

Institute for
Monetary and
Financial
Stability



Institute for Monetary
and Financial Stability

Annual Report
2016

IMFS

**Institute for Monetary
and Financial Stability**

Goethe University

House of Finance

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Helmut Siekmann and Volker Wieland (from left)

Dear friends of the IMFS,

In times of extremely low or even negative interest rates, unconventional monetary policy measures, and steps toward the limitation of cash payments, issues regarding price and financial stability are of great public interest. At the IMFS, we try to provide new insights on these questions from an interdisciplinary point of view – that is, from an economic as well as a legal perspective.

In 2016, we have organized conferences and lectures, published new research findings and commented on current developments in the media. With regard to doctoral and post-doctoral training – another important mission of the Institute – five researchers received the Ph.D. in Economics in 2016 and job placements included positions at the World Bank and the European Central Bank.

At the same time, we have laid the ground for new research collaborations. We have won a research grant from the Sloan Foundation for pursuing a joint research project with the Hoover Institution at Stanford University – the Macroeconomic Model Comparison Initiative (MMCI). This initiative includes the creation of a new research network under the auspices of the Center for Economic Policy Research in London. The new initiative and network will substantially enhance model-based research on price stability and financial stability. On the legal side, IMFS will represent Goethe University in the newly established European Banking Institute, adding its own research contributions to this new network on banking regulation.

Most importantly, in 2016 we were able to secure the long-term future of the Institute. Goethe University has succeeded in raising external funding in the amount of five million euro by the Foundation of Monetary and Financial Stability (*Stiftung Geld und Währung*) for the next funding period of ten years. “The IMFS has successfully established itself in the research community as a brand name for research on money and central banking,” Gerhard Ziebarth, Chairman of the Executive Board of the Foundation, said. According to Prof. Birgitta Wolff, President of Goethe University, “the IMFS is a strong and influential voice, which is listened to throughout Germany and Europe”.

We invite you to find out more about the Institute’s research and policy analysis on how to safeguard monetary and financial stability in this annual report.

Volker Wieland,
Managing Director and Professor of Monetary Economics

Helmut Siekmann,
Deputy Managing Director and Professor of Money, Currency and Central Bank Law

Highlights 2016

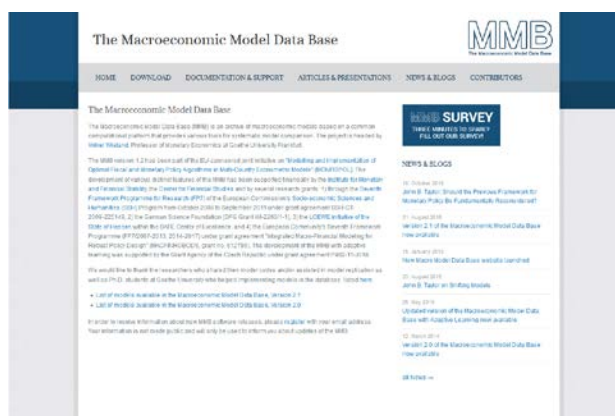
In its interdisciplinary economic and legal work, the Institute for Monetary and Financial Stability (IMFS) is dedicated to price stability and financial stability. Several outstanding projects marked the institute's year.

Comparing models and evaluating policy strategies: Macroeconomic Model Data Base makes headway with financial sector modeling

Many policy-making institutions make use of quantitative models to inform decision-makers about the impact of policy decisions on the economy. Thus, it is crucial to make models available that incorporate recent advances in theoretical and empirical research in order to compare their effects on the economy and their implications for the design of monetary, fiscal, macro-prudential or structural policies.

The Macroeconomic Model Data Base (MMB), one of the key elements of IMFS Professor Volker Wieland's research, presents a new approach for such comparative analysis. In 2016, the computational platform made some important progress.

With the **new website** launched in January, users can easily access the open archive at www.macromodelbase.com. **MMB 2.1**, which was made available in August, contains 68 models. Almost 7,500 users have registered for the open archive built by Volker Wieland and his team, which currently consists of the IMFS researchers Elena Afanasyeva, Mátyás Farkas, Meguy Kuete, Philipp Lieberknecht and Jorge Quintana. Jinhyuk Yoo was also part of the team in 2016.



Based on the MMB, users can simultaneously analyze in various models the consequences of changes in interest rate policy, fiscal stimulus or consolidation. Models of the Federal Reserve, the European Central Bank, the European Commission, the International Monetary Fund as well as the central banks of Sweden, Canada and Chile are already integrated in the platform.

The tool clarifies the strengths and weaknesses of different models. Also the results of other studies can be checked. With the help of the MMB, researchers can develop recommendations which show positive effects across different models. The new version offers four new models concerning the U.S. economy as well as a model for the euro area and Canada. Furthermore, the IMF Global Projection Model, which is estimated on data covering six economic regions, is also integrated as well as two new monetary rules. A complete list of the models integrated can be found on the MMB website.

Comprehensive information on the integration of models with a more detailed financial sector, financial frictions and a role for banking capital and regulation is summarized in **IMFS Working Paper No. 107** on "New Methods for Macro-Financial Model Comparison and Policy Analysis". This paper forms part of the "**Handbook of Macroeconomics**", **Volume 2**, edited by John B. Taylor and Harald Uhlig. The 1370-page Handbook surveys all major advances in macroeconomic scholarship since the publication of Volume 1 in 1999 and was released in December 2016. Nobel Prize winner Tom Sargent, Professor of Economics at New York University, commented on the Handbook: "The remarkable collection belies uninformed critics who assert that modern macroeconomics was wrong

footed by the 2007-2009 financial crisis. Articles in this book prove how, both before and after that crisis, working macroeconomists had rolled up their sleeves to study how financial frictions, incentive problems, incomplete markets, interactions among monetary, fiscal, regulatory, and bailout policies, and a host of other issues affect prices and quantities and good economic policies. This is an especially timely book”.

During the course of the year, the model base team was also able to address a broader audience. In April, the **IMFS-CEPR research meeting** in Frankfurt focused on new methods for macroeconomic modelling, model comparison and policy analysis bringing together various experts on this field.



(Clockwise: Volker Wieland and Robert Tetlow, Federal Reserve Board, at the IMFS-CEPR conference; Meguy Kuete and Giulia Piccillo working at the MMB; Meguy Kuete, Giulia Piccillo and Mátyás Farkas; impressions from the conference)

In July, **visiting researcher Giulia Piccillo**, Assistant Professor at the Utrecht University School of Economics, worked with the model base team. In September, Volker Wieland presented the MMB during a research meeting at the European Central Bank.

Research on the Macroeconomic Model Database in 2016 has partially been supported by funding from the European Community’s Seventh Framework Programme (FP7/2007-2013) under **Grant Agreement Integrated Macro-Financial Modeling for Robust Policy Design (MACFINROBODS, grant no. 612796)**.

IMFS and the Hoover Institution at Stanford University win US\$ 600,000 research grant by the Alfred P. Sloan Foundation

IMFS and the Hoover Institution at Stanford University have been awarded a **Sloan Foundation research grant to launch the Macroeconomic Model Comparison Initiative (MMCI)**. This new initiative will be led by Professor John B. Taylor of Hoover Institution, Volker Wieland and IMFS Affiliated Professor Michael Binder. It aims to change the way research on structural macroeconomic

modeling for monetary, fiscal, and macro-prudential policy is conducted. Macroeconomic modeling is to become more reproducible, collaborative, and comparative in nature.

The project is scheduled for a three-year period, starting on December 1, 2016. The new team will be reaching out to researchers to integrate many relevant new models into the MMB. Furthermore, the archive will be developed into an interactive online platform allowing researchers to reproduce and replicate models. A complete open-source suite of software will be produced to improve accessibility to researchers and graduate students worldwide. Furthermore, a new model comparison network will be formed jointly with CEPR in London.

The MMCI aims to put macroeconomics in a more enhanced position to improve policy-making at central banks, finance ministries, legislative bodies, regulatory authorities and international organizations.

The Alfred P. Sloan Foundation is a philanthropic, not-for-profit grant-making institution based in New York City. Established in 1934 by Alfred Pritchard Sloan Jr., then-President and Chief Executive Officer of the General Motors Corporation, the Foundation makes grants in support of original research and education in science, technology, engineering, mathematics and economic performance.

IMFS contributes to research on banking regulation in the European Banking Institute

Goethe University has joined the 18 academic members of the European Banking Institute (EBI) with the IMFS and its Managing Director as representative of Goethe University on the EBI Board. The EBI was established in 2016 as an international center for studies of banking and regulation, in particular its legal underpinnings. The IMFS is proud to have IMFS Affiliated Professor Tobias Tröger serving as the EBI's Managing Director.

The academic members include universities from twelve countries of the euro area, which have decided to share and coordinate their commitments and structure their research activities in the field of banking regulation, banking supervision and banking resolution in Europe.

The EBI fosters the dialogue between scholars, regulators, supervisors, industry representatives and advisors with regard to issues concerning the regulation and supervision of financial institutions and financial markets from a legal, economic and any other related viewpoint. It aims at producing interdisciplinary banking research, making recommendations and devising new strategies on banking in Europe.



In its first year of existence, the EBI has already organized various events such as a workshop on challenges for banks in a changing regulatory environment and a conference on issues of the SSM, banks' crisis management, negative interest rates and fintechs, bringing together legal experts, economists, regulators and bankers. Participants of the EBI's annual global conference in October 2016 highly appreciated the interdisciplinary exchange of ideas.

A successful year for IMFS graduates

Doctoral and post-doctoral training is an important element among the institute's objectives. In this regard, 2016 has been an extremely productive year at the IMFS as five researchers completed their dissertations. Jinyhuk Yoo (Bank of Korea) and Anamaria PiloIU (Deutsche Bank) provided research on economic issues, as well as Klodiana Istrefi (Banque de France), who demonstrated in her thesis on August 29 how uncertainty influences monetary policy. In December 2016, Robert Beyer, who started working as an economist at the World Bank in September, completed his dissertation. Patrick Tuschl also completed his dissertation, which focused on legal questions.



IMFS graduate Jenny Gesley was among the two law students honored with the Baker & McKenzie award 2016 for the best thesis on commercial law at Goethe University which she handed in the year before. According to her supervisor Professor Helmut Siekmann, Jenny Gesley's thesis on the national developments and international standards in financial markets supervision in the U.S. conveys a clear and concise impression of the efforts made by Americans to avert hazards originating from the financial markets with the help of legal measures. "It is in fact partially on a par with a professorial thesis", he said. The award, which has been given to authors of exceptional dissertations and professorial theses in the area of commercial law every year since 1988, includes a monetary prize as well. In 2015, Jenny Gesley joined the Library of Congress in Washington, D.C. as a foreign law specialist; she provides research and reference services related to Germany and other German speaking countries for members of Congress, executive agencies, courts, and the general public.

One of Professor Siekmann's law students also won an award. For his term paper on the Agreement on Net Financial Assets (ANFA) agreement among central banks in the Eurosystem Daniel Krause ranked third for the Norbert Walter 2016 sponsorship award of the Goethe alumni association for economics and business administration (Frankfurter Wirtschaftswissenschaftliche Gesellschaft, fwwg).

IMFS hosts press conference on the German Council of Economic Experts' economic forecast update

For the first time, the German Council of Economic Experts presented its regular update of its economic forecast to the international financial press. The press conference was hosted at the premises of the IMFS in the House of Finance on March 23. The new format was very well received by news agencies, daily newspapers, financial newspapers, TV and radio stations based in Frankfurt and offered the experts an opportunity to be interviewed regarding many current issues from Germany's economic situation to the



impact of the influx of refugees and the consequences of the low-interest-rate policy for consumers in Germany.

The key issues of the press briefing were covered by, among others, *dpa*, *Market News*, *Dow Jones*, *Frankfurter Allgemeine Zeitung*, *Die Welt*, *Deutschlandfunk*, *ARD-Hessischer Rundfunk*, and web TV *Der Aktionär*.

IMFS Distinguished Fellow Hermann Remsperger awarded Federal Cross of Merit

In June 2016, Professor Hermann Remsperger was awarded the Federal Cross of Merit first class. The former member of the Executive Board of the Deutsche Bundesbank and Chairman of the council of the Foundation of Monetary and Financial Stability received the award from Jens Weidmann, president of Deutsche Bundesbank, at a symposium in Frankfurt. The award honors not only Mr. Remsperger's role in the foundation and numerous other scientific institutions but also his volunteer work in church committees as well as his social commitment.

The symposium of the Bundesbank and the Foundation of Monetary and Financial Stability took place on the occasion of changes at the helm of the Foundation as Gerhard Ziebarth succeeded Willy Friedmann as Chairman of the Executive Board of the Foundation and Thomas Möllers of the University of Augsburg succeeded Mr. Remsperger as Chairman of the Council. During their term of office Mr. Remsperger and Mr. Friedmann were actively involved in supporting the Board of Trustees of IMFS and were therefore appointed IMFS Distinguished Fellows.



In his speech, Mr. Möllers pointed out the merits of Mr. Remsperger's work during his 14 years of Chairman of the Council as well as the successful collaboration with Mr. Friedmann. In his acceptance speech Mr. Remsperger emphasized that the success of the Foundation was a result of a group effort. He warned that a new wind was blowing for monetary and financial stability ever since the European Central Bank has tried to push the inflation rate up "from the bottom to the top, i.e. from the South to the North, close to 2 percent". "The instruments that are considered to be necessary to regain monetary stability hold risks for financial stability."

Mr. Weidmann emphasized the importance of monetary stability in times of low inflation and that both excessively high and low inflation rates were detrimental. Weidmann fears that in light of the very low inflation rate "people will lose the awareness of the importance of stable prices," which might turn out to be dangerous for central banks: "If the inflation rate goes up again and monetary policy should be more restrictive, it might turn out to be tempting to instead postpone interest rate increases given the high level of government debt."

In his speech at the symposium, IMFS Professor Helmut Siekmann analyzed the relationship between power, jurisprudence and economic law, exploring the question which legal limits the ECB has to respect while maintaining price and financial stability.

Institute and Staff

I. The Institute

The **Institute for Monetary and Financial Stability (IMFS)** is a research center of Goethe University Frankfurt, located in the “House of Finance”. The IMFS was established as part 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 by federal law on January 1, 2002.

The IMFS includes three Endowed Chairs: (1) Monetary Economics; (2) Finance; and (3) Money, Currency and Central Bank Law. They are complemented by three Affiliated Professors from the university’s regular faculty. A Board of Trustees supervises and guides the activities of the institute.



House of Finance, located at Goethe University’s Campus Westend

The institute’s main objective is to promote public awareness of the benefits of monetary and financial stability. It is set up to fulfill this objective through economic and legal research, doctoral and post-doctoral training, economic and legal policy advice, and public outreach. It focuses on questions regarding monetary and financial stability that are to be addressed from economic, financial and legal perspectives. The IMFS 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 monetary economics, financial market economics and systemic financial stability, and 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:

- **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.
- **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 regarding 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.

▪ **Money, 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 European Central Bank and the national central banks constitute the Eurosystem

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. These events are jointly organized and attended by the IMFS professors and involve researchers from around the world who work on economic, financial or legal aspects of the IMFS research areas. Typically, research findings are first presented at research conferences and seminars, then made available in 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 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, for example, by publication in a leading international journal or book series, high citation counts in scientific journals, or frequent mention in legal commentaries.

2. Doctoral and post-doctoral training

The 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 at 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 occasionally also joint research.

Pre-doctoral members of the IMFS research staff often participate in structured Ph.D. and doctoral programs at Goethe University under the auspices of the Graduate School of Economics, Finance and Management. Training at the IMFS involves a preparation for basic research and academic careers as well as practice-oriented work in international organizations, central banks, government and the financial sector. Key indicators of success in doctoral and post-doctoral training include new teaching

and seminar formats, research conference presentations and publications by pre-doctoral and post-doctoral research staff and ultimately the placement of young researchers trained at the IMFS at top academic or practice-oriented institutions.

3. Economic and legal policy advice

An essential task of the 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. The IMFS aims to further the interaction with policy-makers and the transfer of research findings to policy by using the following four channels:

- Organization of lectures, seminars and policy-oriented conferences that involve key policy-makers together with academics;
- Producing IMFS Working Papers and studies with practical policy implications and contributing writings to external policy-oriented publications;
- Participating in parliamentary hearings and government advisory bodies and contributing to advisory reports requested by governmental agencies;
- Contributing interviews and commentaries on policy issues to the media.

