



Workshop

A Dynamic Economic and Monetary Union

8-9 October 2020

Luxembourg

Scientific Committee

- **Mark Aguiar** | Princeton University
- **Daragh Clancy** | ESM
- **Ramon Marimon** | EUI and UPF - Barcelona GSE
- **Hugo Rodríguez** | IAE-CSIC and Barcelona GSE
- **Frank Smets** | ECB
- **Pedro Teles** | Católica University Lisbon and Bank of Portugal

Local Organisers

- **Daragh Clancy** | ESM
- **Christos Koulovatianos** | University of Luxembourg

Introduction

The **ADEMU 2020 workshop** will be part of Luxembourg's celebrations of the **50th anniversary of the Werner Report** and the **10th/8th anniversary of the EFSF/ESM**.

The workshop, originally planned to take place within the **Barcelona GSE Summer Forum 2020**, is sponsored by the **Pierre Werner Chair of the European University Institute**, the **European Stability Mechanism** and the **University of Luxembourg**.



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Programme

8 October **Venue: European Stability Mechanism**

08.45 - 09.00 Welcome coffee

Session 1: Debt and Internal Devaluations

09.00 - 10.00 *The missing internal devaluation: Regional adjustment in the US Great Recession* (with G. Corsetti and R. Trezzi)

Speaker: **Luca Dedola** | Federal Reserve Bank of Minneapolis

Discussant: **Kurt Mitman** | Stockholm University

10.00 - 11.00 *Inflation, Default Risk and Nominal Debt*

Speaker: **Carlo Galli** | Sciences Po

Discussant: **Giancarlo Corsetti** | University of Cambridge

11.00 - 11.20 Coffee break

Session 2: Unions with default

11.20 - 12.10 *Fiscal and Currency Union with Default and Exit* (with R. Marimon and C. Simpson-Bell)

Speaker: **Alessandro Ferrari** | EUI

Discussant: **Michal Kobielarz** | KU Leuven

12.10 - 13.00 *Making Sovereign Debt Safe with a Financial Stability Fund* (with Y. Liu and R. Marimon)

Speaker: **Adrien Wicht** | EUI

Discussant: **Aitor Erce** | UPNA (Navarra Public University)

13.00 - 14.00 Lunch break

Session 3: Fiscal and Monetary Policies

14.00 - 15.00 *Shotgun Weddings between Monetary and Fiscal Policies* (with T. Sargent)

Speaker: **Marco Bassetto** | Federal Reserve Bank of Minneapolis

Discussant: **Frank Smets** | ECB

15.00 - 16.00 *Optimal Fiscal Consolidation under Frictional Financial Markets*

Speaker: **Dejanir Silva** | University of Illinois, Urbana-Champaign

Discussant: **Rana Sajedi** | Bank of England

16.00 - 16.20 Coffee break

16.20 - 17.30 *Low Interest Rate and Misallocation* (with N. Kiyotaki and S. Zhang)

Keynote speaker: **John Moore** | University of Edinburgh

20.30 - 22.30 Dinner (organisers and speakers)

9 October **Venue: University of Luxembourg**

08.45 - 09.00 Welcome coffee

Session 4: Automation and Labour Mobility

09.00 -10.00 *Should Robots Be Taxed?* (with J. Guerreiro and S. Rebelo)

Speaker: **Pedro Teles** | Banco de Portugal and Universidade Católica-Lisbon SBE

Discussant: **Arpad Abraham** | University of Bristol and EUI

10.00 - 11.00 *Quantifying the Benefits of Labour Mobility in a Currency Union* (with Christopher L. House and Linda L. Tesar)

Speaker: **Christian Pröbsting** | EPFL

Discussant: **Andreja Lenarcic** | ESM

11.00 - 11.20 Coffee break

Session 5: Monetary and Financial Unions

11.20 -12.20 *Monetary Union and Financial Integration*

Speaker: **Luca Fornaro** | CREI

Discussant: **Luis Rojas** | MOVE-UAB and Barcelona GSE

12.20 - 13.20 *Does a Currency Union Need a Capital Market Union? Risk Sharing via Banks and Markets*

Speaker: **Markus Sihvonon** | Bank of Finland

Discussant: **Matthias Kaldorf** | CMR University of Köln

13.20 -14.30 Lunch break

14.30 - 15.40 *Health versus Wealth: On the Distributional Effects of Controlling a Pandemic* (with A. Glover, J. Heathcote and D. Krueger)

Keynote Speaker: **Víctor Ríos-Rull** | University of Pennsylvania