts Institute of Technology (MIT) and a MSc from London School of Economics. He also holds MAs in Economics from the Goethe University in Frankfurt and the Dauphine University in Paris. He has taught at MIT and Princeton University.

Prof. Dr. Günter W. Beck



Günter W. Beck is Professor for European Macroeconomics at the University of Siegen and Research Fellow at the Center for Financial Studies. His research focuses on macroeconomics, monetary economics, and international economics. Before his appointment in Siegen, Günter W. Beck was Professor at the University of Mainz. After gaining a Ph.D. from Goethe University in 2004, he worked as an Assistant Professor in Frankfurt.

Athanasios Orphanides, Ph.D.



Athanasios Orphanides, Ph.D., is Senior Lecturer at the MIT Sloan School of Management, Cambridge, MA. He served as Governor of the Central Bank of Cyprus from May 2007 to May 2012 and was a member of the Governing Council of the European Central Bank between January 2008 and May 2012. Prior to that, Orphanides was a Senior Adviser to the Board of Governors of the US Federal Reserve System. While at the Federal Reserve, he taught undergraduate and graduate courses in macroeconomics and monetary economics at Georgetown University and John Hopkins University. Orphanides holds undergraduate degrees in mathematics and economics as well as a Ph.D. in economics from the Massachusetts Institute of Technology.

Prof. Dr. Peter Tillmann



Peter Tillmann is Professor of Monetary Economics at the Justus-Liebig-University Giessen. He has been a Research Fellow at the IMFS since 2009. His research focuses on monetary policy, empirical macroeconomics, and financial markets. Before coming to Giessen in 2009, Tillmann was a senior economist at the Swiss National Bank. He started his academic career at the Universities of Bonn and Edinburgh. In 2003, he gained a Ph.D. from the University of Cologne.

B. IMFS Publications

B.I. IMFS Working Papers

The IMFS Working Paper series helps disseminate the research of the IMFS professors, post-docs, pre-docs, and IMFS research fellows among the general public before they are published, for example in scientific journals.

- No. 76 (2013)** Y.Emilie Yoo: Financial Regulation and Supervision Across Business Lines in the United States - Financial Holding Companies post Gramm-Leach-Bliley Act
- No. 75 (2013)** Athanasios Orphanides: Is Monetary Policy Overburdened?
- No. 74 (2013)** Tilman Bletzinger, Volker Wieland: Estimating the European Central Bank's "Extended Period of Time"
- No. 73 (2013)** Tobias H. Tröger: The Single Supervisory Mechanism – Panacea or Quack Banking Regulation?
- No. 72 (2013)** Matthias Burgert, Sebastian Schmidt: Dealing with a Liquidity Trap when Government Debt Matters: Optimal Time-Consistent Monetary and Fiscal Policy
- No. 71 (2013)** Helmut Siekmann, Volker Wieland: The European Central Bank's Outright Monetary Transactions and the Federal Constitutional Court of Germany
- No. 70 (2013)** Elena Afanasyeva: Atypical Behavior of Credit: Evidence from a Monetary VAR
- No. 69 (2013)** Tobias H. Tröger: Konzernverantwortung in der aufsichtsunterworfenen Finanzbranche
(Published in: Zeitschrift für das gesamte Handels- und Wirtschaftsrecht (ZHR), Vol. 177: 475-517, 2013)
- No. 68 (2013)** John F. Cogan, John B. Taylor, Volker Wieland, Maik Wolters: Fiscal Consolidation Strategy: An Update for the Budget Reform Proposal of March 2013

B.II. IMFS Interdisciplinary Studies in Monetary and Financial Stability

The recently launched *IMFS Interdisciplinary Studies in Monetary and Financial Stability* series presents the results of the interdisciplinary research at the Institute and focuses either on the research or the policy advice side. The wider distribution of results of jointly organized IMFS conferences is also of great interest.

Volume 2/2013



“Central Banking: Where are we headed?”

This study contains articles based on speeches at the symposium held in February 2013 in honor of Stefan Gerlach's contributions to the IMFS by the following authors: Michael Burda, Benoît Coeuré, Stefan Gerlach, Patrick Honohan, Sabine Lautenschläger, Athanasios Orphanides, and Volker Wieland.

Volume 1/2013



“The ECB and Its Watchers 2012”

This study contains articles based on speeches and presentations at the 14th CFS-IMFS Conference „The ECB and Its Watchers“ on June 15, 2012 by Mario Draghi, John Vickers, Peter Praet, Lucrezia Reichlin, Vítor Gaspar, Lucio Pench and Stefan Gerlach and a post-conference outlook by Helmut Siekmann and Volker Wieland.

C. IMFS Events

| | | |
|------------|---------------------------------------------------------------------------------------------------------------|-----------|
| | I. Conferences | 23 |
| 26.11.2013 | IMFS Conference on Monetary and Financial Stability 2013 - Economic and Legal Limits of Central Banking | 23 |
| 7.02.2013 | IMFS-House of Finance-Symposium in honor of Stefan Gerlach's contributions to the IMFS | 25 |
| | II. Distinguished Lectures..... | 27 |
| 21.05.2013 | James Bullard | 27 |
| | III. IMFS Working Lunches | 28 |
| 16.07.2013 | Tobias Adrian | 28 |
| 18.06.2013 | David Kershaw and Thomas Kirchmaier | 28 |
| 18.03.2013 | Charles M. Kahn | 29 |

I. Conferences

26.11.2013 *IMFS Conference on Monetary and Financial Stability 2013 - Economic and Legal Limits of Central Banking*

Organized by Günter Beck, Helmut Siekmann and Volker Wieland



In response to the global financial crisis of 2007 and 2008, the subsequent widespread downturn in economic activity and prolonged disturbances in the financial sector the central banks of major industrialized countries have employed conventional and unconventional policy measures on an unprecedented scale. While it is widely acknowledged that

these measures have contributed to stabilizing financial and economic conditions, many questions remain concerning their long-run consequences and how (and when) central banks should exit from these policies. Unconventional measures taken in the crisis may have potentially dangerous after effects that will remain difficult to resolve. Moreover, there is considerable disagreement on the appropriate monetary policy regime in the after-crisis period, sometimes also labeled the period of a “new normal”. Similarly controversial are the questions to which extent and in which form central banks should be involved in stabilizing financial markets and how serious the fiscal implications of some of the unconventional monetary policy measures are.

The IMFS Conference on Monetary and Financial Stability of 2013 aimed to assess these questions and explore to what extent central banks are able to achieve the potentially conflicting objectives. It was also to be scrutinized to which degree the existing legal frameworks allow central banks to pursue these objectives and take the respective policy measures. In this sense, the event strove to illuminate the “economic and legal limits of central banking”.

As at previous occasions, the conference program followed a distinctively interdisciplinary approach and had been structured to cover relevant economic, political and legal aspects and elicit viewpoints from a diverse group of leading policy makers and academics.



Recent scholarly work on the economic and legal limits that central banks face while coping with the present problems and the practical experience of policy makers were discussed in three keynote speeches and topical sessions.

Conference Program

| | |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8.45 – 9.00 am | Welcome |
| | Rainer Klump , Vice-President, Goethe University Frankfurt Hermann Remsperger , Foundation of Monetary and Financial Stability |
| 9.00 – 10.30 am | The fundamental connection between monetary policy and fiscal policy – and its implications |
| | Chair: Tobias Tröger , Goethe University Frankfurt Speakers: Christoph Degenhart , Constitutional Court of the Free State of Saxony and Leipzig University Ludger Schuknecht , German Ministry of Finance Harald Uhlig , University of Chicago |
| 10.30 – 11.00 am | <i>Coffee break</i> |
| 11.00 – 12.30 pm | Unconventional policy measures and monetary policy in the world of a “new normal”: Do we need to reconsider existing monetary policy frameworks? |
| | Chair: Peter Tillmann , Giessen University and IMFS Speakers: Ricardo Reis , Columbia University Helmut Siekmann , Goethe University Frankfurt and IMFS Volker Wieland , Goethe University Frankfurt and IMFS |
| 12.30 – 1.30 pm | <i>Lunch</i> |
| 1.30 – 2.00 pm | Keynote speech |
| | Yves Mersch , Member of the Executive Board of the European Central Bank |
| 2.00 – 3.30 pm | Moderation: Günter Beck , University of Siegen and IMFS The role of central banks in ensuring financial stability |
| | Chair: Tobias Tröger , Goethe University Frankfurt Speakers: Anil Kashyap , University of Chicago Booth School of Business Vikrant Vig , London Business School Chiara Zilioli , European Central Bank |
| 3:30 – 4:00 pm | <i>Wrap up and Coffee</i> |

Registered Participants: 187

Registered journalists: 14

07.02.2013 IMFS-House of Finance-Symposium in honor of Stefan Gerlach's contributions to the IMFS

Organized by Helmut Siekmann and Volker Wieland

On 7 February 2013, the Institute for Monetary and Financial Stability (IMFS) and the House of Finance honored Stefan Gerlach, Deputy Governor of the Central Bank of Ireland and former Managing Director of the IMFS, for his contributions to the IMFS. The celebration was held in the form of a symposium – “Central Banking: Where are we headed?” –, which took place in Goethe University's casino building and which was followed by an interested audience from the financial and central banking sector as well as the media.