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

4. Public outreach

The IMFS aims to raise and promote awareness among the general public for the significance of a stable currency. The institute pursues this objective on two levels: Locally, the IMFS reaches out to the financial community in Frankfurt, Germany's financial center, by regularly organizing lectures and seminars with IMFS researchers and distinguished speakers from other institutions that deal with current issues in the area of monetary and financial stability. In order to communicate to the public on a national and international level, IMFS professors give speeches and presentations and participate in discussions. For keynote speeches, the audience often comprises more than 100 listeners. Furthermore, IMFS researchers regularly contribute to national and international newspapers and magazines, websites, blogs and TV and radio programs.



Indicators of success include the quality of speakers at IMFS events and the number of participants, as well as the reach of the conference presentations and public speaking opportunities of IMFS researchers. Furthermore, the frequency of commentaries in the media provides an indication of the visibility of IMFS researchers and the institute as a whole. Coverage of research by IMFS researchers on economic and legal questions concerning monetary and financial stability in the media is of particular importance. An overview of the IMFS events in 2016 is presented on page 41, a complete list of all conference presentations can be found on page 37, and the appearances in the media are listed on page 59.

The IMFS in numbers

	2016	2015	2014	2013
Number of IMFS Professors	4	4	6	4
IMFS Working Papers	10	14	9	9
IMFS Interdisciplinary Studies in Monetary and Financial Stability	-	1	-	2
Articles in scientific journals	5	13	5	6
Scientific books	1	1	2	3
Contributions to books	8	9	8	12
Policy papers	5	4	3	4
Google scholar citations	352	371	793	391
Completed dissertations	5	3	2	2
IMFS Post-Docs placements:				
Academia, government agencies, international organizations, and central banks	3	1	1	1
Banks, consultancies, law firms, and others	1	2	1	1
Keynote and major public speeches	9	5	3	2
Conference and seminar presentations	48	42	58	43
Policy meetings and hearings	14	11	10	8
Media references to IMFS research papers	4	4	5	5
Editorials and interviews by IMFS researchers	25	19	13	28
Press portraits of IMFS researchers	-	1	2	5
Short press commentaries of IMFS researchers	93	75	55	26
Radio and TV interviews with IMFS researchers	29	40	31	19
Conferences	2	2	2	2
IMFS Distinguished Lectures	1	-	2	1
IMFS Working Lunches	3	9	4	3
Registered participants at IMFS events	840	1118	663	687
Registered media representatives at IMFS events	69	93	59	53

II. The Researchers

IMFS Endowed Chairs and Affiliated Professors

In 2016, the Endowed Chair of Monetary Economics is held by Professor Volker Wieland, Ph.D., also Managing Director of the IMFS; the Endowed Chair of Money, Currency and Central Bank Law is held by Professor Dr. Dr. h.c. Helmut Siekmann. The IMFS Affiliated Professors complement the Endowed Chairs. They contribute to the institute and are members of its Executive Board. Affiliated Professors are currently Professor Michael Binder, Ph.D., from the Department of Money and Macroeconomics, and Professor Dr. Tobias H. Tröger, LL.M.

All IMFS professors come together on a regular basis for Executive Board meetings to discuss joint research projects as well as organizational aspects and future events. In 2016, the Executive Board held five meetings, namely on January 22, March 14, April 18, June 6, and November 24, usually taking place before an event in the Working Lunch series.

IMFS Endowed Chair of Monetary Economics

Volker Wieland



Volker Wieland, Ph.D., has held the IMFS Endowed Chair of Monetary Economics since March 1, 2012. As one of the three founding professors, he was involved in the successful application for the “Currency and Financial Stability” project and has been affiliated with the Institute from its beginning. In 2012, he was also elected Managing Director. An expert in monetary theory and policy, Wieland has been a member of the German Council of Economic Experts since 2013. Advising German policy makers on questions of economic policy, the Council compiles and publishes a report, which is released annually in mid-November. He is also a member of the Scientific Council of the Market Economy Foundation, the Scientific Council of the Federal Ministry of Finance and CEPR Research Fellow.

In his research, Wieland concentrates on monetary and fiscal policy, business cycles and macroeconomic models, inflation and deflation, learning behavior and economic dynamics as well as numerical methods in macroeconomics. Wieland and his team have developed the Macroeconomic Model Data Base with about 70 models and over 7500 registered users. His research has been published in leading scientific journals such as the *American Economic Review*, the *European Economic Review* and the *Journal of Monetary Economics* and in 2016 was cited on 330 occasions, according to Google Scholar. Overall, it received more than 5100 citations. Wieland has consistently been the highest placed Goethe University professor in the ranking of Germany’s most influential economists by research and media impact published by the German daily *Frankfurter Allgemeine Zeitung* (11th, 21st, 25th and 36th place in 2013 to 2016). The international research ranking of bibliographic database IDEAS-REPEC lists Wieland among the top two percent of economists worldwide, the top one percent in Europe and on 22nd place among 3800 economists in Germany.

Volker Wieland completed his Ph.D. at Stanford in 1995 and worked at the Federal Reserve in Washington for the next five years. In November 2000, he joined the Goethe University faculty. He has been a consultant to many institutions including the ECB and the European Commission. In 2008, Wieland was awarded the Duisenberg Fellowship by the ECB. Together with his fellow members of the German Council Economic Experts he received the German Economic Policy Prize 2015 of the Small and Medium-Sized Business Association of the CDU and CSU.

IMFS Endowed Chair of Money, Currency, Central Bank Law
Helmut Siekmann



Prof. Dr. Dr. h.c. Helmut Siekmann has held the IMFS Endowed Chair of Money, Currency, and Central Bank Law since 2006. He is the founding director of the IMFS and was the Institute's Managing Director from 2006 to 2010 as well as from September 2011 to May 2012. Siekmann received his doctor juris and his post-doctoral degree ("Habilitation") from the University of Cologne. He also earned a degree in economics (Diplom-Volkswirt) from the University of Bonn and was awarded an honorary doctor's degree by the University Paris-Dauphine.

Siekmann's main field of work is the stability of financial markets, financial institutions and public finances. His research is focused on all aspects of government finances, the institutional framework of the European System of Central Banks, the European provisions to secure stable government finances, the stabilization mechanisms in time of crisis, and the supervision and control of financial markets. In addition to his academic work, Siekmann contributed to numerous legislative projects on the national and supranational level. He worked as counsel to constitutional bodies and represented them in constitutional courts. He contributed significant parts to a new edition of the standard-setting work on the "Grundgesetz", the German basic law, particularly concentrating on the section about central banks.

IMFS Affiliated Professor
Michael Binder



Professor Michael Binder, Ph.D., holds the Chair for International Macroeconomics and Macroeconometrics at Goethe University. He also serves as Founding Dean of the Graduate School of Economics, Finance, and Management (GSEFM) at Goethe University, Johannes Gutenberg University Mainz and Technische Universität Darmstadt (with Ph.D. Programs in Economics, Finance, Law and Economics, Management, and Marketing). As part of his commitment to further opportunities for young researchers in Germany, he is also Vice-Director of the Goethe Graduate Academy (GRADE) and has co-initiated the Young Innovators Award of *Finanzforum Vordenken*.

Part of Binder's current research centers around the FP7 project "Integrated Macro-Financial Modelling for Robust Policy Design" (MACFINROBODS) for which he is steering the Frankfurt node.

More broadly, Binder's current research examines the implications of financial market structures for business cycle dynamics, output growth, and macroeconomic policy design. His research also involves the development of new econometric methods for panel data sets.

**IMFS Affiliated Professor
Tobias Tröger**



Professor Dr. Tobias Tröger, LL.M., holds the Chair of Private Law, Trade, and Business Law, Jurisprudence at Goethe University.

In his research, Tröger investigates internal governance structure of banking union institutions, the reinstallation of market discipline through bank reorganization and resolution (bail-in, living wills), capital market union, the regulation of non-bank credit intermediation (shadow banking), the development of securities regulation and social change, the law of shareholder meetings and resolutions as well as German and European sales law. In 2016, the European Banking Institute (EBI) was established as an international center for banking studies with Tobias Tröger serving as the EBI's Managing Director. Among the EBI's 18 academic members, the IMFS is the representative of Goethe University (see p. 5).

Pre-Docs and Post-Docs

Elena Afanasyeva, Ph.D. has joined the IMFS in March 2012 as a research and teaching assistant at the Endowed Chair of Monetary Economics. She holds a diploma in economics from Lobachevsky State University of Nizhny Novgorod and a M.Sc. in quantitative economics from Goethe University. In 2014, Elena earned her Ph.D. with a dissertation on "Credit Booms: Identification, Modelling, and Policy Responses" (summa cum laude). In her research, Elena focuses on identifying financial imbalances and structural modelling of banks and also collaborates with Volker Wieland on recursive estimation, forecasting and learning in macroeconomic models. She has contributed to the chapter on "New Methods for Macro-Financial Model Comparison and Analysis" in the Handbook of Macroeconomics, Volume 2. After having been a visiting research fellow at the Hoover Institution at Stanford University in 2015, in 2016/17 Elena was a visiting research fellow at Northwestern University in Chicago. Elena is currently working on a project on robust monetary policy rules for the euro area under model uncertainty together with Michael Binder, Jorge Quintana and Volker Wieland. She also serves as a referee for the *Journal of Macroeconomics*.



Tilman Bletzinger joined the Chair of Monetary Economics at the IMFS as a research assistant from 2012 until August 2016 with a focus on monetary and fiscal policies since the financial crisis. In September, he entered the graduate program for economists at the European Central Bank. In 2014, he obtained his M.Sc. degree in Quantitative Economics at Goethe University. Prior to entering the Ph.D. program, he completed his undergraduate studies at Maastricht University and University of California, Los Angeles. He was an intern at the Dutch central bank and Deutsche Bank as well as with the consultancy d-fine and the ECB. In 2016, Tilman published an IMFS Working Paper on the forward guidance of the ECB together with Volker Wieland and prepared the ECB Working Paper "The impact of constrained monetary policy on the fiscal multipliers on output and inflation"



Máttyás Farkas joined the MACFINROBODS FP7 project in 2014. He is currently pursuing his Ph.D. in Finance at the Graduate School of Economics, Finance, and Management at Goethe University. He acquired his M.Sc. degree at Goethe University in Money and Finance in 2013. The Hungarian born researcher pursued his undergraduate studies at the Corvinus University Budapest and holds two Bachelor's diplomas, one in Finance and Accounting and one in International Relations. Prior to entering the Ph.D., he was an intern at the ECB, at the European Parliament and at the Central Bank of Hungary. In September 2016, he started a Ph.D. internship at the ECB's Monetary Policy Strategy Division. His research interests are related to forecasting using advanced time series methods and structural modeling. His research focuses on incorporating heterogeneous expectations into DSGEs, on practical questions of DSGE solution techniques and advanced time series methods, with special focus on Bayesian Econometrics. Máttyás also participates in the Macro Model Base Team.

Meguy Kuété Ngouging started working at the institute in 2014, pursuing his project on "Balance sheet policies and quantitative effects of money in new Keynesian models". Born in Cameroon, he came to Germany to study mathematics in Darmstadt. After that he took up the Ph.D. program at Goethe University. As a member of the Macro Model Base team of Volker Wieland, Meguy is involved in the integration of further macroeconomic models in the computational platform. He also contributed to the chapter on new methods for macro-financial model comparison for the Handbook of Macroeconomics edited by John B. Taylor and Harald Uhlig.



Philipp Lieberknecht joined the Chair of Monetary Economics at the IMFS in April 2016. He is currently pursuing his Ph.D. at the Graduate School of Economics, Finance and Management at Goethe University. He completed his undergraduate studies in economics in Muenster and holds a M.Sc. in economics from the University of Cologne. Prior to joining the Ph.D. program, he also worked as a research intern at Deutsche Bundesbank, the German Ministry of Finance, Deutsche Bank and IW Köln. His research interests are in the area of monetary and fiscal policy, with a special focus on the effect of financial frictions in structural models. Together with Michael Binder and Volker Wieland, he has recently been working on the paper "Fiscal Multipliers in Policy-Focused Models with Financial Frictions". He also serves as a teaching assistant of Volker Wieland's Ph.D. seminar "Macro-Financial Modeling" and Michael Binder's bachelor course

"Macroeconomics I".

As a research assistant at the Endowed Chair of Money, Currency and Central Bank Law **Catharina Schmidt** is working on her doctoral dissertation in which she compares the different legal regimes imposing a separation between commercial banking and investment banking. She initially joined the IMFS as a student assistant in November 2011 and graduated in law from Goethe University (first state examination in law) in 2013. Besides her research on banking supervision, Catharina is interested in banking and capital markets law. In 2016, Catharina started her post-graduate legal traineeship.



Jorge Quintana joined the IMFS in April 2016 to participate in the Integrated Macro-Financial Modeling for Robust Policy Design Project. This research project builds on previous work of the IMFS and exploits the rich archive of the Macroeconomic Model Database in order to draw out the implications of policy-oriented structural macroeconomic models with financial sector frictions for the optimal design of monetary, fiscal, macroprudential and regulatory policies in the presence of model uncertainty. Prior to joining the IMFS, Jorge held positions in his native country at the Central Bank of Mexico and Grupo Financiero Banorte, a large Mexican financial corporation. He earned a B.A. in Economics with distinction from the Instituto Tecnológico Autónomo de México (ITAM) – with a dissertation on the credit channel of monetary policy in Mexico that won the prestigious Banamex and Tlacaélel national awards for economic research – and is currently a Ph.D. candidate at the Graduate School of Economics, Finance and Management (GSEFM), Goethe University. His interests lie mainly in the areas of applied macroeconomics, macroeconometrics and computational economics.

As a doctoral candidate at the Endowed Chair of Money, Currency and Central Bank Law, Diplom-Jurist **Patrick Tuschl** studied the EU recovery and resolution directive and the German bridge bank tool. After completing his doctoral research in July 2016, Patrick took up a position as a lawyer.



After completing her post-graduate legal traineeship at the district court of Mainz, Ass. iur. **Caren Lee Wachowiak** returned to the Endowed Chair of Money, Currency and Central Bank Law of the Institute in April 2014 to work on her doctoral dissertation. As a German-American, Caren has a special interest in financial supervision in Europe and the United States. While her research mainly concentrates on money and currency law, she is also interested in banking and capital markets law. She is an elected member of the IMFS Executive Board representing the academic research and teaching staff.



Fellows

By appointing IMFS Fellows, the Executive Board aims to affiliate selected academics, researchers and practitioners from the areas of monetary policy finance and financial law with the IMFS. The appointment is for a period of three years.

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

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. Each of the IMFS endowed chairs can appoint up to six research fellows. In 2016, the IMFS appointed Emanuel Mönch, Deutsche Bundesbank.

IMFS Distinguished Fellows

Prof. Dr. Dres. h.c. Theodor Baums



Prof. Dr. Dres. h.c. Theodor Baums has the Endowed Chair for Civil and Business Law at the Institute for Law and Finance (ILF) at Goethe University, which he founded and where he now serves as a member of the management board. He was the chairman of the Government Commission on Corporate Governance, a member of the Advisory Board of the Federal Financial Supervisory Authority (BaFin), counsel to the EC Commission on company law, and ethics advisor to the management board of the Deutsche Bundesbank. Currently he is a member of the German government commission on the Corporate Governance Code. Prof. Baums is co-editor of several scientific journals and publication series. He has published more than 150 books and articles on corporations, civil and antitrust law. Prof. Baums has frequently advised the German Federal Government and Federal Parliament on questions concerning company and securities market regulation and was also an advisor for international organizations like the World Bank and the OECD. In 2006, he was awarded the Order of Merit 1st class of the Federal Republic of Germany. Prof. Baums studied law and Catholic theology in Bonn. After receiving his doctor juris he was a professor in Münster and Osnabrück before he came to Frankfurt in 2000. He is a Professeur associé of the University of Luxembourg as well as Dr. rer. pol. h.c. and Dr. iur. h.c. He has been a Founding Professor of the IMFS.

Dr. Willy Friedmann



Dr. Willy Friedmann served in different capacities in the areas of monetary policy, financial markets and trade at Deutsche Bundesbank from 1978 to 2009, and most recently as head of the economics department. Before his service with Deutsche Bundesbank, he was in charge of monetary policy and financial markets at the German Council of Economic Experts. From 2009 until 2015 he was Chairman of the Foundation for Monetary and Financial Stability and a member of the IMFS Board of Trustees. During this time, Willy Friedmann was associated with Goethe University as member of the foundation's Board of Trustees.

