

## ***Life outside the Euro—Monetary and financial issues for the EU periphery and beyond***

---

Thursday January 23, 2020

Investcorp Auditorium, St Antony’s College, University of Oxford

Convenors: European Political Economy Project (EuPEP)

Much research on EU integration looks at the “core” EU countries, and analyses the speed and priorities for taking forward the European project. This conference recognizes that “one size does not fit all” within the EU context, and that prematurely fitting all member states with the same shoe may undermine the stability not only of that member state but also to EU as a whole. There are trade-offs for member states as to when and if to join the euro, and whilst they are outside the euro whether to join the banking union. The conference will examine these issues, as well as two other issues of importance to some of these countries: the future of the Vienna Initiative and the framework of macroprudential policies in the EU as it affects countries outside the core. This conference is open to the public.

### **Programme**

12:15           **Registration**

12:45           **Introduction** by **Hartmut Mayer** (Director, ESC, St Antony’s College, Oxford; Director Europaeum)

### **I. Banking issues for the EU outside the Euro**

#### **13:00           Panel 1: Joining the banking union?**

EU-member states that are members of the Euro Area have to join the banking union; for the other member states it is optional. What are the issues that will lead these member states to decide: is it better to “have a seat at the table” and join the union, or should a member state retain its specific national expertise in this area?

Chair:           **Kalypto Nicolaidis** (St Antony’s College, Oxford)

Panellists:     **Patrick Amis** (Director General, Directorate General Microprudential Supervision III, ECB)

**Daniel Hardy** (St Antony’s College, Oxford; Former IMF)

**Michał Kruszka** (Director, Analysis and Strategy, Polish Financial Supervision Authority)

**Cristian Popa** (Former Deputy Governor, National Bank of Romania)

#### **14:20           Panel 2: The Vienna Initiative: Where now?**

While banks from “old Europe” took over much of the banking sectors of South, Central and South Eastern Europe in the decade after the fall of the Berlin Wall, there was substantial retrenchment out of the region after the global financial crisis (GFC). The Vienna Initiative was designed to mitigate this retrenchment, make it orderly, and stabilize the banking systems of the affected countries. It had some success in its early years. What direction should the Initiative take now?

Chair:           **David Madden** (St Antony’s College, Oxford)

Panellists:     **Doris Ritzberger-Gruenwald** (Director Economics, Austrian National Bank)

**Dejan Vasiljev** (Principal Economist, Financial Institutions Group, EBRD)

**Boris Vujcic** (Governor, Croatian National Bank, chair of Vienna Initiative)

15:40           **Coffee** (Gallery, Ground Floor, Investcorp Building)

## II. Currency and stability issues in the EU outside the Euro

### 16:10 Panel 3: Joining the Euro?

So far 19 of the 28 members of the EU have joined the Euro Zone. Apart from two countries with waivers, member states are in principle mandated to join as soon as they meet the “Maastricht conditions”. In practice there seems to be some flexibility as to whether the remaining member states decide to join. Some are keen to join quickly; others wish to postpone entry, even indefinitely. What determines the choices? How appropriate are the Maastricht criteria today? Can one envisage a sustainable EU framework with some member states outside the Euro Area in the long term? And should accession countries continue to have the Maastricht requirement that they join as soon as they meet the specified requirement?

Chair: **Gillian Edgeworth** (Wellington Management)

Panellists: **Michael Faulend** (Vice Governor, Croatian National Bank)  
**Nadeem Ilahi** (Senior IMF Regional Resident Representative, Warsaw)  
**Aleš Michl** (Bank Board, Czech National Bank)  
**Dimitar Radev** (Governor, Bulgarian National Bank)

### 17:30 Panel 4: Macroprudential frameworks

Discussions on EU integration conventionally focus on monetary and fiscal integration. In addition, particularly since the GFC, a framework has been developed for handling macroprudential policies both at a national and an EU level. How important are macroprudential policies for safeguarding the economic stability of the EU? How appropriate is the present framework, in particular to what extent does it encompass also the member states not in the Euro Area? Does the institutional structure for macroprudential policies have any lessons for other policies, including for countries that are not EU member states?

