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Aufsichtsrätetagung

Quo vadis Weltwirtschaft?²

Prof. Dr. Stefan Kooths
Prognosezentrum und Büro Berlin

Kontakt Daten

Prof. Dr. Stefan Kooths¹
Leiter des Prognosezentrums
Institut für Weltwirtschaft an der Universität Kiel

Büro Kiel²
Kiellinie 66
24105 Kiel
0431/8814-579

Büro Berlin³
In den Ministergärten 8
10117 Berlin
030/2067-9664

stefan.kooths@ifw-kiel.de⁴
www.kooths.de



Überblick

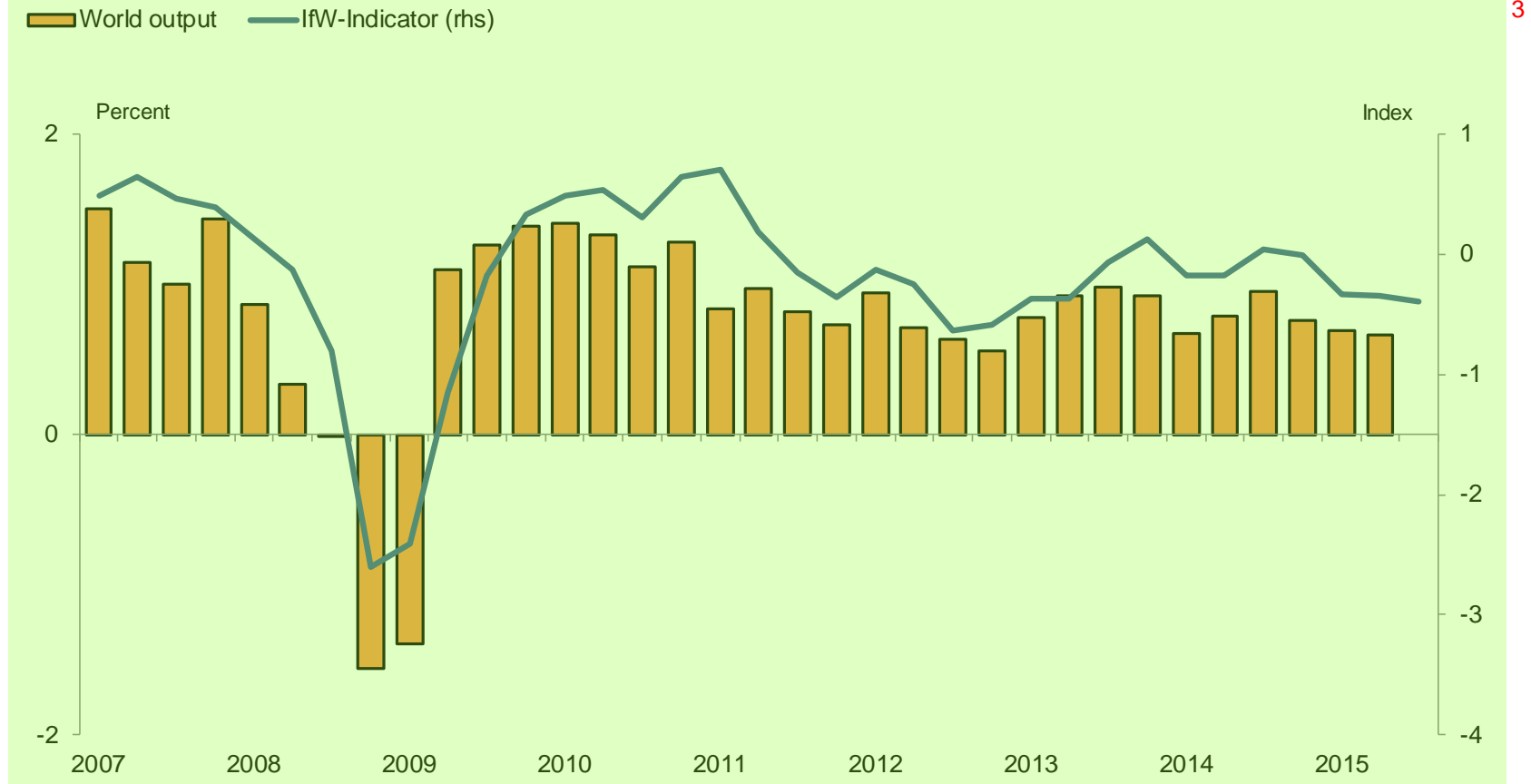
- Globale Perspektive¹
- Euroraum²
- Deutschland³
- Harte Landung in China?⁴
- Risiken der Niedrigzinspolitik⁵
- European Governance⁶

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Global activity has been decelerating¹

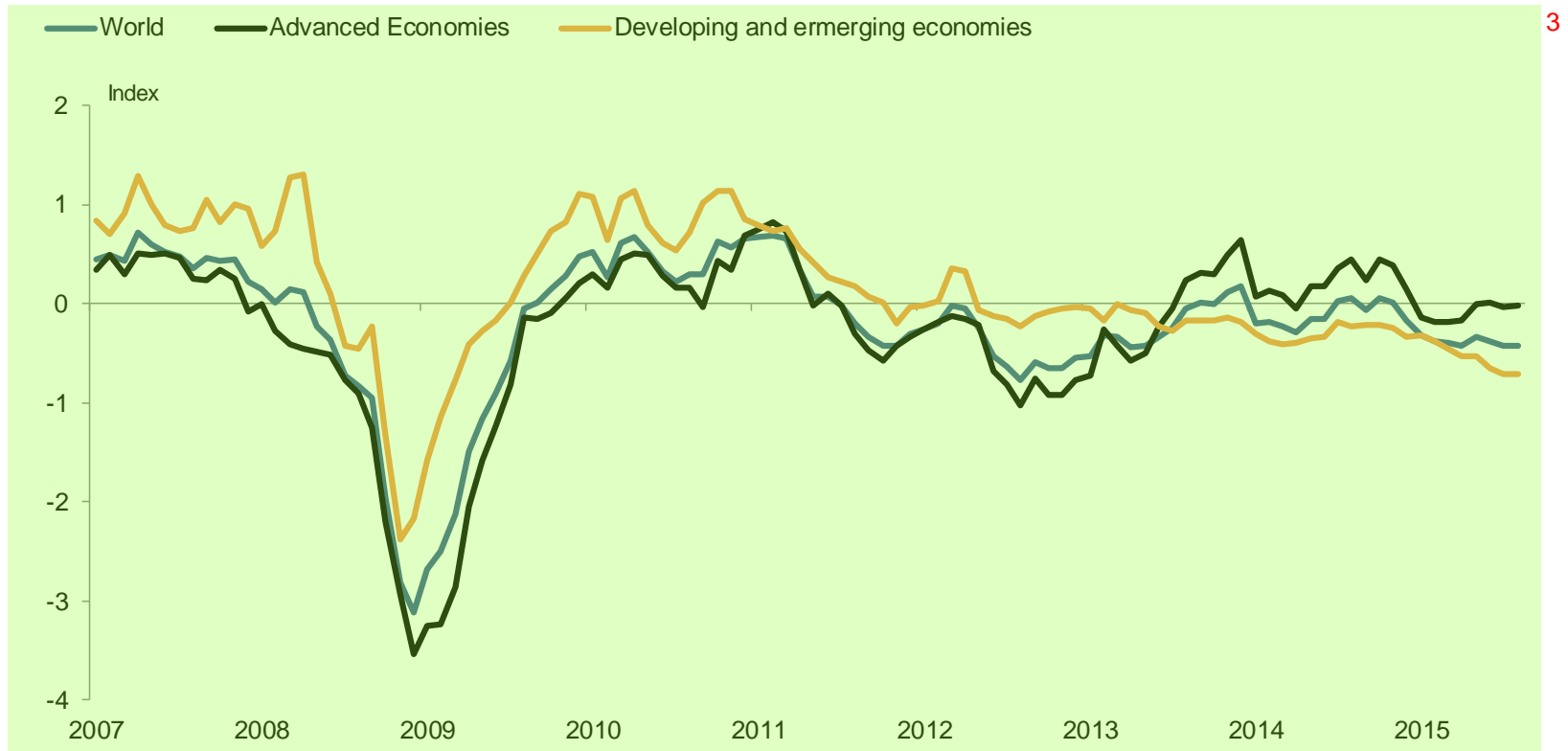
World Economic Activity²



Quarterly data, seasonally adjusted. Indicator is based on business expectations in 42 economies.⁴
GDP: price adjusted, change over previous quarter.

