



Life in the Eurozone With or Without Sovereign Default?

Workshop organized by Profs. **Franklin Allen**, **Elena Carletti** and **Giancarlo Corsetti** in the framework of the **PEGGED** project (Politics, Economics and Global Governance: The European Dimensions)

Co-organized by
Department of Economics,
Global Governance Programme (GGP),
Robert Schuman Centre for Advanced Studies ,
Wharton Financial Institutions Center

Sala Europa, Villa Schifanoia
Via Boccaccio 121, 50133 Firenze



Programme

April 14, 2011

9.30-10.15	Coffee and registration
10.15 – 10.30	Welcome by EUI President Josep Borrell
10:30 – 12:00	Panel 1: The Current Situation <ul style="list-style-type: none">a) German constitutionb) EU lawc) Constraints (if any) on ECB to buy up Eurozone Government Debtd) European Financial Stability Funde) Greece, Ireland, Portugal, Spain and Italy
	Chair: Elena Carletti (European University Institute)
Participants:	Ramon Marimon (European University Institute) Fabio Panetta (Banca d'Italia) Helmut Siekmann (University of Frankfurt) Karl Whelan (University College Dublin)
12:00 – 13:00	Keynote Lecture: Martin Hellwig (Max Planck Institute) "Quo vadis, Euroland? European Monetary Union between Crisis and Reform"
13:00 – 14:30	Lunch at Villa Schifanoia



14:30 – 16:00 **Panel 2: How would Eurozone Sovereign Bankruptcy Work?**

- a) European Stability Mechanism
- b) Collective action clauses
- c) Banking regulation given risky sovereign debt
- d) Preventing banking crises – priority structure, deposit insurance, government guarantees, equivalent of debtor in possession financing
- e) Central bank liquidity operations with credit risk in sovereign debt

Chair: **Franklin Allen** (Wharton School, University of Pennsylvania)

Participants: **Arnoud Boot** (University of Amsterdam)
Lee C. Buchheit (Cleary Gottlieb Steen & Hamilton LLP)
G. Mitu Gulati (Duke University)
David Skeel (University of Pennsylvania, Law School)

16:00-16:30 Coffee break

16:30 – 18:15 **Panel 3: Alternatives to Sovereign Bankruptcy**

- a) Leaving the Eurozone temporarily
- b) Historical comparison of suspension of the Gold Standard
- c) Argentina and other recent defaults
- d) Long run solution of Eurozone wide bonds or fiscal authority

Chair: **Giancarlo Corsetti** (Cambridge University and European University Institute)

Participants: **Edmond Alphandéry** (CNP Assurances)
Charles Calomiris (Columbia University)
Youssef Cassis (European University Institute)
Erik Nielsen (Goldman Sachs)

18:30 Reception and Dinner at Villa Schifanoia

Dinner speaker: **Wolfgang Münchau** (Eurointelligence)