

105th Kieler Konjunkturgespräche/International Business Cycle Forum | Berlin, 10th October 2022
Catch me if you can – Consumer prices on the run

Opening Remarks

Stefan Kooths

Research Center Business Cycles and Growth



Energy crisis

Energy policy first,
fiscal policy second.

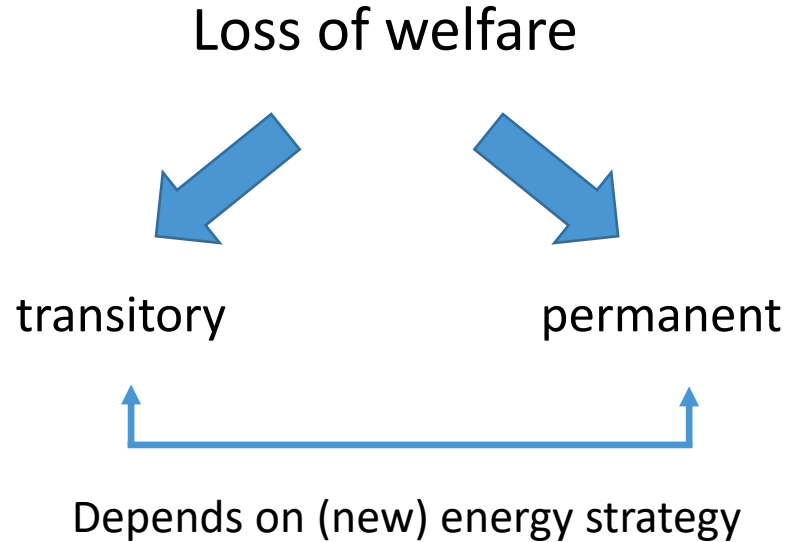
Coping with scarcities

Price mechanism

Soaring energy prices

Not only symptom of a problem,
but already part of the solution.