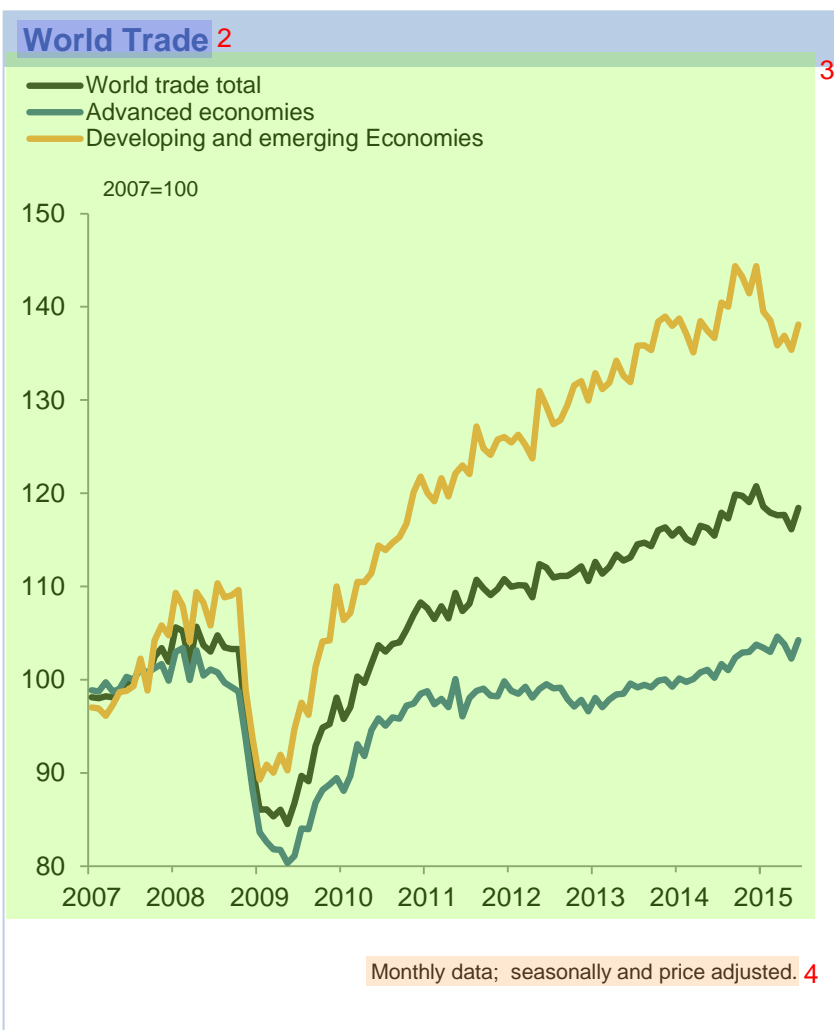
Pronounced weakness in emerging economies¹

Business expectations by groups of countries²



Monthly data, seasonally adjusted. Indicators are based on business expectations in 42 countries (34 advanced economies and 8 emerging economies).⁴

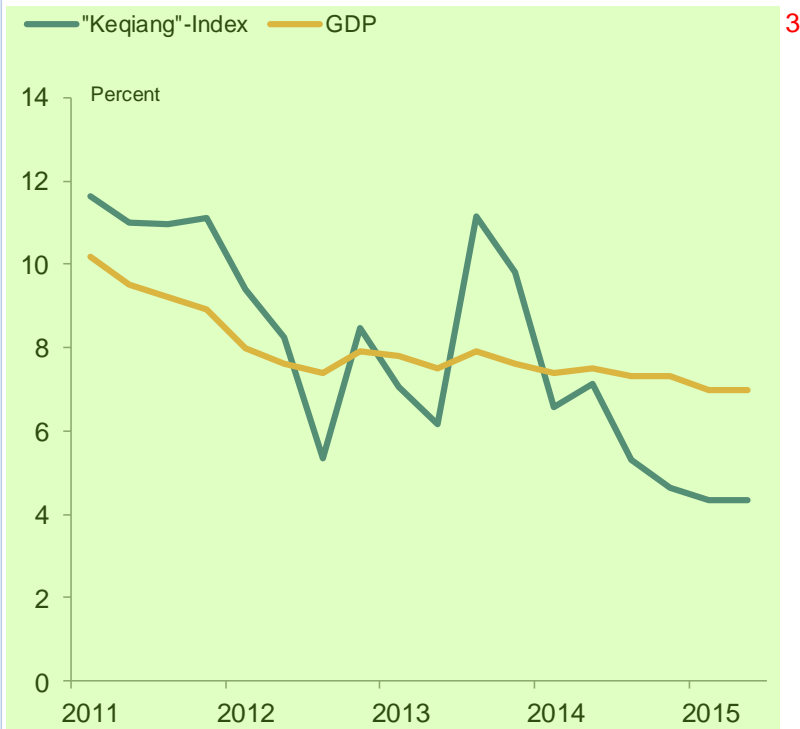
World trade in decline during 2015-H1 due to EE weakness¹



- World trade growth slowed further actually declining during 2015-H1⁵
- Annual growth poised to slow to around 1 percent in 2015 following already weak growth of around 3 percent in 2013 and 2014
- Elasticity fell further to below 1
- Weakness of trade growth stems mainly from emerging economies

Slowdown in China may be even worse than official GDP data suggest ¹

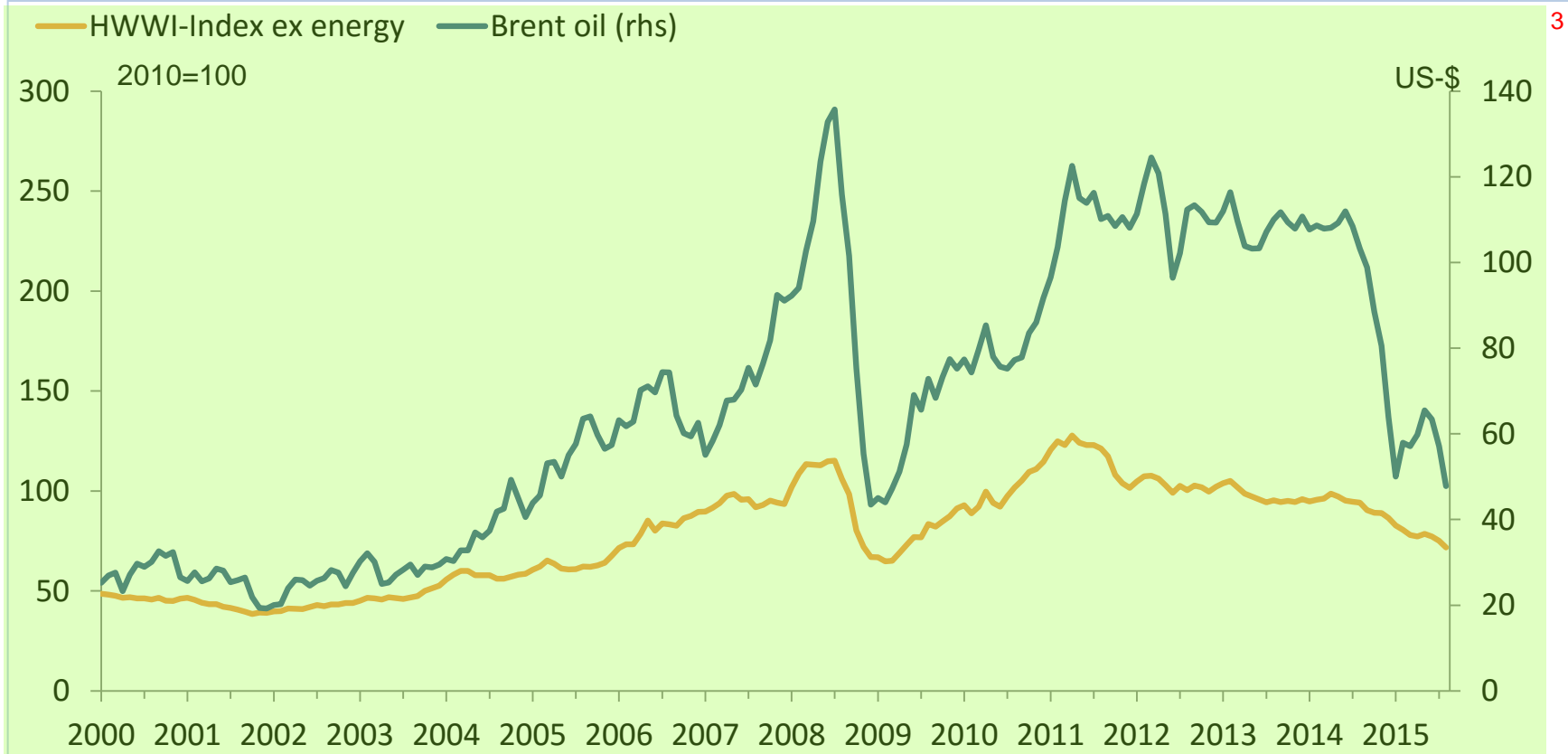
China: GDP and "Keqiang"-Index ²



- GDP growth close to 7% target
- Alternative activity indicators suggest otherwise
- Pronounced weakness in trade
- Car sales growth slowed to a crawl
- Stock market correction
- Fears of a fullblown crisis