In the first part, Sabine Lautenschläger, Deputy President of the Deutsche Bundesbank, Patrick Honohan, Governor of the Central Bank of Ireland, and Benoît Cœuré, Member of the Executive Board of the European Central Bank (ECB), discussed current topics of the European Central Banking System. The main focus was on the proposed single banking regulatory authority for the Eurozone which should be established at the ECB.



From top left to bottom right: Benoît Cœuré, Stefan Gerlach, Sabine Lautenschläger, Michael Burda, Patrick Honohan, Athanasios Orphanides.

Sabine Lautenschläger and Benoît Cœuré said that it was essential to strictly separate off monetary policy from banking supervision when implementing such an authority within the ECB. Thereby, they addressed the concerns of many critics who fear a conflict of interest between these two areas. Sabine Lautenschläger said that according to the current proposal the ECB's Governing Council would have the final say on decisions in the banking supervision and not the authority's board. In her view, this would complicate the strict separation between monetary policy and banking supervision. On the other hand, if the authority's decisions were binding for the Governing Council, the ECB's independence would be jeopardized.

Patrick Honohan fundamentally questioned if the ECB should be responsible for the banking supervision in the long run. Moreover, Benoît Cœuré said that the decision to establish a European supervision within the ECB was primarily due to the urgent need for a solution in the middle of the European debt crisis.

Despite these reservations, the central bankers described the single banking supervision as an important step to adapt the institutional framework of the Eurozone in response to the crisis and to prevent that future national banking crises spread across borders. Sabine Lautenschläger pointed out that an advantage of the European banking supervision is that it operates on the basis of more comprehensive information compared to a national supervision. Therefore, it will be possible to detect risks that affect the banking system or emanate from it more easily and at an earlier stage. Benoît Cœuré said that more information will also help to better design monetary policy.

Patrick Honohan stressed the importance of breaking the links between sovereigns and banks by implementing a supranational banking supervision. According to Sabine Lautenschläger, national supervisors often run the risk of being overprotective towards domestic banks for national concerns. Finally, Cœuré called for quickly implementing the European banking supervision in order to be able to continue with the development of the other elements of a European banking union, such as the bank resolution mechanism.

After a discussion with the audience, Athanasios Orphanides from the MIT Sloan School of Management and Michael Burda from the School of Business and Economics of the Berlin Humboldt University spoke about monetary policy, fiscal policy and the politics of the European Monetary Union.

Orphanides compared the ways European governments acted in former crises with the current crisis. In the past, politicians usually worked towards a solution that also advanced the European project. Today, they do not immediately address problems even if these were recognized. According to Orphanides, the reason is a crisis of European political leadership. Governments prefer to postpone decisions that involve political costs - especially shortly before elections. With always having an election in one country of the Eurozone, there is risk of a permanent blockade. Only the threat of an imminent collapse could encourage politicians to incur the political costs. He regrets in this regard that during the current crisis interventions of the ECB diffused the pressure on political leaders to solve upcoming problems.

In the end, Michael Burda presented three scenarios of how Europe could look like in ten years. He gave an optimistic, a pessimistic and a realistic outlook. He considered as realistic that the Euro remains the common currency in all Euro countries, but transfer payments will continue to be made within the EU. Furthermore, Burda assumed that Greece receives a debt reduction but doesn't continue with its reform efforts. Finally, he warned the European governments that they should go back to the no-bailout principle and be no longer liable for the debt of other member countries.

As last speaker, the honored Stefan Gerlach took the opportunity to stress the importance of the interdisciplinary research conducted by the IMFS. The symposium was closed by the Managing Director of the IMFS, Volker Wieland.

Registered Participants: 170

Registered journalists: 21

II. Distinguished Lectures

In 2010, the Institute for Monetary and Financial Stability initiated the IMFS Distinguished Lecture Series. It is designed to provide a platform for the dissemination of the significance of monetary and financial stability. The exchange of ideas and views of leading policy makers and outstanding academics on important topics related to monetary and financial stability is promoted by the format. There are typically two components to these events: a public lecture, that is geared to a non-expert audience, and a dinner for about 15-20 participants, drawn from policy and academic circles, during which the discussions are to be continued in an informal and confidential way.

21.05.2013 James Bullard

While the United States are recovering after the financial crisis and unemployment is decreasing despite low growth, the Eurozone has returned to a recession. Inflation is low on both sides of the Atlantic and monetary policy rates are close to zero. What are the monetary policy options for central bankers in these times to improve the economic situation?



On Tuesday, 21 May, James Bullard, President and CEO of the Federal Reserve Bank of St. Louis, held the IMFS Distinguished Lecture on invita-

tion of the IMFS and the U.S. Consulate General Frankfurt on “Monetary Policy Options in a Low-Rate Environment”. The central banker argued in favor of quantitative easing (QE), which implies the purchase of government debt by central banks.

Bullard presented the different monetary policy measures that central bankers could use in a low rate environment: 1) Do nothing, keep the interest rate close to zero for an extended period of time and wait. This could lead to a mildly deflationary situation, warned Bullard. 2) Implement “forward guidance” by announcing future monetary policy measures, for example, maintaining the near zero rate even if the economy is recovering. According to the Fed member, this would also be problematic. The announcement would have to be perfectly credible to stimulate consumption and investment in the private sector. Otherwise no real effects could be expected. On the contrary, the promise could even send a pessimistic signal to the private sector that might interpret the central bank’s move as a reaction to a possible long-lasting depression. 3) Charge or rather “grant” negative interest rates on banks’ reserves or 4) do a twist operation: Exchange government debt with a short duration for debt with a longer duration. Bullard explained that these last two options were not very effective.

In Bullard’s view, the best policy option was quantitative easing: “Quantitative easing is closest to standard monetary policy, involves clear action and has been effective.” The US central bank should therefore continue their quantitative easing program. Bond purchases should be adjusted to the economic performance and inflation rate.

For the Eurozone, Bullard recommended a GDP-weighted quantitative easing program: The European Central Bank (ECB) should buy government bonds of all Euro countries according to their share of Eurozone-GDP. In this way, it could counteract deflationary tendencies and, at the same time, calm down critics who reproach the ECB for buying government bonds to support highly indebted countries.

Registered participants: 155

Registered journalists: 15

III. IMFS Working Lunches

16.07.2013 Tobias Adrian

Tobias Adrian, Vice President and Head of the Capital Markets Function of the Federal Reserve Bank of New York, gave a presentation on “Financial Stability Monitoring”. His talk focused on systemically important financial institutions (SIFIs) and FMU monitoring, shadow bank monitoring, monitoring asset values and real economy monitoring.



Adrian concluded that recent regulatory reforms provide a mandate for systemic stability, and that financial stability monitoring complements microprudential supervision. He also emphasized that the monitoring framework aims at identifying the buildup of systemic risk and it provides a basis for usage of cyclical macroprudential policies.

Registered Participants: 80

Registered journalists: 2

18.06.2013 David Kershaw and Thomas Kirchmaier



David Kershaw, Professor of Law at the London School of Economics, and **Dr. Thomas Kirchmaier**, Fellow of the Financial Markets Group at the London School of Economics and Lecturer in Business Economics and Strategy at the Manchester Business School, presented as a part of the IMFS Working Lunch series their study “**Shareholder Empowerment and Bank Bailouts**”.

Their research is - from a legal as well as from an economic point of view - focused on the question, if shareholder empowerment affected bank performance during the crisis. Their parameter was the

bank bailouts during the years 2003 until 2009, to illustrate this they used a six-scores "Management Insulation Index". The conclusion was that in banks, where the shareholders have less influence on the board of managers, the probability of a bailout decreases by around 20 per cent. Other governance variables failed to produce significant results.

