

KLAUS-LIEBSCHER-PREIS
KLAUS LIEBSCHER AWARD



First Presentation of the Klaus Liebscher Award

At the 33rd Economics Conference of the Oesterreichische Nationalbank (OeNB), OeNB President Herbert Schimetschek for the first time presented the Klaus Liebscher Award, which was established on the occasion of the 65th birthday of OeNB Governor Klaus Liebscher to honor his achievements in Austria's participation in Economic and Monetary Union (EMU) and European integration. The prize, which is to be awarded annually, totals EUR 20,000. This amount will be shared out equally among two young economists from EU

Member States or candidate countries for excellent scientific work on the topics European integration and monetary union. The Klaus Liebscher Award is the highest scientific prize the Oesterreichische Nationalbank awards.

This year's two prize-winning papers, which were selected from 21 high-quality submissions, deal with particularly topical economic policy issues.

1. "Financial Differences and Business Cycle Movements in a Currency Area," by **Ester Faia** from the Universitat Pompeu Fabra in Barcelona. This paper shows that greater financial diversity should reduce cyclical correlation under a given monetary regime and that moving from independent monetary policies to a common currency should increase it, for any given degree of financial diversity.



2. "The European Monetary Union as a Commitment Device for New EU Member States," by **Federico Ravenna** from the University of California at Santa Cruz. This paper shows that for those new EU Member States whose national monetary policy poses credibility problems, pegging their exchange rates to the euro may – from a welfare perspective – be more favorable than maintaining independent monetary policies. 📄