



Monday, 5 November 2018

13:15 Registration and coffee

13:35 Welcome address

Jan Smets (Governor, NBB)

13:45 Introductory remarks

Herman Van Rompuy (Former President, European Council)

14:00 Keynote speech

Luis de Guindos (Vice-President, ECB)

14:30 Coffee break

15:00 Panel 1

Risk-sharing in European Monetary Union: how can we achieve more risk-sharing through financial markets?

The first panel aims to draw lessons from the past on issues relating to private sector risk-sharing in the specific context of European Monetary Union. The financial system should generally provide for such risk-sharing mechanisms, but the crisis has shown that excessive risk-taking in the private sector eventually resulted in financial fragmentation and had to be dealt with by the public sector. What can be done to promote a more resilient financial system that shares risks across the euro area? How effective will banking union and capital markets union be? What is still missing and how important is a public backstop in this context?

Chair: Guntram Wolff (Director, Bruegel)

Speakers: Emmanuel Farhi (Professor, Harvard University), Mahmood Pradhan (Deputy Director, European Department IMF), Beatrice Weder di Mauro (President, CEPR)

Discussants: Laurence Boone (Chief Economist, OECD), Paul De Grauwe (Professor LSE)

16:45 Coffee break

17:30 **Panel 2**

Euro area governance: is it fit to address the next crisis?

An appropriate balance between private and public sector risk-sharing is crucial to the design of a resilient institutional set-up for crisis management. In this context, the second panel will examine the respective roles of the central bank, the European Stability Mechanism, the fiscal authorities, the resolution authority and the competition authority. Are their respective roles clear? Is there sufficient coordination among the various authorities? How can governance be improved and is there a need for a euro area finance ministry?

Chair: Margarita Delgado (Deputy Governor, Banco de España)

Speakers: Jeromin Zettelmeyer (senior fellow Petersson Institute for International Economics), André Sapir (Professor, Solvay Brussels School), Guido Tabellini (Professor, Bocconi University)

Discussants: Vítor Constancio (Former Vice-President, ECB), Peter Grasmann (Acting Director, European Commission)

19:00 Day ends

Tuesday, 6 November 2018

8:00 Registration and coffee

8:30 **Panel 3**

Lender of last resort: who should do what?

The third panel will examine the issue of market liquidity and how to deal with bank runs in a complex and integrated post-crisis financial system. The occurrence of sudden liquidity shortages in specific market segments will be compared with the phenomenon of liquidity dry-outs in the balance sheets of financial intermediaries, especially banks. Against this backdrop, sovereign debt financing in crisis times will be discussed, with reference to the bank-sovereign “doom loop”. Finally, panelists will share their conclusions on the so-called Bagehot doctrine and its implications for central banks, in particular their independence, their role in the provision of liquidity to markets, and their status in the debate on the centralization of the lender of last resort function.

Chair: Peter Praet (Member of the Executive Board, ECB)

Speakers: Martin Hellwig (Director, Max Planck Institute for Research on Collective Goods), Hyun Song Shin (Economic Adviser and Head of Research, BIS), Jean Tirole (President, Toulouse School of Economics)

Discussants: Elena Carletti (Professor, Bocconi University), Charles Goodhart (Professor, LSE)

10:15 Coffee break

10:30 **Panel 4**

Dealing with solvency issues through bail-ins and bail-outs: how should we view the “too big to fail” problem and moral hazard issues after the crisis?

The fourth panel will debate solvency issues and consider bail-in and bail-out mechanisms. The “too big to fail” problem and moral hazard issues will be revisited with the benefit of hindsight.

Chair: Pierre Wunsch (Vice-Governor NBB)

Speakers: Mathias Dewatripont (Professor, Solvay Brussels School), Elke König (Chair, Single Resolution Board), Jean-Charles Rochet (Professor, Geneva University)

Discussants: Thorsten Beck (Professor, Cass Business School), Alberto Franco Pozzolo (Professor, Università degli Studi del Molise)

12:15 **Panel 5**

Financial crisis management in the current international monetary system

To close the conference, the fifth panel will look at cooperative crisis management in the context of the multilateral system and its current strengths and weaknesses. It will assess the progress made and set-backs encountered in improving the international financial architecture. Panelists will take a closer look at macroprudential measures such as the standards on total loss-absorbing capacity. The international role of currencies will also be discussed against the backdrop of heightened financial interconnectedness.

Chair: Benoît Coeuré (Member of the Executive Board, ECB)

Speakers: Patrick Bolton (Professor, Columbia University), Barry Eichengreen (Professor, University of California-Berkeley), Paul Tucker (senior fellow Harvard University)

Discussants: Pier Carlo Padoan (Member of the Italian Parliament), Isabelle Mateos y Lago (Managing Director, Blackrock)

14:00 Closing and light buffet lunch

Practical information

Date: Monday 5 November, welcome from 13.15 h and Tuesday 6 November welcome from 8.00 h

Venue: National Bank of Belgium’s Auditorium, Warmoesberg / rue Montagne aux Herbes Potagères 61, Brussels

Language: presentations will be given in English; there will be no simultaneous translation.

Participation fee: **Free of charge**