At the end of the lecture followed a lively discussion, which supplied new channels for further investigation.

Registered Participants: 50

18.03.2013 Charles M. Kahn



On March 18, 2013 Charles M. Kahn, Professor of Finance and the Bailey Memorial Chair of Finance, University of Illinois, gave a presentation on "Liquidity - A View of How Our Theories Are Changing". After presenting what was new in recent accounts of liquidity and showing new features, he compared classic treatments with some recent ones and illustrated the changes during the past years. He pointed out that there had been a fundamental shift in understanding macroeconomic significance of liquidity and that the role of flexibility was replaced by the role of limit to commitment. The next challenge that had to be faced would be the incorporating role of counterparties.

Registered Participants: 45

Journalists: 1

D. Endowed Chairs

A detailed list of contributions by the IMFS professors in the areas of research, doctoral and post-doctoral training, research-based policy advice, and public relations is given below.

In research, the focus is on publications in leading scientific journals and book contributions with renowned publishers. The departments of economics and law differ in terms of their emphasis on such publications. In addition, professors are in high demand as speakers at national and international conferences and events.

Doctoral and post-doctoral training mainly takes place as part of graduate education and the structured doctoral programs at Goethe University. Additionally, professors work closely with research assistants and post-docs on scientific projects. Independent scientific research by young researchers is also encouraged. In the past, IMFS staff has always successfully transitioned into assistant or junior professorships of prestigious faculties, or research positions at central banks or international organizations following the completion of the dissertation or post-doc.

Research-based policy advice by the IMFS professors takes place in scientific advisory committees, through direct contact with political decision-makers, as well as through expert opinions, policy reports, policy papers, newspaper articles and commentary. The media plays an important role in public relations efforts of the IMFS.

I. Endowed Chair of Monetary Economics



Prof. Volker Wieland, Ph.D. (since March 2012)

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www.wiwi.uni-frankfurt.de/professoren/wieland/

Effective March 1, 2012 Prof. Volker Wieland, Ph.D., succeeding Prof. Dr. Stefan Gerlach, was appointed to the Endowed Chair of Monetary Economics. Prof. Gerlach already left the IMFS in September 2011 due to this appointment as Vice-President of the Central Bank of Ireland.

1. Research

Projects

- Monetary and fiscal policy
- Business cycles and macroeconomic models
- Inflation and deflation
- Learning behavior and economic dynamics
- Numerical methods in macroeconomics

Publications

(1) Articles in scientific journals:

- **“Fiscal Consolidation Strategy”**
Co-authors: John Cogan, John B. Taylor, Maik Wolters
Journal of Economic Dynamics and Control, 37(2) 2013, pp. 404-421
- **“Complexity and Monetary Policy”**
Co-author: Athanasios Orphanides
International Journal of Central Banking, 9(1) 2013, pp. 167-204
- **“Monetary Theory and Monetary Policy: Reflections on the Development over the last 150 Years”**
Co-author: Otmar Issing
Journal of Economics and Statistics, Vol 233 (3) 2013, 423-44

(2) Books and contributions in books:

- **“The Role of Tax Policy in Fiscal Consolidation: Insights from Macroeconomic Modelling”**
Co-author: Matthias Burgert
Published in: Savina Princen and Gilles Moure, “The role of tax policy in times of fiscal consolidation”, Economic Papers 502, European Economy, European Commission, August 2013.
- **“Forecasting and Policy Making”**
Co-author: Maik Wolters
Published in: Graham Elliott/Allan Timmermann (ed.), Handbook of Economic Forecasting, Vol. 2, Elsevier, (Arrow-Intriligator Handbook Series in Economics), 2013.
- **“The New Keynesian Approach to Dynamic General Equilibrium Modeling: Models, Methods and Macroeconomic Policy Evaluation”**
Co-author: Sebastian Schmidt
Published in: Peter Dixon/Dale Jorgenson (ed.), Handbook of Computable General Equilibrium Modeling, Elsevier, (Arrow-Intriligator Handbook Series in Economics), 2013.
- **“Model Comparison and Robustness: A Proposal for Policy Analysis after the Financial Crisis”**
Published in: Robert M. Solow/Jean-Philippe Touffut (ed.), What's Right with Macroeconomics?, Cheltenham, UK, and Northampton, USA: Edward Elgar, 2013.

(3) Working Papers:

- **“Estimating the European Central Bank’s ‘Extended Period of Time’”**
Co-author: Tilman Bletzinger
IMFS Working Paper Series No. 74/2013
- **“The European Central Bank's Outright Monetary Transactions and the Federal Constitutional Court of Germany”**
Co-author: Helmut Siekmann
IMFS Working Paper Series No. 70/2013
- **“Fiscal Consolidation Strategy: An Update for the Budget Reform Proposal of March 2013”**
Co-authors: John F., John B. Taylor, Maik Wolters
IMFS Working Paper Series No. 67/2013

Presentations

(1) Presentations and Conferences:

- 28.11.2013 AIESEC Presentation at AIESEC Gründungssitzung, with the title: **“Quo vadis Euro?”**
- 26.11.2013 Presentation - **“Some thoughts on unconventional monetary policy and the new normal”**, at the IMFS Conference “Economic and Legal Limits of Central Banking”
- 22.11.2013 Frankfurt European Banking Congress, Panelist in the Session **“Eurosclerosis or Will Europe Rise like a Phoenix?”**
- 18.09.2013 Presentation – **„Aktuelle Herausforderungen für die Eurozone”**, Kuratorium Freunde und Förderer der Goethe-Universität
- 12.09.2013 Presentation - **“The current state of the Euro and its future”**, Seminar Municipal Guarantee Board, Helsinki, Finland

- 11.09.2013 Presentation - **“Interest rates: Macroeconomic and monetary policy issues”**, Contribution to a panel with Dr. Gruber and Jens Wilhelm on “Asset allocation in a low interest rate environment” at the 9. Deutsche Investment Hochschultag, Goethe-Universität Frankfurt
- 06.09.2013 Participation in 6th Policy Roundtable of the European Central Bank
- 12.03.2013 Presentation - **„Expansive Konsolidierung in den USA und in der Eurozone”** [**“Expansive consolidation in the USA and in the Eurozone”**], Wirtschaftspolitischer Dialog im Kanzleramt

2. Doctoral and Post-Doctoral Training

Placements

Matthias Burgert, Research Assistant at the endowed Chair of Monetary Economics started working as economist at European Commission in Brüssel as of June 1, 2013.

Sebastian Schmidt, Research Assistant at the Endowed Chair of Monetary Economics, earned his doctorate summa cum laude with the topic “Essays on Monetary and Fiscal Stabilization Policy”. He started a position as an economist in the Directorate General Research at the European Central Bank.

Courses

(1) Winter semester 2013/14

- “Macroeconomic Model Comparison and Policy Analysis”
Second-year Ph.D. seminar

(2) Summer semester 2013

- “Monetary and Fiscal Policy: Theory and Practice”
Second-year Ph.D. course

(3) Winter semester 2012/13

- “Monetary and Fiscal Policy: Theory and Practice”
Second-year Ph.D. course

(4) Winter semester 2012/13

- “Monetary and Fiscal Policy: Theory and Practice”
Second-year Ph.D. course

Miscellaneous

Volker Wieland was nominated for the *1822-University Prize for Excellence in Teaching (1822-Universitätspreis für exzellente Lehre)*. The prize is awarded once a year to those lecturers whose teaching performance is deemed particularly valuable by the student body. Wieland was the only nominee from the economics department.