Chair: **Adrienne Cheasty** (St. Antony’s College, Oxford)

Panellists: **Andrew Baker** (University of Sheffield)  
**Stefan Ingves** (Governor, Swedish Riksbank)  
**Francesco Mazzaferro** (European Systemic Risk Board)  
**Cristian Popa** (Former Deputy Governor, National Bank of Romania)

18:50 **Conclusions: Charles Enoch** (St Antony’s College, Oxford)



## Biographies

**Patrick Amis** is Director General of Micro-Prudential Supervision III, European Central Bank, responsible for oversight of less significant institutions (LSIs). He was previously Deputy Director General at the Directorate General Micro-Prudential Supervision I, responsible for direct supervision of the 30 largest and more complex of the significant Eurozone institutions. He joined the Banque de France in 1995 as a banking supervisor and later as head of team, before secondment to the New York Fed. He returned to the Banque de France in 2004 to head the division of accounting affairs and monitor the implementation of IFRS by the French banking system. He has chaired working groups on accounting in the Basel Committee and the Committee of European Banking Supervisors (CEBS). In 2008, he was Deputy Secretary General of CEBS. He returned to the Banque de France/French Prudential Supervision Authority in 2010 and became Director of supervision of French mutual/cooperative banks and investment firms.

**Andrew Baker** is Professor of Political Economy at the University of Sheffield. His work covers many aspects of financial and economic governance. He is the author of *Governing Financial Globalization* and *The Group of Seven*, and over 50 chapters and peer reviewed articles. His work has featured in the Financial Times, the Guardian, Independent and Le Monde. He has produced research for the Bank for International Settlements, and the Global Initiative on Fiscal Transparency. He is a current co-editor of the journal *New Political Economy*. a.p.baker@sheffield.ac.uk

**Adrienne Cheasty** is an Academic Visitor at St. Antony's College, Oxford. She was previously Deputy Director of the IMF's Fiscal Affairs Department, responsible for Europe and for fiscal federal issues, and prior to that, Deputy Director of the IMF's Western Hemisphere Department, responsible for Mexico, Venezuela, Andean countries, and the Caribbean. She has worked on numerous IMF-supported crisis programmes. Research areas include euro area fiscal-financial architecture, financial crisis management, debt issues, measurement of the fiscal deficit, and financial aspects of climate change. She was a member of the World Economic Forum's Global Agenda Councils on Fiscal Sustainability and on Public Finance and Social Protection, and has taught at Harvard, Yale and Johns Hopkins.

**Charles Enoch** is an ESC Fellow at St. Antony's College, Oxford. He was previously a Deputy Director in the Western Hemisphere Department of the IMF. Experience at the IMF included work on more than 60 countries, mostly in the Monetary and Capital Markets department and its antecedents, where he led the IMF's Financial Sector Assessment Programs (FSAPs) for, amongst others, the European Union, Switzerland, Nigeria, and Netherlands, and led IMF teams on bank restructuring in Indonesia, Mongolia, and Bulgaria, as well as representing the IMF on various inter-agency committees. He was in the lead in designing the currency board arrangement in Bulgaria. A United Kingdom national, he came first to the IMF as Alternate Executive Director for the United Kingdom, after 12 years at the Bank of England.

**Gillian Edgeworth** is a sovereign analyst for Wellington Management. Prior, she worked as Chief European Emerging Market Economist at Unicredit Bank, responsible for economic analysis of regional economies and developments in Ireland and Greece, and at Deutsche Bank, responsible for coverage of Greece, Ireland, and the newer EU states. Ms Edgeworth was an associate of the Political Economy of Financial Markets (PEFM) programme at St Antony's College, Oxford.

