

Research Update

Economic Analysis and Research Department

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Editorial



by Doris Ritzberger-Grünwald
 Director of the Economic Analysis and Research Department

The basics, or: back to the roots

Dear reader,

as everything on Greece has been said, in one way or other, I take the opportunity to introduce a new product of ours: an “inflation quarterly” analyzing the latest inflation developments in Austria. The inflation quarterly will look at different goods and services in different sectors in more detail, add more prominence to the OeNB’s regular inflation forecast and also explore topics of special interest in the form of a box. The first box is on e-commerce and its possible or probable impact on inflation. As the price level in Austria very often lies above the one in neighboring countries, many people are looking for bargains on the internet. Such purchases will have a dampening effect on the local price level. This effect, while not overwhelming, is highly welcomed due to the relative high prices which characterize the Austrian market at least for some goods.

What is the purpose of this new exercise? First, within the euro area, price stability is defined for the euro area as a whole. But the prices have told us impressively that it is not a good idea to look solely at aggregates or averages, hence the motivation to add a domestic perspective. Second, prices are an important part of competitiveness. As Austria has not been a frontrunner in this respect recently, closer analysis should identify areas that need more effort. Third, at a European level the current issue is not so much to rein in too high inflation. Much rather, the challenge is to cope with low or even no growth given the historically low inflation rates. In this respect we have come back to the roots, interpreting the Philips curve and Okun’s law.

The inflation quarterly will complement our analysis on house prices, which went public one and a half years ago. Whereas the fundamentals indicator for house prices helps to judge financial stability, our inflation quarterly is meant to be our core product for measuring price stability. We are sharing the results of these work streams, which are of course closely linked, in the hope of providing useful information.

Wishing you a restful summer break in these challenging times

Doris Ritzberger-Grünwald

Inflation in Austria remains relatively high – Rise in Internet retailing has price-dampening effect

First issue of the OeNB Inflation Quarterly

From mid-2015 onward, the Oesterreichische Nationalbank (OeNB) publishes an Inflation Quarterly on its website that presents a detailed analysis of inflation developments in Austria over recent months. This analysis also contains an outlook on price developments for the current and the coming year.

The first Inflation Quarterly focuses in particular on the growing impact of e-commerce on inflation. In Europe, Austria ranks in the middle for Internet trade sales, with Austrian consumers making more cross-border Internet purchases than their counterparts in other countries. Here, the comparatively high price level in Austrian offline trade is likely to play a role. Previous studies suggest that e-commerce has a slightly price-dampening effect, in particular for electrical appliances.

Austrian HICP inflation went up by 0.5 percentage points since the beginning of the year to reach 1.0% in May 2015. This rise is primarily attributable to a rise in commodity prices for energy and metals, which affected the prices of energy and industrial products in particular. Core inflation (HICP excluding energy and unprocessed foods) has remained broadly stable since early 2015, coming to 1.7% in May 2015. This means that Austria's inflation rate continues to be above the euro area average (0.3% in May 2015). The inflation differential is traceable above all to diverging inflation dynamics in the services sector, especially in sectors with a particularly high wage share such as hotel and restaurant services, financial services and public services.

For the current year, the OeNB expects an average HICP inflation rate of 0.9%. For 2016 and 2017, a slight increase to 1.9%

and 2.0%, respectively, is forecast. This increase will be driven especially by expectations of rising commodity prices (oil prices in particular), higher consumer demand and the VAT hike envisaged by the latest tax reform.

Producer prices have gone up again recently. For instance, producer prices for consumer goods, which are closely linked to final consumer prices, have been advancing since February. Rising producer prices in this category should have an impact in particular on the final consumer prices of food and industrial goods. In part, this inflationary pressure is driven by higher unit labor costs for enterprises resulting from lower productivity.

