European Economics and Finance Society
Fourteenth Annual Conference
Brussels,
11th-14th June 2015

Conference Program

Thursday 11 June 2015

17.00 – 19.00 Registration

19.00 – 21.00 Welcome Reception

Welcome by
Ansgar Belke
Professor University of Duisburg-Essen and President of European Economics and Finance Society

Venue: Center for European Policy Studies
(Please see maps at the appendix of the program)
### Friday 12 June 2015 · 8:30 – 10:15 | Parallel Sessions 1

**Conference Venue:** Center for European Policy Studies (Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th>Room A</th>
<th>Room B</th>
<th>Room C</th>
<th>Room D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Party Room</td>
<td>Konferenzsaal</td>
<td>Royal Room</td>
<td>Congress Room</td>
</tr>
<tr>
<td><strong>Exchange Rates and Gold</strong></td>
<td><strong>Oil and Energy</strong></td>
<td><strong>Euro Area</strong></td>
<td></td>
</tr>
<tr>
<td>Chair: Michael Murach</td>
<td>Chair: Theo Berger</td>
<td>Chair: Kwan Choi</td>
<td></td>
</tr>
<tr>
<td>Joscha Beckmann and Robert Czudaj</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Exchange rate expectations and economic policy uncertainty</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Matthieu Bussiere, Laurent Ferrara, Menzie Chinn and Jonas Heipertz</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Survey-based exchange rate expectations and Uncovered Interest Parity in recent crisis periods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keith Pilbeam, Dimitrios Asteriou and Kann Masatei</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Exchange Rate Volatility and International Trade: International Evidence from the MINT Countries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Michael Murach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Global determinants of the gold price - A multivariate cointegration analysis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dimitris Kenourgios and Dimitrios Dimitriou</td>
<td>Susanne Gade</td>
<td>Etienne Farvaque and Florence Huart</td>
<td></td>
</tr>
<tr>
<td>- On emerging stock market contagion: the case of Baltic stock markets</td>
<td>- Unilaterally Removing Indirect Subsidies for Maritime Fuel</td>
<td>- A policymaker guide to a stabilization fund in the euro area</td>
<td></td>
</tr>
<tr>
<td>Aristeidis Samitas and Kampouris Elias</td>
<td>Nataliya Langburd</td>
<td>Vaclav Zderek and Cristina Checherita-Westphal</td>
<td></td>
</tr>
<tr>
<td>- High frequency dynamic linkages among international stock markets.</td>
<td>- Shale Gas Discoveries and Technology: Measuring Market Expectations</td>
<td>- Stability and eurozone membership: Should a small country join the Euro?</td>
<td></td>
</tr>
<tr>
<td>Theo Berger</td>
<td>Raymond Swaray, Rayan S. Hammad and Hadiza Sa’id</td>
<td>Kwan Choi</td>
<td></td>
</tr>
<tr>
<td>- A wavelet based approach to measure and manage contagion at different time scales</td>
<td>- Crude oil price volatility switching probabilities and exchange rate regimes of oil producing countries</td>
<td>- Exchange Rate Policy and Welfare</td>
<td></td>
</tr>
</tbody>
</table>
### 10:15 – 10:30 Coffee Break

### 10:30 – 11:45

**Keynote**

**Andy Haldane (Bank of England)**

---

**Friday 12 June 2015 · 11:45 – 13:15 | Parallel Sessions 2**

**Conference Venue:** Center for European Policy Studies (Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th>Room A</th>
<th>Room B</th>
<th>Room C</th>
<th>Room D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Party Room</td>
<td>Konferenzsaal</td>
<td>Royal Room</td>
<td>Congress Room</td>
</tr>
</tbody>
</table>

#### Room A: Monetary Policy and Quantitative Easing
- Chair: Nikolay Hristov

- Romanos Priftis and Lukas Vogel
  - Inspecting ECB QE with a dynamic macroeconomic model
- Ansgar Belke, Daniel Gros and Thomas Osowski
  - Does QE affect long-term interest rates in the US? New evidence based on interest rate differentials
- Oliver Hülsewig, Nikolay Hristov, Thomas Siemsen and Timo Wollmershäuser
  - The potential effectiveness of the ECB’s OMT program in restoring monetary transmission