Another leg in the decline of oil prices¹

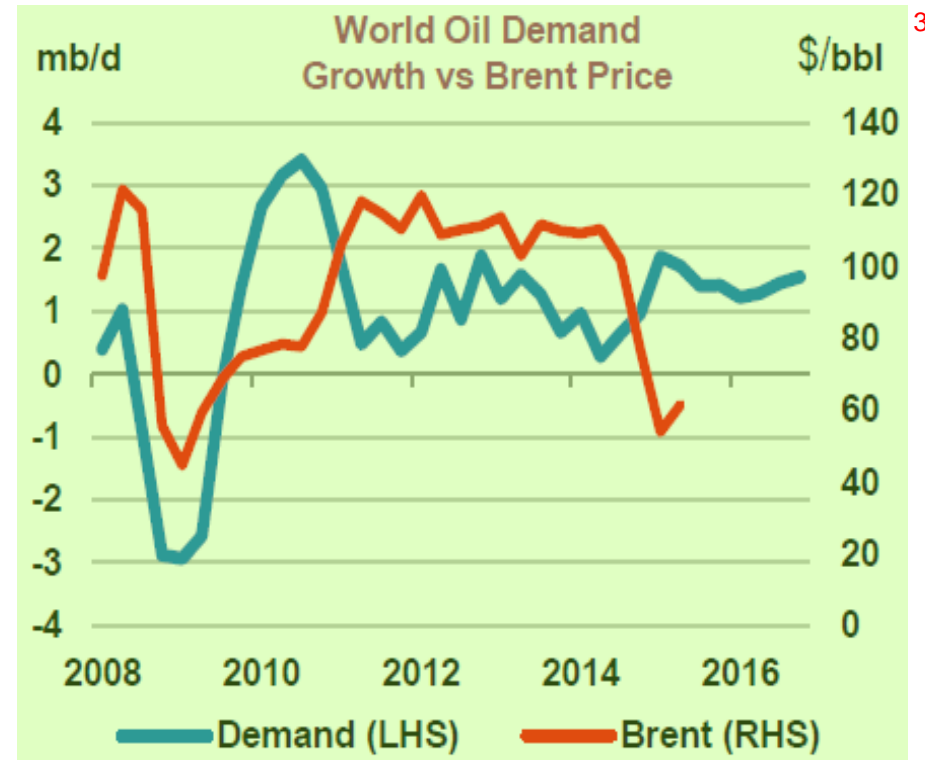
Commodity prices²



Monthly data; commodities prices without energy: HWWA-index based on US-Dollar; oil price: Spot price Brent.⁴

Oil market: Textbook-like demand pattern¹

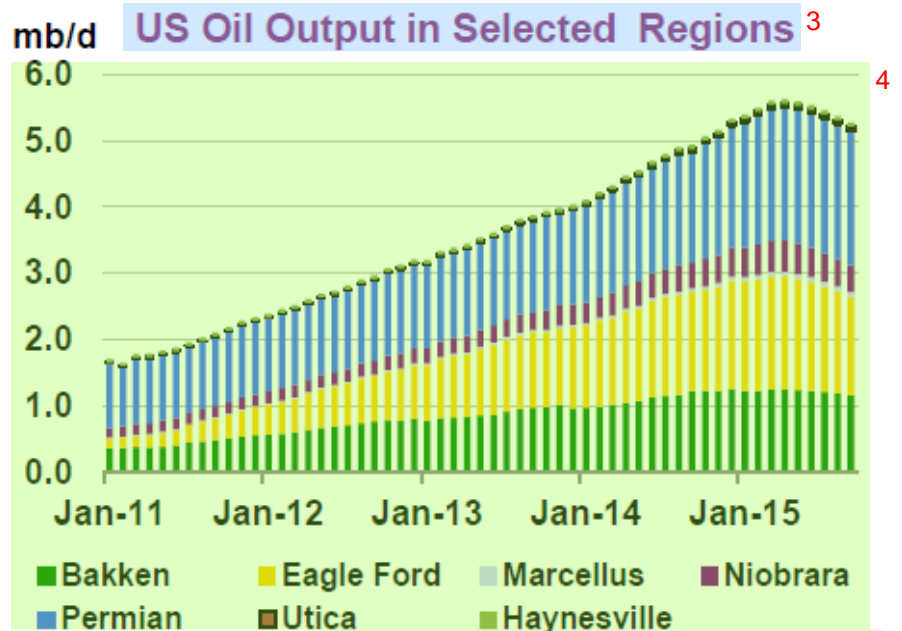
- Lower prices triggered additional demand²
- Rate of demand growth was diminishing in face of high oil prices in 2011-2014
- Demand growth picked up with the decline in prices despite continued modest growth



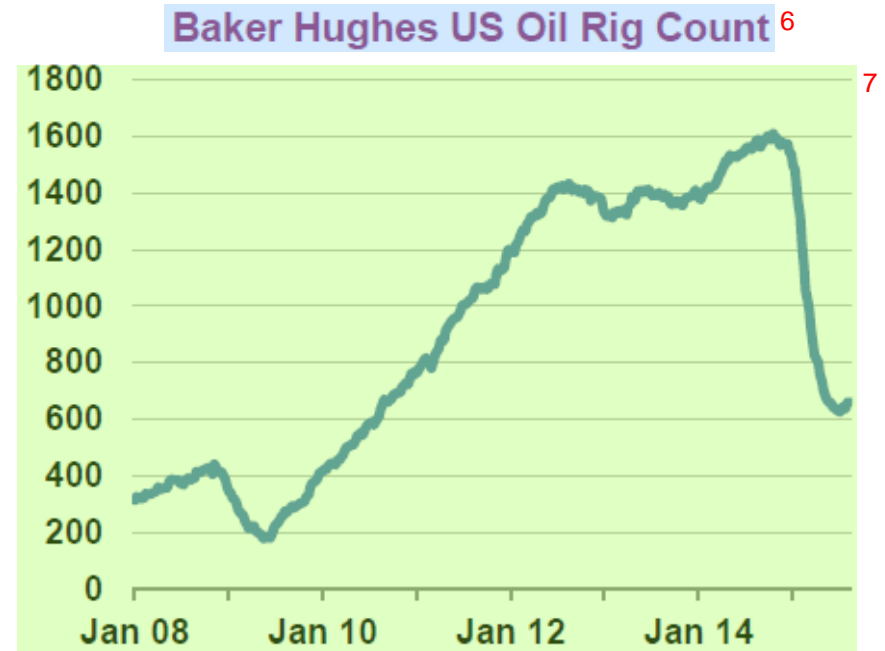
Source: IEA, Monthly Oil Market Report.⁴
August 2015.

Output response also as expected: US shale oil boom is over ¹

- Collapse of drilling activity (-60%) ²
- Lagged reaction of production



Source: EIA Drilling and Productivity Report ⁵

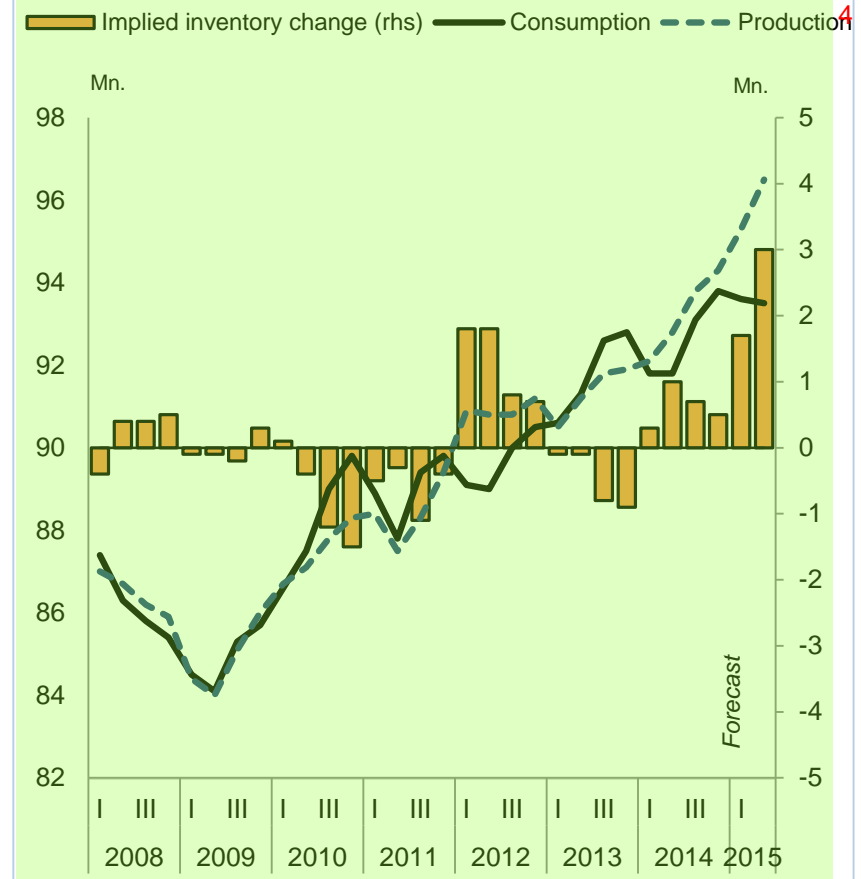


Source: IEA, Monthly Oil Market Report. August 2015.