3. Research-based Policy Advice

Membership in Advisory Committees

- Wissenschaftlicher Beirat des Bundesministeriums der Finanzen [Scientific Council of the Federal Ministry of Finance]
- Kronberger Kreis der Stiftung Marktwirtschaft
- Sachverständigenrat zur Begutachtung der Gesamtwirtschaftlichen Entwicklung (since March 1, 2013) [German Council of Economic Experts]

Presentations/Hearings:

- 09.01.2013 Meeting with the Finance Minister Wolfgang Schäuble and selected members of the Scientific Council of the Federal Ministry of Finance
- 19.03.2013 German Council of Economic Experts meeting with German Chancellor Angela Merkel, Finance Minister Wolfgang Schäuble, Economy Minister Philipp Rösler, Minister of Labour and Social Affairs Ursula von der Leyen
- 16.05.2013 German Council of Economic Experts meeting with leading officers of the DGB (German Trade Union Confederation)
- 16.05.2013 German Council of Economic Experts meeting with Economy Minister Philipp Rösler and leading officers of the BMWI (Federal Ministry for Economic Affairs and Energy)
- 17.05.2013 German Council of Economic Experts meeting with leading officers of the BDA (German Federation of Employer Associations)
- 17.05.2013 German Council of Economic Experts meeting with leading officers of the DIHK (Association of German Chambers of Commerce and Industry)
- 17.05.2013 German Council of Economic Experts meeting with leading officers of the DSGV (German Savings Banks Association)
- 13.11.2013 Meeting with German Chancellor Angela Merkel, Finance Minister Wolfgang Schäuble and Minister of Labour Ursula von der Leyen and presenting the Annual Report of the German Council of Economic Experts

Policy Reports/Policy Papers:

- **„Gegen eine rückwärtsgewandte Wirtschaftspolitik“ Jahresgutachten 2013/14 des Sachverständigenrates zur Begutachtung der gesamtwirtschaftliche Entwicklung. „Against a backward-looking economic policy“ Annual Report of the German Council of Economic Experts 2013/14**
Co-authors: Christoph Schmidt, Peter Bofinger, Claudia Buch and Lars Feld
- **“Low for How Long? Estimating the ECB’s Extended Period of Time”**
Co-author: Tilman Bletzinger
Published in: “Forward Guidance: Perspectives from Central Bankers, Scholars and Market Participants”, Vox eBook, ed. Wouter den Haan, October 2013
- **„Renaissance der Angebotspolitik“ [“Renaissance of supply-side policy”]**
Kronberger Kreis Studie Nr. 57, Berlin, 2013
with Lars P. Feld, Clemens Fuest, Justus Haucap, Berthold U. Wigger

- **„Bildungsfinanzierung neu gestalten“ [“Redesigning education funding”]**
Kronberger Kreis Studie Nr. 56, Berlin, 2013
with Lars P. Feld, Justus Haucap, Berthold U. Wigger

4. Public Outreach and Dissemination

Media references to IMFS research papers

- 03.11.2013 **Financial Times Blog:** “The ECB confronts the Zero Lower Bound”
 05.09.2013 **Börsen-Zeitung:** „Wie lang ist länger?“ [„How Long ist Longer?“]
 18.06.2013 **Les Echos:** „La Revue de gibier: Le Procés Allemand de la BCE“
 28.03.2013 **Wall Street Journal:** „How the House Budget Would Boost the Economy“
 04.03.2013 **Wall Street Journal:** „Larger Spending Cuts Would Help the Economy“

Guest Editorials:

- 21.11.2013 **Die Zeit:** „Agenda für die Koalition“ [“Agenda for the Coalition“]
 05.09.2013 **Voxeu.org:** “Low for how long? Estimating the ECB’s Extended Period of Time”
 18.06.2013 **The Economist:** Free Exchange Blog “The Question before the Court“

Interviews:

- 04.12.2013 **Reuters:** „Wirtschaftsweiser rät EZB von Zinssenkung ab“
[“Top German Advisor Against Interest Rate Reduction“]
 03.12.2013 **FAZ:** „Wirtschaftsweiser warnt vor riskantem Kurs der Zentralbank Fed“
[“Member of German Economic Advisory Council Warns about the Dangerous Course of the Central Bank Fed“]
 02.12.2013 **Reuters:** „Interview mit dem Wirtschaftsweisen Wieland zur Fed“
[“Interview with Germany’s Economic Advisor Wieland“]
 02.12.2013 **Handelszeitung:** „Bernankes Feigheit als Gefahr für die Märkte“
[„Bernanke’s Gutlessness as Danger for the Markets“]
 27.11.2013 **Börsen-Zeitung:** „Mersch erinnert an Grenzen der EZB“
[“Mersch points out the limits of the ECB“]
 26.11.2013 **Wirtschaftswoche:** „Beherzt und schnell“ [“Courageous and Fast“]
 23.11.2013 **Börsen-Zeitung:** „Frankfurt European Banking Congress: Deutsche Exportstärke nicht zurückschneiden“ [“Do not cut down German Strength in Export“]
 23.11.2013 **Handelsblatt:** „Trennt Aufsicht und EZB!“ [“Separate Supervision and ECB!“]
 22.11.2013 **CNBC:** “Europe Heading for Catastrophe despite German Growth“
 28.09.2013 **Börsen-Zeitung:** „Die Nullgewichtung muss fallen“ [“Stop the Zero Weighting“]
 28.09.2013 **Börsen-Zeitung:** „Wirtschaftsweiser Wieland ruft EZB zur Zinswende auf“
[“Germany’s Economic Advisor Wieland appeals to ECB to Change the Course of the Interest Rate“]
 31.07.2013 **MNI News:** “Germany’s Economic Advisor Wieland Backs ECB Minutes Release“

- 27.07.2013 **Neue Zürcher Zeitung:** „Steuererhöhungen in Deutschland wären falsch“
[„Tax Increases in Germany Would Be Wrong“]
- 10.07.2013 **FAZ:** „Verwirrung um Asmussens Zins-Äußerung“
[“Confusion about Asmussen’s statement on Interest Rates”]
- 17.05.2013 **Handelsblatt:** „Die EZB sollte sich damit nicht beschäftigen“
[“The ECB Should Not Deal With This“]
- 10.05.2013 **Finanznachrichten.de:** „Null-Transparenz: Politiker und Ökonomen fordern Umdenken bei der EZB“ [„Zero Transparency: Politicians and Economists Require a New Way of Thinking at the ECB“]
- 11.04.2013 **Wall Street Journal Deutschland:** „Es ist fair, deutsche Investoren an Verlusten zu beteiligen“ [“It is Adequate for German Investors to Share Losses“]
- 04.04.2013 **Forschung & Lehre:** „Wachstum durch Fortschritt“ [“Growth by Progress”]
- 15.03.2013 **Deutschland.de:** „Wegweiser in Währungsfragen“
[“A Guide Post in Monetary Questions“]
- 12.03.2013 **Der Tagesspiegel:** „Banker-Boni sind ein Nebenkriegsschauplatz“
[“Banker Bonuses are a Secondary Theater of War“]
- 28.02.2013 **Stuttgarter Zeitung:** „Italien-Wahl verdeutlicht Grenzen der EZB-Politik“
[“Elections in Italy Show the Limits of ECB Policy“]
- 27.02.2013 **Bild:** „Herrschen in Rom bald griechische Verhältnisse?“
[“Are There Soon Greek Circumstances in Rome?“]
- 20.02.2013 **Wirtschaftswoche:** „Unsere Ratschläge fließen in die Politik ein“
[“Our Suggestions Leave Their Mark on Politics“]
- 06.02.2013 **Format:** „Es wäre fatal für die Eurozone, den Marktdruck auszusetzen“
[“It would be Fatal for the Eurozone to Fail Under the Market Pressure“]
- 06.02.2013 **Reuters:** „New German Advisor Says ECB Pledge Risks Vital Reforms“

Profiles:

- 26.09.2013 **FAZ:** „Ökonomenranking: München vor Mannheim“
[“Ranking of Economists: München ahead of Mannheim”]
- 11.09.2013 **FAZ:** „Frankfurter Finanzkompetenz vom Campus Westend“
[“Frankfurt Financial Competence from Campus Westend”]
- 08.04.2013 **Schwäbische Post:** „Der Weise aus dem Schwabenland“
[“The `Wise Man` from Swabia“]
- 28.02.2013 **Pressemitteilung des Bundesministerium für wirtschaftspolitische Beratung**
„Rösler dankt Professor Franz für langjährige wirtschaftspolitische Beratung“
[“Rösler thanks Professor Franz for his Longtime Advice“]
- 27.02.2013 **FAZ:** „Aus Frankfurt in den Rat der Weisen“
[“From Frankfurt to the German Council of Economic Experts“]

Commentary/Mentions:

- 06.12.2013 **Handelsblatt:** „Schlagkräftige Artillerie“ [“A Powerful Artillery“]
- 04.12.2013 **Handelsblatt:** „Zahnloser Kampf gegen die Kreditklemme“