**Michael Faulend** is Vicegovernor of the Croatian National Bank in charge of international relations. Prior to that he was Executive director of International Relations Area at the Croatian National Bank (2004 – 2013). He was Assistant to the Executive Director of the IMF Dutch constituency (2001 -2003). He started his career as economist at the Research department at the Croatian National Bank in 1997. He holds a PhD in Economics from Zagreb Faculty of Economics and Business. He published a number of articles as well as book chapters. His current fields of interest are monetary systems, dollarization and economics of monetary unions.

**Daniel C. Hardy** is an Academic Visitor at St. Antony's College, Oxford. He was previously Chief of the International Monetary Fund's Debt Capital Markets Division. During his career at the IMF, he contributed to macroeconomic and financial sector surveillance; Fund-supported programs; defining Fund policies; and technical assistance to help build financial sector frameworks and institutions in a wide range of countries. Recently he led work on European financial integration and banking union; debt management; and sovereign debt restructurings. He has undertaken research on cross-border policy coordination, credit market behaviour, and stress testing. He has worked at the Austrian Financial Market Authority and the German Bundesbank. He studied at Oxford and Princeton.

**Nadeem Ilahi** is the IMF's Senior Regional Resident Representative for Central, Eastern and Southeastern Europe (CESEE), based in Warsaw. Earlier he led IMF missions to several southeast European countries. His research and analytical work has focused on reigniting economic convergence in southeast Europe through global value chains, the economic effects of emigration on CESEE countries, and the nature and implications of international economic spillovers. Before joining the IMF in 2000, Mr Ilahi held faculty positions at McGill University and Lahore University of Management Sciences in Pakistan. He holds bachelors and doctoral degrees from the University of California, Berkeley and Davis.

**Stefan Ingves** is Governor of Sveriges Riksbank and Chairman of the Executive Board. Mr Ingves is a Member of the Board of Directors of the BIS and Chairman of the BIS Banking and Risk Management Committee (BRC). Governor Ingves is also a Member of the General Council of the ECB and First Vice-Chair of the European Systemic Risk Board (ESRB). He is Governor for Sweden in the IMF, and Chairman of the Toronto Centre for Global Leadership in Financial Supervision and Board Member of the Nordic-Baltic Macroeprudential Forum (NBMF). Mr. Ingves has previously been Chairman of the Basel Committee on Banking Supervision, Director of the Monetary and Financial Systems Department at the IMF, Deputy Governor of the Riksbank and General Director of the Swedish Bank Support Authority. Prior to that he was Head of the Financial Markets Department at the Ministry of Finance. Stefan Ingves holds a PhD in economics.

**Michał Kruszka** is Head of the Research Unit, Analysis and International Co-operation Department, Financial Supervision Authority, Poland. He has held this position since 2010. He has been an Associate Professor at the Poznan University of Economics since 1995. He graduated in law and economics and holds a PhD in Economics (Poznan University of Economics).

**Francesco Mazzaferro** has been the Head of the Secretariat of the European Systemic Risk Board (ESRB) since January 2011. He was previously Project Manager of the ESRB Preparatory Secretariat. He has worked in European monetary policy for almost 20 years. He began his career in the Research Department of the Istituto Bancario San Paolo di Torino in 1987. He joined the European Commission in Brussels in 1992, in the Directorate General for Economic and Financial Affairs, where his work focused on the European Currency Unit and preparations for introduction of the single currency. In 1995 he joined the European Monetary Institute (later ECB) in Frankfurt am Main, Germany, as the Officer of Policy Planning. In 1998 he became the Senior European Relations Officer in the European Relations Division. From 2000 he was Principal in the EU Neighbouring Regions Division, becoming Head of Division in 2003. He studied law at the University of Bologna.