But: Total oil production kept on increasing¹

- OPEC continued to ramp up production in 2015-H1²
- Production quota were disregarded
- Record output in Saudi Arabia and strong increase in Iraq
- Others kept producing at full capacity
- Iran can be expected back to the market with another 1 mill. b/d over the next year

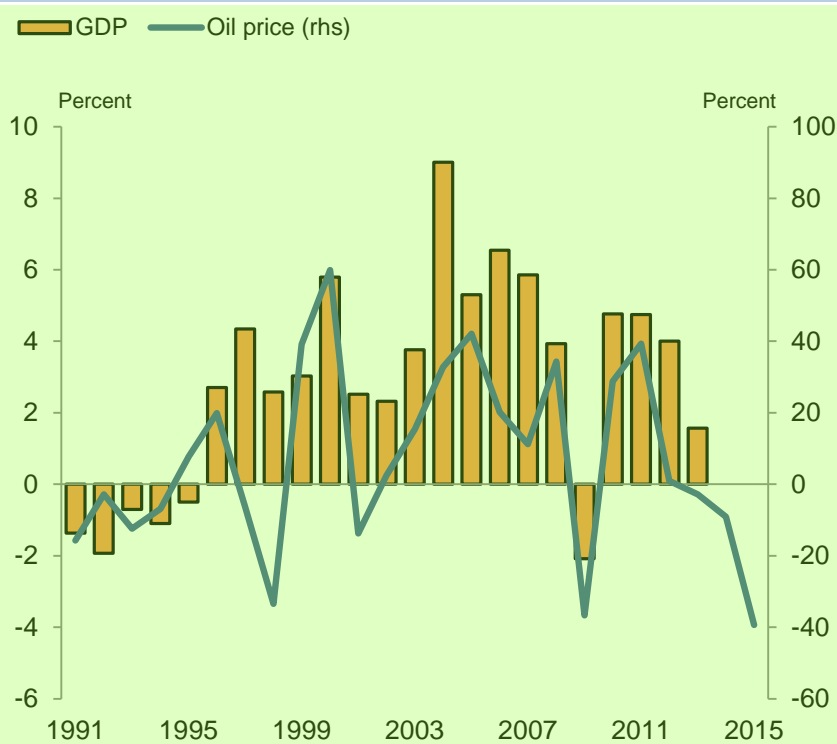
Global oil market³



Quarterly data; barrel per day. ⁵
Source: IEA Monthly Oil Market Report

Lower oil prices may stimulate GDP of oil importers but exporters suffer

Oil price and GDP in the 15 largest net oil exporters



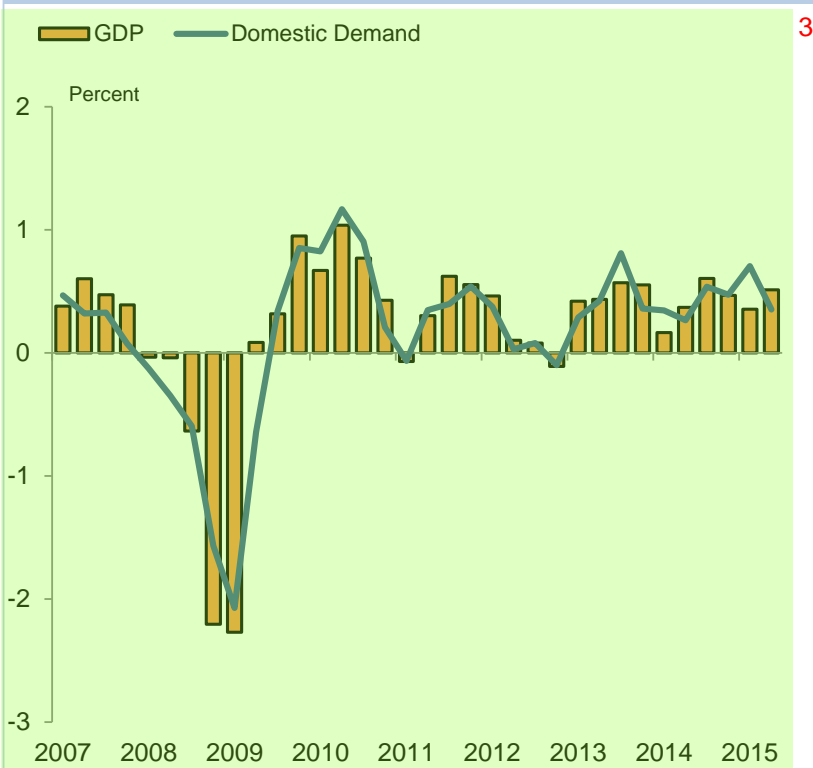
Annual data; yoy-change; Oil price: Brent in US-Dollar; GDP: volumes weighted according to nominal GDP in US-Dollar.

Oil exporters: Algeria, Angola, Canada, Kazakhstan, Iraq, Iran, Kuwait, Mexico, Nigeria, Norway, Qatar, Russian Federation, Saudi Arabia, UAE, Venezuela.

- Uncertain stimulus to oil importers
- size of effect depends on
 - » Source of the shock
 - » Oil intensity of production,
 - » Duration of the shock
 - » External repercussions
 - » ...
- Oil exporters imports could decline substantially
- Modest impact on global output

Steady growth in the advanced economies¹

GDP and Domestic Demand in the G-7²



Price adjusted; seasonally adjusted; yoy change. G7 consists of USA, Japan, Canada, Germany, France, Italy and UK.⁴

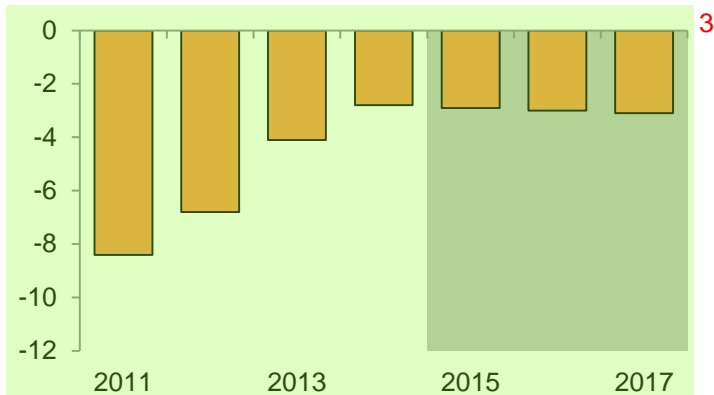
■ G7 output growth in 2015-H1⁵ has proven robust on the whole

■ 2015-Q2⁶

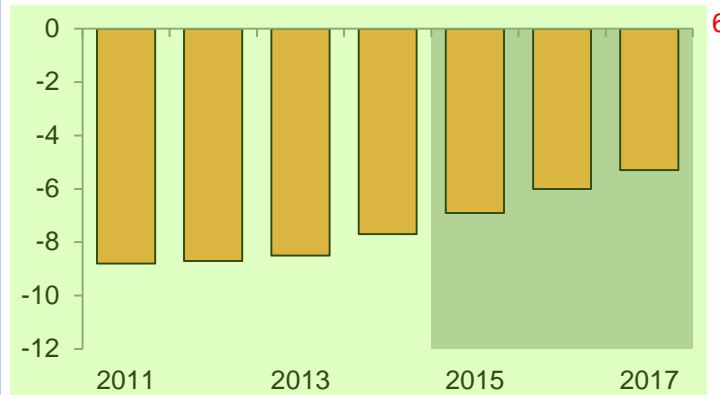
- » Resurgence of US growth⁷
- » Declining output in Japan
- » Moderate but robust growth in the euro area
- » Continued strong expansion in EU ex EA