- [“A Toothless Fight Against The Credit Crunch”]
- 22.11.2013 **Wirtschaftswoche:** „Draghi rechnet mit seinen Kritikern ab“
[“Draghi Settles Old Scores With His Critics”]
- 13.11.2013 **Wirtschaftswoche:** „Wirtschaftsleute sehen keine Immobilienblase“
[“Germany’s Economic Advisors Do Not See a Housing Bubble”]
- 13.11.2013 **Süddeutsche Zeitung:** „Wirtschaftsleute warnen Merkel“
[“Economic Advisors Warn Merkel”]
- 13.11.2013 **Handelsblatt:** „Wirtschaftsleute nehmen Großkoalitionäre aufs Korn“
[“Germany’s Economic Advisors Attack Members of the Grand Coalition”]
- 13.11.2013 **Spiegel Online:** „Jahresgutachten: Wirtschaftsleute kritisieren Koalitionsvorhaben“
[“Germany’s Economic Advisors Criticize Plans of Coalition in Annual Report”]
- 12.11.2013 **FAZ:** „Wirtschaftsleute warnen vor rückwärtsgewandter Politik“
[“Top Advisors Warn About Backward-Looking Economic Policy”]
- 12.11.2013 **Die Welt:** „Wirtschaftsleute verpassen Schwarz-Rot Ohrfeige“
[“The Five Wise Men Slap The Black-Red Coalition in the Face”]
- 10.11.2013 **Welt am Sonntag:** „Die fünf Leisen“ [“The Five Silent Men”]
- 30.09.2013 **FAZ & Dow Jones:** „Die Städte heizen Debatte um Steuererhöhungen an“
[“Cities Stir Up Debate About Tax Increases”]
- 30.09.2013 **FAZ:** „Notenbanken in der Kritik“ [“Central Banks Under Criticism”]
- 14.09.2013 **FAZ:** „Führende Ökonomen gegen Steuererhöhungen“
[“Leading Economists Against Tax Increases”]
- 18.08.2013 **FAS:** „Brauchen wir ein neues Geldsystem?“
[“Do We Need a New Monetary System?”]
- 14.08.2013 **n-tv.de:** „Fünf Weise stoßen auf kritische Distanz. Der Kompass der Nation wird 50“ [“Five `Wise Men` Face the Critical Distance, the Nation’s Compass will be 50”]
- 17.06.2013 **Computerwoche:** „Spanier sind erfolgsorientiert und zuverlässig“
[“Spaniards Are Success Orientated and Reliable”]
- 10.04.2013 **Börse-ARD:** „Starinvestor Soros stellt Deutschland vor die Wahl“
[“Star Investor Soros Lets Germany Make the Choice”]
- 08.02.2013 **FAZ-Blog:** „Krieg um den Multiplikator“ [“War over the Multiplier”]

TV and Radio Interviews:

- 22.11.2013 **CNBC:** “Europe Heading for Catastrophe despite German Growth”
- 18.09.2013 **HR-Info:** “Warum wir höhere Zinsen brauchen”
[“Why We Need Higher Interest Rates”]
- 21.05.2013 **Deutsches Anleger-Fernsehen:** „Wirtschaftsweiser Wieland: EZB sollte keine ABS-Papiere kaufen“ [“Top Advisor Wieland: ECB should Not Buy ABS”]
- 23.04.2013 **CNBC:** “ECB Should Not Cut Rates: Top German Advisor”
- 27.02.2013 **HR:** „Euro muss in Italien gerettet werden“ [“Euro has to be saved in Italy”]

5. Research Assistants

Elena Afanasyeva, Dipl.-Vw., M.Sc.

Ph.D. Program in Economics, Goethe University

Tel: (069) 798 33831, E-Mail: eafanasyeva@wiwi.uni-frankfurt.de

(1) Research

Research Interests

- Monetary economics
- Monetary policy and macroprudential policy
- Numerical methods and (Bayesian) time-series econometrics

Projects/Papers

- **“Atypical Behavior of Credit: Evidence From Conditional Forecasts”**, Working Paper
The paper was presented:
April 2013: 75th International Atlantic Economic Society (IAES) Conference, Vienna
May 2013: 18th Spring Meeting of Young Economists (SMYE), Aarhus
July 2013: 19th Annual Conference on Computing in Economics and Finance (CEF), Vancouver
August 2013: Annual Congress of the European Economic Association (EEA), Gothenburg
September 2013: 5th Bundesbank-CFS-ECB Workshop on Macro and Finance, Frankfurt
- **“Interactions of Monetary and Macroprudential Policies in a Model of the Korean Economy”**,
Co-author: Meral Karasulu (IMF), work in progress
The paper was presented:
February 2013: 6th RGS Doctoral Conference in Economics, Bochum
September 2013: Annual Meeting of the German Economic Association, Düsseldorf (accepted)
- **“Bank Risk-Taking, Credit Booms, and Monetary Policy”**, Co-Author Jochen Güntner (University of Linz), work in progress
- **“Effectiveness of Macroprudential Policies: Evidence from South East Asia”**, Co-Author Sudipto Karmakar (Boston University), work in progress

Training Schools

- May 2013: EABCN Training School, “The Search-Theoretic Approach to Liquidity”, Banco de Portugal, Lisbon

(2) Teaching

- Winter semester 2013/2014
Teaching assistant of Prof. Volker Wieland, “A New Comparative Approach to Macroeconomic Modelling”, 2nd Year Ph.D. seminar course

Tilman Bletzinger (since November 2012)

Ph.D. Program in Economics, Goethe University

Tel: (069) 798 33837, E-Mail: bletzinger@econ.uni-frankfurt.de

(1) Research

Research Interests

- Monetary Theory and Policy
- Financial Economics
- Macroeconomic and Financial Stability

Projects/Papers

- **Real-time calculations of interest-rate rules for the ECB and the Fed**
- **“Estimating the European Central Bank’s ‘Extended Period of Time’”**, with Volker Wieland, IMFS Working Paper Series No. 74/2013.

(1) Internships/Other Activities

- February – April 2013: Internship at Deutsche Bank, Frankfurt, in the Global Risk Analysis department of DB Research

Matthias Burgert, Dipl.-Vw., Statisticien-Economiste

Ph.D. Program in Economics, Goethe University

Chair for Monetary Theory and Policy (09/2009-04/2012)

IMFS, Chair for Monetary Economics (05/2012-05/2013)

European Commission (since 06/2013)

Tel: (069) 798 33613, E-Mail: burgert@wiwi.uni-frankfurt.de

(1) Research

Research Interests

- Monetary and Fiscal Policy
- Structural Econometric Modelling
- DSGE Modelling

Projects/Papers

- **"Import price dynamics in advanced economies and heterogeneity in exchange rate pass-through"**, with Stéphane Dées and Nicolas Parent, *Empirical Economics*, accepted for publication.
- **"The Effects of Government Spending: A Disaggregated Approach"**, work in progress, with Pedro Gomes
"Optimal Monetary and Fiscal Policy: The Role of Substitutability between Private and Public Consumption", work in progress, with Sebastian Schmidt
The paper was presented:
May 2013: Annual International Conference on Macroeconomic Analysis and International Finance, Rethymno
- **"The role of Tax Policy in Fiscal Consolidation: Insights from Macroeconomic Modelling"**, with Volker Wieland, published in "The role of tax policy in times of fiscal consolidation", Savina Princen and Gilles Mourre (ed.), *European Economy, Economic Papers 502*, European Commission, August 2013
"Dealing with a Liquidity Trap when Government Debt Matters: Optimal Time-Consistent Monetary and Fiscal Policy", with Sebastian Schmidt, IMFS Working Paper

Research Abroad

- May-August 2012: Fund Internship Program, International Monetary Fund, Statistics Department, Washington

(2) Teaching

- Winter Term 12/13: TA in “Monetary and Fiscal Policy” (Ph.D. level)

Anamaria PiloIU, M.Sc.