Negative terms-of-trade shock



Subsidizing gas: Relief that leads astray

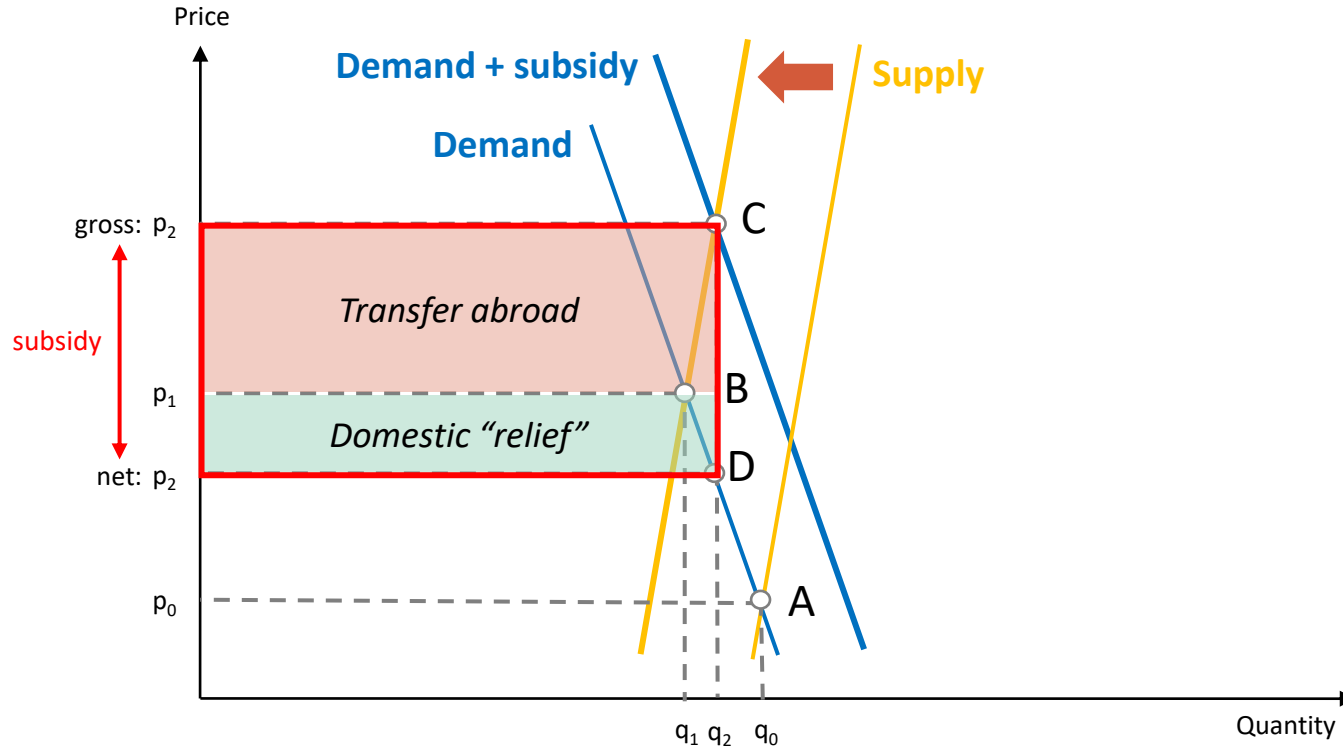
①

National race for subsidies:
Distortions within the common market

②

Global market mechanism:
Strengthened European demand, high(er) world prices

Subsidizing gas



Subsidizing gas: Relief that leads astray

①

National race for subsidies:
Distortions within the common market

②

Global market mechanism:
Strengthened European demand, high(er) world prices

③

Macro repercussions:
Fueling domestic inflation

Worse than high energy prices

Energy shortages

Market interventions: Skimming off profits

Economic criteria
rather than
Robin Hood mentality

Defending price stability:
No room for auxiliary policy support
(primary mandate is at stake)



Caught speeding ...

... claiming to have stepped
on the brakes already



Fiscal dominance?

TPI and ECB collateral

Quantitative Easing



Qualitative Easing

Reversing ultra-loose monetary policies

Uncharted territory

Agenda | Day 1, session 1

13:15 - 13:30 **Welcoming Address and Introduction**

Stefan Kooths, Kiel Institute for the World Economy

13:30 - 14:15 **Keynote: The New Age of Inflation: Are the 1970s back?**

Karl-Heinz Paqué, Friedrich-Naumann-Stiftung für die Freiheit

14:15 - 15:00 **The Effects of Rising Prices on Dutch Households: A Microsimulation Study**

Marente Vlekke, CPB, The Hague

15:00 **Coffee Break**

Agenda | Day 1, session 2

15:30 - 16:00 **Global Economic Outlook**

Klaus-Jürgen Gern, Kiel Institute for the World Economy

16:00 - 16:45 **USA: Economic Outlook**

Adolfo Laurenti, VISA, London

17:00 **Coffee Break**

Agenda | Day 1, session 3

17:15 - 18:00 **China: Economic Outlook**

Maria Laura Lanzeni, Deutsche Bank, Frankfurt

18:00 - 18:40 **Germany: Economic outlook**

Nils Jannsen, Kiel Institute for the World Economy

Dinner Buffet

Agenda | Day 2, session 1

09:00 - 09:45 **Keynote: Europe's monetary and fiscal architecture: What went wrong and how to fix it**

Hans-Peter Grüner, Mannheim

09:45 - 10:45 **Reply and Discussion**

Discussant: Peter Bofinger, Würzburg

Moderation: Stefan Kooths

10:45 **Coffee Break**

Agenda | Day 2, session 2

11:15 - 12:00 **Italy: Economic Outlook**

Paolo Onofri, Prometeia, Bologna

12:00 - 12:45 **UK: Economic outlook**

Stephen Millard, NIESR, London

12:45 - 13:15 **France: Economic Outlook**

Charles-Henri Colombier, Rexecode, Paris

Lunch Buffet

Contact



Prof. Dr. Stefan Kooths

Research Director

Business Cycles and Growth

T +49 431 8814-579

M stefan.kooths@ifw-kiel.de

 @StefanKooths

  @kielinstitute

www.ifw-kiel.de