Fading fiscal policy restriction in advanced economies¹

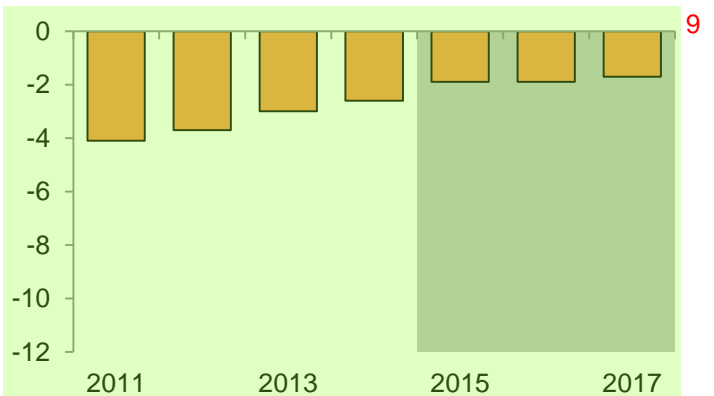
United States²



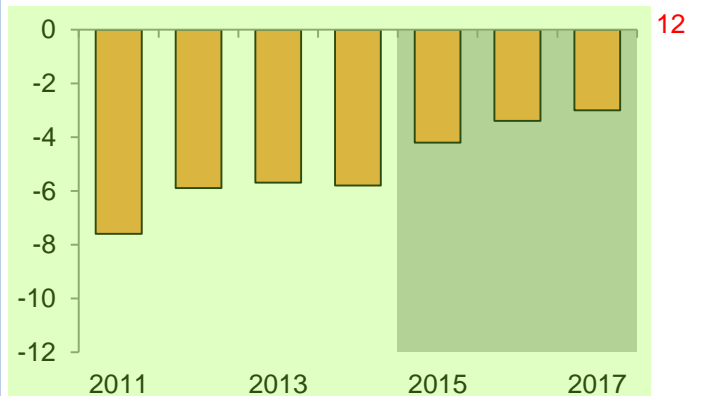
Japan⁵



Euro area⁸

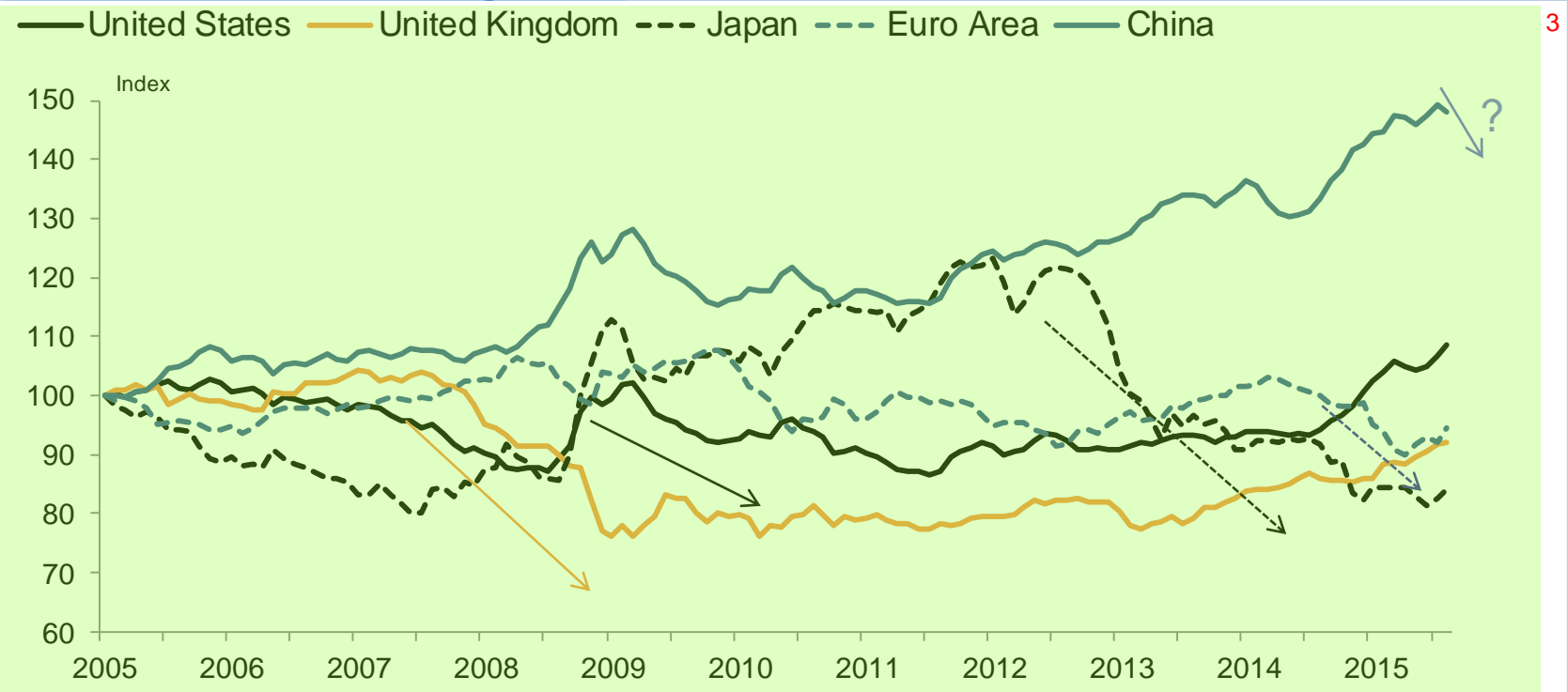


United Kingdom¹¹



„Currency war“ as a result of a succession of expansive monetary policy decisions¹

Nominal effective exchange rates²



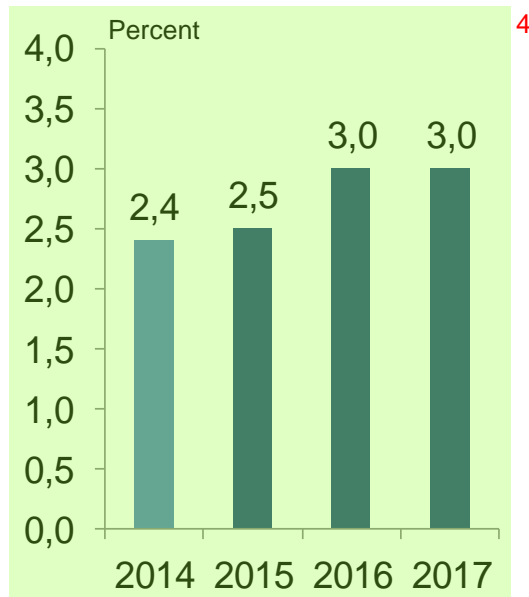
30 percent devaluation of Renminbi (NiGEM simulation) ¹

Deviation of GDP from baseline in percent

	Year 1	Year 2
World	-0,3	-0,9
Advanced Economies		
Germany	-0,4	-1,2
Euro area	-0,4	-1,2
Japan	-0,9	-2,3
South Korea	-0,9	-2,7
UK	-0,6	-1,7
USA	-0,4	-0,9
Emerging Economies		
Brazil	-0,5	-1,4
China	0,7	1,2
India	-0,6	-2,0
Indonesia	-0,7	-2,5
Mexico	-0,3	-0,9
Russia	-0,6	-1,9

United States: Modest acceleration¹

Real GDP Growth³



- Soft patch at the start of the year proved temporary²

- » Employment growth has slowed down somewhat but is expected to accelerate again⁵
- » Robust real wage growth although nominal wages have been slowing recently
- » Recovery in the housing market to continue
- » Corporate investment to pick up

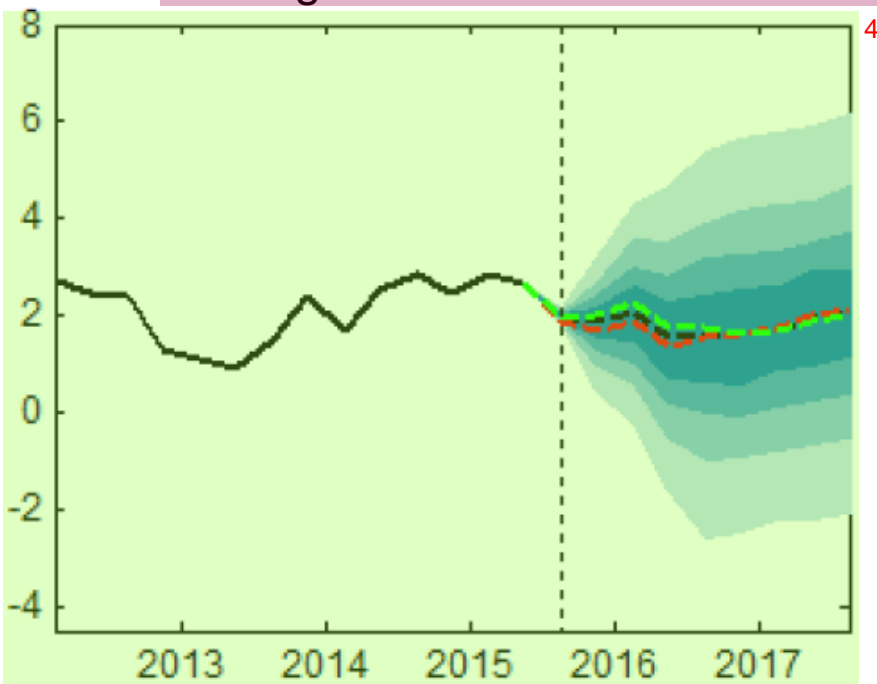
- Monetary policy is still expected to raise interest rates in winter⁶