Prof. Dr. Hermann Remsperger



Prof. Dr. Hermann Remsperger was member of the Executive Board of the Deutsche Bundesbank from 1998 to 2009 where he was in charge of the department for economics and statistics as well as the research center. In 2006 he became responsible for all matters relating to the bank's international relations. In this capacity he represented the Deutsche Bundesbank in the economics and finance committee of the EU, at the G7 and G20 meetings as well as the Financial Stability Forum. Previously, he was chief economist at BHF Bank. He was a lecturer and honorary professor at Goethe University Frankfurt from 1979 to 2014. As Chairman of the Council of the Foundation for Monetary and Financial Stability (*Stiftung Geld und Währung*), Hermann Remsperger also served as Chairman of the Board of Trustees of the IMFS since its establishment. He retired from these roles in 2015 but remains associated with the IMFS. In 2016, Hermann Remsperger was awarded the Federal Cross of Merit first class in honor of his role in the foundation and numerous other scientific institutions but also his volunteer work in church committees as well as his social commitment.

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



Prof. Dr. Dr. h.c. Reinhard H. Schmidt is Seniorprofessor at the House of Finance of Goethe University, focusing on financial systems in industrial and developing countries, especially comparing financial systems in Europe, international firms and their strategy and structure, finance theory, international economic relationships and regulation as well as development financing. He is a member of the European Shadow Financial Regulatory Committee. He is author and editor of 25 books and 70 contributions to compilations and has published more than 60 scientific articles in national and international magazines. From 1991 to 2014, Schmidt held the Endowed Chair of Finance and Accounting at Goethe University, before that he was a professor in Trier and Göttingen. As a Visiting Professor he taught at various universities like Stanford, Georgetown University, Wharton School as well as in Paris and Milan. He had also been an Affiliated Professor at the IMFS.

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 was a member of the German Monopolies Commission and Chairman of the Commission from 2008 until 2016. Prior to this, he had been 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

Tobias Adrian, Ph.D.



In January 2017, Tobias Adrian took over as Financial Counsellor and Director of the Monetary and Capital Markets Department of the IMF in Washington. Until then, he was a Vice President of the Federal Reserve Bank of New York and head of the Capital Markets Function of the Research and Statistics Group. In that capacity, he had contributed to the New York 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 M.Sc. from the London School of Economics. He also holds M.A.s in Economics from Goethe University Frankfurt and 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, 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. Since 2015, he has been organizing the conference "The ECB and Its Watchers", taking over from Volker Wieland.

Dr. Emanuel Mönch



Foto: Frank Rumpfenhorst

Dr. Emanuel Mönch is Head of Research at Deutsche Bundesbank. He studied statistics at the École Nationale de la Statistique et de l'Administration Économique (ENSAE) in Paris and economics at Humboldt University in Berlin, where he later gained his doctorate. Since 2007 Mönch had been working at the research group of the Federal Reserve Bank in New York until he took over as Head of the Research Center of the Deutsche Bundesbank in 2015. He also taught as a visiting professor at the prestigious Columbia University in New York. The Research Centre of the Deutsche Bundesbank has over 50 members of staff, who carry out research on general economic topics and issues in the areas of banking supervision, financial stability and risk modelling. Mönch has published articles in numerous renowned academic journals and has very close connections in academic circles.

Athanasios Orphanides, Ph.D.



Athanasios Orphanides, Ph.D., is Senior Lecturer at the MIT Sloan School of Management, Cambridge, MA. He holds undergraduate degrees in mathematics and economics as well as a Ph.D. in economics from the Massachusetts Institute of Technology. Orphanides 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.

Prof. Dr. Julia Redenius-Hövermann



Prof. Dr. Julia Redenius-Hövermann is Assistant Professor of Civil and Company Law at the Frankfurt School of Finance and Management. From December 2006 to July 2012 Redenius has held the position of postdoctoral research associate and lecturer at the Chair of Professor Theodor Baums at the Institute for Law and Finance, Goethe University. Before returning to her hometown Frankfurt, Julia Redenius worked as a research associate and lecturer at the Universities of Paris II-Assas and Paris XII-Saint Maur as well as an attorney at law in Paris. Redenius holds Master degrees in French, German, European and International Corporate Law from the University of Paris II-Assas and Munich as well as a Ph.D. (summa cum laude, Supervision: Professor Michel Germain) from the University of Paris II-Assas. She was admitted to the Paris Bar Exam.

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.

IMFS Graduates

All Endowed Chairs at the IMFS contribute to the training of doctoral students within the structured Ph.D. and doctoral programs. For this purpose the chairs regularly offer lecture courses and seminars at doctoral level. In addition, many doctoral candidates work as research assistants in IMFS research projects. Supervision of individual projects is also provided.

The successful completion of a dissertation and the subsequent employment at a university, a research institute, central bank, ministry, international organization, companies or law firms is a key objective of the institute.



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 work temporarily at the IMFS. Thus, the subsequent placement of post-docs also represents an important benchmark of the success of doctoral and post-doctoral training. 2016 has been an extremely productive year at the IMFS as five researchers completed their dissertations.

In March 2016, **Jinhyuk Yoo** completed his dissertation and returned to the Bank of Korea to work in the economic model-based analysis team.

In August, **Anamaria Piloiu** completed the Ph.D. program in economics. Since May 2015, she has been working as an economist in the enterprise risk management division at Deutsche Bank. In an interview on page 26, Anamaria talks about her time at the institute.

Klodiana Istrefi, economist in the monetary policy research division of Banque de France since September 2014, also earned her Ph.D. in economics in August with a dissertation on the influence of uncertainty on monetary policy.

In December, **Robert Beyer** earned his Ph.D. with a dissertation on current macroeconomic challenges in Europe, focusing on the differences between migration and labor markets in Europe and the United States and, on the other hand, monetary policy in Europe. Since September 2016, he has been working as an economist at the World Bank (p. 25).

From the legal side, IMFS researcher **Patrick Tuschl** earned his doctorate in law with a dissertation on the nationalization of system-relevant financial corporations (“Die Verstaatlichung systemrelevanter Finanzmarktunternehmen als Maßnahme der Gefahrenabwehr – Enteignung, Sozialisierung und Eigentumseingriffe zur Sicherstellung der Finanzmarktstabilität”).

Apart from IMFS graduates, Volker Wieland also supervised the dissertation of Yanling Guo and was second examiner of the thesis by Magdalena Lalik.

Conversations with former IMFS researchers



Robert C.M. Beyer, World Bank

“It was a great preparation for the job”

Robert C.M. Beyer joined the Chair of Monetary Economics at the IMFS from October 2014 until September 2016 when he took up a position as economist in the South Asia Office of the Chief Economist of the World Bank. He completed his Ph.D. at Goethe University in December 2016. His interests are in the area of applied macroeconometrics and macroeconomics. During his time at the IMFS he conducted temporary research stays at the European Central Bank and the International Monetary Fund. Two of his papers have already been published in international academic journals and others are available as Working Papers.

What are your main tasks at the World Bank and how would you describe your job?

I am an Economist in the South Asia Office of the Chief Economist and I cover anything in the region related to fiscal policy, growth and macroeconomics. I am the lead author of the biannual South Asia Economic Focus, which provides an overview of recent economic developments in the region, new forecasts for growth and inflation, as well as an analytical chapter looking deeper into a specific topic. In addition, I am leading a project aiming at creating a network of think tanks, academics and policy advisors in South Asia. Last but not least, I assumed a couple of “corporate responsibilities”, like commenting concept notes or briefing the World Bank Risk Group on developments in South Asia. My job is a mixture of a lot of analytical and a bit of operational work with some management duties.

What was the main focus of your research?

My research interests are in the areas of applied macroeconometrics and macroeconomics. The papers in my dissertation focused broadly on recent macroeconomic challenges in Europe ranging from challenges related to migration to monetary policy. One paper looks into labor mobility as an adjustment mechanism after changes to the labor demand. Another one analyzes the labor market performance of immigrants in Germany and provides the background for a paper in which I simulate the recent refugee inflow to Germany. I find that the impact on the domestic population is diverse and that even for those who benefit, these benefits take very long to materialize. Regarding monetary policy, I wrote a paper together with Prof. Wieland, in which we estimate the natural rate of interest and argue that these estimates are not very useful for actual policy making. We wrote another paper with two more authors which proposes a stronger consideration of monetary indicators as a cross-check at the ECB’s monetary policy decisions. With my new job the focus of my research will shift to South Asia.

How is your job related to your work at the IMFS?

The combination of pursuing a Ph.D. at Goethe University and working at the IMFS was a great preparation for the job. While I obtained the necessary tools during the first years in the Ph.D. program, I benefitted a lot from the great infrastructure at the IMFS for my research in the later years. The IMFS really provides a great research environment! Moreover, I really enjoyed the exposure to more policy oriented work, from which I benefit here at the World Bank enormously.



Anamaria Piloiu, Deutsche Bank

“I highly enjoyed being exposed to different angles of the same topic”

Before taking up an Economist position at Deutsche Bank Research in June 2014, Anamaria Piloiu worked at the IMFS as a research and teaching assistant for almost four years. During this time she also did Ph.D. internships at the European Central Bank and at the International Monetary Fund, where she worked on research projects on macro-financial linkages. Anamaria, who was born in Romania, earned a Ph.D. in Economics from Goethe University in August 2016. Prior to her Ph.D. studies, she obtained a M.Sc. in Quantitative Economics from Goethe University and a B.Sc. in Economics from the Bucharest Academy of Economic Studies. Anamaria’s research interests lie in the fields of empirical macroeconomics, monetary economics and macro-financial linkages.

What are your main tasks at Deutsche Bank?

My work at Deutsche Bank focuses on monitoring and analyzing global macroeconomic risks, economic trends and international developments. A large part of my work is related to the design of macroeconomic scenarios for stress testing, including narrative definition, time series projections, econometric analysis and scenario comparison. Another part of my work is characterized by the coverage of several developed countries from a sovereign risk perspective. The country expertise is used for senior management briefings and for informing business lines about relevant developments in specific economies. Also related to global risk monitoring, I have been working on developing an early warning indicators platform for quantifying the risk of corrections of a wide range of asset classes

What do you like most about your job?

What I like most is the environment, which is very dynamic and constantly stimulating. My job requires me to be up to date with the latest global economic developments and to have a forward looking perspective on economic issues. I also enjoy being challenged to think out of the box, as most macroeconomic scenarios designed for stress testing lie outside historical boundaries and are fairly difficult to calibrate. Many times, in such scenarios, the usefulness of the information obtained from the analysis of the historical behavior of macroeconomic and financial time series is somewhat limited, while theoretical predictions on particular economic interactions are yet to be researched.

You had several offers at the job market. Why did you choose Deutsche Bank?

Although the offers that I have received at the job market were very appealing, I decided to take the Economist position at Deutsche Bank because I wanted to gain a thorough knowledge of how the Research department of a major global investment bank functions. Moreover, the financial industry is one of the main pillars of the economics discipline, together with academic research and policy making. I also wanted to apply my quantitative skills on a highly relevant area for the financial industry and regulators, namely macroeconomic stress testing. In addition, I was attracted by the opportunity of complementing my expertise with hands on experience in the financial industry and of gaining a more comprehensive understanding of how different stress tests are designed and implemented across the industry.

What was the main focus of your research?

My research mainly focused on the implications of economic uncertainty for macroeconomic and financial stability. The effects of economic uncertainty, its origins and its nature have played an important role in policy discussions and in macroeconomic theory for decades. In my research I studied how the perceptions of professional forecasters and of the general public about monetary authorities respond to transitory shocks to economic policy uncertainty, on one hand, and how cross

border credit flows are affected by the dynamics of economic uncertainty, on the other hand. Another part of my research examined bank asset quality and the factors contributing to its dynamics

Looking back, what do you appreciate most regarding your doctorate at the IMFS?

IMFS is a great platform that facilitates the get-together of academic researchers, policy makers and financial agents. Being part of the institute and being exposed to the great deal of conferences and events organized there, gave me an enhanced understanding of the economics discipline as a whole. I highly enjoyed being exposed to different angles of the same topic. It was fascinating to witness how different preeminent economic experts, coming from diverse backgrounds i.e. academia, international organizations, central banks, financial institutions, etc. judge a specific economic concept and to observe the interaction of their views.



Jinhyuk Yoo, Bank of Korea
“I learned to read between the lines of models”

Jinhyuk Yoo joined the Ph.D. program at Goethe University in 2010. From 2002 to 2010 he had been working as an economist at the Bank of Korea, South Korea’s central bank, where he also returned to after earning his Ph.D. in March 2016. He graduated from Seoul National University with a B.A. in Mechanical and Aerospace Engineering and a M.A. in Economics. Jinhyuk formed part of Volker Wieland’s Macro Model Base team, collaborating with him as a teaching assistant on macroeconomic model comparison.

What are your main tasks at the Bank of Korea?

I work in the Model-Based Analysis Team in the Research Department. My primary task at the Bank is to improve an existing Dynamic Stochastic General Equilibrium model for the Korean economy such that it can be used in earnest for forecasting and policy analysis. I also worked as a chief secretary for the Bank of Korea – Korea University BK21 Conference, which was held on October 28, 2016 in Seoul.

How would you describe your job to other people?

I’d like to say that my job is to develop a structural macroeconomic model for the Korean economy and to provide the platform for further discussion among other staff economists and policy makers at the Bank.

What is the main focus of your research?

Regarding the research related to tasks at the Bank, I focus on how to integrate economic forecasting with monetary policy decision in the framework of inflation targeting in a small open economy. As for my own research, first and foremost, I’m revising two chapters in my dissertation and try to publish them in academic journals, though it’s very hard to find time for my own research at work. One is my single-authored paper, “Capital Injection to Banks versus Debt Relief to Households”, and the other is a paper jointly written with Bettina Brueggemann, “Aggregate and Distributional Effects of Increasing Taxes on Top Income Earners”. Next, I’m much interested in analyzing the macroeconomic effects of the accumulation of household debt.

How is your job related to your work at the IMFS?

I worked on the Model Base team at the IMFS for three years. I contributed to the development of the Model Base 2.0 and was involved in a research project to develop a new platform for real-time estimation and forecasting with macroeconomic models. Those experiences gave me an opportunity to read between the lines in many monetary DSGE models, which greatly helps me to develop a DSGE model for the Korean economy.

How did the interdisciplinary work at the IMFS influence your research?

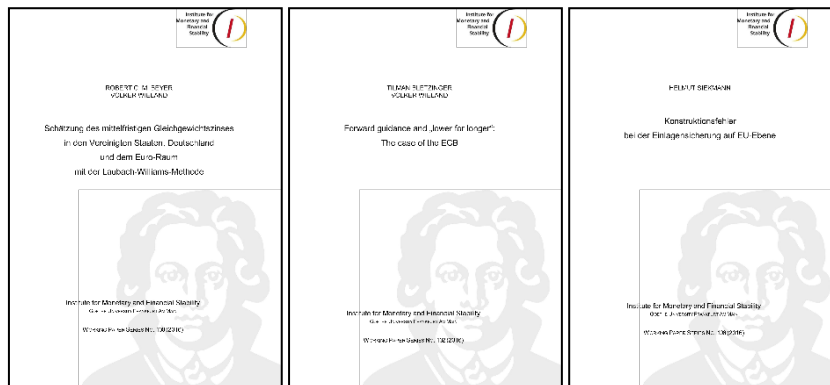
Many interdisciplinary seminars at the IMFS helped me be familiar with the legal terminology used by lawyers. Also, I was taught the introduction to the Treaty on European Union and the Treaty on the Functioning of the European Union in the first year of the Ph.D. program. It helps me understand better the institutional features of the Eurosystem.



Publications and Presentations

I. IMFS Working Papers

The *IMFS Working Paper series* helps disseminate the findings of IMFS researchers among the general public before they are published, for example in scientific journals.



