



## Germany – Current Economic Policy Debates

A joint conference of the International Monetary Fund and the Deutsche Bundesbank  
18 January 2018, Frankfurt am Main

Venue: Hilton Hotel  
Hochstraße 4, 60313 Frankfurt am Main, Germany

The meeting will bring together high-ranking economists and policymakers from Germany and abroad to discuss areas in which the economic policy debate has been particularly intense in recent years. These include developments in wages and inflation, the appropriate fiscal policy stance, Germany's current account surplus and the post-crisis agenda for the euro area and Germany.

9.00–9.15	Keynote address: <b>Jens Weidmann</b> (Deutsche Bundesbank)
9.15–10.30	<b>Session 1: Wages and inflation in Germany</b> <ul style="list-style-type: none"><li>– Why is core inflation in Germany not picking up despite favourable economic conditions?</li><li>– Why is wage growth still so moderate despite the tight labour market?</li><li>– Are there any impediments to the way in which wages respond to unemployment?</li><li>– What is the role of untapped employment potential in the form of the higher labour market participation of older persons and women? What is the role of immigration?</li></ul> Chair: <b>Poul Thomsen</b> (IMF) <b>Peter Bofinger</b> (Council of Economic Advisers), <b>Michael Hüther</b> (Cologne Institute for Economic Research), <b>Stephan Kohns</b> (Deutsche Bundesbank), <b>Lucrezia Reichlin</b> (London Business School)
10.30–11.00	Coffee break
11.00–12.15	<b>Session 2: Fiscal policy: a medium-term view</b> <ul style="list-style-type: none"><li>– What should Germany's fiscal orientation be in the medium term? Are safety margins advisable as part of the fiscal rules? Should the fiscal rules be adjusted?</li><li>– Are they an impediment to investment in needed public infrastructure or to other policies aimed at increasing long-term growth?</li><li>– Which structural fiscal reforms are advisable?</li><li>– Should German fiscal policy take into account economic activity in the euro area or focus solely on domestic objectives?</li></ul> Chair: <b>Rolf Strauch</b> (ESM) <b>Servaas Deroose</b> (European Commission), <b>Lars Feld</b> (Council of Economic Advisers), <b>Ludger Schuknecht</b> (Federal Ministry of Finance), <b>discussant</b> (tbc)

12.15–13.45	Lunch
13.45–15.00	<p><b>Session 3: Germany’s current account surplus: a problem to be fixed?</b></p> <ul style="list-style-type: none"> <li>– Why is Germany’s current account surplus so large? Is it a sign of economic strength (e.g. competitiveness) or weakness (e.g. lack of good investment opportunities at home)? Is it a reflection of an unwarranted imbalance between domestic savings and investment?</li> <li>– Does the German surplus pose a threat to the international monetary system? Or to the euro area?</li> <li>– What is the role of public policy?</li> </ul> <p>Chair: <b>Claudia Buch</b> (Deutsche Bundesbank)  <b>Clemens Fuest</b> (ifo Institute, Munich),  <b>Maurice Obstfeld</b> (IMF),  <b>Guntram Wolff</b> (Bruegel, Brussels),  <b>discussant</b> (tbc)</p>
15.00–15.30	Coffee break
15.30–16.30	<p><b>Concluding panel: A post-crisis agenda for the euro area and Germany: which way forward?</b></p> <ul style="list-style-type: none"> <li>– What should be the focus of economic policies in Germany to ensure strong and sustainable economic growth going forward?</li> <li>– What should be the focus of economic policies in the euro area as the legacies of the crisis dissipate?</li> <li>– Which structural reforms should be prioritised to ensure sustainable growth in the euro area?</li> <li>– What are the main challenges that lie ahead?</li> </ul> <p>Chair: <b>Christine Lagarde</b> (IMF)  <b>Benoît Cœuré</b> (ECB),  <b>Marcel Fratzscher</b> (German Institute for Economic Research, Berlin),  <b>Mario Monti</b> (Bocconi University, Milan)  <b>Christoph Schmidt</b> (Council of Economic Advisers)</p>