- » MP remains expansive⁷
- » No severe impact on domestic demand expected
- » Surprise move would have modest and temporary impact

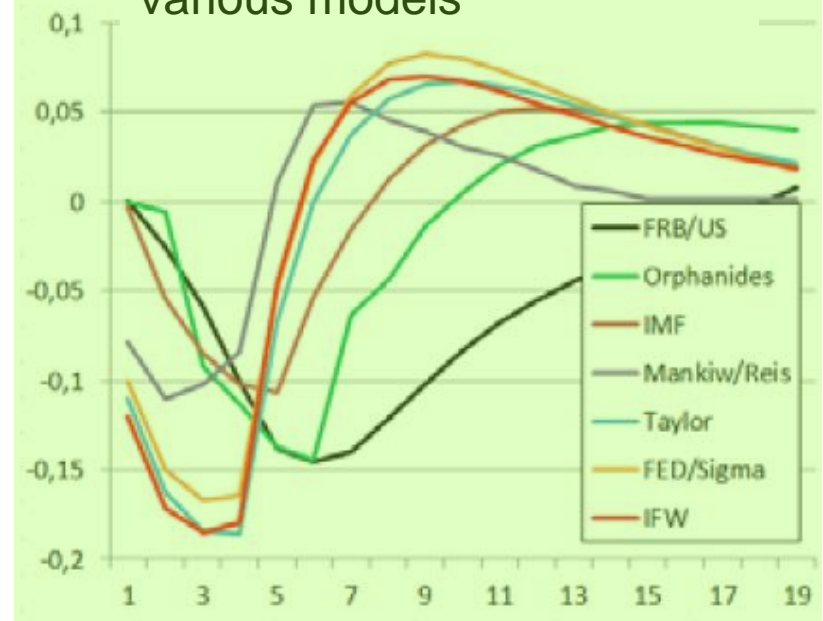
GDP and MP: Response to surprise interest rate move according to model simulations (Macroeconometric Model Base MMB)

- 25 bp increase lowers GDP by 0.2 % in the short term, not significantly in the longer term in a DSGE framework
- Similar results in a number of other (different) models

GDP growth forecast

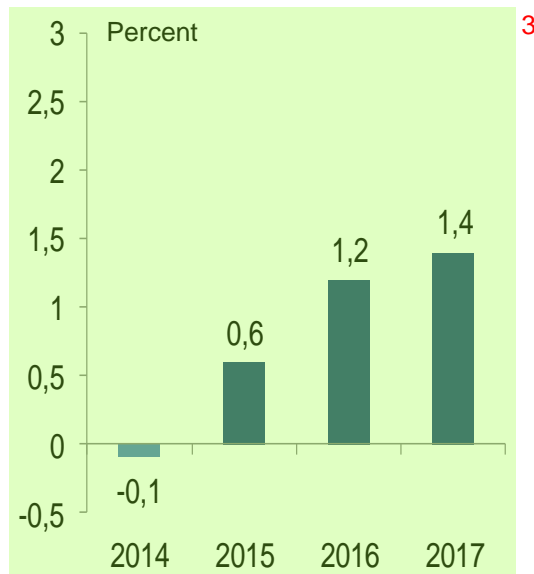


Impulse response (GDP)
various models



Japan: Moderate recovery

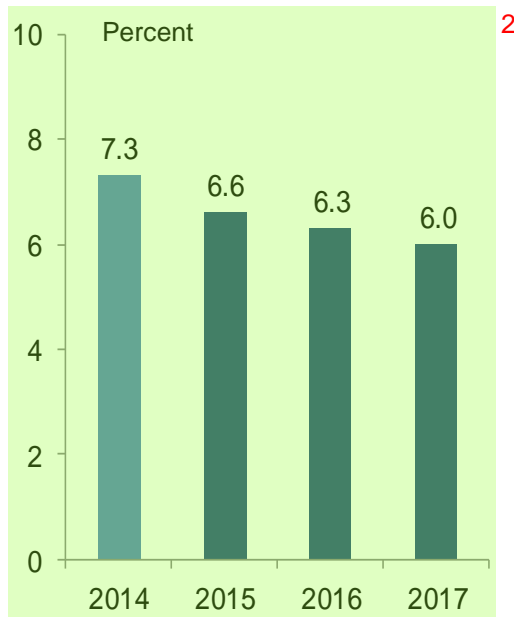
Real GDP Growth ²



- GDP declined in Q2 due to weakness in exports and a temporary drop in private consumption ¹
- Monetary expansion has continued unabated, level of the yen has remained low ⁴
- Exports should gradually strengthen going forward ⁵
- Limited progress in structural reforms—moderate decrease of corporate taxes ⁶
- Slow progress with fiscal consolidation ⁷
- Second VAT increase scheduled for 2017 ⁸
- Moderate GDP growth expected ⁹

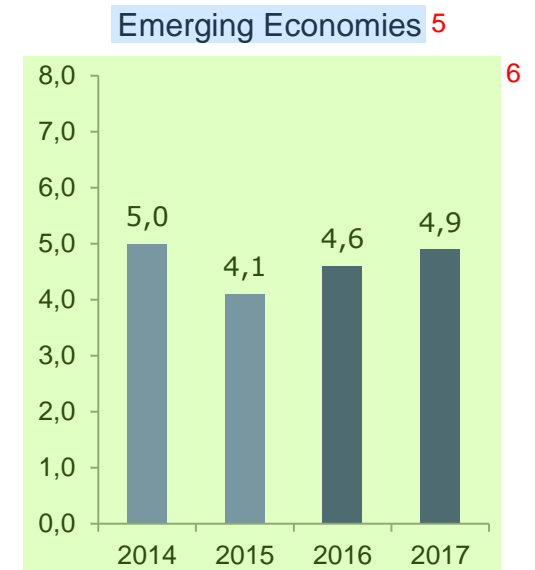
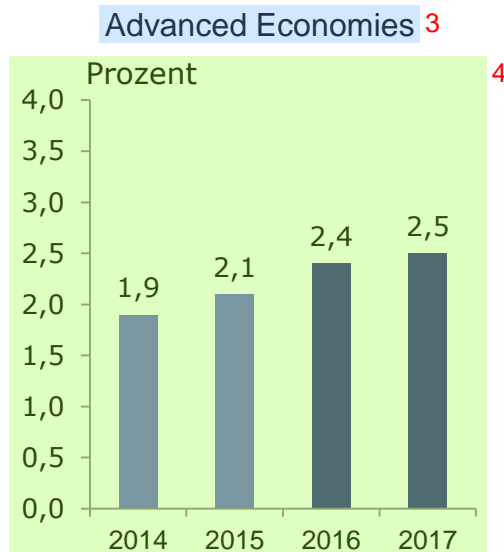
China: Slowdown continues