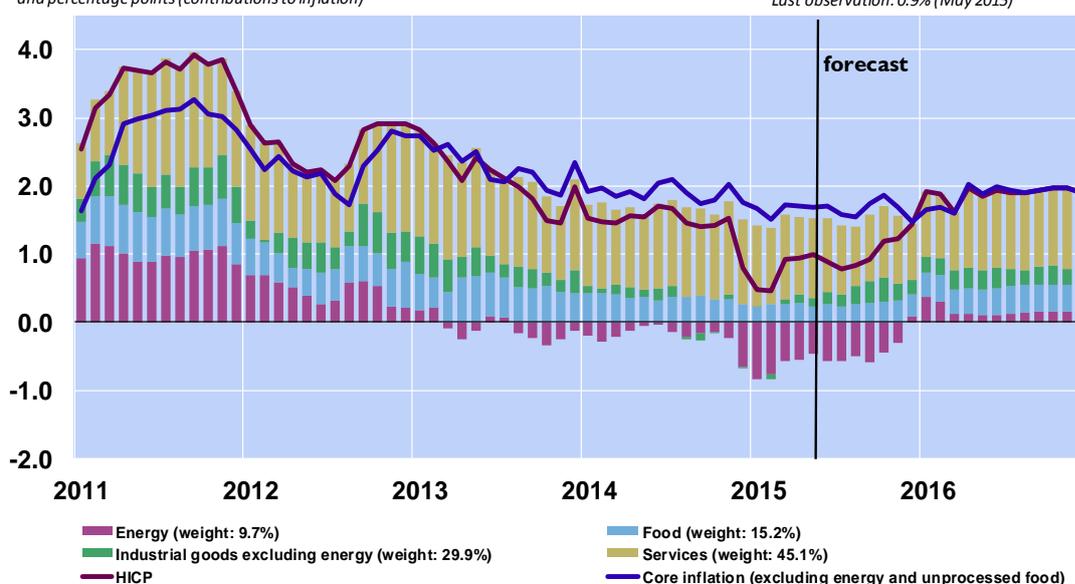
The first issue of Inflation Quarterly (in German only) is available at

http://www.oenb.at/dms/oenb/Publikationen/Volkswirtschaft/inflation-quarterly/Inflation-Quarterly-012015_final/Inflation%20Quarterly%20012015_final.pdf

Austrian HICP inflation rate and contributions of subcomponents

Annual change in % (HICP and core inflation)
and percentage points (contributions to inflation)

Last observation: 0.9% (May 2015)



Source: OeNB, Statistics Austria, Eurostat.

Four-year economic downturn to end in 2016

Economic outlook for Austria from 2015 to 2017 (June 2015)

According to its June 2015 economic outlook, the Oesterreichische Nationalbank (OeNB) expects – as in December 2014 – the Austrian economy to grow by 0.7% in 2015. For 2016 and 2017, it anticipates growth to accelerate to +1.9% and +1.8%, respectively.

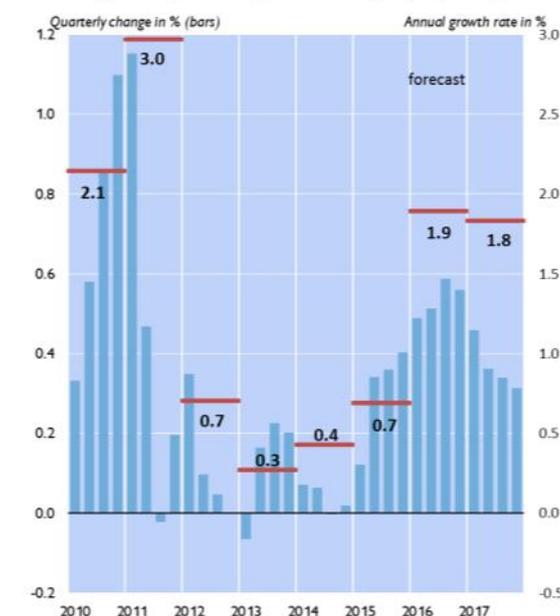
At a mere +0.4%, Austrian GDP growth was disappointing in 2014, being not only lower than in the euro area (+0.9%), but also considerably lower than in Germany (+1.6%). The economic downturn was induced by sluggish export demand and uncertainties about future economic developments, which were caused by

momentum will accelerate export growth from +2.8% in 2015 to +4.8% each in both 2016 and 2017. Domestic import growth is also picking up significant pace on the back of strengthening domestic demand.

The reasons for the current downturn in investment are twofold: low aggregate demand and a pronounced uncertainty about future profitability. Although investment will contract in 2015 as a whole (–1.9% year on year), for the second half of 2015, a drop in uncertainty levels and a slow recovery in investment activity are expected. Investment activity will be fueled primarily by investment in equipment.

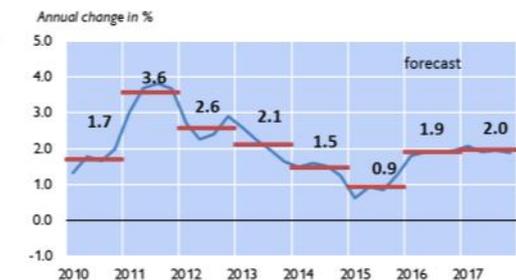
OeNB June 2015 outlook for Austria – key results

Real GDP growth (seasonally and working day-adjusted)



Source: Statistics Austria, WIFO, OeNB June 2015 outlook.

