

Latest update: November 21, 2022

Conference on European Economic Integration (CEEI) 2022 Economic and monetary policy under wartime conditions – implications for CESEE

Organized by the Oesterreichische Nationalbank (OeNB)

*November 21 and 22, 2022
Hybrid in-person and online event*

CONFERENCE ASPECTS

The world is facing a concurrence of crises: the war in Ukraine and the ongoing recovery from COVID-19 on top of the effects of climate change. While differing very much in nature, these crises all have a decisive effect on economic and monetary policy. With our conference, we seek to develop a deeper understanding of how these transformational crises are likely to impact the economies of Central, Eastern and Southeastern Europe (CESEE) in the short and medium term. Moreover, we aim to offer a glimpse into what a sustained geopolitical fragmentation and economic deglobalization could mean in the long term. Geopolitically, Russia's invasion of Ukraine threatens to re-establish an iron curtain in Europe. Economically, the war affects the outlook ahead as it has upended established trading patterns and started to change the structure of the energy sector. Related supply shortages and sanctions add to sharply accelerating prices in particular in energy and other commodity markets. This may speed up the green transition toward more sustainable and less energy-dependent economies. Furthermore, labor markets are being transformed by migration driven by conflicts and crises in the short term, and they undergo structural changes driven by digitalization and aging in the long term. Specific issues the conference will address include:

- What will be the impact on CESEE economies amid the threat of a new iron curtain?
- What are the challenges for monetary policy given high inflation, elevated political uncertainty and locally diverging interest rates?
- How to deal with demographic challenges and the related transformation of CESEE labor markets?
- Will the current energy crisis trigger faster restructuring toward renewable energy sources and alternative suppliers?

12:00 noon **Standing lunch and registration**

The conference is moderated by Ingrid Haussteiner

1:00 p.m. **Welcome remarks and chair**

Robert Holzmann

Governor

Oesterreichische Nationalbank

1:15 p.m.

Keynote lecture I

Rare disasters – current and future vulnerabilities in Eastern Europe

- *Comparison of the current crisis with crises of the past 200 years*
- *Examination of current and future vulnerabilities in Eastern European as well as in developing countries*

Graciela L. Kaminsky

Professor of Economics and International Affairs

George Washington University, Elliott School of International Affairs

1:45 p.m.

Session I

Economic prospects beyond the war

- *What does the sequence of crises and their combined effects on energy, prices and supply chains imply for economic growth in the short and long run?*
- *What does the decoupling of Russia mean for Europe and – more generally – for globalization?*
- *How to reconstruct Ukraine?*
- *Financing investments in the Eastern Neighborhood region*

Chair

Gerhard Fenz

Head of Section

Oesterreichische Nationalbank

Elena Flores Gual

Deputy Director-General DG ECFIN

European Commission

Mario Holzner

Executive Director

The Vienna Institute for International Economic Studies

Franziska Ohnsorge

Manager, Prospects Group

The World Bank

2:45 p.m.

Break

3:15 p.m.

Panel I

Central bankers' views on monetary policy in changing times

- *High inflation, high uncertainty: what can monetary policy do?*
- *Do you see specific risks to financial stability amid rising interest rates and low growth?*

Chair

Robert Holzmann

Governor

Oesterreichische Nationalbank

Leonardo Badea

Deputy Governor

Banca Națională a României

Marta Kightley

First Deputy Governor

Narodowy Bank Polski

Gent Sejko

Governor

Banka e Shqipërisë

Gediminas Šimkus

Chairman of the Board

Lietuvos bankas

4:30 p.m.

Session 2

Flight and migration, brain drain and population aging

- *Will the inflow of migrants show a tangible impact on CESEE labor markets?*
- *What role will refugees from the Ukraine play in this respect?*
- *How to address brain drain? How to convert brain drain into brain gain?*
- *Will CESEE grow old before it grows rich?*

Chair

Soňa Muzikářová

Macroeconomist and Policy Advisor

Slovakia

Róbert Iván Gál

Senior Research Fellow

Hungarian Demographic Research Institute

Isilda Mara

Senior Economist

The Vienna Institute for International Economic Studies

Olga Popova

Senior Researcher

Leibniz Institute for East and Southeast European Studies

5:30 p.m. End of session

6:30 p.m. Aperitif

7:00 p.m. Dinner

Dinner speech

Sanja Tomičić

Executive Director

Hrvatska narodna banka

12:00 noon **Standing lunch and registration**

The conference is moderated by Ingrid Haussteiner

1:00 p.m. **Introductory remarks and chair**

Birgit Niessner

Director

Oesterreichische Nationalbank

1:15 p.m. **Keynote lecture 2**

Economic restructuring with alternative energy supplies

Guntram B. Wolff

Director and CEO

German Council on Foreign Relations (DGAP)

1:45 p.m. **Session 3**

Short-term responses to inflation and commodity price surges

- *What can fiscal policy do in response to commodity price surges?*
- *How to support the most vulnerable people amid rising food and energy prices?*
- *How to avoid social unrest while stepping up sanctions against Russia?*
- *How to preserve fiscal space in times of crisis?*

Chair

Bernhard Grossmann

Head

Office of the Fiscal Advisory Council and Productivity Board

Baiba Brusbārde

Chief Economist of the Macroeconomic Analysis Division

Latvijas Banka

Belma Čolaković

Chief Economist

Central Bank of Bosnia and Herzegovina

Zsolt Darvas

Senior Fellow

Bruegel

2:45 p.m. **Break**

3:15 p.m.

Session 4

Addressing long-term supply challenges via structural policies and green transition

- *War in Ukraine: does it accelerate or slow down the green transition?*
- *Can governments use the momentum to accelerate the green transition?*
- *Will the Recovery and Resilience Facility (RRF) make a difference?*

Chair

Julia Wörz

Head of Section

Oesterreichische Nationalbank

Veronika Grimm

Professor, Member of the German Council of Economic Experts

Friedrich-Alexander-Universität Erlangen-Nürnberg

Elena Paltseva

Associate Professor

Stockholm Institute of Transition Economics

Thomas Reininger

Senior Expert

Oesterreichische Nationalbank

4:15 p.m.

Panel 2

Banks in transition: is there a need for rescoping toward sustainable markets and products?

- *The Russian war in Ukraine marks a turning point for Europe: which challenges does the current geopolitical situation pose for banks' business models?*
- *How to address potential electricity and gas shortages in Europe, ongoing supply chain bottlenecks, decelerating economic growth, unprecedented inflation rates and sharply rising nominal interest rates?*
- *Is it necessary to rescope markets (Russia, Belarus, Ukraine) and products (green transition)?*
- *To what extent will the REPowerEU plan help reduce dependence on Russian fossil fuels and fast-forward the green transition?*

Chair

Gottfried Haber

Vice Governor

Oesterreichische Nationalbank

Elena Carletti
Professor of Finance
Università Bocconi

Gunter Deuber
Head of Research
Raiffeisen Bank International

Boštjan Jazbec
Board Member
Single Resolution Board

5:30 p.m. **End of conference**

This program is subject to change.

Speakers and panelists are listed in alphabetical order.