

## Klaus Liebscher Award



## Klaus Liebscher Award for Scientific Work on European Monetary Union and Integration Issues by Young Economists

Ladies and Gentlemen, this is the 6<sup>th</sup> time that we give the *Klaus Liebscher Award* to a team of young researchers in economics.

On the occasion of the 65<sup>th</sup> birthday of Klaus Liebscher, former Governor of the Oesterreichische Nationalbank (OeNB), the bank in 2005 established the Klaus Liebscher Award. We did so in recognition of his unrelenting commitment to the cause of European integration and Austria's participation in European Economic and Monetary Union. This award is the highest scientific distinction, the OeNB offers. It is granted every year for an excellent paper on European Economic and Monetary Union and European integration issues. Young economists, up to 35 years from EU member and EU candidate countries are eligible. The award is worth EUR 10,000. The papers are refereed by a panel of highly qualified reviewers.

The OeNB is motivated to support economic research in response to its integration into the ESCB and very much increased its research activities and research capabilities. Meanwhile academic publications and the contributions to the system have been substantial. The efforts to increase the economics and research output certainly also reflect the fact that we now operate in a very different environment, where the role of research for modern central banking has become much more important. The OeNB's support for economic research is visible in numerous activities, like for example the Klaus Liebscher Award, which we give to three outstanding young researchers this year. The support of research and the exchange with other researchers in

economics is an important investment of OeNB in its economic expertise.

The winning paper of this year is co-authored by a team of three young economists: *Zeno Enders* from the University of Bonn, *Philip Jung* from the University of Mannheim and *Gernot Müller* from the University of Bonn. Their joint paper has the title: *Has the Euro Changed the Business Cycle?*

The European business cycle is analyzed from the perspective of volatility of macroeconomic fundamentals as well



as cross country correlations of these variables. EMU led to a decline in real exchange rate volatility and a change in cross country correlations. The volatility of macro economic fundamentals remains unchanged. The analysis demonstrates that the introduction of the euro lead to significant changes in the business cycle. While the interdependence between euro area countries has increased the impact to domestic shocks declines relatively to external shocks.

*Zeno Enders* is a junior professor at the University of Bonn and holds a Ph.D. in economics from the European University Institute in Florence. His research fields are international macro

economics, asset markets and monetary policy. *Philip Jung* is a junior professor at the University of Mannheim. He is a graduate from the Johann Wolfgang Goethe University Frankfurt. His main fields of research are labor markets, incomplete financial markets and computational macroeconomics. *Gernot Müller*

is a professor of economics at the University of Bonn. He is also a fellow of the Center of Economic Policy Research in London. He holds a Ph.D. in economics from the European University Institute in Florence. His main fields of research are international macroeconomics and business cycle theory.