Harmonised Index of Consumer Prices



Unemployment rate



geopolitical tensions – in particular, the conflict between Russia and Ukraine. Furthermore, comparatively high inflation meant very weak growth in real income and, thus, private consumption.

GDP growth in the euro area stabilized in 2014 and will accelerate in the next few years. The euro area has been benefiting from the price of crude oil and the Eurosystem's expanded asset purchase programme (EAPP). In view of well-advanced consolidation, fiscal policy will no longer have a dampening effect on GDP growth.

Austrian exporters have registered deteriorating price competitiveness in recent years, suffering noticeable losses in market shares. Nevertheless, increasing export

The pickup in economic activity and the dissipation of the dampening effects of energy prices will see inflation climb back to +1.9% (2016) and +2.0% (2017).

Employment growth, despite the frail economy, will slow only slightly to +0.7% in 2015 (2014: +0.8%). For both 2016 and 2017, employment growth is expected to accelerate markedly for cyclical reasons. In view of weak economic momentum and sustained growth in the labor supply, the unemployment rate (Eurostat definition) will further climb to 5.7% in 2015. As in the past, unemployment will follow GDP growth with a lag and is expected to drop slightly to 5.5% only in 2017.

The key stimulus for growth in real disposable household income will come from lower inflation in 2015 and from the tax reform package in 2016. For private consumption, this means a significant acceleration after several years of only modest growth.

Austria has recorded higher inflation rates than the euro area as a whole for a number of years now. In 2015 as a whole, HICP inflation will be historically very low, rising by just 0.9%.

Long-term perspectives for economic growth

43rd Economics Conference; June 15 and 16, 2015, Vienna



Karl Aiginger head of the Austrian Institute of Economic Research presented their take on the main issues. ECB Executive Board member **Peter Praet** and **Anne Boucher**, Director at the European Commission for Economic and Financial Affairs, discussed how monetary policy contributes to the recovery and what should be the role investment. After the presentation of the **Klaus Liebscher Award**, in the afternoon **Thomas Helbling** from the IMF and **Giuseppe Nicoletti** from the OECD presented current research of their institutions. **Juan Jimeno** from the Banco de España and **Ugo Panizza** from the Graduate Institute in Geneva looked into impediments to growth as a result of debt overhang. In the evening of the first conference day, the Federal Minister of Finance, **Hans Jörg Schelling**, gave a speech and discussed current

Eight years after the start of the economic and financial crisis, many euro area countries continue to suffer from weak growth and high unemployment. The euro system has lowered interest rates to a level close to zero and further eased by unconventional measures the financing terms. Recent economic data indicate that the effectiveness of the measures, but the full effect remains to be seen. The fiscal policy has in many countries reached their limits. The EU has taken a series of ambitious structural reforms in attack, but their implementation remains partially incomplete. Financial markets are indeed characterized by higher risk appetite, but weak business investment and high unemployment impede recovery. Why is the upturn – despite recent encouraging economic signals – total so sluggish? Has the crisis lowered the long-term potential growth permanently? How big is the output gap? Is the European Union entering a phase of secular stagnation?

The 43rd Economics Conference of the OeNB addressed these important questions, (re)evaluated the sources of sustainable economic growth and discussed new and innovative responses economic policy can take in face of the current challenges. The conference brought together national and international experts and practitioners from government, business, finance and academia.

After opening remarks by Governor **Ewald Nowotny**, State Secretary **Sonja Stessl** held an opening speech. **André Sapir** from the economic think tank Bruegel and

budgetary policy issues in Austria with the audience. The second day of the conference concluded with presentations by **Alexia Fümkrantz-Prskawetz**, Deputy Director at the Austrian Academy of Sciences and **Wilhelm Molterer**, Vice President of the European Investment Bank, looking into issues of demography and investment. In the final session **Nicholas Crafts**, from Warwick University and **Carl Christian von Weizsäcker** addressed the topic of secular stagnation and how to avoid it.