Real GDP Growth ¹



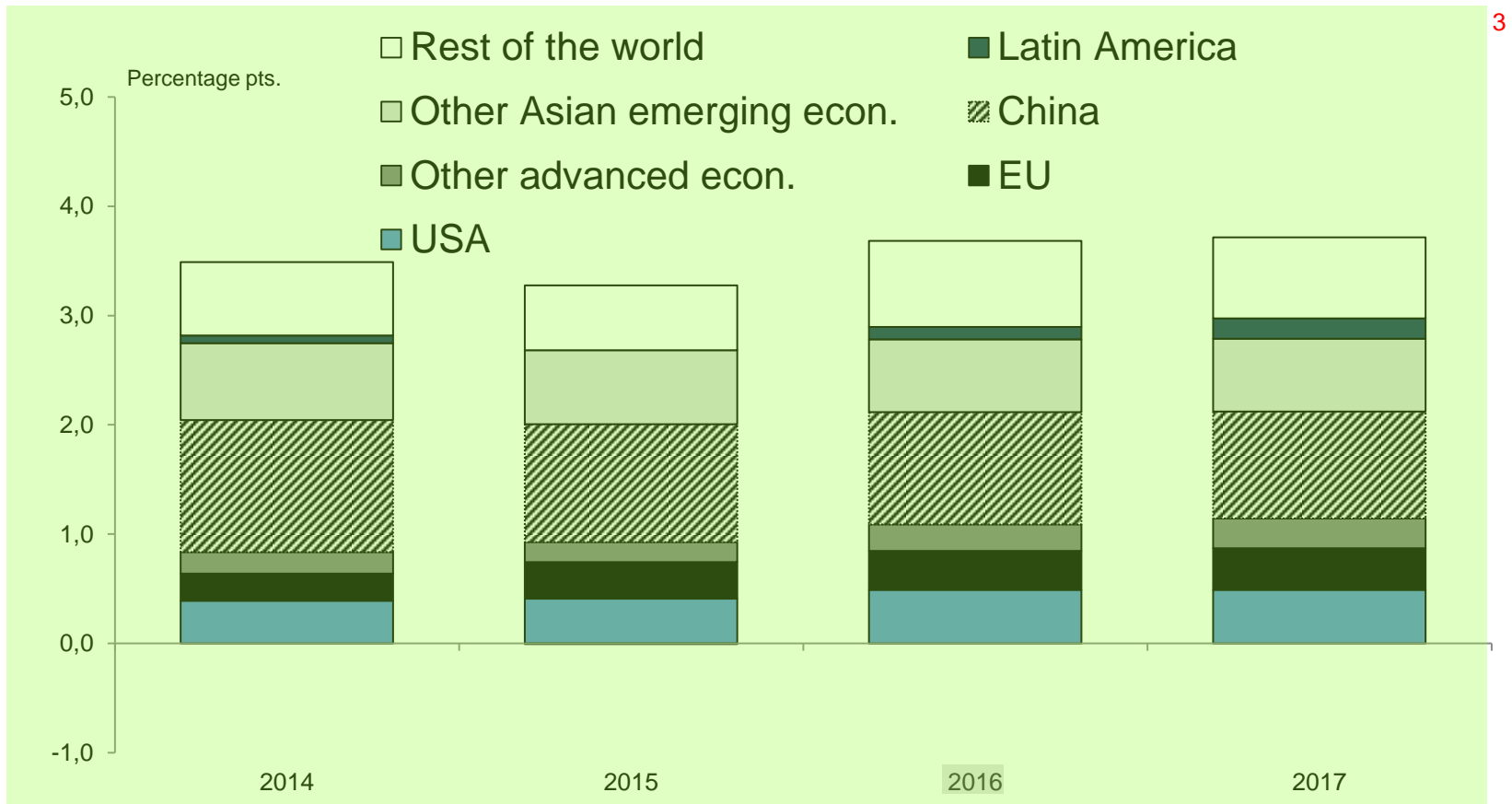
- Continued transition to a lower growth trajectory ³
- Cyclical downturn expected to be controlled with the help of monetary and fiscal stimulus
- Growth in credit has been reigned but debt remains high
- Property market shows signs of stabilization but remains a risk
- No sustained acceleration of growth expected

The global picture



Contribution to global growth¹

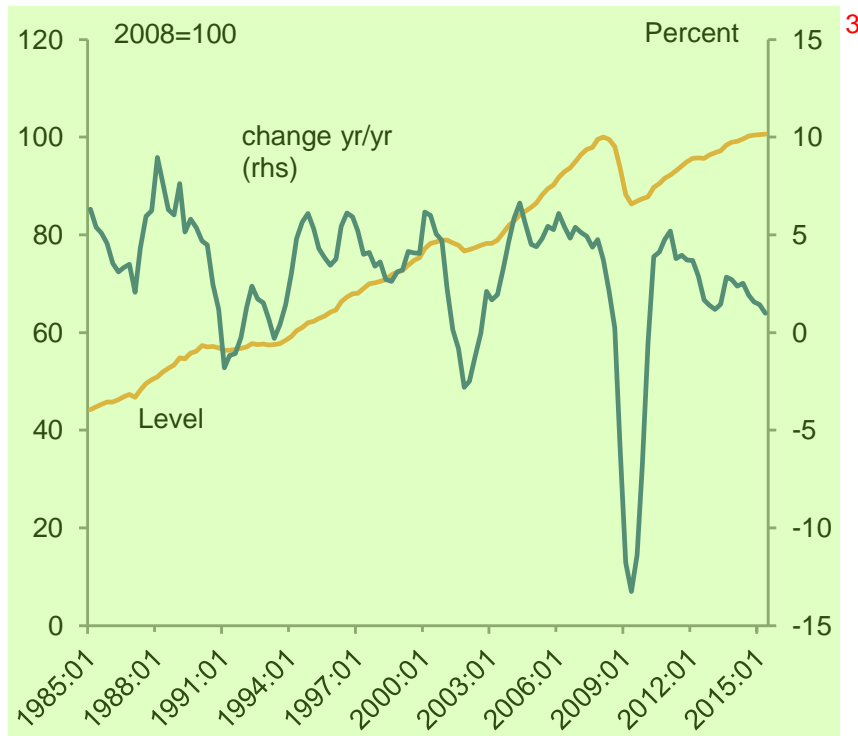
Contribution to global growth by region in percentage points²



Annual data, volumes. Rate of increase of GDP weighted according to share in global output at Purchasing Power Parities.

Global investment has been disappointing after 2009 and decelerating lately¹

World GFCF (ex China)²



Quarterly data; price and seasonally adjusted; yoy-change.⁴
Indicator is based on Gross Fixed Capital formation in 45

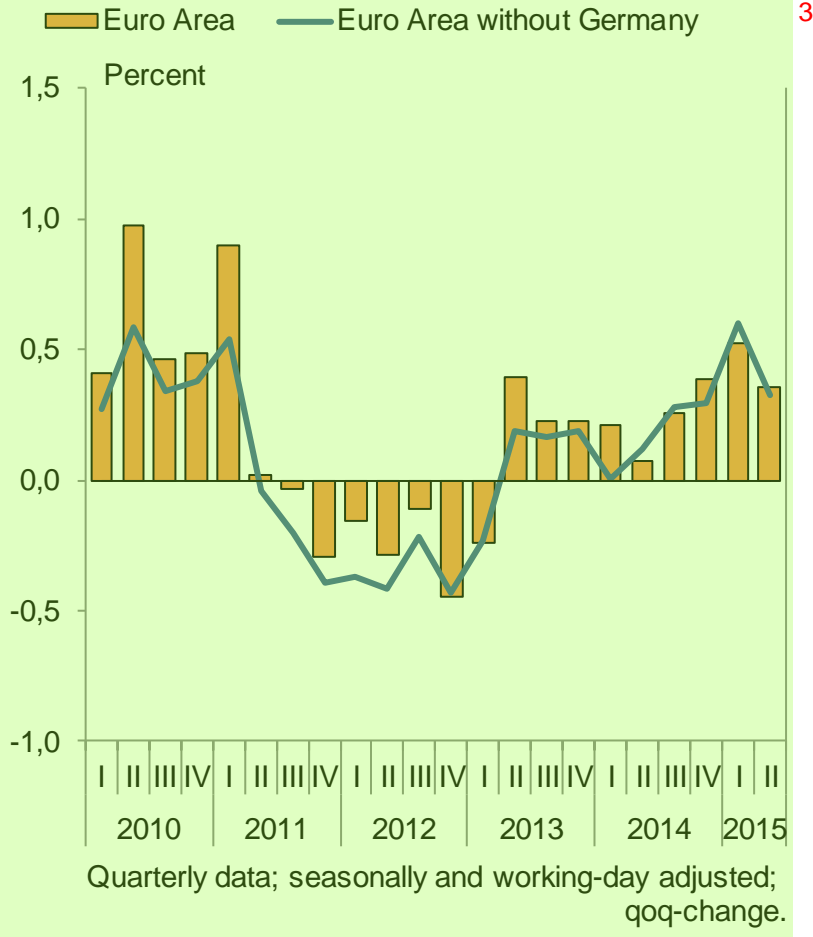
- Level shift after the crisis in line with historical experience⁵
- Recent slowdown mainly driven by emerging economies
- Commodity sector adjustment
- Structural correction of commodity prices heralds continued weak investment in commodity sector
- Change in Chinese growth model suggests that moderation in Chinese investment may be persistent