**Hartmut Mayer** is Director of the European Studies Centre as Director. He has been and will remain a Fellow and Tutor in Politics at St Peter's College, University of Oxford, where he has been teaching politics and international relations since 1998. Concurrently with the ESC Directorship, Hartmut also serves as the Acting Director of the EUROPAEUM, a consortium of leading European Universities. Since 2016 he has also taught International Relations in the Hong Kong Fellows' Programme at the Blavatnik School of Government. He is also a Region Head Europe at Oxford Analytica. His main academic interests are general international relations, diplomatic history, German and EU politics, international relations theory, EU-Asia (in particular Japan), European responses to Rising Powers and Comparative Regionalism.

**Aleš Michl** was appointed a member of the CNB Bank Board on 1 December 2018. He graduated from the Faculty of Finance and Accounting at the University of Economics in Prague, and also studied at the London School of Economics and Political Science and the Wharton School in Philadelphia. He started his professional career as an economic journalist during his studies and later as an economic adviser to Deputy Prime Minister for the Economy Martin Jahn. He worked as an economic and investment strategist at Raiffeisenbank in 2006–2015 and as an external economic adviser to Czech Minister of Finance and later Czech Prime Minister Andrej Babiš, specialising in macroeconomic analysis and government debt stabilisation. He founded Michl Fund Management s.r.o. in 2016, which subsequently co-founded Robot Asset Management SICAV a.s., which acts as an investment fund for qualified investors with the Quant sub-fund—ending these activities upon joining the CNB Board. Mr Michl is the author of numerous columns and articles in newspapers, journals and magazines.

**David Madden** is a Senior Member and Distinguished Friend of St Antony's College. Sir David was a member of the UK Diplomatic Service for 34 years, serving in high-profile positions in politically sensitive European postings. He has extensive experience of working in and with countries and places on the brink of break-up (former Yugoslavia), those seriously divided (Berlin in the 1970s, Cyprus, Bosnia after the war), and those where regional tensions run high. He also served in Moscow in the 1970s. As British High Commissioner in Cyprus (1994-1999), he played a full role in negotiations on a Cyprus settlement and EU accession. As British Ambassador in Greece (1999-2004), he helped the Greek government achieve a break-through against terrorism. Having retired from the Diplomatic Service in 2004, he was posted as Political Adviser to the EU Peace-Keeping Force in Bosnia and Herzegovina. He assisted a smooth transition from the previous NATO force, advised the peace-keepers, and assisted the central government in drawing up their National Action Plan against Organised Crime and Corruption. He is Trustee of Compassion in World Farming, and a Patron of Voice for Ethical Research in Oxford.

**Kalypso Nicolaïdis** is Professor of International Relations at the University of Oxford. She teaches theory of international relations, European integration, international political economy, negotiation, game theory and research methods. Outside Oxford, she is a member of the Council of ECFR as well as a founding member of the Spinelli Group. Before moving back to Europe, she taught European affairs and international relations at Harvard University where she was associate professor at the Kennedy School of Government, as well as the founder and chair of the Kokkalis Programme on Southeast Europe. She has also held visiting professorships around Europe, including at the Ecole Nationale d'Administration in Paris, at the College of Europe in Bruges as the professorial chair on Visions of Europe and in Sciences-Po, Paris as Vincent Wright chair. At Oxford, she also chairs South East European Studies at Oxford (SEESOX); the RENEW programme (Rethinking Europe in a Non-European World); and the Programme on Global Trade Ethics. Professor Nicolaïdis has been involved in policy for some time. Most recently she was a member of the Gonzales reflection group mandated by the European Council to submit a report on the future of Europe 2030. Beforehand, she advised Greek Foreign Minister Papandreou on European affairs between 1996 and 2004 and chaired the International Group of Expert Advisors on the Convention for the Future of Europe and the Greek 2003 Presidency. She was advisor to the 2004 Dutch presidency of the EU on the theme of 'Europe: a Beautiful Idea', a policy-academia dialogue. She also worked with the European Commission on the White Paper on Governance (subsidiarity, global governance), on DG trade and DG communication consultations, as well as a trade and regulation expert for UNCTAD and the OECD.