- No. 109** Helmut Siekmann:
“Replacing or Supplementing the Euro in Member States whose Currency is the Euro”
- No. 108** Helmut Siekmann:
“Restricting the Use of Cash in the European Monetary Union”
- No. 107** Volker Wieland, Elena Afanasyeva, Meguy Kuete, Jinhyuk Yoo:
“New Methods for Macro-Financial Model Comparison and Policy Analysis”
- No. 106** Helmut Siekmann:
“Konstruktionsfehler bei der EU-Einlagensicherung”
- No. 105** Athanasios Orphanides:
“Fiscal Implications of Central Bank Balance Sheet Policies”
- No. 104** Helmut Siekmann:
“Preis- und Finanzstabilität: der Primat der Politik, der rechtliche Rahmen und das ‘ökonomische Gesetz’”
- No. 103** John B. Taylor, Volker Wieland:
“Finding the Equilibrium Real Interest Rate in a Fog of Policy Deviations”
- No. 102** Tilman Bletzinger, Volker Wieland:
“Forward guidance and ‘lower for longer’: The case of the ECB”
- No. 101** Helmut Siekmann:
“Ziele, Aufgaben und Befugnisse des Europäischen Systems der Zentralbanken (ESZB)”
- No. 100** Robert C.M. Beyer, Volker Wieland:
“Schätzung des mittelfristigen Gleichgewichtszinses in den Vereinigten Staaten, Deutschland und dem Euro-Raum mit der Laubach-Williams-Methode”

- No. 109** **Helmut Siekmann**
Replacing or supplementing the euro in the Member States whose currency is the euro
- Helmut Siekmann examines whether it is legally possible for an EU member state to leave the euro area or to be excluded and whether member states can introduce a new currency instead of or parallel to the euro.
- No. 108** **Helmut Siekmann**
Restricting the Use of Cash in the European Monetary Union
- The use of cash is being increasingly restricted inside the European Monetary Union and in May 2016 the European Central Bank decided to end the production of 500 euro banknotes. As main arguments cost-effectiveness and the fight against terrorism are cited. Helmut Siekmann analyzes the legal basis of banknotes and coins in the European Union coming to the conclusion that the abolition of cash or restrictions appears to be an infraction of EU law and of German constitutional law.
- No. 107** **Volker Wieland, Elena Afanasyeva, Meguy Kuete, Jinhyuk Yoo**
New Methods for Macro-Financial Model Comparison and Policy Analysis
- Central banks and international organizations need to evaluate the impact and interaction of policy instruments in order to design effective policy strategies. Volker Wieland and his Macroeconomic Model Data Base team present a new and systematic approach for comparative analysis of models. Its computational implementation enables researchers to conduct systematic model comparison and policy evaluations easily. The authors review the literature on model comparison and also demonstrate how models become reproducible for other researchers via the open archive MMB 2.1, which contains 68 models.
- No. 106** **Helmut Siekmann**
Konstruktionsfehler bei der EU-Einlagensicherung
(Construction errors in the European deposit protection)
- The European Commission is promoting the preparations for the introduction of a European Deposit Insurance Scheme, EDIS. Helmut Siekmann points out the construction errors in the draft as the design in form of an insurance instead of a fund, the determination of amounts and the calculation of default probabilities, and especially the question of a guarantee by a public authority.
- No. 105** **Athanasios Orphanides**
Fiscal Implications of Central Bank Balance Sheet Policies
- Fiscal implications of central bank policies tended to be seen as relatively minor and usually escaped close scrutiny. However, at the zero lower bound, monetary and fiscal policies become much closer linked. Athanasios Orphanides examines some of the decisions taken by the Federal Reserve and the ECB during the crisis raising the question whether it is appropriate for an independent central bank to use its discretionary authority to decide which stakeholders to wipe out and which to support.
- No. 104** **Helmut Siekmann**
Preis- und Finanzstabilität: der Primat der Politik, der rechtliche Rahmen und das „ökonomische Gesetz“
(Price stability and financial stability: the primacy of politics, the legal framework and the economic law)
- Helmut Siekmann analyzes the relationship between power, jurisprudence and economic law, bridging the gap between the Austrian School of Economics and the legal competences of the ECB. Siekmann explores the question of where the

independence of the ECB ends and which legal limits the ECB has to respect while maintaining price and financial stability.

No. 103 **John B. Taylor, Volker Wieland**

Finding the Equilibrium Real Interest Rate in a Fog of Policy Deviations

In the opinion of John B. Taylor of Stanford University and Volker Wieland, research on the real equilibrium interest rate is not yet useful for monetary policy although there has been a lot of research recently. The common finding is that the rate has declined to a level not seen in decades. Taylor and Wieland show that the perceived decline may well be due to shifts in regulatory policy and monetary policy that have been omitted from the research.

No. 102 **Tilman Bletzinger, Volker Wieland**

Forward guidance and "lower for longer": The case of the ECB

Applying simple policy rules to the interest rate decisions of the ECB since 2013, Tilman Bletzinger and Volker Wieland find out that these rules call for an increase in the policy rate in the course of 2016. However, the announcement of debt purchases till March 2017 effectively postponed the possibility of a rate hike until after that date. According to the authors this can involve significant risks.

No. 101 **Helmut Siekmann**

**Ziele, Aufgaben und Befugnisse des Europäischen Systems der Zentralbanken
(Objectives, tasks and competences of the European System of Central Banks)**

Helmut Siekmann analyzes the tasks and competencies of the European Central Bank (ECB) and the European System of Central Banks (ESCB) as a whole. Based on the primary law of the European Union as defined by the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU) the Professor of Money, Currency and Central Bank Law sums up the basic principles and responsibilities in the monetary union.

No. 100 **Robert C.M. Beyer, Volker Wieland**

**Schätzung des mittelfristigen Gleichgewichtszinses in den Vereinigten Staaten,
Deutschland und dem Euro-Raum mit der Laubach-Williams-Methode
(Estimates of medium-term equilibrium real interest rates in the United States,
Germany and the euro area based on the Laubach-Williams model)**

Estimates of medium-term equilibrium real interest rates are cited very often in monetary policy. In 2014, Lawrence Summers used estimates of equilibrium real interest rates based on the Laubach-Williams model as evidence for a secular stagnation. Federal Reserve Chair Janet Yellen justified zero-rate policy in a speech in March 2015, referring to the equilibrium real interest rates in the medium term. However, they do not form a sound basis for monetary policy decisions, Volker Wieland and IMFS researcher Robert Beyer write in the working paper.

II. IMFS Interdisciplinary Studies in Monetary and Financial Stability

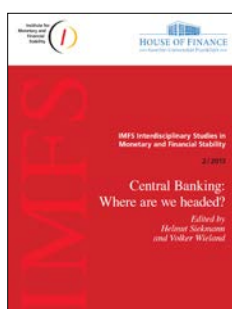
The *IMFS Interdisciplinary Studies in Monetary and Financial Stability series* presents the results of the interdisciplinary research at the institute and focuses either on the research or the policy advice side. The wider distribution of results of jointly organized IMFS conferences is also of great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



Volume 1/2015

“The ECB’s Outright Monetary Transactions in the Courts”

In this study the Outright Monetary Transaction (OMT) program of the ECB and the court case at the German Federal Constitutional Court are analyzed by the authors Christoph Degenhart (Constitutional Court of the Free State of Saxony and Leipzig University), Antonio Luca Riso (ECB), Harald Uhlig (University of Chicago) as well as Helmut Siekmann and Volker Wieland. The study was published on the occasion of the European Court of Justice’s Advocate General summing up the OMT case.



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 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.



Volume 1/2012

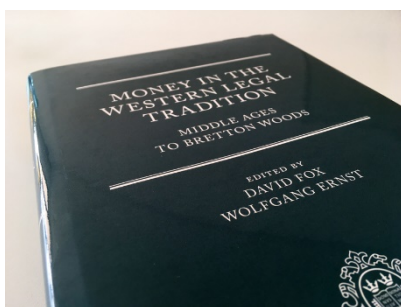
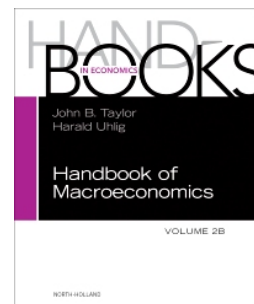
“The ESRB at 1”

This volume contains articles based on speeches and presentations at the 5th IMFS Conference on Monetary and Financial Stability organized jointly with Société Universitaire Européenne de Recherches Financières (SUERF) and Deutsche Bundesbank with contributions by Hermann Remsperger, Stephen Cecchetti, Stephan Ingves, Alberto Giovannini, Jens Weidmann, Alexandros Vardoulakis, Stefano Neri, Jürgen Stark, Elöd Takáts and Christian Upper, Claudia Buch, Sandra Eickmeier and Esteban Prieto, Abdul Abiad, Giovanni Dell’ Ariccia and Grace Bin Li and Francesco Mazzaferro.

III. External Publications

Much of **Volker Wieland**'s current research is focused on the architecture of the euro area and the consequences of low interest rates. Parts of it are integrated in his publications as a member of the German Council of Economic Experts (GCEE). According to the GCEE's Annual Report 2016/17 "Time for reforms", the positive economic development offers a chance to conduct efficiency enhancing structural reforms which lay the groundwork for lasting welfare improvements. Thus, they call for reforms that boost the potential growth of the German economy, help in meeting the challenges of demographic change, globalization and digitization, and reinforce stability and economic strength in Europe. Regarding the expansionary monetary policy around the world, the Council comes to the conclusion that this indicates a misallocation of tasks as monetary policy cannot generate permanently higher growth. The exceptionally loose monetary policy by the ECB contributed significantly to the upturn in the euro area, however, its extent is no longer appropriate in light of the state of the recovery. Monetary policy masks persisting problems such as the lack of necessary budget discipline of some member states as well as their declining willingness to reform. This development increasingly threatens financial stability. An exit from the expansionary monetary policy is becoming more and more difficult.

An essential point in the 2016 research of **Volker Wieland** is a joint contribution to the new Handbook of Macroeconomics, edited by John B. Taylor and Harald Uhlig. The widely-cited first volume of the Handbook of Macroeconomics was published in 1999, and according to the Research Papers in Economics (RePEc) is ranked first among all economics books downloaded. The new 1370-page volume, which will be released in December 2016, provides a broad update of macroeconomic research given the experience of significant economic events like the financial crisis, the Great Recession, the end of the Great Moderation, and the resulting rethinking of macroeconomic models and theories. Together with **IMFS researchers Elena Afanasyeva, Jinhyuk Yoo, and Meguy Kuete**, Wieland prepared a chapter on "New methods for macro-financial model comparison and policy analysis". Since policy making institutions need to compare available models of policy transmission and evaluate the impact and interaction of policy instruments in order to design effective policy strategies, the chapter by Wieland and his co-authors presents a framework for comparative analysis together with applications using a range of recent macro-financial models.



Regarding the legal expertise of the institute, **Helmut Siekmann** contributed a chapter to the first comprehensive analysis of Western monetary law, edited by David Fox and Wolfgang Ernst. On 920 pages, "Money in the Western Legal Tradition – Middle Ages to Bretton Woods" begins with the coin currency of the Middle Ages, describes the rise of the banking system and paper money, then charting the progression to fiat money in the modern era. In the chapter on "Deposit Banking and the Use of Monetary Instruments", Siekmann outlines the evolution of paper money in the Western world from its origins as deposit receipts, also taking into account the interdependence between banking, money, and state. Furthermore, Siekmann illustrates the balance sheets of note-issuing banks.

Affiliated Professor **Tobias Tröger** regularly publishes in renowned legal academic journals such as *JuristenZeitung* and *Neue Juristische Wochenschrift*. In 2016, he shared his insights on the questions whether home loan contracts could be cancelled in the low-interest environment, portfolio management was an investment service and the legislation in partnership law.



Publications at a Glance

Articles in scientific journals in economics, finance and law

- RB Polarization or Convergence? European Regional Unemployment over Time, *Economic Modelling* 55, 373-381 (with Michael A. Stemmer)
- TT Gesetzgebung im Personengesellschaftsrecht (Legislation in partnership law), *JZ* 2016, 834-845
- TT Kündigung von (Bau-)Sparverträgen im Niedrigzinsumfeld (Cancellation of home loan contracts in the low-interest environment), *NJW* 2016, 2839-2844 (with Thomas Kelm)
- TT Anmerkung zu BGH v. 10.11.2015 - VI ZR 556/14, *WuB* 2016, 214-217 - Vorlagebeschluss; Frage, ob die Annahme und Übermittlung eines Auftrags, der eine Portfolioverwaltung zum Inhalt hat, eine Wertpapierdienstleistung i.S.v. Art 4 Abs. 1 Nr. 2 Satz 1 i.V.m. Anhang I Abschnitt A Nr. 1 RL 2004/39EG ist (Explanatory note on BGH 11/10/2015 – order for reference, question whether the reception and transmission of an order regarding portfolio management is an investment service in the sense of Article 4(1) no. 2 sentence 1 in conjunction with Annex I, point A no. 1 RL 2004/39EG)
- VW Finding the Equilibrium Real Interest Rate in a Fog of Policy Deviations, *Business Economics*, Volume 51, Issue 3, July 2016 (with John B. Taylor)

Books

- VW Time for reforms, Annual Report 2016/17 of the German Council of Economic Experts

Contributions to books

- EA, MK, JY, VW New Methods for Macro-Financial Model Comparison and Policy Analysis, in: John B. Taylor and Harald Uhlig (eds.), *Handbook of Macroeconomics*, Vol. 2, North Holland, 2016, pp. 1241-1319
- HS Deposit banking and the use of monetary instruments, in: David Fox and Wolfgang Ernst (eds.), *Money in the Western Legal Tradition*, Oxford University Press, 2016, pp. 489-534
- HS Ziele, Aufgaben und Befugnisse des ESZB, in: Arno Scherzberg, Osman Can, İlyas Doğan (eds.), *Die Sicherung der Geldwert- und Finanzstabilität in Deutschland und in der Türkei*, Lit Verlag, 2016, pp. 79-118
- TT Strukturreform im Finanzsektor - Das Trennbankengesetz als untauglicher Versuch der Verwirklichung von Nachhaltigkeitszielen im Aufsichtsrecht (Structural reform in the financial sector – The Ringfencing Act as an inadequate attempt to achieve sustainability objectives in supervisory law), in: Denise A. Bauer/Gunnar Schuster (eds.), *Nachhaltigkeit im Bankensektor (Sustainability in the Banking Sector)*, Köln: Otto Schmidt 2016, pp. 139-161
- TT How Special Are They? Targeting Systemic Risk by Regulating Shadow Banks in: Bertram Lomfeld/Alessandro Somma/Peer Zumbansen (eds.), *Reshaping Markets. Economic Governance and Liberal Utopia*, Cambridge: Cambridge University Press, 2016, pp. 185-207

- TT §§ 446, 447 BGB in: Beate Gsell/Wolfgang Krüger/Stephan Lorenz/Jörg Mayer (eds.), beck.online.Großkommentar (15.07.2016), München: C.H.Beck
- VW Creditor Participation Clauses: Making No Bail-Out Credible in the Euro Area, Co-authors: Jochen Andritzky, Lars P. Feld, Christoph M. Schmidt, Isabel Schnabel, in Franklin Allen, Elena Carletti, Joanna Gray, G. Mitu Gulati (eds.), Filling the Gaps in Governance: The Case of Europe, European University Institute eBook, May 2016, pp.67-74
- VW Maastricht 2.0: Safeguarding the future of the Eurozone, co-authors: Lars P. Feld, Christoph M. Schmidt, Isabel Schnabel, in: Richard Baldwin and Francesco Giavazzi (eds.), How to fix Europe's monetary union: Views of leading economists, VoxEU eBook, February 2016, pp. 46-61

Policy Papers

- HS A Short Commentary on the Referendum in the UK, SAFE Policy Letter No. 53
- MB, MF, VW The Role of Diverse Beliefs in Predicting Recessions and Recoveries, Mimeo, MACFINROBODS
- TT Should the Marketing of Subordinated Debt Be Restricted/Different in One Way or the Other? What to Do in the Case of Mis-selling?, In-Depth Analysis for the Committee on Economic and Monetary Affairs of the European Parliament and SAFE Policy White Paper No. 35
- VW Für eine echte Reform der Bund-Länder-Finanzbeziehungen (For a real reform of the Federal-Länder financial relations), Co-authors: Lars P. Feld, Clemens Fuest, Justus Haucap, Heike Schweitzer, Berthold U. Wigger, Kronberger Kreis Study No. 62, Berlin
- VW Dismantling the Boundaries of the ECB's Monetary Policy Mandate – The CJEU's OMT Judgement and Its Consequences, Co-authors: Lars P. Feld, Clemens Fuest, Justus Haucap, Heike Schweitzer, Berthold U. Wigger, Kronberger Kreis Study No. 61, Berlin

Working Papers

- EA, MK, JY, VW New Methods for Macro-Financial Model Comparison and Policy Analysis, IMFS Working Paper Series No. 107
- EA, MB, JQ, VW Robust Monetary and Fiscal Policies under Model Uncertainty, Mimeo, MACFINROBODS, October 2016
- EA, MB, MF, MK, VW, JY A Systematic Comparison of the Empirical Implications of Models with Explicit Financial Sector, Mimeo, MACFINROBODS
- HS Replacing or supplementing the euro in Member States whose currency is the euro, IMFS Working Paper Series No. 109
- HS Restricting the Use of Cash in the European Monetary Union, IMFS Working Paper Series No. 108
- HS Konstruktionsfehler bei der EU-Einlagensicherung, IMFS Working Paper Series No. 106