For more information on the Economics Conference, visit:

<http://www.oenb.at/en/Calendar/2015/2015/43rd-economics-conference.html>

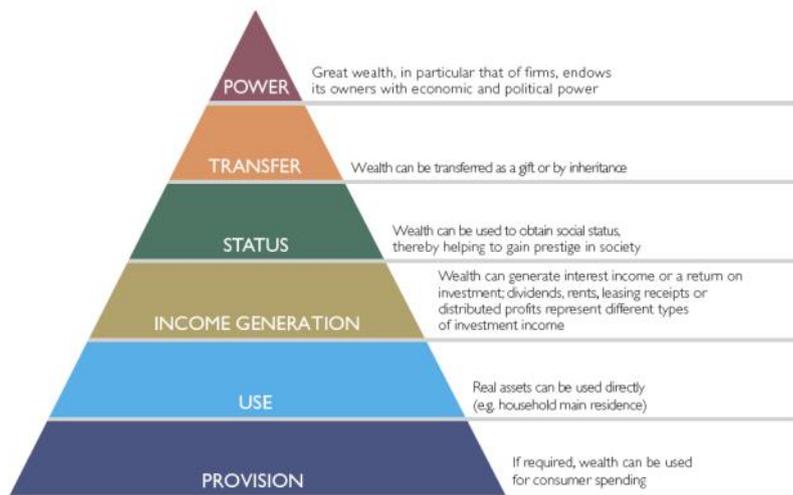
Inheritance is key to the concentration of wealth

Two OeNB economists receive the Progressive Economy award

A paper by Pirmin Fessler and Martin Schürz, both OeNB, was among the 2015 winners of the renowned Progressive Economy award presented at the Annual Progressive Economy Forum held at the European

of all households in the distribution of income. This neatly illustrates the different potential of saving and inheriting for influencing households' position in the distribution of wealth.

Functions of Wealth



Note: As wealth increases, the number of the possible functions of wealth also tends to increase.

Parliament. The winning paper, selected by a high-level Scientific Board including Joseph Stiglitz, James K. Galbraith, Lucrezia Reichlin and Jean-Paul Fitoussi, is entitled "Private Wealth Across European Countries: The Role of Income, Inheritance and the Welfare State."

The key message of the paper is that, across all euro area countries, inheritance plays a decisive role in defining the relative position of households in the distribution of wealth. In Austria, for instance, receiving an inheritance is, on average, tantamount to receiving a rise in paid income that would catapult a household ahead of more than half

Another key finding of the paper is the importance of the welfare state for the distribution of wealth. An effective and well developed welfare state goes hand in hand with lower levels of private wealth. The measured inequality of wealth is higher in countries with a relatively more developed welfare state. Why is this the case? The welfare state generates a safety net by providing income for retirement or emergency assistance. This safety net is much more relevant for less wealthy households than for more affluent households, as the latter benefit from both the services of the welfare state and their private stock of wealth. Less wealthy households, by contrast, have no safety net other than the welfare state, which moreover enables them to increase their consumption expenditure somewhat. Yet for more affluent households the welfare state is an asset protection tool rather than a safety net.

Fessler, P. and Schürz, M. (2015): Private Wealth Across European Countries: The Role of Income, Inheritance and the Welfare State. [ECB Working Paper Series](#), forthcoming.

Below you will find a preliminary draft, the study will be published soon in the ECB Working Paper Series.

[Private Wealth Across European Countries: The Role of Income, Inheritance and the Welfare State.](#) (PDF, 773 kB)

Conference on Macro-Financial Linkages and Current Account Imbalances

OeNB, July 2–3, 2015

External imbalances have been a central theme in the international policy debate and are often deemed as culprits in the recent financial crises in the Eurozone. Recently an effort has been made by multilateral institutions to revamp their methodologies of assessing external imbalances. Yet, existing models used in cross-country policy analyses still do not prominently feature the role of financial sector linkages – within and across national borders – in shaping up national savings and investment dynamics.

The conference was jointly organized with the CEPR, the Bundesbank, the IMF and the JVI. It brought together the

traditional view on external rebalancing with new research on the links between cross-border banking/financial flows, private sector leverage and the current account. Claudia Buch, Vice President of the Deutsche Bundesbank and Tobias Adrian, Fed New York gave two Keynote lectures.

The details of the program as well as a link to papers and presentations can be found on:

<http://www.oenb.at/Termine/Terminarchiv-2015/2015/research-workshop-2015-07-02.html>

OeNB Summer School 2015

Microsimulation methods for policy evaluation

Professor Alan Duncan, Vienna, August 24–28, 2015

Course Description

Microsimulation' is a technique that uses quantitative and statistical methods, and large and complex datasets, to project ex ante the effects and implications of policy reforms or demographic change. Microsimulation methods have been implemented progressively in a broad range of policy applications over the last decade: for example, microsimulation techniques have been applied to the evaluation of tax and welfare policy; labour markets; pensions systems; company behaviour; regional and spatial modelling; population dynamics; education; health service provision; income poverty and disadvantage.