Ph.D. Program in Economics, Goethe University

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(1) Research

Research Interests

- Empirical macroeconomics
- Monetary economics
- Micro-financial linkages
- Financial stability

Papers/Projects

- **“Economic policy uncertainty, trust and inflation expectations”** (Working paper)
Co-authors: Klodiana Istrefi
CESifo Working Paper No. 4294, June 2013
- **“Non-performing loans: what matters in addition to the economic cycle?”** (Working paper)
Co-authors: Roland Beck and Petr Jakubik
ECB Working Paper No. 1515, February 2013

Conference/Seminar Presentations

- 09/2013: Money Macro and Finance Conference – London, *“Economic Policy Uncertainty, Trust and Inflation Expectations”*
- 07/2013: Computing in Economics and Finance Conference – Vancouver, B.C., *“Economic Policy Uncertainty, Trust and Inflation Expectations”*
- 06/2013: Johannes Gutenberg University Mainz, Brown Bag Seminar – Mainz, *“Economic Policy Uncertainty, Trust and Inflation Expectations”*
- 05/2013: Lisbon Meeting on Institutions and Political Economy – Lisbon, *“Economic Policy Uncertainty, Trust and Inflation Expectations”*

(2) Teaching

- Winter semester 2012/2013
Teaching assistant of Prof. Volker Wieland, “Monetary and Fiscal Policy: Theory and Practice” (Second-year Ph.D. course)

Pinar Topal, M.A., M.Sc

Ph.D. Program in Economics, Goethe University Frankfurt
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(1) Research

Research Interests

- Fiscal policy
- Financial crisis
- Applied macroeconomics
- Empirical economics

Projects/Papers

- **“Threshold effects of public debt on economic growth in the euro area economies”**, work in progress, presented:
May 2013: 10th EBES Conference, Istanbul, Turkey
August 2013: Research Workshop on Panel Data Methods, University of Mainz, Mainz, Germany
- **“Is fiscal consolidation less harmless if labor markets are more rigid?”**, work in progress, presented:
July 2013: Internal Research/Doctoral Seminar, Chair of Public Finance, Goethe University Frankfurt, Germany
- **“Fairness Perceptions in Economic Decision Making: Experimental Evidence on Equity and Equality”**, Co-author: Eva Koscher (Goethe University Frankfurt), presented:
May 2013: Workshop on Behavioral and Experimental Economics, Florence, Italy

Internships/Other Activities

September 2013 – March 2014: Ph.D. internship at Research Centre, Deutsche Bundesbank

(2) Teaching

- Winter semester 2012/2013
Teaching Assistant of Prof. Volker Wieland, Ph.D., “Monetary and Fiscal Policy: Theory and Practice”, (Master/Ph.D. course)

6. Administration

Beate Rohé-Morgan

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Gabriele Zinn (until September 30, 2013)

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II. Endowed Chair of Money, Currency and Central Bank Law



Prof. Dr. Dr. h.c. Helmut Siekmann

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Fax: (069) 798 33913

E-Mail: geld-und-waehrung@imfs-frankfurt.de

www.imfs-frankfurt.de/siekmann/

1. Research

Projects

- Working and institutional setup of the European Monetary Union; commentary on the European Monetary Union
- Mandate, competences and authorities of the ECB and national central banks
- Formation of the European Banking Union
- Financial Supervision on the European level
- Protection of clients of financial institutions
- State failure in supervising and controlling financial markets and financial institutions
- The special design, working, and control of banks in public ownership
- History of money in the western legal tradition
- The law of government finances in Germany and the USA, sovereign deficits and debt, fiscal federalism
- The role of the legal framework in causing, furthering and overcoming the crisis
- The reform of German financial market supervision and deposit protection
- Reforming rating agencies
- Institutional design of consumer financial protection
- Guidance and control of public enterprises

Publications

(1) Books

„Eine stabile Geld-, Währungs- und Finanzordnung“ [*“A stable order of money, currency and finances”*], selected writings of Helmut Siekmann], edited by Theodor Baums, Berlin, 2013.

(2) Contributions in books and journals

- ***„Lekceważenie założeń prawnych TFUE przez państwa członkowskie oraz Europejski Bank Centralny”*** [“*Disregard for the Legal Foundations of TFEU on the Part of the Member States and the European Central Bank*”], in: Saryusz-Wolski, Jacek (ed.), *Nowa Europa*, 3 (16) / 2013, Warszawa, pp. 188 - 269.
- ***„From the OMT Announcement to the 2013 Hearings of the German Constitutional Court”***, in: *IMFS Interdisciplinary Studies in Monetary and Financial Stability*, 1/2013, The ECB and Its Watchers, Frankfurt am Main, 2012, S. 47 ff. (Co-author Volker Wieland).
- ***„Der Sturz von der nicht existierenden Klippe in den fiskalischen Abgrund“*** [“*Falling off the So-Called Fiscal Cliff into the Fiscal Abyss*”], in: Curti, Henning / Effertz, Tobias (ed.), *Die ökonomische Analyse des Rechts, Festschrift für Michael Adams*, Frankfurt am Main, 2013, pp. 63-82.
- ***„Einführung, Art. 3, 13 EUV, Art. 119, 130 AEUV, Protokolle (Nr. 16, 17, 18), Art. 7, 15, 36, 37 ESZB/EZB-Satzung“***, [“*Introduction, Art. 3, 13 TEU; Art. 119, 130 TFEU; Protocols (No. 16, 17); Art. 7, 15, 36, 37 ECB/ECB-Statute*”] in: Siekmann, Helmut (ed.), *Kommentar zur Europäischen Währungsunion*, Tübingen, 2013.
- ***„Missachtung rechtlicher Vorgaben des AEUV durch die Mitgliedstaaten und die EZB in der Schuldenkrise“*** [“*Disregard for the Legal Foundations of TFEU on the Part of the Member States and the European Central Bank*”], in: Möllers, Thomas M.J./Zeitler, Franz-Christoph (ed.), *Europa als Rechtsgemeinschaft – Währungsunion und Schuldenkrise*, Tübingen, 2013, pp. 101 - 158.

(3) Editorships

- ***„Kommentar zur Europäischen Währungsunion“*** [“*Commentary on the European Monetary Union*”], Tübingen, 2013.

(4) Working Papers:

- ***“The European Central Bank’s Outright Monetary Transactions and the Federal Constitutional Court of Germany”***, co-author: Volker Wieland
IMFS Working Paper Series No. 71/2013.

Events

(1) Keynotes and Plenary Speeches:

26.11.2013 ***“Unconventional policy measures and monetary policy in the world of a ‘new normal’: Do we need to reconsider existing monetary policy frameworks?”***
Frankfurt am Main, IMFS-Conference, “Monetary and Financial Stability 2013: Economic and Legal Limits of Central Banking”

(2) Presentations and Conferences

10.-11.10.2013 ***„Selbstverwaltung: im Besonderen die Selbstverwaltung der Hochschulen“*** [“*Self-regulation: in specific self regulation of universities*”]

- Izmir, Turkey, Deutsch-Türkisches Forum für Staatsrechtslehre
- 02.09.2013 **„Verfassungsrechtliche Fragen des Bail-In“ [“Constitutional law questions of a Bail-In”]**
- Frankfurt am Main, FMSA, discussion
- 30.08.2013 **“International financial stability: Thought leadership and best practice in addressing European banking regulation“**
- Berlin, SAFE Summer Academy 2013
- Panel discussion: **“What kind of European Banking Union?”**
- Günter Beck / John Berrigan / Ashoka Mody / Helmut Siekmann
- 20.08.2013 **„Möglichkeiten des Rechtsschutzes gegen Abhörprogramme der USA und Großbritanniens (PRISM und TEMPORA)“ [“Possibilities of Legal Actions against Eavesdropping Programs of the USA and Great Britain (PRISM und TEMPORA)”]**
- Berlin, Deutscher Bundestag, Bündnis 90 / Die Grünen, expert discussion
- 04.06.2013 **„Auswirkungen der Finanz-, Wirtschafts- und Eurokrise auf die Politik“ [“The Effects of the Financial, Economic and Euro Crisis on politics“]**
- Würzburg, University Würzburg,
- panel discussion: Peter Bofinger / Gisela Müller-Brandeck-Bocquet / Helmut Siekmann
- 06.05.2013 **„Geldwertstabilität erhalten – Inflationsschutz im Grundgesetz verankern“ [Sustaining Price Stability – Enshrining Inflation Protection in the Constitution”]**
- Bad Homburg, Wirtschaftsdialog der FDP-Bundestagsfraktion
- panel discussion: Rainer Brüderle / Helmut Siekmann / Beatrice Weder di Mauro
- 07.02.2013 **“Central Banking: Where are we headed?”**
- Frankfurt am Main, House of Finance, Symposium in honor of Stefan Gerlach’s contribution to the Institute for Monetary and Financial Stability,
dinner speech

2. Undergraduate, Graduate and Post-Doctoral Training

Courses

(1) Summer semester 2013

- 24.-25.05.2013: **„Die Schaffung einer europäischen Bankenunion“ [“The creation of a European Banking Union”]**, Interdisciplinary Seminar on Law and Economics of the Public Sector (with Hermann Remsperger)
- Seminar for doctoral students