#### Room B: Funds and Transactions
- Chair: Roberto Pascual

- William Pouliot, Marco G. Ercolani, Joanne S. Ercolani
  - Luck versus skill over time: Time Varying Performance in the Cross-Section of Mutual Fund Returns
- Inés Pérez-Soba
  - The Spanish control transactions below the mandatory bid rule threshold
- Roberto Pascual, David Abad and Magdalena Massot
  - Evaluating VPIN as a trigger for singlestock circuit breakers

#### Room C: Inflation
- Chair: Matthias Mauch

- Jean-Charles Briconigne
  - The quantity theory of money revisited: The improved short-term predictive power of household money holdings with regard to prices
- Theodoros Panagiotidis
  - Hedging inflation with individual stocks: A long-run perspective
- Matthias Mauch, Eliza Lis and Christiane Nickel
  - An empirical analysis of inflation expectation formation in the euro area

#### Room D: Food Prices and Shipping
- Chair: Dimitris Tsouknidis

- Michael Hachula and Malte Rieth
  - Information discovery and trend following: How speculators affect agricultural futures prices
- Sushanta Mallick and Oliver Holtemöller
  - Global food prices and business cycle dynamics in an emerging market economy
- Dimitris Tsouknidis
  - Corporate social responsibility performance and firm performance in the global shipping industry
Friday 12 June 2015 · 14:30 – 16:00 | Parallel Sessions 3

Conference Venue: Center for European Policy Studies (Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th>Room A</th>
<th>Room B</th>
<th>Room C</th>
<th>Room D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Party Room</td>
<td>Konferenzaal</td>
<td>Royal Room</td>
<td>Congress Room</td>
</tr>
</tbody>
</table>

**Room A**
- **Investment and Regulation**
  - Chair: Stefan Zeugner
  - Kamil Liberadzki, Piotr Jaworski and Marcin Liberadzki
  - Regulatory and economic incentives for issuing contingent convertibles
  - Monetary unions and foreign direct investment. The case of the European Monetary Union
  - Stefan Zeugner
  - Construction investment and the current account

**Room B**
- **Economics Growth**
  - Chair: Samaresh Bardhan
  - Michael Murach and Helmut Wagner
  - Effects of structural change on economic growth and shock absorption capability in China
  - Keshab Bhatarai
  - Economic growth and public budget deficit
  - Samaresh Bardhan and Rajesh Sharma
  - Financial development, inflation and growth: Evidences from dynamic panel threshold model

**Room C**
- **Investment, Credit and FDI**
  - Chair: Tomasz Dorożyński
  - Pavlos Stamatiou and Nikolaos Dritsakis
  - Granger causality relationship between foreign direct investments, exports, unemployment and economic growth. A panel data approach for the New EU Members
  - Cristina Jude, Marie Albert and Cyril Rebillard
  - The long landing scenario: Rebalancing from Overinvestment and Excessive Credit Growth. Implications for Potential Growth in China
  - Tomasz Dorożyński, Janusz Świerkocki and Wojciech Urbaniak
  - Special economic zones and FDI inflow. Examples of polish regions.

**Room D**
- **Credit and Financing**
  - Chair: Wiebke Bartz
  - Robert Unger
  - Asymmetric Credit Growth and Current Account Imbalances in the Euro Area
  - Oliver Holtemöller and Jan-Christopher Scherer
  - Do Financing Costs of Non-Financial Corporations in the Euro Area Depend on Country-Specific Factors? Evidence from Microlevel Data
  - Wiebke Bartz
  - Borrower opacity and relationship intensity - Evidence from small business lending in Kosovo
16.00 – 16:15 Coffee break