What are the likely employment effects of the new tax credit policies? How might road user charge alter patterns of transport use? Can a change in the provision of pensions affect the decision to retire? How much do policy reforms cost? To what extent are initial costs reduced through policy-induced changes in behaviour? These are the sorts of questions that the microsimulation approach is able to address. Recent advances have extended the method beyond simple 'next day' effects, to account for behavioural and dynamic (inter-temporal) responses of economic agents to policy reform. These are valuable developments that broaden our capacity to fully evaluate the impacts of new policy initiatives.

This course will introduce the main methods of microsimulation, with an emphasis on the practical development of policy applications. The course will explore basic techniques in static microsimulation for use in the distributional analysis across representative samples of economic agents – for example, individuals, households or companies. Extensions will be covered that account for

behavioural and inter-temporal responses to policy reform, with applications to employment and labour supply choices, education and retirement decisions. Other course elements will cover specification testing; validation and calibration; structural economic models in microsimulation; statistical properties; and the evaluation of welfare gains/losses from policy reform. Materials will be illustrated with practical training, primarily through instruction in the use of STATA, with selective demonstrations using other packages (GAUSS, C++) as appropriate.

Provisional Schedule

- Day 1: Microsimulation methods: introduction, motivation and context, basic (static) methods
- Day 2: Behavioural microsimulation: discrete versus continuous, structural versus reduced form
- Day 3: Measuring welfare gains/losses in microsimulation - deadweight loss (DWL), equivalent and compensating variation, revenue costs/savings from policy reform
- Day 4: Statistical issues in microsimulation: stochastic in simulation, analysing simulated responses, significance of simulated responses; confidence bands
- Day 5: Further issues in microsimulation: dynamic microsimulation, simulating demographic change, linking microsimulation models with partial/general equilibrium models

AWARDS AND ACHIEVEMENTS

- **Pirmin Fessler** and **Martin Schürz** received the Progressive Economy award presented at the Annual Progressive Economy Forum held at the European Parliament (see p. 4).
- **Elisabeth Beckmann** earned a doctoral degree in economics (thesis: Microeconometric Analyses of Households' Financial Decisions in Central, Eastern and Southeastern Europe).
- **Peter Lindner** earned a PhD in economics (thesis: Essays in Survey-Based Economic Household Analysis).

Call for Applications: Visiting Research Program

The Oesterreichische Nationalbank (OeNB) invites applications from external researchers for participation in a Visiting Research Program established by the OeNB's Economic Analysis and Research Department. The purpose of this program is to enhance cooperation with members of academic and research institutions (preferably postdoc) who work in the fields of macroeconomics, international economics or financial economics and/or pursue a regional focus on Central, Eastern and Southeastern Europe.

The OeNB offers a stimulating and professional research environment in close proximity to the policymaking process. Visiting researchers are expected to collaborate with the OeNB's research staff on a prespecified topic and to participate actively in the department's internal seminars and other research activities. They will be provided with accommodation on demand and will, as a rule, have access to the department's computer resources. Their research output may be published in one of the department's publication outlets or as an OeNB Working Paper. Research visits should ideally last between three and six months, but timing is flexible.

Applications (in English) should include

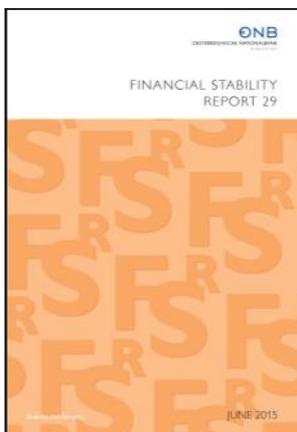
- a curriculum vitae,
- a research proposal that motivates and clearly describes the envisaged research project,
- an indication of the period envisaged for the research visit, and
- information on previous scientific work.

Applications for 2016 should be e-mailed to eva.gehringer-wasserbauer@oenb.at by November 1, 2015. Applicants will be notified of the jury's decision by mid-December. The following round of applications will close on May 1, 2016.