- HS Preis- und Finanzstabilität: der Primat der Politik, der rechtliche Rahmen und das „ökonomische Gesetz“, IMFS Working Paper Series No. 104
- HS Ziele, Aufgaben und Befugnisse des Europäischen Systems der Zentralbanken (ESZB), IMFS Working Paper Series No. 101
- MB, MF, VW Higher-Order Beliefs and Business Cycles: Propagation Mechanisms and Empirical Performance, Mimeo, MACFINROBODS
- MB, PL, VW Fiscal Multipliers in Policy-Focused Models with Financial Sector Risk, Mimeo, MACFINROBODS
- RB The Labor Market Performance of Immigrants in Germany, IMF Working Papers 16/6
- RB, VW Schätzung des mittelfristigen Gleichgewichtszinses in den Vereinigten Staaten, Deutschland und dem Euro-Raum mit der Laubach-Williams-Methode, IMFS Working Paper Series No. 100
- TB, VW Forward guidance and ‘lower for longer’: The case of the ECB, IMFS Working Paper Series No. 102 and CEPR Discussion Paper 11117
- TT Does Say on Pay Matter? Evidence from the German Natural Experiment, 21.01.2016, SSRN, <http://ssrn.com/abstract=2723792>
- VW Finding the Equilibrium Real Interest Rate in a Fog of Policy Deviations, co-author: John B. Taylor, IMFS Working Paper Series No. 103

Miscellaneous

- HS A Central Bank Cannot Solve Structural Problems, SAFE Newsletter, Q1 2016, p.8-9
- MB, PL, VW Fiscal Consolidation Evaluation Tool: User Guide, Mimeo, MACFINROBODS
- TT The Implementation of the Bail-In Tool Requires Crucial Amendments, SAFE Newsletter, Q2 2016, p. 10-11
- VW Creditor Participation Clauses: Making orderly sovereign debt restructuring feasible in the Eurozone, co-authors: Jochen Andritzky, Lars Feld, Christoph Schmidt, Isabel Schnabel, VoxEU, 21.07.2016
- VW Einheit in Vielfalt: Wie es mit Europa weitergehen kann (Unity in diversity: How Europe can proceed), co-authors: Lars Feld, Christoph Schmidt, Isabel Schnabel, Ökonomenstimme, 07.07.2016
- VW Causes of the Eurozone Crisis: A nuanced view, co-authors: Lars Feld, Christoph Schmidt, Isabel Schnabel, VoxEU, 22.03.2016

EA:	Elena Afanasyeva	MK:	Meguy Kuété Ngouing
HS:	Helmut Siekmann	PL:	Philipp Lieberknecht
JQ:	Jorge Quintana	RB:	Robert Beyer
JY:	Jinhyuk Yoo	TB:	Tilman Bletzinger
MB:	Michael Binder	TT:	Tobias Tröger
MF:	Mátyás Farkas	VW:	Volker Wieland

IV. Presentations

Conferences and Seminar Presentations at a Glance

Keynote and major public speeches

01.12.	Munich	German Insurance Association (GDV), annual conference, speech on low interest rates and monetary policy: outlook and risks	VW
17.11.	Frankfurt	Euro Finance Week, executive roundtable of chief economists, keynote speech on the annual report of the German Council of Economic Experts (GCEE)	VW
03.11.	Geneva, Switzerland	Harness Investment Forum, keynote speech on “The Outlook for Political Risks for Europe”	VW
26.09.	Frankfurt	Meeting of ECB-Working Group on Econometric Modeling (WGEM), keynote lecture on “New Methods on Macro-Financial Model Comparison and Policy Analysis”	VW
17.06.	Frankfurt	German Academic Exchange Service (DAAD), scholar meeting, keynote lecture on “Growth and distribution in times of crises and conflicts”	VW
21./22.04.	Vilnius, Lithuania	Vilnius University, seminar for international students and doctoral candidates, speech on “Interdisciplinary Approach to Law in Modern Social Context”	TT
06.04.	Frankfurt	CEPR-IMFS Research Meeting, plenary lecture on “New Methods on Macro-Financial Model Comparison and Policy Analysis”	VW
24.02.	Bochum	9 th Doctoral Conference in Economics at Ruhr University, keynote lecture on “New Methods on Macro-Financial Model Comparison and Policy Analysis”	VW
19.01.	Frankfurt	Frankfurt Chamber of Commerce and Industry, annual reception, keynote speech on the economic outlook for 2016	VW



Volker Wieland at the European Banking Congress on November 18 in a discussion with James Bullard (St. Louis Fed), John Cryan (Deutsche Bank), Andrea Maechler (Swiss National Bank), moderated by Melinda Crane. Major discussions and key speeches usually have an audience of more than a hundred participants.

Speeches

15.12.	Frankfurt	SAFE Policy and IMFS Lecture, presentation of the GCEE annual report	VW
05.12.	Chicago, United States	Northwestern University, workshop in macroeconomics, presentation on bank market power and the risk channel of monetary policy	EA
22.11.	Frankfurt	Board of Trustees, House of Finance, Goethe University, presentation of the GCEE annual report	VW
18.11.	Frankfurt	European Banking Congress, discussion on “Monetary Policy: Which Road Ahead?” with the President of the St. Louis Fed James Bullard and Deutsche Bank CEO John Cryan	VW
17.11.	Como, Italy	3 rd Consortium Scientific Workshop MACFINROBODS, presentation on “Fiscal Multipliers in Policy-Focused Models with Financial Frictions”(PL) and “Robust Monetary and Fiscal Policies Under Model Uncertainty” (JQ)	PL JQ
14.11.	Frankfurt	Euro Finance Week, opening conference, discussion on “Investment in times of zero interest rates”	VW
10.11.	Oeversee	Savings Banks Forum Sankelmark, speech on the decline of interest rates as a possible terror without good ending	VW
10.11.	Bonn	Seminar for practitioners in banking law, civil law related questions regarding the low-interest environment	TT
07.11.	Hamburg	Hamburger Sparkasse, HASPA business meeting, speech on current economic issues	VW
21.10.	Zürich, Switzerland	Workshop on the economics of central banking, presentation of “Evolution or Revolution in Policy Modelling? Integrating the Financial Sector and Forecast Evaluation”	MB
20.10.	Frankfurt	Finanzforum Vordenken, laudatory speech at Young Innovator Award	MB
15.10.	Frankfurt	Colloquium for Prof. Gerhard Gehrig, presentation of “International Financial Integration and Output Growth”	MB
12.10.	Montreal, Canada	McGill University Faculty of Law, speech on why bail-in fails - a critical look at a key feature of the European Banking Union	TT
21.09.	Berlin	1 st regulatory dialogue of the CDU/CSU parliamentary group, discussion on “Does New-Keynesian economics solve our fiscal challenges?” with the President of the German Institute for Economic Research, Marcel Fratzscher	VW
01.09.	Frankfurt	E-Finance Lab & DZ Bank, Joint Fall Conference, presentation on the legal framework of applying blockchains in Germany and Europe (with Benjamin Beck)	HS
18.08.	Frankfurt	Goethe University, Brown bag seminar, presentation on refugee inflows and the macroeconomy	RB
14.07.	Florence, Italy	European University Institute (EUI), Florence School of Banking and Finance, Executive Seminar on Banking and	TT

		Resolution, speech on the implications of the new resolution regimes for regulators	
07.07.	Frankfurt	Goethe University, kick-off event for third mission initiative, discussion with the President of Goethe University	VW
07.07.	Frankfurt	Rotary Club Friedensbrücke, speech on the economic outlook in times of zero interest rates and migration	VW
06.07.	Frankfurt	Center for Financial Studies, workshop on the technology behind bitcoins	HS
05.07.	Frankfurt	DZ Bank, capital market conference, speech on monetary policy between fears of inflation and reform backlog	VW
24.07.	Berlin	International Conference of Councils of Economic Policy, speech on "Monetary Policy, Equilibrium Interest Rates and Secular Stagnation"	VW
24.06.	Munich	Ifo-Cemir junior economist workshop, presentation on the labor market performance of immigrants in Germany	RB
20.06.	Brussels, Belgium	2 nd annual MACFINROBODS dissemination conference, poster session on noise-ridden lending cycles	EA
20.06.	Brussels, Belgium	2 nd annual MACFINROBODS dissemination conference, presentation on a systematic comparison of empirical implications of models with financial sector	EA
18.06.	Frankfurt	German Academic Exchange Service (DAAD), scholar meeting, presentation on the legal aspects of restricting the use of cash in the European Monetary Union	HS
15.06.	Frankfurt	Deutsche Bundesbank and Foundation for Monetary and Financial Stability, panel discussion	HS
13.06.	Frankfurt	Deutsche Bundesbank, Cash Symposium 2016, speech on the role of cash in monetary theory and monetary policy	VW
03.06.	Münster	6 th Münster Banking Law Day, speech on negative interest rates and further contractual consequences of the low-interest phase	TT
01.06.	Hachenburg	University of Applied Sciences of Deutsche Bundesbank, speech on monetary policy between fears of inflation and reform backlog	VW
26.05.	Thu Dau Mot, Vietnam	Vietnamese-German University, presentation of "On the Conditional Effects of IMF Program Participation on Output Growth"	MB
13.05.	Ludwigshafen	3 rd Ludwigshafen Conference on the Currency Area East Asia: Cash in East Asia, lecture on the legal aspects of restricting the use of cash in the European Monetary Union	HS
10.05.	Oldenburg	Employers' Association Oldenburg, presentation series "Economics and Politics", speech on the monetary policy of the ECB and its consequences	VW
30.04.	Constance	University of Konstanz, conference on „Banking beyond banks as a challenge for law and economics“, speech on prudential regulation of shadow banks	TT

29.04.	Los Angeles, United States	University of Southern California, USC Global Leadership Summit on Government Financial Accountability & the European Economic Crisis: Paths to Prosperity, speech on “Maastricht 2.0 – Safeguarding the future of the eurozone	VW
27.04.	Frankfurt	Presentation to participants of the Advanced Studies Program of the Kiel Institute on “Current Issues of Monetary Policy”	VW
26.04.	Frankfurt	ECB, discussion of work on financial globalization and global liquidity	MB
07.04.	Frankfurt	“The ECB and Its Watchers”, chair of the debate on adjustments of the current monetary policy framework	HS
05.04.	Frankfurt	IMFS-CEPR research conference, discussion of “Global Banking, Trade, and the International Transmission of the Great Recession” by Zeno Enders and Alexandra Peter	EA
01.04.	Zurich, Switzerland	Swiss National Bank, conference on repo transactions, speech on monetary policy between fears of inflation and reform backlog	VW
28.03.	Washington, United States	International Monetary Fund, presentation of “International Financial Integration and Output Growth”	MB
17.03.	Stuttgart	LBBW Asset Management Conference, speech on monetary policy in the current capital market environment	VW
10.03.	Cologne	Sal. Oppenheim Investment Conference, discussion on the opportunities and risks of current monetary policy	VW
25.02.	Brussels, Belgium	CEPS Ideas Lab 2016, discussion on QE one year on	VW
27./28.01.	Frankfurt	Workshop of the European Banking Institute (EBI), LAC/MREL in practice - Economical and Legal issues, Challenges for banks in a changing regulatory environment	TT
27.01.	Göttingen	Center for European, Governance and Economic Development Research (CEGE), research colloquium, presentation of the GCEE annual report	VW
20.01.	Tübingen	University of Tübingen, presentation of GCEE annual report	VW
03.01.	San Francisco, United States	American Economic Association, 2016 annual meeting, presentation of new methods for macro-financial model comparison and policy analysis	EA

EA:	Elena Afanasyeva	MK:	Meguy Kuété Ngouing
HS:	Helmut Siekmann	PL:	Philipp Lieberknecht
JQ:	Jorge Quintana	RB:	Robert Beyer
JY:	Jinhyuk Yoo	TB:	Tilman Bletzinger
MB:	Michael Binder	TT:	Tobias Tröger
MF:	Mátyás Farkas	VW:	Volker Wieland

Events

Conferences

- 05./06.04. Day 1 and 2: IMFS-CEPR Research Meeting: “New Methods for Macroeconomic Modelling, Model Comparison and Policy Analysis”
07.04. Day 3: The ECB and Its Watchers XVII

IMFS Working Lunches

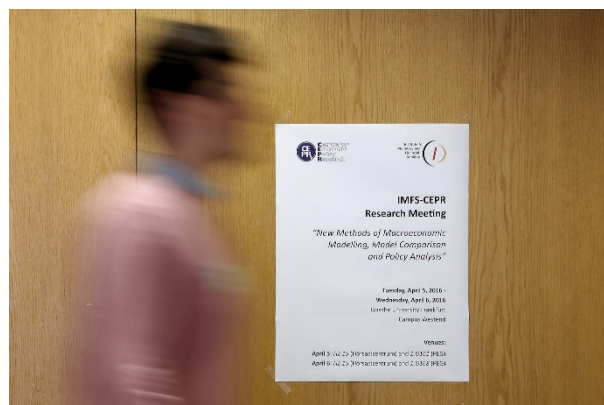
- 14.03. Prof. Heike Schweitzer, Freie Universität Berlin and Kronberger Kreis
09.06. Prof. Thomas Möllers, University of Augsburg
15.12. Prof. Volker Wieland, IMFS (jointly organized as SAFE Policy Lecture)

IMFS Distinguished Lectures

- 29.06. Prof. Peter Huber, Justice of the Second Senate, Federal Constitutional Court

Other Events

- 23.03. German Council of Economic Experts presents economic forecast



I. Conferences

IMFS Conference on Monetary and Financial Stability

The IMFS Conference Series on Monetary and Financial Stability was initiated in 2002. It is designed to provide a platform for the exchange of ideas and views of leading policymakers and outstanding academics on important topics related to monetary and financial stability.

The 2016 edition of this conference was organized as a three-day event. The first two days comprised a research meeting on “New Methods for Macroeconomic Modelling, Model Comparison and Policy Analysis”, whereas the third day was dedicated to the well-established policy conference “The ECB and Its Watchers XVII”.

- Day 1 and 2: April 5 and 6
IMFS-CEPR Research Meeting
jointly organized with the Centre for Economic Policy Research (CEPR), Gernot Müller
- Day 3: April 7
The ECB and Its Watchers XVII
jointly organized with the Center for Financial Studies (CFS), Günter Beck

05.-06.04.

IMFS-CEPR Research Meeting: “New Methods for Macroeconomic Modelling, Model Comparison and Policy Analysis”

How is macromodelling useful for policy advice? At the research meeting as the first part of the 2016 edition of the IMFS Conference on Monetary and Financial Stability economists from international organizations, central banks and universities looked at „New Methods for Macroeconomic Modelling, Model Comparison and Policy Analysis“ from different points of view.

As a starting point, **Robert Tetlow** and **Werner Röger** showed how macromodelling is used in the Federal Reserve Board and the European Commission. Tetlow who is an Advisor at the Division of Monetary Affairs at the Board of Governors of the Federal Reserve System warned policymakers and advisors to be humble. “Despite large advances in recent years policy prescriptions of modern models are as fragile as ever,” he said. “It is difficult to judge whether one model is better than the other”. Comparing the role of the policy advisor and his linear rational expectation models to Hollywood movies he found various similarities: It starts with a shock, then the hero arrives and there is always a happy ending. However, Tetlow points out the importance of uncertainty regarding the data, the parameters and the models. Using the FRB/US model, the Board staff presents prescriptions of simple policy rules like the Taylor rule, Tetlow explained. In his view, simplicity matters. Therefore, Tetlow appealed to take a quantitative central tendency path for policy and target variables and then explicitly consider the uncertainty. “But you always have to consider how to communicate it to the public,” he concluded.



Werner Röger of the Directorate General Economic and Financial Affairs described how the European Commission had made a detour in macromodelling. “At the beginning of the crisis we have made our models more complicated, now we are going back to simpler models,” he said. At the EC, macromodelling encompasses a wide range of applications like fiscal policy as well as regulatory measures, evaluation of the impact of structural reforms and estimates of potential output and output gaps. Based on the EC’s QUEST3 model and various extensions, Roeger analyzed different views about the sources of the long slump in the euro area. “What would be the shocks to generate such a slump?” Roeger asked. Comparing restrictive fiscal policy, household deleveraging, financial constraints for investors and reduced productivity growth, Roeger identified total factor productivity (TFP) and investment wedges as important for the decline of GDP growth in the euro area.