**Cristian Popa** has recently become Senior Adviser to the Vienna Initiative 2.0 Steering Committee. Previously, he was Vice-President of the Management Committee of the European Investment Bank. He was Deputy Governor of the National Bank of Romania (NBR) and a member of its Board of Administration from Dec. 1998 to Oct. 2014. Dr Popa served as World Bank Alternate Governor for Romania and as member of the ECB International Relations Committee and of the Economic and Financial Committee of the EU Council, as well as alternate member of the ECB General Council and accompanying person for the ESRB General Council. He represented host countries on the Vienna Initiative 2.0 Steering Committee 2012-2014. He is currently a Board member of the Global Development Network (since Jun. 2013). Since 2016 he has been an independent member of the Romanian Presidential Commission, and is coordinator of the economic working group. He has also worked with PwC Warsaw/Bucharest to set up a national development bank in Romania (European Commission/SRSS project), and with the EC/EIB to steer a study on improving the geographical spread of EFSI supported investment.

**Dimitar Radev** is the Governor of the Bulgarian National Bank (BNB). He is a Member of the General Council of the European Central Bank and the General Board of the European Systemic Risk Board, and Governor for Bulgaria in the International Monetary Fund (IMF). His career started in 1980 at the Ministry of Finance. After holding various expert positions there, from 1992 till 2001 he was Deputy Finance Minister in six consecutive governments in Bulgaria. Since 2001 until his appointment in 2015 as the Governor of the BNB he worked at the IMF. Governor Radev studied economics, major Finance and Credit, in the University of National and World Economy in Sofia. During his years of professional experience he was also Deputy Chairman of the Administrative Council of the Council of Europe Development Bank, Member of the Supervisory Board of the National Social Security Institute, and Member of the Supervisory Board of Expressbank.

**Doris Ritzberger-Gruenwald** is the Director of the Economic Analysis and Research Department in the Oesterreichische Nationalbank. She is a Member of the Monetary Policy Committee of the European Central Bank, and a Member of the Executive Board of the Joint Vienna Institute. Previously she was Head of the Foreign Research Division of the National Bank. She has held positions in the Economics Department of Johannes Kepler University Linz, Department of Economics, the Vienna University of Economics and Business Administration, Research Institute for European Affairs, and the Vienna University of Economics and Business Administration. She has a doctorate in social and economic sciences from the University of Vienna. Her fields of policy-oriented research include monetary policy, economic growth, convergence issues, inflation, the enlargement of the European Union and the European Monetary Union, with a special focus on Central, Eastern and South-Eastern European Countries.

**Dejan Vasiljev** is a Principal Economist for financial institutions in the EBRD, focusing on CESEE. Before joining the EBRD, he was head of financial stability in the National Bank of Serbia; he also worked in managerial positions in risk management and on the investment side in asset management. He holds an MA in Economics from Humboldt University in Berlin, Germany, and is a CFA charter holder.

**Boris Vujcic** holds a PhD in Economics from the University of Zagreb. He has also received diplomas in Economics from the Montpellier University (France) and was a pre-doctoral PhD Fulbright student at the Michigan State University. He joined the Croatian National Bank in 1997, and was Director of the Research Department for three years before becoming Deputy Governor in 2000, a position to which he was re-appointed in 2006. In July 2012, Mr Vujčić became Governor of the Croatian National Bank for a six-year term of office and was re-appointed for another six-year term of office in July 2018. Mr Vujčić has been a Deputy Chief Negotiator in Republic of Croatia's negotiations with the European Union 2005-2012. He was a member of the Global Development Network (GDN) Board in the same period, 2005-2012. He is a Member of the Steering Committee of the ESRB since 2016, a Chairman of the Steering Committee of the Vienna Initiative since 2016, and a Member of the General Council of the ECB since 2013. Mr Vujčić's fields of expertise are macro and monetary economics, international finance and labour economics.