OeNB Periodical Publications

<http://www.oenb.at/en/Publications/Economics.html>

[List of all Publications since 2001](#) (by staff of the Economic Analysis and Research Section)



Financial Stability Report 29

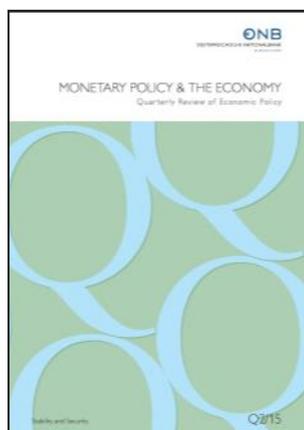
The profitability of Austrian banks' subsidiaries in Croatia, Hungary and Romania and how the financial crisis affected their business models (Stefan Kavan, Florian Martin)

Ukraine: struggling banking sector amid substantial uncertainty (Stephan Barisitz, Zuzana Fungáčová)

Foreign currency borrowers in Austria – evidence from the Household Finance and Consumption Survey (Nicolás Albacete, Peter Lindner)

When Austrian banks cross borders (Esther Segalla)

[See more](#)



Monetary Policy & the Economy Q2/15

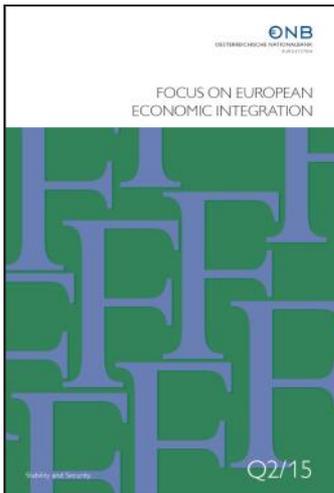
Four-year economic downturn to end in 2016 – Economic outlook for Austria from 2015 to 2017 (Christian Ragacs, Klaus Vondra)

Financial literacy gaps of the Austrian population (Bettina Greimel-Fuhrmann, Maria Silgoner, Rosa Weber)

Asset-liability management amid ultra-low interest rates (Christian Beer, Ernest Gnan)

Long-Term Perspectives for Economic Growth – summary of the OeNB's 43rd Economics Conference (Doris Prammer, Helmut Stix)

[See more](#)



Focus on European Economic Integration Q2/15

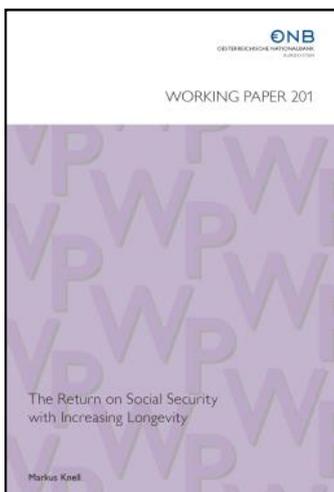
Bridging the information gap: small-scale nowcasting models of GDP growth for selected CESEE countries (Martin Feldkircher, Florian Huber, Josef Schreiner, Marcel Tirpák, Peter Tóth, Julia Wörz)

What can we learn from Eurosystem Household Finance and Consumption Survey data? An application to household debt in Slovakia (Pirmin Fessler, Krisztina Jäger-Gyovai, Teresa Messner)

[See more](#)

OeNB Working Papers

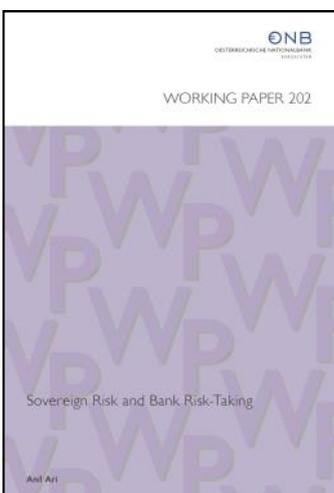
<http://www.oenb.at/en/Publications/Economics/Working-Papers.html>



The Return on Social Security with Increasing Longevity

Markus Knell (Working Paper 201)

In this paper I study the impact of increasing longevity on pay-as-you-go pension systems. First, I show that increasing longevity increases their internal rate of return. The size of the effect differs for different policy regimes. It is higher for the case where the retirement age is increased in order to keep the system in balance than for the case where the necessary adjustment is achieved by reducing pension benefits. Second, I study optimally chosen retirement decisions and I show that the socially optimal policy involves a shorter working life than the private optimum. The social optimum can be implemented by the use of a PAYG system that combines an actuarial and a flat pension.



Sovereign Risk and Bank Risk-Taking

Anil Ari (Working Paper 202)

In European countries recently hit by a sovereign debt crisis, the share of domestic sovereign debt held by the national banking system has sharply increased. This paper examines the banking equilibrium in a model with optimizing banks and depositors, deriving implications for economic vulnerability to crisis and policy design. It shows that under-capitalized banks have an incentive to gamble on domestic sovereign bonds when they expect to suffer from non-bond losses in the aftermath of sovereign default. Depositor reactions to insolvency risk impose discipline, but also leave the economy susceptible to self-fulfilling shifts in sentiments, where sovereign default also causes a banking crisis. In an adverse equilibrium, sovereign risk shocks simultaneously raise bank funding costs and drive banks to increase their purchases of domestic debt, crowding out bank lending. Subsidized loans to banks, similar to the ECB's non-targeted longer-term refinancing operations (LTRO), strengthen gambling incentives and may even eliminate the good equilibrium. Targeted interventions have the capacity to eliminate adverse equilibria.