For **Michael Kumhof**, Senior Research Advisor at the Bank of England, banks are not intermediaries of loanable funds. In his view the financing process leads to the digital creation of monetary purchasing power. “Funds first exist in the mind of the banker,” Kumhof explained. “They then materialize digitally along with the loan”. Thus, according to Kumhof macroprudential and monetary policy frameworks should be reevaluated using financing models of banking like the Bank of England has already started doing.

Based on Kumhof’s theory, **Joannes Mongardini**, Deputy Division Chief at the International Monetary Fund, stressed the role of banks as ways of leveraging the economy. “Banks play a critical role because they decide whether clients have a good or bad investment,” he said. As he captures the role of banks as leverage machines with a MAPMOD model Mongardini comes to the conclusion that the behavior of banks is highly non-linear which leads to boom-bust cycles.

Building a bridge between model comparison and policy making, **Massimo Rostagno**, Director of Monetary Policy at the European Central Bank, presented causes of inertia in monetary policy and the consequences. As a means of making model and policy comparison easy, **Volker Wieland**, Managing Director of the IMFS, outlined the features of the Macroeconomic Model Data Base (MMB). Based on this computational platform and its systematic approach, researchers can include new models, compare competing models and make robust policy recommendations.



Furthermore, in parallel sessions researchers analyzed credit, banking and monetary policy, looking at questions of global banking, trade, financial globalization and the slow recovery after the financial crisis. The model-based assessments of fiscal policy were in the center of another session, focusing on fiscal multipliers, a narrative approach to a fiscal DSGE model and a simulation-based approach to the macroeconomic effects of the euro area’s fiscal consolidation. Questions of estimation and forecasting were also addressed in a session whereas aspects of financial frictions, open economies and policy effects were covered in a parallel discussion.

Program

April 5, 2016

1:00 – 2:00 pm

Registration and Coffee

2:00 – 2:10 pm

Welcome

2:10 – 3:15 pm

Session 1: Macroeconomic Modelling and Policy Making

Chair: **Volker Wieland** (IMFS)

Macroeconomic Modelling, Model Uncertainty and Policy Advice

Robert Tetlow (Federal Reserve Board)

Macroeconomic Modelling: From the Financial Crisis to the Long Slump in the Euro Area

Werner Röger (European Commission)

3:15 – 3:45 pm

Coffee Break

3:45 – 6:00 pm

Parallel Session 1a: Credit, Banking and Monetary Policy

Chair: **Michael Binder** (IMFS)

Global Banking, Trade, and the International Transmission of the Great Recession

Zeno Enders (University of Heidelberg); Alexandra Peter)

Discussant: **Elena Afanasyeva** (IMFS)

Financial Globalisation, Monetary Policy Spillovers and Macro-Modelling: Tales from One Hundred and One Shocks

Georgios Georgiadis; Martina Jancokova (European Central Bank)

Discussant: **Falk Mazelis** (Humboldt University Berlin)

Learning About Banks' Net Worth and the Slow Recovery after the Financial Crisis

Michael Kühl; Josef Hollmayr (Deutsche Bundesbank)

Discussant: **Peter Karadi** (European Central Bank)

Parallel Session 1b: Model-based Assessments of Fiscal Policy

Chair: **Gernot Müller** (University of Tübingen)

Comparing Fiscal Multipliers across Models and Countries in Europe

Sebastian Schmidt (European Central Bank) et al.

Discussant: **Benjamin Born** (University of Bonn)

A Narrative Approach to a Fiscal DSGE Model

Thorsten Drautzburg (Federal Reserve Bank of Philadelphia)

The Macroeconomic Effects of the Euro Area's Fiscal Consolidation 2011-2013: A Simulation-based Approach

Jan Strásky (Organisation for Economic Co-operation and Development);

Ansgar Rannenberg; Christian Schoder

April 6, 2016

8:15 – 8:45 am

Coffee

8:45 – 10:15 am

Session 2: Macroeconomic Implications of the Financial Sector

Chair: **Volker Wieland** (IMFS)

Banks are not Intermediaries of Loanable Funds – And Why This Matters

Michael Kumhof (Bank of England)

Discussant: **Stefano Neri** (Banca d'Italia)

Designing Models for Macroprudential Policy Analysis

Joannes Mongardini (International Monetary Fund)

Discussant: **Gianni Lombardo** (Bank for International Settlements)

10:15 – 10:45 am

Coffee break

10:45 – 1:00 pm

Parallel Session 2a: Model Solution, Estimation, and Forecasting

Chair: **Gernot Müller** (University of Tübingen)

Marginalized Predictive Likelihood Comparisons of Linear Gaussian State-Space Models with Applications to DSGE, DSGE-VAR, and VAR Models

Anders Warne (European Central Bank); Kai Christoffel; Günter Coenen

Discussant: **Johannes Pfeifer** (University of Mannheim)

Testing Macro Models by Indirect Inference: A Survey for Users

Michael Wickens (University of York) et al.

Discussant: **Ana Galvao** (Warwick Business School)

A Generalized Approach to Indeterminacy in Linear Rational Expectations Models

Giovanni Nicoló (UCLA); Francesco Bianchi (Cornell University)

Discussant: **Michael Evers** (Goethe University Frankfurt)

A Tractable Framework for Analyzing a Class of Nonstationary Markov Models

Inna Tsener (University of the Balearic Islands); Lilia Maliar; Serguei Maliar; John Taylor

Parallel Session 2b: Financial Frictions, Open Economies, Policy Effects

Chair: **Volker Wieland** (IMFS)

Macroeconomic and Financial Dynamics in Small Open Economies

Markus Kirchner (Central Bank of Chile); Javier García-Cicco

Discussant: **Yuliya Rychalovska** (National Bank of Belgium)

Countercyclical Capital Regulation in a Small Open Economy DSGE Model

Matija Lozej (Central Bank of Ireland); Luca Onorante; Ansgar Rannenberg

Discussant: **Daragh Clancy** (European Stability Mechanism)

Financial Fragility and the Fiscal Multiplier

Sweder van Wijnbergen (University of Amsterdam)

Discussant: **Felix Strobel** (Humboldt University Berlin)

1:00 – 2:30 pm
2:30 – 4:00 pm

Lunch

Session 3: Model Comparison and Policy Making

Chair: **Michael Binder** (IMFS)

On Monetary Policy Inertia: Causes and Consequences

Massimo Rostagno (European Central Bank)

News Methods for Macro-Financial Model Comparison and Policy Analysis

Volker Wieland (IMFS)

4:00 – 4:30 pm
4:30 – 6:00 pm

Coffee break

Steering Group Meeting



07.04.

“The ECB and Its Watchers XVII”

With the eurozone still lagging despite the ultra-low interest rates and the bond-buying program of the European Central Bank, unconventional monetary policy measures were in the center of the discussion of the seventeenth edition of the “The ECB and Its Watchers” conference. The ECB's measures could be increased **Peter Praet**, the ECB's chief economist, told the audience. “If further adverse shocks were to materialize, our measures could be recalibrated once more commensurate with the strength of the headwind, also taking into account possible



side effects”. Without the stimulus, inflation in the euro area would have been around half a percentage point lower in the first months of 2016 and the economy would be around 1.5 percent smaller by 2018, he said. However, he pushed back against radical proposals. Helicopter money was “not on the table”, Praet told the audience. “It's not even discussed informally”. Time and again, some economists argue that central banks should apply radical measures like this textbook concept of printing money and handing it to citizens in order to prevent deflation in the euro area.

Benoît Cœuré, ECB Executive Board member, emphasized the ECB's independence. “Our mandate is not conditional on what others are doing,” he said. Growth-friendly measures would make the ECB's ultra-easy monetary policy more effective, he added. Regarding the question what could be done collectively to make monetary policy more effective Cœuré came to the conclusion that “taking forward the EMU integrations will also improve the effectiveness of monetary policy transmission”.



In his presentation, **Charles Bean**, professor at the London School of Economics, investigated monetary policy in a disinflationary world, looking at forward guidance, quantitative easing, negative interest rates or rather exotic options such as raising the inflation target to e.g. 4 percent or eliminating cash. Warning the central bank about trying to squeeze more and more out of monetary policy, Bean concluded that it was “time for fiscal and structural policies to play a bigger role”. Also to **Hans-Helmut Kotz** monetary policy is overburdened. However, “the need for more coordination is dependent on the context”, the Senior Fellow at the Center for Financial Studies warned.

Hyun Song Shin of the Bank of International Settlements (BIS) drew the attention to the banking sector criticizing that banks don't figure that much in macroeconomic models. However, in his view it was absolutely crucial to focus on bank capital. Presenting his recent study “Why bank capital matters for monetary policy”, the BIS economic advisor appealed that “equity is the foundation of lending”. As banks were better capitalized they could borrow more cheaply. **Martin Hellwig** of the Max Planck Institute for Research on Collective Goods touched upon the relationship

between financial stability and monetary policy. Over the past one and a half years many unusual policies were applied, “all of them in the name of fighting inflation”. However, according to Hellwig the justifications for unconventional measures were too weak, asking the ECB for more patience. “It took two or three years in the past for measures to have an effect,” Hellwig recalled. “If you don't want to wait then force banks to capitalize now,” he concluded.

Catherine Mann, Chief Economist at the OECD, focused on the challenges for monetary policy looking at global growth weakness “through the trade lens”. In Mann's view, the responsiveness of many central banks by recurring to negative interest rates reminded her of a fashion item. As the global growth weakness was caused by China to a large extent, the development of its economy after the internal rebalancing was an important aspect.



Volker Wieland and Hyun Song Shin; Catherine Mann presenting during the second panel; overview of the third panel; Martin Hellwig presenting during the second panel (clockwise)



Regarding the question whether monetary policy should take into account financial stability risks explicitly “weak macroprudential policy may increase the severity of a crisis,” **Lars Svensson**, professor at Stockholm University, warned. **Anil Kashyap** of the University of Chicago argued that leaning against the wind in monetary policy “slows growth in the future but also can prevent a very costly crisis”. In his opinion, the Bank of England model “beats the US and euro area model for tackling instability”. But “it had not been tested yet”.

Giovanni Dell'Arriccia of the International Monetary Fund warned of challenges that come to central banks' independence when their mandate is expanded: “When you include financial stability everything becomes more complicated”. Also to ECB Governing Council member **Ignazio Visco** it is very difficult to consider both financial stability and monetary policy. Nevertheless, “growth and price stability are key for financial stability,” the Governor of the Bank of Italy underlined. “A very accommodative monetary policy involves risks but low levels of interest rates reflect a slack in the economy and dangerously low actual and expected inflation,” he added.

Program

- 8:25 – 8:30 *Welcome*
Günter Beck (IMFS and CFS)
- 8:30 – 10:00 **Debate: What are the appropriate instruments to bring inflation back to target in a world of systematic disinflation?**
- a) Has forward guidance on interest rates satisfied its hoped-for expectations?
 - b) How effective has QE been? Which type of QE (private versus public securities) should be conducted?
 - c) Does QE suffer from diminishing pay-offs/increasing marginal costs? What is the right way to weigh the former against the latter? Are these costs different in a currency union relative to a national state?
 - d) Is there a need for more QE in the euro area?
 - e) What are the alternatives to QE (helicopter money, negative interest rates)?
- Chair: **Volker Wieland** (IMFS)
Speakers:
Peter Praet (Member of the Executive Board of the ECB)
Hyun Shin (Bank for International Settlement)
Charles Bean (London School of Economics)
- Lead questions:
Sylvain Boyer (Natixis)
Ulrich Kater (Deka Bank)
Beatrice Weder di Mauro (University of Mainz)
- 10:00 – 10:30 *Coffee Break*
- 10:30 – 12:00 **Debate: Which challenges do the currently ongoing (and likely future) changes in the financial and (international) economic environment pose on the conduct of monetary policy in the euro area?**
- a) Will the new regulatory financial framework and recent trends in the financial-intermediation sector (towards more market-based financial intermediation) affect the conduct of monetary policy? If so, how? What role will the intended Capital Markets Union play in this context?
 - b) What likely challenges will arise from international developments, such as divergent monetary policies or subdued economic growth in so-called emerging market economies?
 - c) How likely do you think is it that the recommendations of the Five Presidents' Reports are implemented and how would this impact on monetary policy?
- Chair: **Otmar Issing** (CFS President)
Speakers:
Benoît Coeuré (Member of the Executive Board of the ECB)
Martin Hellwig (Max Planck Institute for Research on Collective Goods)
Hans Helmut Kotz (CFS and Harvard University)
Catherine Mann (Organization for Economic Development)

Lead questions:

Claudia Broyer (Allianz SE)

Paul Sheard (Standard & Poor's)

Michael Wolgast (German Savings Banks Association, DSGV)

12:00 – 1:30

Lunch

1:30 – 3:00

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

a) Are the existing institutional frameworks appropriate with regard to their specifications of the objectives of monetary policy or should they be adjusted? In particular, should monetary policy take into account risks to financial stability explicitly?

b) Is targeting an inflation rate of (below but close to) 2% too ambitious? What are the factors that may hinder the accomplishment of such a positive inflation target? Are these factors transitory or permanent? What are the sources: global forces or lack of commitment/sufficient instruments on the side of central banks?

c) Do we need to revisit the reasons for having a sufficient inflation buffer away from zero? Does an inflation buffer of close to 2% represent an appropriate buffer?

Chair: **Helmut Siekmann** (IMFS)

Speakers:

Ignazio Visco (Banca d'Italia)

Lars Svensson (Stockholm School of Economics)

Anil Kashyap (University of Chicago, Booth School of Business)

Giovanni Dell-Ariccia (International Monetary Fund)

Lead questions:

Ernst Baltensperger (University of Bern)

Stefan B. Schneider (Deutsche Bank)

3:00 – 3:10

Closing Remarks

Günter Beck (CFS and IMFS)



II. Working Lunches

These regular academic seminars deal with new research on a range of legal, monetary and financial topics. The Working Lunches usually take place from 12:00 to 1:00 pm. They are attended by Ph.D. students, IMFS faculty and researchers and also attract many participants from central banks, financial institutions and law firms in Frankfurt.

14.03. Prof. Heike Schweitzer, Freie Universität Berlin and Kronberger Kreis “The eroding limits of the ECB's mandate - The OMT judgement and its consequences”



As the Federal Constitutional Court has reopened the hearings regarding the OMT program of the European Central Bank (ECB), the six economists forming the Kronberger Kreis, among them Heike Schweitzer, have warned in a new study of eroding the limits of the ECB's mandate. According to the study, the prohibition of monetary financing will be fundamentally weakened in its significance for the Economic and Monetary Union.

For the first time in its history, the Federal Constitutional Court had made an order for referral to the European Court of Justice (ECJ). In June 2015, the ECJ gave final approval to the ECB's Outright Monetary Transactions (OMT) bond buying program, judging it was falling under the ECB's responsibility and it was not violating the prohibition of monetary financing. On February 16, 2016, the Federal Constitutional Court reopened the hearing.

In their study, Schweitzer and her colleagues of the Kronberger Kreis recommend the Federal Court to follow the operative part of the ECJ's judgement but base its ruling on an autonomous reasoning. Hence, “it could then use its judgements to lay out more demanding legal standards and retain scope for future judicial review of the measures and acts of the ECB,” the authors argue.

In their opinion, the ECJ's findings that “the competences of the European System of Central Banks (ESCB) encompass the rectification of disruptions in the monetary policy transmission mechanism and the uniform transmission of monetary signals into each member state is bound to lead to systematic and continuous intrusions into the field of economic policy”.

09.06. Prof. Thomas Möllers, University of Augsburg “Is permanent capital markets law too much of a good thing?”



Capital markets law is constantly in transformation. However, new elements are not always constructed consistently. This is the conclusion of Prof. Thomas Möllers of Augsburg University during his lecture. “During a long time, the harmonization of jurisdiction was paramount in Europe. Now complexity represents the biggest challenge,” the Professor of Civil Law, Commercial Law, European Law, International Private Law and Comparative Law said. Previously, regulatory issues according to German law comprised 43 pages while they sum

up to 120 pages according to European law, Möllers illustrated. For the framework directives and implementation measures regarding the packaged retail investment and insurance-based investment products (PRIIPs) and Markets in Financial Instruments Directive (Mifid II) Möllers has counted even 398 pages. In his view, the density of standardization is due to the Anglo-Saxon legal view. This is characterized by case law with the judges mainly referring to judgments.