(2) Winter semester 2012/13

- 11.-12.01.2013: **„Die Staatschuldenkrise in Europa - Bewältigung und Prävention“ [“The Sovereign Debt Crisis in Europe – Coping and Prevention”]**, Interdisciplinary Seminar on Law and Economics of the Public Sector (with Hermann Remsperger)
- Seminar for doctoral students

Supervision of Doctoral Dissertations

| | |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sabine Baumgartner | Dienstleistungen der Bundesbank im Wettbewerb (im Bereich der privaten Geld- und Wertdienste) [Services of the Bundesbank in Competition (in the Area of Cash and Other valuables)] |
| Jenny Döge | Vergleich der Aufsicht über die Finanzmärkte in den USA und Deutschland [Comparison of Financial Market Supervision in the US and Germany] |
| Christian Hoops | Die Regulierung von Dark Liquidity, des algorithmischen Handels und des Hochfrequenzhandels [The Regulation of Dark Liquidity, Algorithmic Trading, and High Frequency Trading] |
| Christoph Koch | <i>Topic to be determined</i> |
| Ludger Michael Migge | Der rechtliche Rahmen für den Einsatz vertraglich gebundener Vermittler durch Wertpapierhandelsunternehmen nach dem Kreditwesen- und dem Wertpapierhandelsgesetz [The Legal Framework for Using Brokers by Security Trading Enterprises on a Contractual Basis pursuant to the Federal Banking Law and Security Trading Law] |
| Volker Perten | Rundfunkfinanzierung im EU-Vergleich [Financing Broadcast in the EU] |
| Janine Schenk | Entwicklung der Landesbanken [Development of the Landesbanks] |
| Catharina Schmidt | Trennbankensysteme im Vergleich [Comparison of the Legal Framework for Separating Investment Banking and Commercial Banking] |
| Patrick Tuschl | Die Abwicklung systemrelevanter Kreditinstitute nach §§ 48 ff. KWG. Die Auswirkungen auf die schuldrechtlichen Beziehungen [The Liquidation and Restructuring of Systemically-Important Banks according to sect. 48 et seq. German Banking Act] |
| Jan Ole Wagner | Finanzmarktstabilität als Aufgabe des Staates und als Aufgabe der Notenbanken [Procuring Financial Market Stability as an Objective of the State Action and as Mandate for Central Banks] |
| Emilie Yoo | The Supervision of Financial Conglomerates in the European Union and the United States |
| Qianfang Zhang | Bankenaufsicht durch BaFin, Deutsche Bundesbank und EZB im Vergleich zur Aufsicht in der Volksrepublik China und zum Sonderverwaltungsgebiet Hong Kong [Banking Supervision by BaFin, Bundesbank, and ECB in comparison to the People's Republic of China and the Special Administrative Area of Hong Kong] |

Completed Dissertations

| | |
|---------------|---------------------------------------------------------------------------------------------------|
| Volker Perten | Rundfunkfinanzierung in Europa [Financing of Broadcasting in Europe], July 2013, magna cum laude. |
|---------------|---------------------------------------------------------------------------------------------------|

Supervised Final Theses

| | |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Catharina Schmidt | Europäisierung der Bankaufsicht [Europeanization of Banking Supervision] |
| Oliver Brodersen | Bankenrestrukturierung und Bankenabwicklung durch hoheitliche Anordnung nach deutschem Recht und den Plänen der EU [Restructuring and Liquidation of Banks by sovereign regulations according to German Law and the Proposals of the EU] |
| Ivo Saric | Die rechtliche Zulässigkeit sogenannter „Eurobonds“ [The Legality of so-called Eurobonds] |

3. Policy Advice

Policy Reports/Policy Papers:

- **“The European Central Bank’s Outright Monetary Transactions and the Federal Constitutional Court of Germany”,**
House of Finance Policy Platform, White Paper No. 4, 2013

4. Public Outreach and Dissemination

Commentary/Mentions:

- 30.08.2013 **Reuters:** “Five Years After Lehman – The Banks Are Not Safer”
- 18.06.2013 **Les Echos:** „Le procès allemand de la BCE“
- 14.06.2013 **FAZ:** „Debatte über EU-Vertragsänderung“ [Debate about changes in EU Treaties]
- 10.06.2013 **ZEIT Online:** „EZB-Rettungspolitik – was kann Karlsruhe?“
- 08.06.2013 **Spiegel Online:** „Euro-Rettung vor Verfassungsgericht“
- 02.06.2013 **Welt am Sonntag:** „Die Euro-Krise – ist unser Geld noch zu retten?“
- 28.05.2013 **FAZ:** „Blockupy – alles ein bißchen entspannter“ [“Everything a little bit more relaxed“]
- 09.03.2013 **Börsen-Zeitung:** „Basel III löst nicht die eigentlichen Probleme“
[“Basel III does not solve the real Problems“]

TV and Radio Interviews:

- 05.12.2013 **CNBC live interview:** “ECB forced to do job of politics – Pro”
- 04.12.2013 **HR-Info:** „Instrumente der EZB“ [“Instruments of the ECB”]
- 23.10.2013 **CNBC:** “The Future of Banking – ECB stress test: What are the dangers?”
- 04.07.2013 **CNBC:** “Will Draghi Wind Down Loose Monetary Policy?”
- 10.06.2013 **HR-Info:** Kurzinterview zum OMT-Programm [Short interview on the OMT program]
- 06.06.2013 **CNBC:** “Is a negative deposit rate legal?”
- 30.05.2013 **RBB Inforadio:** „Draghi allein zuhaus?“ [„Draghi alone at home?“]
- 06.04.2013 **HR-Info:** „Öffnung der Geldschleusen“ [„The Increase of Money Supply“]
- 04.04.2013 **Tagesschau:** Interview zur EZB-Ratssitzung [Interview on the meeting of the ECB Governing Council]
- 23.03.2013 **ARD:** „Ratgeber Geld – Einlagensicherung“ [“Money – Deposit Protection”]
- 18.03.2013 **Heute Journal:** „Reaktionen aus Deutschland zu Zypern“
[“Cyprus – Reactions From Germany“]
- 17.03.2013 **Tagesschau:** Kurzinterview [Short interview]
- 07.03.2013 **CNBC:** „Monetary Policy Can’t Fix the Underlying Problems“
- 11.02.2013 **Heute:** „Kleines Zypern, große Wirkung“ [“Little Cyprus, Big Impact“]

5. Research Assistants

Current Research Assistants

Jenny Döge, LL.M. (University of Minnesota); Attorney-at-Law (New York)

Tel: (069) 798 34012, E-Mail: jdoege@imfs-frankfurt.de

(1) Research

Research Interests

- International law
- International financial law
- Financial supervision in the US

Papers/Projects

- **“Financial Market Supervision in the United States”**, dissertation; work in progress

Catharina Schmidt

Tel: (069) 798 34024, E-Mail: schmidt@imfs-frankfurt.de

(1) Research

Research Interests

- Banking law
- Financial supervision

Projects/Papers

- **“Comparison of the Different Legal Regimes to Separate Commercial and Investment Banking”**, dissertation, work in progress

Patrick Tuschl, Dipl.-Jur.

Tel: (069) 798 34028, E-Mail: tuschl@imfs-frankfurt.de

(1) Research

Research Interests

- Banking and Finance
- Capital Markets
- Funds and Investment Management

Projects/Papers

- **“Resolution of Systemically Important Financial Institutions – The EU recovery and resolution directive and the German bridge bank tool”**, dissertation, in progress

Helene Minor

Tel: (069) 798 34024, E-Mail: minor@jur.uni-frankfurt.de (since August 16, 2012)

Alexander Schmidt, Dipl.-Jur. (Goethe University); lawyer

Tel: (069) 798 34028, E-Mail: a.schmidt@imfs-frankfurt.de (since May 1, 2012)

(1) Research

Research Interests

- German constitutional law
- Revenue law
- Sociology of law
- Administrative law, esp. police law

Papers/Projects

- „Die Verantwortlichkeit bei Lärmbelästigungen durch Menschenansammlungen. Verursachungslehren auf dem Prüfstand moderner Urbanität“ [Accountability for noise disturbance by gatherings. Causation doctrines on trial of modern urbanity], dissertation; work in progress

Former Research Assistants

Emilie Yoo

(from August 16, 2009 until February 28, 2010/from September 1, 2010 until September, 15 2011 /from September 1, 2012 until October 15, 2012/from October 16, 2012 until March, 31 2013)

Nadine Quadflieg

(from November 1, 2010 until March 31, 2013)

Benjamin Beck

(from July 1, 2012 until January 15, 2013)