Friday 12 June 2015 · 16:15 – 17:45 | Parallel Sessions 4

Conference Venue: Center for European Policy Studies (Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th>Room A</th>
<th>Room B</th>
<th>Room C</th>
<th>Room D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Party Room</td>
<td>Konferenzzaal</td>
<td>Royal Room</td>
<td>Congress Room</td>
</tr>
<tr>
<td><strong>Emerging Markets</strong>&lt;br&gt;Chair: Zunaira Aman</td>
<td><strong>Banking</strong>&lt;br&gt;Chair: Michela Rancan</td>
<td><strong>Debt</strong>&lt;br&gt;Chair: Jean-Charles Bricongne</td>
<td><strong>Recessions and Macroeconomic Development</strong>&lt;br&gt;Chair: Rebeca Jiménez-Rodríguez</td>
</tr>
</tbody>
</table>
| Badri Narayan Rath and Vaseem Akram  
- Export diversification, financial development and total factor productivity in emerging market economies  
Eralp Bektas  
- Is there any relationship between corporate governance and corporate social responsibility of emerging markets large corporations  
Zunaira Aman  
- Does financial openness helps improve external competitiveness: Evidence from emerging Markets | Maximilian Podstawski and Anton Velinov  
- The state dependent impact of bank exposure on sovereign risk  
Tommaso Gabrieli, Keith Pilbeam and Bingxi Shi  
- The role of shadow banking in the chinese monetary channel: an empirical analysis  
Michela Rancan, Jessica Cariboni, Kevin Keasey and Francesco Vallascas  
- The determinants of bank activity in the bond market | Tom Neugebauer and Ulrich van Suntum  
- Vollgeld, public debt, and the natural rate of interest  
Arjocu Ana-Maria and Dronca Alexandru  
- Analysis on causality between corruption, bureaucracy and public debt in EU member states  
Jean-Charles Bricongne and Aurora Mordonu  
- Interlinkages of private debt in advanced economies | Bastian Gawellek, Jingjing Lyu and Bernd Süssmuth  
- Did chinese outward Activity attenuate or aggravate the great recession in developing countries?  
Reynald Majetti  
- Foreclosing South African Recessions  
Rebeca Jiménez-Rodríguez  
- Oil price shocks and Spain’s macroeconomic developments |
**Saturday 13 June 2015 · 08:45 – 10:15 | Parallel Sessions 5**

**Conference Venue:** Center for European Policy Studies (Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th>Room A</th>
<th>Room B</th>
<th>Room C</th>
<th>Room D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Party Room</td>
<td>Konferenzsaal</td>
<td>Royal Room</td>
<td>Congress Room</td>
</tr>
<tr>
<td><strong>International Finance and Trade</strong>&lt;br&gt;Chair: Elena Seghezza</td>
<td><strong>Quantitative Easing and Monetary Policy of the ECB</strong>&lt;br&gt;Chair: Georgios Georgiadis</td>
<td><strong>Policy Trilemma and Bailouts</strong>&lt;br&gt;Chair: Giuseppina Cannas</td>
<td><strong>Corruption</strong>&lt;br&gt;Chair: Nikita Zakharov</td>
</tr>
<tr>
<td>Mariusz Krawczyk</td>
<td>Eiji Ogawa and Zhiquan Wang</td>
<td>Esther Ademmer, Joscha Beckmann, Ansgar Belke and Rainer Schweickert</td>
<td>Shrabani Saha and Kunal Sen</td>
</tr>
<tr>
<td>Gunter Schnabl and Rafael Fischer</td>
<td>Peter McQuade, Matteo Falagiarda and Marcel Tirpák</td>
<td>Georgios Chortareas, P. Benczur, J. Cariboni, F. E. Di Girolamo, S. Maccari and M. Petracco Giudici</td>
<td>Camelia Turcu and Rêda Marakbi</td>
</tr>
<tr>
<td>- Regional Heterogeneity, aging society and the role of public debt in Japan in the Post – Bubble Crisis</td>
<td>- Spillover effects of ECB monetary policy on selected non-euro area EU countries: Evidence from an event-study analysis and a BVAR</td>
<td>- Determinants of choice and the softness of the open economy policy trilemma</td>
<td>- Corruption, institutional quality and economic growth: A panel smooth transition regression approach</td>
</tr>
<tr>
<td>- Why tradable producers not always prefer a floating exchange rate and a depreciated currency?</td>
<td>- Global financial market impact of the announcement of the ECB's extended asset purchase programme</td>
<td>- Evaluating the effectiveness of the new EU bank regulatory framework: a farewell to bail-out?</td>
<td>- Corruption and its effect on small business: evidence from Russia</td>
</tr>
</tbody>
</table>