To Möllers' mind, unnecessary complexity also arises from the national legislator rushing ahead. As an example he cited the German product information sheet introduced in 2011 although the differently structured key information documents under PRIIPs were about to follow on the European level. "The legislator institutes new laws knowing well that they will be replaced by others," Möllers criticized. He ascribes this to "political activism" with politicians demonstrating that they are taking measures against the financial crisis although they do not necessarily address the right issues.

Additional complexity is caused by the application of regulations instead of directives. Whereas directives need to be transposed into national law, regulations are legal acts of the European Union that become immediately enforceable as law. However, Möllers cannot recognize any system. "Some issues are taken out and ruled by regulation," Möllers criticized. But on the second level, one can find regulations as well as directives. For Möllers, the application of regulations is a "long-term objective that is desirable" although, in his opinion, the necessary secondary law is still missing. In total, there are too many rules in areas where there is no necessity, Möllers concluded.

15.12. Prof. Volker Wieland, IMFS and German Council of Economic Experts "Presentation of the Annual Report 2016/17 of the German Council of Economic Experts"

At the presentation of the annual report of the German Council of Economic Experts entitled "Time for reforms", Professor Volker Wieland was critical of the work of the grand coalition: "Since the start of the coalition we can see how many developments are undone", Wieland said with regard to the retirement age of 63. At the moment, he sees the German economy close to full capacity utilization and warned of an overheating of the economy. Therefore, in his view it is necessary to safeguard future viability in Germany by pushing deregulation in the services sector, removing limitations of rental fees, and linking the retirement age to life expectancy.



According to Wieland, economic output per capita demonstrates that Europe and not Japan is the horror scenario. The economic situation in the euro area is very heterogeneous with France being worse off than Germany and Italy experiencing a dramatic downturn. "Since 2008 the Italian economy declined by 25 percent and still remains below the level of 1999", Wieland said. As an alternative example Wieland mentioned Spain where the economy has been growing at a very fast pace since 2012. "Early on, Spain has implemented reforms and the economy has recovered in a very short time".

In Wieland's opinion, the monetary policy of the European Central Bank (ECB) is not adequate. For him, it is not necessary to change the ECB's mandate of price stability. "The mandate gives the ECB room to consider other inflation measures besides consumer prices", Wieland said. Although the ECB relies on the Harmonized Index of Consumer Prices (HICP), it could also take into account other inflation measures. "For five years the GDG deflator for the euro area has been showing an increase

of one percent each year.” In Wieland’s view, the ECB could tighten monetary policy in the euro area. In this context, Wieland also pointed out the downside of the expansionary monetary policy, in particular the risks for financial stability, the change-interest risks in the banking sector, and how the governments in the euro area freed themselves from market discipline, which finally leads to fiscal dominance”

III. Distinguished Lectures

In 2010, the IMFS initiated the 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. The lectures are geared to a non-expert audience as well as to participants from policy and academic circles.

29.06. Prof. Dr. Peter M. Huber, Federal Constitutional Court “The financial crisis in the jurisdiction of the Federal Constitutional Court”

According to the Senate Prof. Peter Huber, the recent judgment of the Federal Constitutional Court demonstrates how the judges in Karlsruhe and Luxemburg can lead to a balance between the positions without an escalation of conflicts. “We have built a bridge in our order of reference that Luxembourg has accepted to 80 percent,” the Senate explained during his lecture on the financial crisis in the jurisdiction of the court and the field of tension between the national court and the European Court of Justice (ECJ). He couldn’t have expected more.



One week earlier, the judges in Karlsruhe had backed the European Central Bank’s (ECB) OMT program but formulated a number of restrictions that Bundestag and Bundesbank have to consider. In June 2015 the ECJ had decided in a preliminary ruling that the ECB is allowed to buy government bonds in the OMT program, thus giving the central bank a carte blanche. By requesting a preliminary ruling, the judges in Karlsruhe had broken new ground. It is important to get a conversation between the courts underway, Huber explained this approach. The final words had not yet been spoken, he emphasized.

According to Huber, the significance of the jurisdiction and the courts themselves differ substantially in the various member states. Whereas in Germany people believe in the rights almost in an atavistic kind of way, the constitutional court in France rather is a means to an end, Huber said. Therefore, the same legislative text would be understood in a different way in various countries: “You have to know this in order to comprehend why our jurisdiction causes so much astonishment abroad.” Since the Age of Enlightenment the constitutional state has been prevailing and helped to put an end to injustice.

Based on the seven decisions regarding financial issues, Huber had monitored as rapporteur since 2011, he explained how the legal system is oriented towards the German parliament (Bundestag) as the center of democracy. In this sense, the German Constitutional Court obliged the parliament to control the implementation in the judgement regarding the Greek bailout or granted the parliament

specific permissions concerning the European Stability Mechanism (ESM). According to Huber, this is based on two important principles: The identity control that applies in case the so-called eternity clause is involved, which prevents a constitutional change and reveals the limits of European law. On the other hand, the ultra vires review applies when the limits of the judicial duties are reached. In Huber's view, it is wrong to apply the law in an arbitrary way.

IV. Other Events

23.03. German Council of Economic Experts reduces economic forecast

The Council of Economic Experts (GCEE) has slightly reduced its economic forecast for the current year. According to the Council members Professor Christoph Schmidt, Professor Peter Bofinger, Professor Lars Feld, Professor Isabel Schnabel, and Professor Volker Wieland, the external economic environment has developed slightly weaker than projected. As a result, the GCEE expects German gross domestic product (GDP) to grow by 1.5 percent in 2015 that is 0.1 percentage points less than expected in the Annual Report 2015/16, which had been published in November.



Regarding the latest easing of the ECB's monetary policy, Volker Wieland takes a critical view. "The ECB has reacted much more strongly than in the past", he said during the press conference at the House of Finance at Goethe University.

The average unemployment figures should be reaching again the 3 million mark in the year 2017. The Council expects about 250.000 additional unemployed people as a consequence of the refugee migration to Germany.

The presentation of the economic forecast was covered broadly by news agencies like *dpa*, *Dow Jones* and *Market News* as well as TV and radio stations as *Deutschlandfunk* and *ARD/Hessischer Rundfunk* and national newspapers as *FAZ*, *Handelsblatt*, *Börsen-Zeitung* and *Die Welt*.

Research-Based Policy Advice

IMFS researchers constantly share their insights regarding current economic and legal issues on a national as well as international level. As for **Volker Wieland**, his research is closely intertwined with his work as a member of the German Council of Economic Experts. In 2016, the long-term period of low interest rates was one of the major concerns in the public debate.



Throughout the year, the Council is in contact with ministers and leading officers of federal associations before finally publishing its Annual Report. On November 2, the Council members presented their new report entitled “Time for reforms” to Chancellor Angela Merkel, Finance Minister Wolfgang Schäuble, Minister of Labour Andrea Nahles, and the Minister of Health Hermann Gröhe. In its 509-page 2016/17 report the council also called on the ECB to ease the pace of its bond-buying program. Besides, the council members said “constructive negotiations” might still prevent Britain’s departure from the European Union. Besides, the council called upon the chancellor and her government to keep the door open for Chinese companies as there was no need for fears of German technology being transferred out of the country.

In the discussion on the fiscal relations contribution between the government and the Laender, which will expire by the end of 2019, the six professors forming the Kronberger Kreis, among them Volker Wieland, proposed a genuine reform. In a study entitled “Für eine echte Reform der Bund-Länder-Finanzbeziehungen” the Kronberger Kreis called for abolishing exceptions and instead, introducing a higher level of transparency and more fiscal authority granted to the Länder.



In the legal dispute between the Federal Constitutional Court and the European Court of Justice (ECJ) regarding the OMT program of the European Central Bank the economists of the Kronberger Kreis warned in a study of eroding the limits of the ECB’s mandate. If the Federal Constitutional Court followed the ECJ without any reservation, the ECB’s Governing Council could justify far-reaching interventions in areas of economic and financial policies, the economists pointed out. On the occasion of the ruling of the judges in Karlsruhe in June 2016, Volker Wieland would have preferred the Federal Constitutional Court to distance itself even more explicitly from the strategy of reasoning of the ECJ.

Policy Meetings and Hearings at a Glance

12.12.	Frankfurt	Meeting with the President of Deutsche Bundesbank Jens Weidmann, presenting the annual report 2016 of the German Council of Economic Experts (GCEE)	VW
01.12.	Berlin	High-level workshop of the European Commission representation on economic governance in the euro area	HS
09.11.	Frankfurt	Meeting with Peter Praet, Member of the Executive Board of the ECB, presenting the GCEE annual report	VW
02.11.	Berlin	Meeting with German Chancellor Angela Merkel, Federal Minister of Finance Minister Wolfgang Schäuble, Federal Minister of Labor Andrea Nahles and Federal Minister of Health Hermann Gröhe, presenting the Annual Report 2016 of the German Council of Economic Experts	VW
19.10.	Berlin	Representation of the state of Hesse, financial experts meeting	HS
18.10	Berlin	European Commission representation, meeting on the European deposit protection as prerequisite for the banking union	HS
12.10.	Wiesbaden	German Council of Economic Experts meeting with the Federal Employment Agency	VW
28.09.	Frankfurt	German Council of Economic Experts meeting with the President of the ECB Mario Draghi and the President of Deutsche Bundesbank Jens Weidmann	VW
22./23.09.	Berlin	German Council of Economic Experts meeting with leading officers of the Federal Ministry of Labour and Social Affairs, the Federal Ministry for Economic Affairs and Energy, the Chancellery and the Federation of German Industries (BDI)	VW
15.09.	Berlin	German Council of Economic Experts meeting with leading officers of the Federal Ministry of Finance and the Association of German Chambers of Commerce and Industry (DIHK)	VW
21.06.	Berlin	High-level workshop of the European Commission representation on economic governance in the euro area	HS
12.04.	Berlin	Federal Ministry of Finance, Ministry in dialogue on the future of EU finances	HS
17.03.	Berlin	High-level workshop of the European Commission representation on economic governance in the euro area with Valdis Dombrovskis, Vice-President of the European Commission	HS
17.02.	Berlin	Representation of the state of Hesse, financial experts meeting	HS

Public Outreach and Press

In 2016, IMFS researchers regularly participated in the public debate on price and financial stability by commenting on the **monetary policy of the ECB and also the Fed** as well as matters of central bank law. Given the ongoing low-interest rate policy of the ECB and the prolonged quantitative easing the need for information regarding the consequences continued to rise steadily. Thus, Volker Wieland assessed in several interviews with *Börsen-Zeitung*, *Neue Zürcher Zeitung* or *Welt am Sonntag* that the ECB monetary policy was much too expansionary and the ECB laid the ground for the next crisis. The ECB's decision in December to reduce the scale of its bond-buying program was a step in the right direction, he explained. According to Wieland, however, inflation would have provided scope for at least preparing the exit from the very expansionary monetary policy. After the referendum in Italy, he suggested Italy should apply for help at the ESM, which was also noticed diligently by the Italian press.



In the public **debate about limiting cash payments** there also proved to be an enormous need for shedding light on the legal questions involved. Helmut Siekmann argued in various articles that the elimination of cash payments would hardly be compatible with German Basic Law. In his opinion, such measures do not increase confidence in the euro, he said in an interview with *Börsen-Zeitung*. The ECB's monetary policy could even be taken ad absurdum, as Siekmann explained in *Deutschlandfunk*. In addition, he stressed the advantages of cash payments in an interview with the social association VdK. On the ARD program *Plusminus* Siekmann also warned of the unresolved legal questions regarding transactions based on negative interest rates as practiced by various German municipal communities that are highly indebted.

Research projects such as the Macroeconomic Model Base and findings from papers regarding the influence of interest rates on bond yields were also taken up by the media.



Overall, press activities of IMFS researchers are constantly rising. In 25 opinion-pieces and written interviews, IMFS researchers shared their insights on questions of price stability and currency. The number of short **commentaries rose to more than 90**, which marked a **new record in public dissemination**. IMFS researchers also continued to be sought-after interview partners on TV and radio. For example, on November 9, right after the election of Donald Trump as President of the United States, Volker Wieland contributed his impressions and evaluations regarding the economic consequences during a political TV talk show on *Deutsche Welle TV*.

Public Outreach and Press at a Glance

Media References to IMFS research papers and IMFS research

24.12.	Finanz und Wirtschaft	Die Ökonomie erfindet sich neu (Economics is reinventing itself)	VW
07.12.	FAZIT-Blog	Hat die Makroökonomik eine Geschichte? (Does macroeconomy have a history?)	VW
17.08.	FAZIT-Blog	Leitzinsen beeinflussen Anleiherenditen, aber bestimmen sie nicht (Interest rates influence bond yields but they do not define them)	VW
18.04.	FAZIT-Blog	Was bleibt vom Monetarismus? Zum 100. Geburtstag von Karl Brunner (What remains of monetarism? On the 100 th birthday of Karl Brunner)	VW

Guest Editorials

26.08.	FAZ	Zugang zum Sozialsystem bremsen (Limiting the access to the social system; opinion piece with Lars Feld, Christoph Schmidt and Isabel Schnabel)	VW
15.07.	Zeitschrift für das gesamte Kreditwesen	Die Rolle von Bargeld in der Geldtheorie und Geldpolitik (The role of cash in monetary theory and monetary policy)	VW
08.07.	Wirtschaftswoche	Bankenunion – Schlechter Plan zur schlechten Zeit (Banking union – bad plan at a bad time)	HS
07.07.	Die Zeit, Ökonomen- stimme	Einheit in Vielfalt: Wie es mit Europa weitergehen kann (Unity in diversity: How Europe can proceed; opinion piece with Lars Feld, Christoph Schmidt and Isabel Schnabel)	VW
29.06.	ntv.de	Brexit-Votum ist ein Auftrag an die EU (Vote for leave is a task for the EU)	VW
28.06.	Börsen-Zeitung	Wie ein europäischer Bundesstaat aussehen könnte (How a European federal state could look like)	HS
18.06.	Börsen-Zeitung	Vermarktung von Bail-in Papieren überwachen (Supervising the marketing of bail-in debt, with Martin Goetz)	TT
12.06.	FAS	Immer drauf auf den Steuerzahler (Always hitting the taxpayer) with the Kronberger Kreis	VW
31.03.	Forschung und Lehre	Geprägte Freiheit (Coined liberty)	HS
04.03.	Börsen-Zeitung	Die juristische Basis in der neuen Regulierungswelt (The legal basis in the new world of regulation)	TT
16.02.	ntv.de	EuGH-Freibrief für EZB geht zu weit – Ein Signal nach Luxemburg (The ECJ's carte blanche for the ECB goes too far – A signal to Luxembourg)	VW

Interviews

07.12.	Münchner Merkur/ Oberbayerisches Volksblatt	EZB schafft Grundlage für die nächste Krise (ECB lays the ground for the next crisis)	VW
06.12.	Handelsblatt	Italien sollte Hilfe beantragen (Italy should apply for help)	VW
25.08.	Börsen-Zeitung	„Geldpolitik braucht eine stärkere Regelorientierung“ (Monetary policy needs to be more rule-oriented)	VW
01.08.	Profil	„Die Machtfülle der EZB ist zu groß“ (The ECB has too much power)	VW
30.06.	NZZ	„Die EZB ist viel zu expansiv“ (ECB is much too expansionary)	VW
23.05.	VdK-Zeitung	Bargeld ist geprägte Freiheit (Cash is coined liberty)	HS
21.04.	Boerse.ARD.de	Liegt eine Kompetenzüberschreitung vor? (Is the ECB overstepping its competences with its monetary policy measures?)	HS
24.03.	Fondsmagazin	Licht und Schatten (Light and shadow)	VW
01.03.	Börsen-Zeitung	Ein Jahr QE der EZB (One year of QE by the ECB)	VW
24.02.	Börsen-Zeitung	„Das stärkt nicht das Vertrauen in den Euro“ (This does not increase confidence in the euro“)	HS
10.02.	Wiwo.de	„Abschaffung wäre kaum mit dem Grundgesetz zu vereinbaren“ (Elimination of cash payments would hardly be compatible with German Basic Law“)	HS
01.02.	IHK Wirtschaftsforum	IHK-Jahresempfang: Historische Herausforderung (IHK annual reception: historic challenge)	VW
21.01.	Handelsblatt Global Edition	The trouble with low interest rates	VW
20.01.	Handelsblatt	„Wir müssten höhere Zinsen haben“ (We should have higher interest rates)	VW

