Quantifying Macroeconomic Tradeoffs in Europe
At the time of the creation of the euro, it was well understood that increased labor market flexibility and more integrated markets would be required to substitute for independent monetary policy. Despite concerns about whether the preconditions were in place for a successful monetary union, member states moved ahead with the adoption of the euro. This talk will examine the opportunity cost of the euro given economic conditions in Europe. The degree of labor mobility, the persistence of unemployment, the volume and direction of trade and the magnitude of economic fluctuations in Europe will be contrasted with the United States, a similarly large region with a shared currency.

Agenda
12:15 p.m.   Welcome
Prof. Dr. Mathias Hoffmann
12:20 p.m.   Presentation
Prof. Linda L. Tesar (University of Michigan; Inge Strauch Visiting Professor UZH)
01:30 p.m.   End of the event

This special seminar is held jointly with the Department of Economics at the University of Zurich.