Why Are Banks Not Recapitalized During Crises?

Matteo Crosignani (Working Paper 203)



I develop a model where governments have an incentive to keep their financial sectors undercapitalized during crises. Protected by limited liability, highly levered banks risk-shift buying domestic government bonds that are positively correlated with their other sources of revenues. In anticipation, governments face a tradeoff: undercapitalized banks act as buyers of last resort for home public debt at the price of crowding-out private lending and reducing tax collection. Following recapitalizations, governments increase their tax collection, face lower debt capacity, and pay higher interests. European stress test data support the proposed mechanism as highly levered banks increased domestic government bond holdings relative to low leverage banks during the crisis. The general equilibrium model can rationalize, in the context of the Eurozone crisis, the increasing demand for domestic government bonds in the periphery, the crowding-out effect in private lending, and the prolonged undercapitalization of the banking sector.

External Publications by Staff Members

Reports of the death of cash have been exaggerated

Kim P. Huynh, Helmut Stix (2015). In: Deutsche Bundesbank (ed.). *International Cash Conference 2014. The usage, costs and benefits of cash – revisited*, 377–389.

Many have predicted and espoused the view that cash is increasingly disappearing as a payment instrument. More recently, Rogoff (2014) has argued that there are increasingly strong arguments for phasing out cash – in particular for large denomination notes. Against this background, this short article presents some facts by summarizing recent findings from Bagnall et al. (2014) who provide comparative evidence on consumers' use of cash in seven industrialized countries. Moreover, we discuss complementary evidence which help us to understand some of the findings. The presented evidence shows that cash is still used extensively for payments – particularly for low-value transactions. In some European countries such as Austria and Germany, cash even dominates consumer payment choices for all transaction values. With regard to the drivers of payment instrument use a very robust pattern is found across countries.

The conference volume can be downloaded at the Deutsche Bundesbank:

https://www.bundesbank.de/Redaktion/EN/Downloads/Publications/Bulletins_and_surveys/the_usage_costs_and_benefits_of_cash_2014.html

Summary Measure for Price and Non-price Competitiveness for ASEAN+3

Konstantins Benkovskis, Julia Wörz (2015). *Asian Economic Journal* 29(2), 165–180.

In this paper we apply a comprehensive measure that allows us to distinguish price and non-price aspects of competitiveness. Our measure is computationally demanding but has the advantage of building on a single data source of highly disaggregated trade data. We extend the methodology pioneered by Feenstra (1994), and Broda and Weinstein (2006), and construct an export price index that adjusts for changes in the set of competitors (variety) and changes in non-price factors (quality in a broad sense) for six ASEAN members (the Philippines, Indonesia, Malaysia, Singapore, Thailand and Vietnam) plus China, Japan and Korea. Based on trade data from UN COMTRADE at the Harmonized System six-digit level over the period 2000–2011, we find notable differences between price and non-price competitiveness across markets. China and Vietnam show huge gains in international competitiveness due to non-price factors, while we observe some deterioration in the non-price competitiveness of Japan and Singapore. However, these relative developments do not reflect the existing differences in the absolute levels of the quality of exported goods by those countries.

Herding Behavior of Business Cycle Forecasters

Jan-Christoph Rülke, Maria Silgoner, Julia Wörz (2015). *International Journal of Forecasting*. Forthcoming.

Using a large international data set, we analyze whether business cycle forecasters herd or anti-herd. In general, we find evidence for anti-herding, i.e. forecasters appear to scatter their forecasts deliberately away from the forecasts of others. Anti-herding tends to be more prevalent for the longer (next year) horizon. There is some evidence for a reduced level of anti-herding at times of increased forecast uncertainty and when the forecasts are being revised more substantially.