Commentaries and Mentions

16.12.	Börsen-Zeitung	Kurzfristig hui, langfristig pfui (In the short run thumbs up, in the long run thumbs down)	VW
11.12.	WamS	Mario Draghis will mehr Schulden machen (Mario Draghi wants to get deeper into debt)	VW
09.12.	NZZ	Die EZB lässt die Notenpresse laufen (The ECB keeps running the printing press)	VW
06.12.	Huffington Post	Volker Wieland, consigliere di Angela Merkel: “L’Italia chieda aiuto all’ ESM” (Volker Wieland, advisor of Angela Merkel: „Italy should ask ESM for help“)	VW
06.12.	Il Foglio	L’Italia chieda aiuto alla Troika: l’uomo della Merkel lancia l’appello (Italy should ask the Troika for help, Merkel’s advisor says)	VW

06.12.	Handelsblatt	Die Furcht vor der nächsten Euro-Krise (The fear of the next Euro crisis)	VW
05.12.	Versicherungswirtschaft- heute.de	Versicherer benötigen „kreativeres Anlageverhalten“ (Insurers need a „more creative investment behavior“)	VW
05.12.	Bocquel-News.de	Ende des extremen Tiefs und leichter Zinsanstieg? (End of the extreme low and slightly increasing interest rates?)	VW
01.12.	Börsen-Zeitung	Brüssel ist nicht Europa (Brussels is not Europe)	VW
19.11.	Frankfurter Neue Presse	Gipfeltreffen der Banker (The bankers' summit)	VW
19.11.	Börsen-Zeitung	Das europäische Fundament bröseln (The European foundation is crumbling)	VW
03.11.	The Times	Wise men are urging Merkel to prevent Britain from leaving	VW
02.11.	Handelsblatt	Kein nachhaltiges Wachstumsmodell (No sustainable model for growth)	VW
02.11.	FAZ	„Erhebliche Risiken für die Finanzstabilität“ (Substantial risks for financial stability)	VW
01.11.	Reuters	Wirtschaftsweisen: Deutschland offen für China- Investoren halten (Economic experts: keep the door in Germany open for Chinese companies)	VW
01.11.	Reuters	Top-Ökonomen fordern von der Bundesregierung mehr Reformen (Top economists call upon the federal government to show willingness to reform)	VW
01.11.	FAZ.NET	Sachverständigenrat kritisiert EZB (Economic experts criticize the ECB)	VW
01.11.	Deutsche Welle.com	Wirtschaftsweisen warnen, fordern, rüffeln (Economic experts are warning, demanding, snubbing)	VW
01.11.	dpa	Wirtschaftsweisen fordern Reformen (Economic experts call for reforms)	VW
01.11.	Reuters (Zeit online, Spiegel Online, Handelsblatt, etc.)	Wirtschaftsweisen erwarten 2017 weniger Wachstum (Economic experts expect less growth in 2017)	VW
27.10.	Die Zeit	Hinter den Kulissen bei den Wirtschaftsweisen (Behind the scenes at the German economic experts)	VW
25.10.	Wiwo.de	University Ranking 2016 – Germany's top universities	VW
07.10.	Handelsblatt	Die Geister, die sie riefen (The spirits invoked)	HS
19.09.	Mitteldeutsche Zeitung	Ungeliebte Münzen – wird Kleingeld-Boykott im Einzelhandel zum Trend? (Unloved coins – is there a trend towards a boycott of change in retail trade?)	HS
16.09.	FAZ-Woche	Die Ohnmacht der Geldhüter (The powerlessness of the money keepers)	VW
06.09.	FAZ	Tauziehen um noch eine halbe Billion Euro Anleihekäufe (Tug of war over another trillion of bond purchases)	VW
03.09.	FAZ.NET	FAZ-Ökonomenranking: Deutschlands	VW

		einflussreichste Ökonomen (Ranking: Germany's most influential economists)	
03.09.	AFP	Rasurée par l'impact mesuré du Brexit, la BCE va choisir le statu quo	VW
31.08.	Finanzen.net	Stehen die Zeichen jetzt auf Crash oder Erholung, Herr Müller? (Are the signs pointing to crash or recovery, Mr Müller?)	VW
25.08.	Freie Welt	Top-Banker warnen vor Bankenkrise in Deutschland (Top level bankers warn against banking crisis in Germany)	VW
25.08.	Börsen-Zeitung	Wirtschaftsweiser fordert andere Geldpolitik (Economic advisor calls for different monetary policy)	VW
25.08.	FAZ	Scharfe Kritik an Zinspolitik der Zentralbanken (Sharp criticism regarding the central banks' monetary policy)	VW
24.08.	FAZIT-Blog	Vier für Deutschland (Four for Germany)	VW
25.08.	FAZ	Scharfe Kritik an Zinspolitik der Zentralbanken (Sharp criticism regarding the central banks' monetary policy)	VW
24.08.	dpa/Reuters (Spiegel Online)	EZB-Politik: Deutsche-Bank-Chef warnt vor „fatalen Folgen“ (CEO of Deutsche Bank warns about „fatal consequences“ of the ECB's monetary policy)	VW
24.08.	FAZ.NET	Wirtschaftsweiser Wieland: EZB destabilisiert Finanzsektor (Economic advisor Wieland: ECB is destabilizing financial sector)	VW
06.07.	Wallstreet Online	EU-Politik nach Brexit: Mehr oder weniger Integration von Nöten? (EU policy after Brexit: More or less integration necessary?)	VW
07.07.	Börsen-Zeitung	Von Physikern und Geldpolitikern (About physicists and monetary policy makers)	VW
25.06.	Oberbayrisches Volksblatt	Die Folgen einer harten Scheidung (The consequences of a cruel divorce)	VW
25.06.	FNP	24 Monate Unsicherheit (24 months of uncertainty)	VW
25.06.	FAZ	Warnung vor mehr Europa (Warning against more Europe)	VW
24.06.	dpa (Merkur.de)	Wieland: Europa darf Großbritannien nicht überstürzt hinausdrängen (Wieland: Europe should not expel Great Britain hastily)	VW
22.06.	Wiwo.de	CDU-Politiker fordert Vetorecht der Bundesbank (Politician of CDU calls for veto right for the Bundesbank)	HS
21.06.	Les Echos	BCE: le juge suprême allemande se rallie á la politique anticrise de Mario Draghi	HS
21.06.	dpa-AFX (Süddeutsche.de, Badische Zeitung)	Karlsruhe stützt EZB-Anti-Krisenkurs unter Auflagen (Karlsruhe supports ECB measures against crisis with certain conditions)	HS, VW

21.06.	Handelsblatt	Showdown vor dem Bundesverfassungsgericht (Showdown in the Federal Court of Justice)	VW
20.06.	Deutschlandfunk.de	Euro-Rettungspolitik – Was darf die EZB? (Euro policy – what is the ECB allowed to do?)	HS
14.06.	Börsen-Zeitung	Warnung vor der Entszinnlichung des Geldes (Warning of the desenzualization of money)	VW
14.06.	Frankfurter Neue Presse	Verfassungswidrig? (Against the law?)	VW
14.06.	FAZ	Große Bedenken gegen Bargeldobergrenzen (Great concern over upper limits for cash)	VW
13.06.	Tagesspiegel	Ex-Verfassungsrichter hält Bargeldobergrenze für bedenklich (For former federal judge upper cash limit is questionable)	VW
13.06.	Wiwo.de	Deutsche wollen 500-Euro-Schein loswerden (Germans want to get rid of 500 euro banknote)	VW
01.06.	DasErste.de	Verrückte Zinswelt - Kredit aufnehmen und Kasse machen (Mad world of interest rates .- taking out a loan and making cash)	HS
11.05.	Nordwestzeitung	Geldpolitik der EZB völlig unangemessen (ECB monetary policy absolutely inadequate)	VW
21.04.	Boerse.ARD.de	Wer kontrolliert eigentlich die EZB? (Who is controlling the ECB?)	HS
20.04.	Wiwo.de	Was passiert, wenn die EZB Unternehmensanleihen kauft? (What will happen if the ECB buys corporate bonds?)	VW
19.04.	Neue Zürcher Zeitung	Kritik an Draghi und der EZB: deutsch und deutlich (Criticism of Draghi and the ECB: German and explicit)	VW
15.04.	Zeitschrift für das gesamte Kreditwesen	Assessment regarding the 70 th birthday of Günther Merl	HS
06.04.	FAZ	Ökonomen streiten über die Gründe der Euro-Krise (Economists argue about the reasons for the euro crisis)	VW
28.03.	Focus online	Strafzinsen und Helikoptergeld – Deutsche proben Aufstand gegen EZB (Penalty interest and helicopter money – Germans are getting rebellious against the ECB)	VW
24.04.	Die Welt	Wirtschaftsweisse erwarten mehr Arbeitslose (Economic experts expected more unemployed people)	VW
24.03.	FAZ	EZB hält Europas Banken für zu schwach (ECB considers Europe's banks too weak)	VW
24.03.	Börsen-Zeitung	Wirtschaftsweisse mahnen EZB (Economic experts warn ECB)	VW
23.03.	Deutschlandfunk.de	Wirtschaftsweisse blicken pessimistischer ins neue Jahr (Economic experts are taking a more pessimistic view of the current year)	VW
23.03.	dpa (Bild.de, Südwestpresse)	Wirtschaftsweisse sehen Geldschwemme der EZB kritisch (Economic experts are skeptical regarding the ECB's glut of money)	VW

17.03.	FAZ	Weltgrößter Rückversicherer greift EZB-Nullzinspolitik an (The world's largest reinsurance company attacks ECB's zero-interest policy)	VW
12.03.	FAZ	Richtiger EZB-Kurs oder Geldpolitik für Zombies? (Is the ECB's course of monetary policy right or is this monetary policy for zombies?)	VW
10.03.	Boerse.ARD.de	Ökonomen zur weiter gelockerten EZB-Geldpolitik (Statements of economists regarding the further easing of monetary policy)	VW
09.03.	Boerse.ARD.de	Geht Draghis Billionenplan auf? (Will Draghi's plan go ahead?)	VW
08.03.	FAZ	Zauberer Draghi und das weiße Kaninchen (The magician Draghi and the white rabbit)	VW
29.02.	Spiegel Online	Budget battle begins over Germany's new residents	RB
24.02.	Deutschlandfunk.de	Keine Wirtschaftsagenda in Sicht (No economic agenda in sight)	VW
21.02.	Focus online	Ökonomen warnen: Bei einer Bankenpleite wird es für Sparer teuer (Economists warn that a bank's insolvency will be expensive for savers)	VW
21.02.	Die Welt	Ökonomen kritisieren Sparer-Haftung bei Bankenpleite (Economists criticize savers' liability when a bank goes bankrupt)	VW
21.01.	Welt am Sonntag	In der Gerechtigkeitsfalle (Caught in the justice trap)	VW
19.02.	dpa-AFX (in FAZ, Focus online)	Wirtschaftsweisse bestätigen Schmidt als Vorsitzenden (Economic experts confirm Schmidt as chairman)	VW
16.02.	Handelsblatt	Klage gegen EZB-Programm – Showdown in Karlsruhe (Lawsuit against ECB program – showdown in Karlsruhe)	VW
15.02.	Deutschlandfunk.de	Umstrittenes Mandat der EZB (The ECB's controversial mandate)	VW
15.02.	FAZ	Karlsruhe verhandelt über das EZB-Notprogramm (Karlsruhe negotiates the ECB emergency program)	VW
09.02.	Wiwo.de	In Griechenland entscheidet sich das Schicksal Europas (Europe's destiny will be determined in Greece)	VW
26.01.	Handelsblatt	Bargeld auf dem Rückzug (Cash on the retreat)	VW
26.01.	FAZ	Warnung vor entgrenzter EZB (Warning of an ECB without restrictions)	VW
26.01.	Börsen-Zeitung	Ökonomen fordern Doppelbeschluss (Economists demand two-track decision)	VW
25.01.	Wallstreet Online	Falsche Weichenstellung: Ökonomen kritisieren das entgrenzte Mandat der EZB (Wrong signals: economists criticize the ECB's unrestricted mandate)	VW
25.01.	dpa	Karlsruhe muss Signal gegen ausufernden EZB-Kurs senden (Karlsruhe has to send a signal against ECB course)	VW

		getting out of hand)	
25.01.	Reuters	German economists stoke legal showdown with ECB	VW
25.01.	Reuters	Experten kritisieren EU-Richterspruch zur Euro-Rettungspolitik (Experts criticize EU judgment regarding euro rescue policy)	VW
21.01.	Versicherungswirtschaft-heute.de	Wirtschaftsweiser kritisiert ultralockere Geldpolitik (Economic advisor criticizes extremely loose monetary policy)	VW
20.01.	Börse-Express.com	Draghis Mannen in Lauerstellung (Draghi's people in lurking position)	VW
20.01.	Frankfurter Rundschau	Flüchtlinge beschäftigen IHK (Refugees preoccupy Frankfurt Chamber of Commerce)	VW
20.01.	Bild Frankfurt	Jahresempfang der IHK: Eiskalte Häppchen und schwere Kost (New Year reception of the Chamber of Commerce: cold snacks and heavy stuff)	VW
20.01.	FAZ/Rhein-Main-Zeitung	Das Powerhouse feiert seine Stärke (The power house celebrates its strength)	VW
20.01.	Börsen-Zeitung	Wirtschaftsweiser drängt EZB zum Kurswechsel (Economic advisor urges ECB to change monetary policy)	VW
09.01.	Hamburger Abendblatt	Experten für alles: Die Kammer kämpft für die Meinungsfreiheit (Experts for everything: the chamber fights for freedom of speech)	HS

TV and radio interviews

08.12.	ARD-Tagesschau	Statement regarding the ECB's monetary policy	VW
08.12.	HR-Info	Statement regarding the ECB's monetary policy	VW
18.11.	Der Aktionär TV	Comment on ECB monetary strategy	VW
14.11.	Bloomberg TV	Europe assessing Trump's global economic impact	VW
09.11.	Deutsche Welle TV	Bizz Talk: After the US elections – The implications for the economy	VW
09.11.	Deutsche Welle TV	Bizz-Talk: Nach der Wahl – neuer Kurs für die US-Wirtschaft?	VW
02.11.	ZDF-heute-Nachrichten	Wirtschaftsweiser fordern Reformen (Economic experts call for reforms)	VW
02.11.	ARD-Tagesschau	Wirtschaftsweiser fordern mehr Reformen (Economic experts call for more reforms)	VW
02.11.	Deutsche Welle TV	Germany's 'economic experts' call for fiscal discipline	VW
02.11.	HR-Info	Fünf Jahre Mario Draghi (Five years of Mario Draghi)	HS
01.11.	HR-Info	Wie tickt Mario Draghi? (What motivates Mario Draghi?)	VW
28.09.	ZDF-heute-Nachrichten & ZDF-Morgenmagazin	Statement regarding the ECB's monetary policy	VW
24.06.	Deutsche Welle TV	Volker Wieland makes a plea for calmness after Brexit	VW

20.06.	Deutschlandfunk	What is the ECB allowed to do?	HS
17.06.	HR-Info	Statement on the tools of the ECB	VW
14.06.	ORF – Mittagsjournal	Statement regarding negative interest rates for municipal communities' credits	HS
09.06.	Deutschlandfunk – Wirtschaft am Mittag	Statement regarding negative interest rates of the ECB	HS
01.06.	ARD-Plusminus	Verrückte Zinswelt - Kredit aufnehmen und Kasse machen (Mad world of interest rates - taking out a loan and making cash)	HS
12.04.	ZDF-Morgenmagazin	Statement regarding the impact of the ECB's monetary policy on banks	VW
07.04.	Deutschlandfunk	EZB in der Kritik (The ECB in the focus of criticism)	VW
07.04.	CNBC	New ECB policy not needed: Wieland	VW
23.03.	Der Aktionär TV	Statement regarding monetary policy of ECB and Fed	VW
23.03.	HR-Info	Statement regarding the new economic forecast of the Council of Economic Experts	VW
23.03.	Deutschlandfunk	Statement regarding the new economic forecast of the Council of Economic Experts	VW
09.03.	HR-Info	Statement regarding one year QE	VW
24.02.	Deutschlandfunk	Keine Wirtschaftsagenda in Sicht (No economic agenda in sight)	VW
15.02.	Deutschlandfunk	Umstrittenes Mandat der EZB (The ECB's controversial mandate)	VW
09.02.	ARD-Mittagsmagazin	Short comment on the discussion about cash restrictions	VW

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