

**“PUBLIC FINANCES IN TIMES OF SEVERE ECONOMIC STRESS:
THE ROLE OF INSTITUTIONS”**

Workshop organised by the European Commission,
Directorate-General for Economic and Financial Affairs (DG ECFIN)
Brussels, 30 November 2011

Venue: European Commission, Charlemagne building, room Lord Jenkins

- 8.30–9.00 Registration
- 9.00–9.10 Welcome address by **Marco Buti**, Director General, DG ECFIN
- 9.10–10.30 Session 1: Fiscal governance and sovereign risk
Chair: **Servaas Deroose** (DG ECFIN)
Lars Feld (Walter-Eucken-Institut; Univ. Freiburg), Alexander Kalb, Marc-Daniel Moessinger, Steffen Osterloh (ZEW Mannheim): Sovereign bond market reactions to fiscal rules and no-bailout clauses: the Swiss experience
Friedrich Heinemann, Alexander Kalb, Steffen Osterloh (ZEW Mannheim): Sovereign risk premia: the link between fiscal rules and stability culture
Emmanuel Mamatzakis (Univ. of Sussex): Revealing market’s animal spirits of the euro area sovereign debt crisis using a generalised loss function: the rule of fiscal rules and fiscal institutions
Discussants: **Anna Iara** (DG ECFIN); **Zsolt Darvas** (Bruegel)
- 10.30–11.00 Coffee break
- 11.00–12.20 Session 2: Aiming at a deeper understanding of post-crisis fiscal governance
Chair: **Elena Flores** (DG ECFIN)
Lili Liu (The World Bank): Debt restructuring and fiscal discipline
Xavier Debrun (IMF): Fiscal policies in crisis mode: has the time for fiscal councils come at last?
Thushyanthan Baskaran, Zohal Hessami (Univ. of Gothenburg): How do fiscal and political institutions affect the success of budget consolidation?
Discussants: **Salvador Barrios** (IPTS); **Adi Brender** (Bank of Israel)
- 12.20–14.00 Lunch Buffet
- 14.00–15.05 Session 3: Fiscal institutions during and after crisis: Lessons from regional experience
Chair: **Istvan Szekely** (DG ECFIN)
Mark Hallerberg (Hertie School of Governance); Carlos Scartascini (IADB): Economic crisis and fiscal reforms: Latin American lessons for Europe
Brian Olden, Carla Sateriale, Duncan Last, Gosta Ljungman, Richard Hughes, Sami Yläoutinen (IMF): Budget institutions for fiscal consolidation: a survey of south east Europe
Discussants: **Peter Part** (Federal Ministry of Finance, Austria); **George Kopits**
- 15.05–15.20 Coffee break
- 15.20–16.30 Panel discussion: How can fiscal institutions help address post-crisis fiscal challenges in different political and cultural contexts?
Claudia Buch (Univ. Tübingen), **Philip Lane** (Trinity College Dublin), **Ludger Schuknecht** (German Ministry of Finance), **Guntram Wolff** (Bruegel)
Moderator: **Martin Larch** (DG ECFIN)
Concluding remarks: **Lucio Pench** (DG ECFIN)