**10:15 – 10:30 Coffee break**
### Saturday 13 June 2015 · 10:30 – 12:15 | Parallel Sessions 6

**Conference Venue:** Center for European Policy Studies (Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th>Room A</th>
<th>Room B</th>
<th>Room C</th>
<th>Room D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Party Room</td>
<td>Konferenzsaal</td>
<td>Royal Room</td>
<td>Congress Room</td>
</tr>
</tbody>
</table>

#### Credit and Country Studies

**Chair:** Ibrahim Elatroush

- Leonor Modesto and Francesco Carli
  - Endogenous Credit and Investment Cycles with Asset Price Volatility
- Mikel Bedayo
  - Creating associations to substitute banks’ direct credit. Evidence from Belgium
- Iulian Ihnatov, Alin Marius Andries, Bogdan Capraru and Aviral Kumar Tiwari
  - The lead-lag relationship between exchange rate and interest rate: the case of Romania
- Ibrahim Elatroush
  - Similarities and Dissimilarities among Egyptian Public Sector Manufacturing Firms: Comparative Study

#### Net Foreign Asset Positions and Portfolio Flows

**Chair:** Keith Fitzgerald

- Gunther Schnabl and Sophia Latsos
  - Net Foreign Asset Positions and Appreciations Expectations on the Japanese Yen and the Swiss Franc
- Martin Schmitz and Michael Fidora
  - Reducing large net foreign liabilities
- Valentyna Ozimkovska
  - Volatility of Real Financial Market Exchange Rates and International Portfolio Flows
- Keith Fitzgerald
  - The Relative Importance of Country and Industry Effects in Portfolio Diversification: Evidence from the Global Crisis

#### Trade and Productivity

**Chair:** Monica Pop Silaghi

- Usha Nair-Reichert
  - Determinants of the Recovery Margin of Trade
- Piero Esposito
  - Trade (dis)integration and imbalances in the Euro Area
- Sushanta Malick and Helena Marques
  - Comparative advantage as a source of exporters' pricing power: Evidence from China and India
- Monica Pop Silaghi
  - Assessing determinants of total factor productivities in the regions of Europe. Health, human capital and R&D

#### Monetary Unions

**Chair:** Joseph Joyce

- Philipp Engler and Wolfgang Strehl
  - Progressive Taxation and Monetary Policy in a Currency Union
- Lukas Vogel and Werner Roeger
  - Do fiscal transfers strengthen risk sharing in monetary union? A model-based analysis
- Paolo Canofari and Giovanni Di Bartolomeo
  - Contagion under Uncertainty in Monetary Unions
- Joseph Joyce
  - External Balance Sheets as Crisis Buffers

**10:45 – 12:15**

**12:15 – 13:15** Lunch Break
### 13:15 – 14:30
**Athanasios Orphanides (MIT)**

**Conference Venue:** Center for European Policy Studies  
(Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th><strong>Room A</strong></th>
<th><strong>Room B</strong></th>
<th><strong>Room C</strong></th>
<th><strong>Room D</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Working Party Room</strong></td>
<td><strong>Konferenzsaal</strong></td>
<td><strong>Royal Room</strong></td>
<td><strong>Congress Room</strong></td>
</tr>
</tbody>
</table>
| **House Prices**  
Chair: Marian Risse | **Interest Rates and Exchange Rates**  
Chair: Samer Mehibel | **Crisis and Politics**  
Chair: Aristeidis Samitas | **Fiscal Policy**  
Chair: Pablo Aguilar |