6. Administration

Gisela Amend-Khaskhoussi

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Student Aides

Current Student Assistants

Jochen Christoph Hegener, Tel: (069) 798 34015, E-Mail: hegener@imfs-frankfurt.de (since October 16, 2011)

Camilla Marie Kamrad, Tel: (069) 798 34015, E-Mail: kamrad@imfs-frankfurt.de (since April 16, 2012)

Steven Paul Rudmann, Tel: (069) 798 34015, E-Mail: rudmann@imfs-frankfurt.de (since April 16, 2012)

Jan Binger, Tel: (069) 798 34015, E-Mail: binger@imfs-frankfurt.de (since October 1, 2012)

Sören Zimmermann, Tel: (069) 798 34015, E-Mail: zimmermann@imfs-frankfurt.de (since April 1, 2013)

Yannic Hübner, Tel: (069) 798 34015, E-Mail: huebner@imfs-frankfurt.de

Former Student Assistants

Steffen Gewehr (from April 1, 2013 until December 31, 2013)

Catharina Carolin Schmidt (from November 1, 2011 until April 15, 2013)

Jill Catherine Klüber (from June 1, 2010 until January 31, 2011 and from May 1, 2011 until March 31, 2013)

E. Founding and Associated Professors

I. IMFS Founding Professor Reinhard H. Schmidt



Prof. Dr. Dr. h.c. Reinhard H. Schmidt

Endowed Chair of Finance and Accounting, supported by HELABA

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1. Research

Projects

- Decentral network structures in internal markets
- Development financing, especially micro-financing
- Strategies of financial intermediaries

Publications

(1) Articles in scientific journals:

- ***“Microfinance and Ethics“***,
Revue d'économie financière, Vol 112, p 243-276, December 2013

(2) Contributions in books:

- ***“Core Values of Microfinance under Scrutiny - Back to Basics?“***,
Published in: Matthias Adler (editor), Microfinance 3.0, Springer: Berlin 2013
- ***“The Recent Financial Crisis: Lessons from Europe: A Report from the European Shadow Financial Regulatory Committee“***,
Published in: Robert E. Litan (ed.), “The World in Crisis: Insights from Six Shadow Financial Regulatory Committees from Around the World”, FIC-Press (The Wharton Financial Institutions Center), pp. 155-221

2. Doctoral and Post-Doctoral Training

Courses

(1) Winter semester 2012/13

- **“Finance 1”**, Lecture
- **“International Banking”**, Lecture and tutorial
- **“International Financial Management”**, Seminar with Karen K. Lewis
- **“Alternative Banks”** Seminar (U3L), with Alexander Elsas

II. IMFS Associated Professor Michael Binder



Prof. Michael Binder, Ph.D.

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Effective March 2013, the President of Goethe University appointed Prof. Michael Binder as IMFS Associated Professor in the area of monetary economics.

1. Research

Projects

- **“Determinants and Growth Effects of Debt Distress”**
Co-authors: Sebastian Kripfganz and Tihomir Stučka
- **“Measuring Global Financial Connectedness”**
Co-author: Soroosh Soofi Siavash
- **“Mixed Frequency Panel Vector Autoregressions and the Inequality vs. Growth Nexus”**
Co-author: Melanie Krause

Publications

(1) Books and contributions in books:

- **“On the Relation Between Investment and Economic Growth: New Cross-Country Empirical Evidence”**

Co-author: Susanne Broeck

Published in: Olivier de La Grandville (Ed.): *Economic Growth and Development (Frontiers of Economics and Globalization, Volume 11)*, Emerald Group Publishing Limited, pp. 43 – 86.

Outstanding Author Contribution Award Winner at the Literati Network Awards for Excellence 2013.

(2) Working Papers:

- **“Regime-Switching Global Vector Autoregressive Models”**
Co-author: Marco Gross, ECB Working Paper Series.
- **“On the Conditional Effects of IMF Program Participation on Output Growth”**

Co-author: Marcel Bluhm, Working Paper, Xiamen University.

Presentations

- 18.02.2013 Presentation at Global Development Network Buenos Aires Meetings, "Growth Effects of International Financial Integration".
- 05.04.2013 Presentation at Shanghai University of Finance and Economics, "Growth Effects of International Financial Integration".
- 02.05.2013 Presentation at World Bank, "Determinants and Growth Effects of Debt Distress".
- 19.06.2013 Presentation at World Bank, "Growth Effects of International Financial Integration".
- 05.07.2013 Presentation at International Panel Data Conference London, "Determinants and Growth Effects of Debt Distress" (with Sebastian Kripfganz).
- 26.09.2013 Presentation at Xiamen University, "Determinants and Growth Effects of Debt Distress".
- 31.10.2013 Presentation at University of Zurich "Determinants and Growth Effects of Debt Distress".
- 11.11.2013 Presentation at European Central Bank, "Regime-Switching Global Vector Autoregressive Models".
- 21.11.2013 Presentation at International Monetary Fund, "Measuring Global Financial Connectedness".
- 28.11.2013 Presentation at Bundesministerium der Finanzen, „Durch welche Übertragungskanäle wirkt die globale Liquidität auf die Stabilität der Finanzmärkte und der Realwirtschaft?“.
- 13.12.2013 Presentation at (EC)² Conference Nikosia, "Mixed Frequency Panel Vector Autoregressions and the Inequality vs. Growth Nexus " (with Melanie Krause).

2. Doctoral and Post-Doctoral Training

Management

- Dean, Graduate School of Economics, Finance, and Management (GSEFM), Goethe University Frankfurt, Johannes-Gutenberg University Mainz and Technische Universität Darmstadt (with Ph.D. Program in Economics, Finance, Law and Economics, Management, and Marketing).
- Vice-Director, Goethe Graduate Academy (GRADE).
- Initiator and Head of Jury, “Young Innovators Award”, Finanzforum Vordenken.
- External Evaluator, IMF Young Professional Program and IMF Mid–Career Program.

Courses

(1) Winter semester 2013/14

- “Cross-Country Studies”
Second-Year Ph.D. Field Course

(2) Summer semester 2013

- “Advanced Econometrics 2”
First-Year Ph.D. Core Course
- “Nexus Between Finance and Macroeconomics”
GSEFM Summer Institute
- “Scientific Paper Writing”
GRADE Course for Ph.D. Students and Post-Doctoral Researchers

Completed Dissertations

Jana Gieck, “Essays on International Financial Markets” (Co-Advisor).

Orcun Kaya, “Essays on Household Finance and Sovereign Debt” (Co-Advisor).

Daniel Schneider, “Structural VAR Analyses of the Oil Market, Financial Markets, and the Macroeconomy” (Advisor).

Research Assistants

Sulkhan Chavleishvili

Ph.D. Program in Economics

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Research Papers

- “State-Dependent Macroeconomic Policy Rules”.
- “Quantile Spatial Autoregressive Model”.
- “Efficient Nonparametric Estimation of Conditional Variance and Correlation Functions in the Nelson-Siegel Yield Curve Model”.
- “A Series Approximation of the Bias in Nonlinear Panel Data Models with Fixed Effects”.

Teaching Assistance

- Cross-Country Studies, winter semester 2013/2014.

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Ph.D. Program in Economics

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Research Projects

- “Unconditional Transformed Likelihood Estimation of Time-Space Dynamic Panel Data Models”.
- “Regional Convergence Across Space and Time: The German Case,” (with Melanie Krause).
- “Stata Estimation Toolbox for Dynamic Panel Data Models”.

Research Papers

- “Matrix Powers in Spatial Econometric Models”.
- “Estimation of Linear Dynamic Panel Data Models with Time-Invariant Regressors” (with Claudia Schwarz).

Teaching Assistance

- Advanced Econometrics 2, summer semester 2013.
- Macroeconomics 1, winter semester 2013/2014.

Melanie Krause

Ph.D. Program in Economics

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Publications

- “Parametric Lorenz Curves and the Modality of the Income Density Function,” *Review of Income and Wealth* (Forthcoming).
- “Corrigendum to “Elliptical Lorenz Curves”, *Journal of Econometrics*, 40 (1989), pp. 327 - 338,” *Journal of Econometrics*, 174 (2013), p. 44.

Research Projects

- “Regional Convergence Across Space and Time: The German Case,” (with Sebastian Kripfganz).
- “Convergence, Polarization and Inequality - What Can the Critical Bandwidth Tell us About the Wealth of Nations?”

Teaching Assistance

- Macroeconomics 1, winter semester 2013/2014.

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