Third Annual DG ECFIN Research Conference:
“Adjustment under monetary unions: financial market issues”

Thursday 7th and Friday 8th September 2006,
Conference Centre Albert Borschette, Brussels
36 rue Froissart - 1049 Brussels
Room 0A

DAY 1: Thursday, 7th September 2006
09:00 – 09:30 Registration of participants

Session 1: Key policy questions Chair: Jürgen Kröger

9:30 – 10:30 Vítor Gaspar (Banco de Portugal) and Gabriel Fagan (European Central Bank)
"Adjusting to the euro"
Discussant: Christopher Allsopp (Oxford University)

10:30 – 11:00 Keynote remarks
Klaus Regling (Director General, DG ECFIN)
"Monetary union: the financial sector challenge"

11:00 – 11:15 Coffee break

Session 2: Analytics of the real side Chair: Mary McCarthy

11:15 – 12:45 Sven Langedijk and Werner Röger (DG ECFIN)
"Adjustment in EMU: A model-based analysis of country experiences"
Discussant: John Fitz Gerald (Economic and Social Research Institute, Dublin)

Michael Bergman (University of Copenhagen)
"Sectoral real exchange rate adjustments in Europe"
Discussant: Bent E. Sørensen (University of Houston and CEPR)

12:45 – 14:00 Buffet lunch

Session 3: Analytics of the financial side Chair: Servaas Deroose

14:00 – 15:30 Ramón Adalid and Carsten Detken (European Central Bank)
"Excessive liquidity and asset price boom/bust cycles"
Discussant: Jonas Niemeyer (Sveriges Riksbank)

Laura Rinaldi (University of Leuven) and Alicia Sanchís Arellano (Banco de España)
"Household debt sustainability: what explains household non-performing loans?"
Discussant: Christoph Walkner (DG ECFIN)

15:30 – 16:00 Coffee break
Session 4: Cross-border integration  Chair: Sean Berrigan

16:00 – 17:30  Robert A. Eisenbeis (Federal Reserve Bank of Atlanta) and George G. Kaufman (Loyola University)
"Cross border banking: challenges for deposit insurance and financial stability in the European Union"
Discussant: Patrick Pearson (DG MARKT)
Elena Carletti (Center for Financial Studies and Wharton), Philipp Hartmann (European Central Bank and CEPR) and Steven Ongena (CentER – Tilburg University and CEPR)
"The economic impact of merger control: what is special about banking?"
Discussant: Eduardo Martínez Rivero (DG COMP)

DAY 2: Friday, 8th September

Lessons from other monetary unions  Chair: Lars Jonung

09:00 – 10:00  Sebnem Kalemli-Ozcan (University of Houston and NBER), Ariell Reshef (New York University), Bent E. Sørensen (University of Houston and NBER) and Oved Yosha
"Why does capital flow to rich states?"
Discussant: Oliver Dieckmann (DG ECFIN)
10:00 – 10:15  Coffee break
10:15 – 11:45  John Landon-Lane and Hugh Rockoff (Rutgers University and NBER)
Regional interest rates within a monetary union: lessons from the United States"
Discussant: Alicia Sanchís Arellano (Banco de España)
Peter Hoeller and Claude Giorno (OECD)
"Housing markets and adjustment in monetary union"
Discussant: Paola Subacchi (Chatham House)

Policy panel discussion: "Priorities for the financial sector"
Chair: Max Watson

11:45 – 12:45  Discussants: Vítor Gaspar, Peter Hoeller, Peter Praet, Alberto Giovannini
13:00 – 14:00  Buffet lunch
14:00  Conference ends

Conference Organisers:
Lars Jonung: lars.jonung@ec.europa.eu (tel. +32-2-299-4562; mobile 0479-665244)
Mary McCarthy: mary.mccarthy@ec.europa.eu (tel. +32-2-299-3493)
Max Watson: max.watson@ec.europa.eu (tel. +32-2-298-6662)

The papers will be available at the conference.