#### 14:30 – 16:00

<table>
<thead>
<tr>
<th>Time</th>
<th>Venue</th>
<th>Speaker(s)</th>
<th>Topic</th>
</tr>
</thead>
</table>
| 14:30 | Room A | Sercan Eraslan  
- Safe-haven-demand for housing in London from the euro area  
- A nonlinear pair-wise approach for the UK regional house prices | Room A Venue |
| 14:30 | Room B | Nikolaos A. Kyriazis, Stephanos Papadamou and Eleftherios Spyromitros  
- Testing for cointegration with threshold effect between Bank of England’s Assets and Interest Rates  
- Central Bank’s Interest Rate Projections under Asymmetric Loss – Some Theory and International Evidence | Room B Venue |
| 14:30 | Room C | Antonios Sarantidis and Dimitrios Asteriou  
- Are Bank Returns More Sensitive During Crisis? Evidence from the DID and CIC approaches for a large panel of countries  
- RHOMOLO: A Dynamic General Equilibrium Modelling Approach to the Evaluation of the EU’s R&D Policies | Room C Venue |
| 14:30 | Room D | Stefan Hohberger and Lena Kraus  
- Is fiscal devaluation welfare enhancing? A model-based analysis  
- Balanced budget fiscal policy (de)stabilizing rules  
- The role of term structure in an estimated DSGE model with learning | Room D Venue |

---

**Moderators:**  
- Marian Risse  
- Samer Mehibel  
- Aristeidis Samitas  
- Pablo Aguilar
### Saturday 13 June 2015 · 16:15 – 17:45 | Parallel Sessions 8

Conference Venue: **Center for European Policy Studies** (Please see maps at the appendix of the program)

<table>
<thead>
<tr>
<th>Room A</th>
<th>Room B</th>
<th>Room C</th>
<th>Room D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Party Room</td>
<td>Konferenzsaal</td>
<td>Royal Room</td>
<td>Congress Room</td>
</tr>
</tbody>
</table>

#### Room A - Economic Growth
- Chair: Rainer Schweickert
  - Small and Medium Sized Cities: Source of Growth and Knowledge-Based Strategies
    - Michael Stemmer, Olivier Damette and Mathilde Maurel
  - What does it take to grow out of recession? A comparative approach towards long run growth determinants of countries
    - Rainer Schweickert and Markus Ahlborn

#### Room B - Interest Rates and International Finance
- Chair: Björn Urbansky
  - On the Return Predictability of Investor Sentiment: Time-series and Cross-sectional Evidence from China
    - Xing Han and Youwei Li
  - VAT Rebates As Trade Policy: Evidence from China
    - Bo Gao, Nils Braakmann and Sara Maioli

#### Room C - Productivity and Wages
- Chair: Amjad Naveed
  - Productivity, Markups and International Trade: The Case of Small Open Economy
    - Umut Kilinc
  - Downward wage rigidities, credit frictions and unemployment
    - Mirko Abbritti, Stephan Fahr and Tommaso Trani

#### Room D - Inflation and Unemployment
- Chair: Dimitrios Bakas
  - Public debt and economic growth – Heterogeneous effects due to institutional differences
    - Amjad Naveed
  - Productivity Convergence and Structural Changes: A Panel Unit Root Analysis
    - Leyla Baştav
  - Turkish inflation dynamics: New keynesian phillips curve (2000 – 2013)
    - Keshab Bhattacharjya
  - Unemployment trade-offs in OECD
    - Dimitrios Bakas and Georgios Chortareas
  - Openness, inflation dynamics and output-inflation trade-Offs
    - Openness, inflation dynamics and output-inflation trade-Offs
Saturday 13 June 2015

20:00 Conference Dinner
Aux Armes de Bruxelles – 12 rue des Bouchers 1000 Bruxelles

Sunday 14 June 2015

09:30 – 14:00 Optional Excursion

Brussel Historical Bus Tour
Half Day Tour (09:30-14:30)

Registration at the conference. Detailed information will be provided soon
APPENDIX
Maps and Directions

European Economics and Finance Society
Fourteenth Annual Conference
Brussels, 11th-14th June 2015

Conference Location:
Center for European Policy Studies – 1 Place de Congress, 1000 Brussels
Location for Dinner on Saturday:
Aux Armes de Bruxelles
12 rue des Bouchers
1000 Brussels

Route from conference location to dinner location