ANNOUNCEMENTS

Workshop, September 10–11, 2015

Toward a Genuine Economic and Monetary Union

Organized by the OeNB in cooperation with the Euro50 Group

This workshop's purpose is to inspire reflection on the long-term future of Economic and Monetary Union (EMU). Starting from current crisis-related challenges, the workshop focuses on four areas in which reforms might increase the resilience of EMU architecture and the prosperity of the euro area. The workshop intends to give an overview of the current state of economic research and the policy debate, with an emphasis on creative proposals aimed at overcoming existing deadlocks. The specific areas covered are in line with the recent "Five Presidents' Report – Completing Europe's Economic and Monetary Union": Economic, Financial, Fiscal and Political Union.

Workshop venue: Oesterreichische Nationalbank, Otto-Wagner-Platz 3, 1090 Vienna, Austria



Warsaw, October 15–16, 2015

BOOSTING EU COMPETITIVENESS The Role of the CESEE Countries

2015 Annual Conference on European Economic Integration of the Oesterreichische Nationalbank
2015 Annual Conference on the Future of the European Economy of Narodowy Bank Polski

The CEEL/CFEE 2015 will be a unique joint edition of two annual conferences, the Conference on European Economic Integration (CEEL) 2015 of the Oesterreichische Nationalbank and the Conference on the Future of the European Economy (CFEE) 2015 of Narodowy Bank Polski, held under the heading **BOOSTING EU COMPETITIVENESS – The Role of the CESEE Countries**.

The CEEL and CFEE 2015 focus on long-term European growth prospects and competitiveness – a major objective of the Lisbon and Europe 2020 Strategies. In the wake of the recent crisis and given the urgency of anti-crisis measures and assistance programmes, economic analysis and policymaking have paid less attention to the issues these long-term strategies intended to address: how to increase productivity and resist the competitive pressures of a globalised economy. Moreover, the crisis showed that decreasing competitiveness poses a challenge for both the European Union as a whole and individual Member States at different stages of integration. In particular for Central, Eastern and Southeastern Europe (CESEE), competitiveness is a key ingredient in the convergence process. The joint conference will adopt a comprehensive view and discuss various dimensions of competitiveness: price and cost developments, innovation, labour market issues, the role and design of structural and industrial policies, and the effects of global supply chains.

Please be informed that admission to the conference is by personal invitation only.

Conference venue: Sheraton Warsaw Hotel, 2 Prusa Street, Warsaw

Upcoming and Recent Events

The following events are organized by the OeNB. Please note that attendance is by invitation only. If you are interested in participating in one or more of the events, please send an e-mail to OeNB.ResearchUpdate@oenb.at or take a look at <http://www.oenb.at/en/Calendar.html>

Upcoming

September 10 – 11, 2015	Workshop: Toward a Genuine Economic and Monetary Union
October 1, 2015	10 th Conference of the South-East European Monetary History Network (SEEMHN): Financial development and economic growth in South-East Europe - A historical and comparative perspective (jointly organized with the University of Vienna, Institute for Economic and Social History)
October 2, 2015	Workshop: The central bank balance sheet in the (very) long run – How to construct it, how to read it, what to learn from it (jointly organized with the University of Vienna, Institute for Economic and Social History)
October 15 – 16, 2015	Conference on European Economic Integration (CEEI) and Conference on the Future of the European Economy (CFEE): BOOSTING EU COMPETITIVENESS – The Role of the CESEE Countries (jointly organized and co-hosted with Narodowy Bank Polski in Warsaw)
November 5 – 6, 2015	13 th ESCB Emerging Markets Workshop hosted by the OeNB (by invitation only)

Recent

July 2–3, 2015	Conference on Macro-Financial Linkages and Current Account Imbalances
June 26, 2015	Emmanuel Mönch (Deutsche Bundesbank): Friday Seminar
June 19, 2015	Michael König (Universität Zürich): Network Formation with Local Complements and Global Substitutes
June 15 –16, 2015	43 rd Economics Conference: Long-Term Perspectives for Economic Growth
May 29, 2015	77 th East Jour Fixe: Russia – Economic turmoil and policy options
May 8, 2015	Tom Fischer (Universität Würzburg): Valuation in the structural model of financial networks
April 10, 2015	Nikolaus Hautsch (Universität Wien); Systemic Risk Spillovers in the European Banking and Sovereign Network

OeNB Courses at the Joint Vienna Institute (JVI)

For further details see: www.jvi.org

August 24–28, 2015	Professor Alan Duncan (Curtin University), OeNB Summer School 2015: Microsimulation methods for policy evaluation
September 14 – 18, 2015	Macro-Financial Stability in Central, Eastern and Southeastern Europe
October 12 – 14, 2015	Cash Circulation and Payment Systems in Austria
November 16 – 18, 2015	Financial Education
November 30 – December 3, 2015	Building New Skills in Financial Translation