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Gross domestic product¹

Gross Domestic Product in the Euro Area and the Euro Area without Germany²



■ qoq change⁴

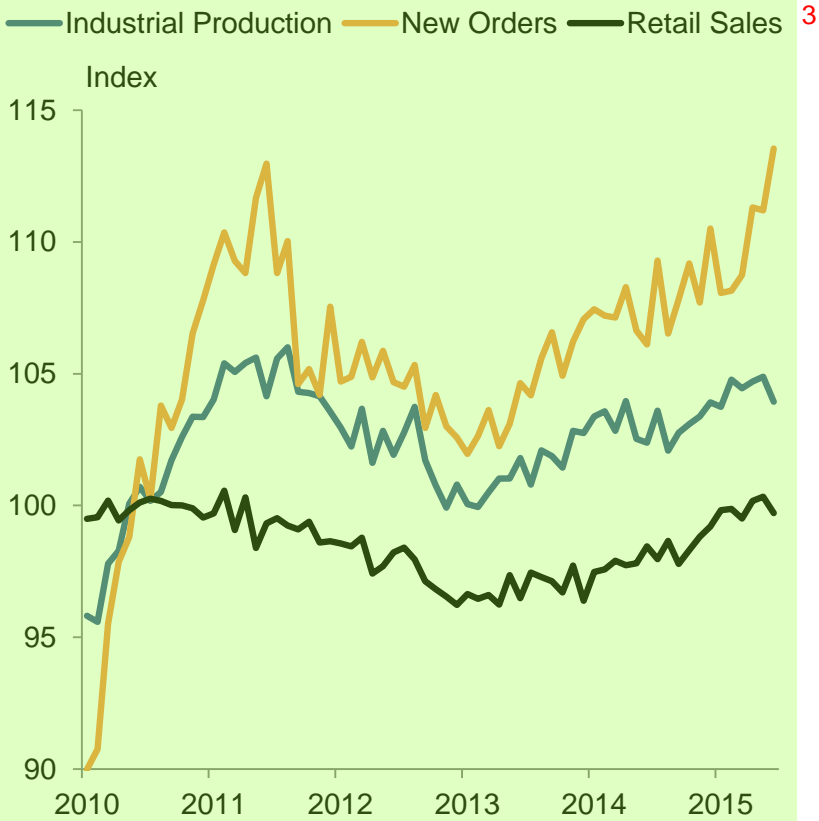
- » 2015-Q1: +0.5 percent
- » 2015-Q2: +0.4 percent (net export contr.: 0.3 pp)

■ Moderate recovery since 2013⁵

- » qoq: 0.1 percent - 0.5 percent
- » 2014: + 0.9 percent

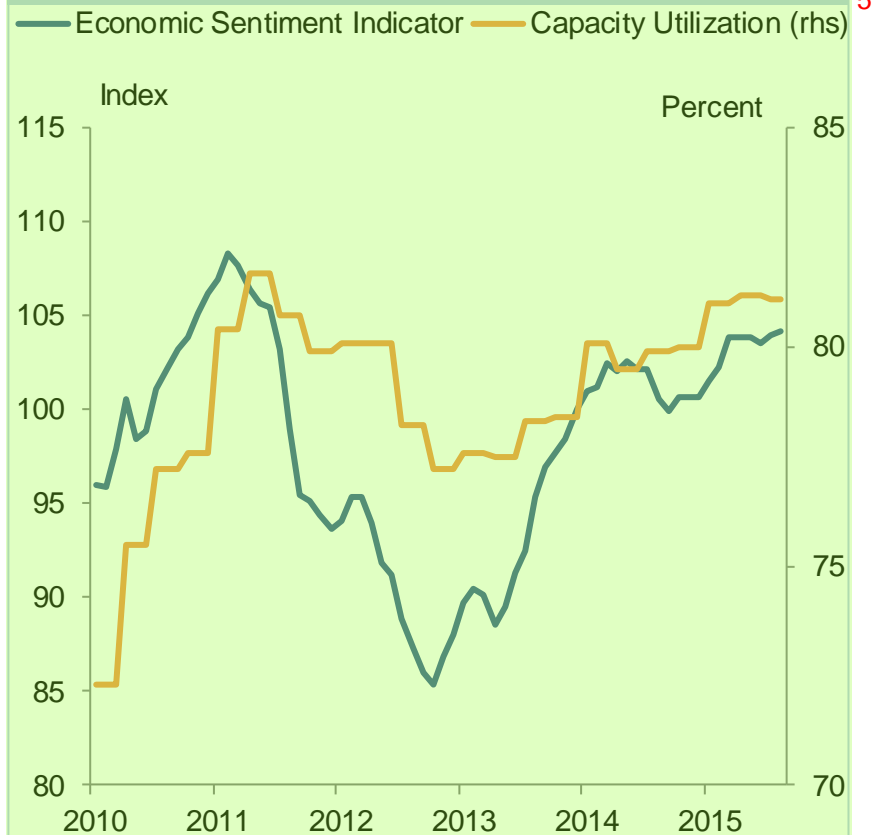
Early activity indicators and business climate¹

Industrial Production, New Orders and Retail Sales²



Monthly data, volume, seasonally adjusted.⁶

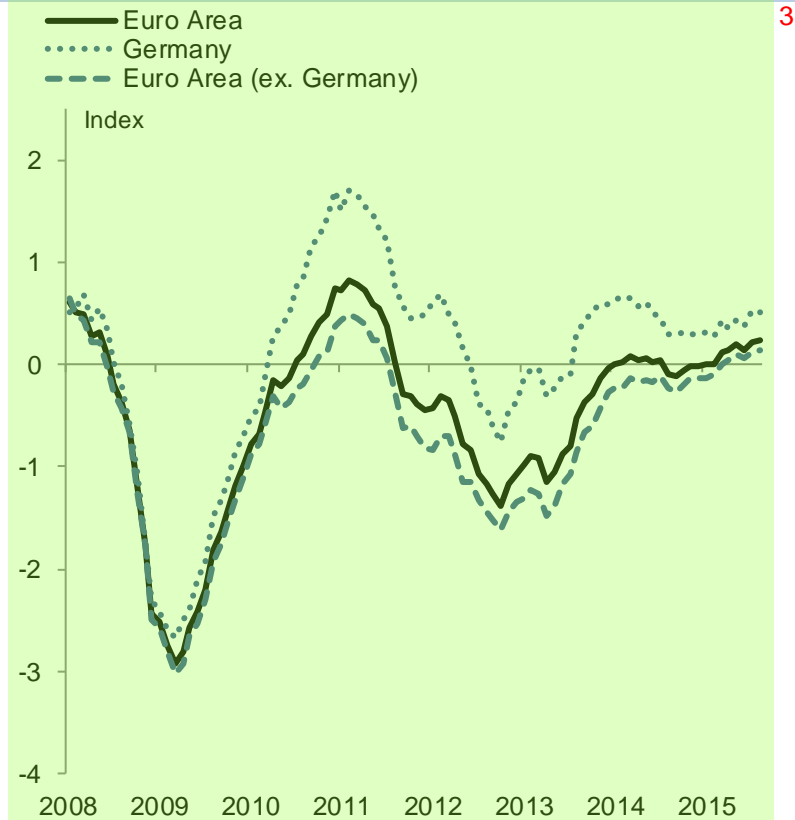
Economic Sentiment and Capacity Utilization⁴



Monthly data, seasonally adjusted.⁷

Economic Sentiment¹

Business²



Monthly data, seasonally adjusted. ⁴

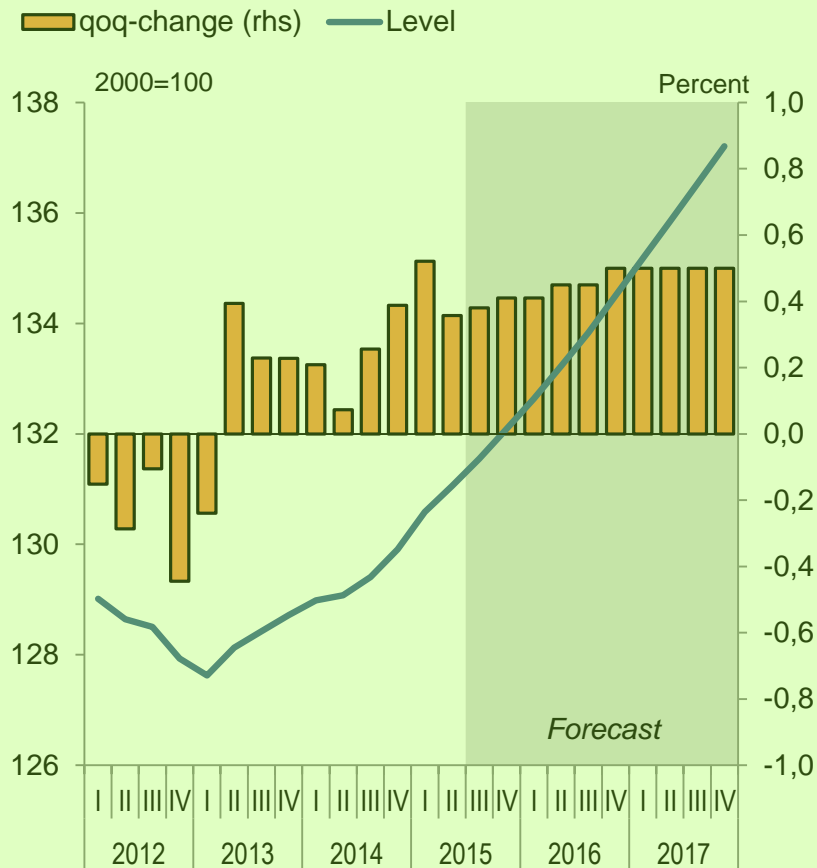
Consumer⁵



Monthly data, seasonally adjusted. ⁷

Outlook for the Euro Area (GDP)¹

GDP in the euro area²

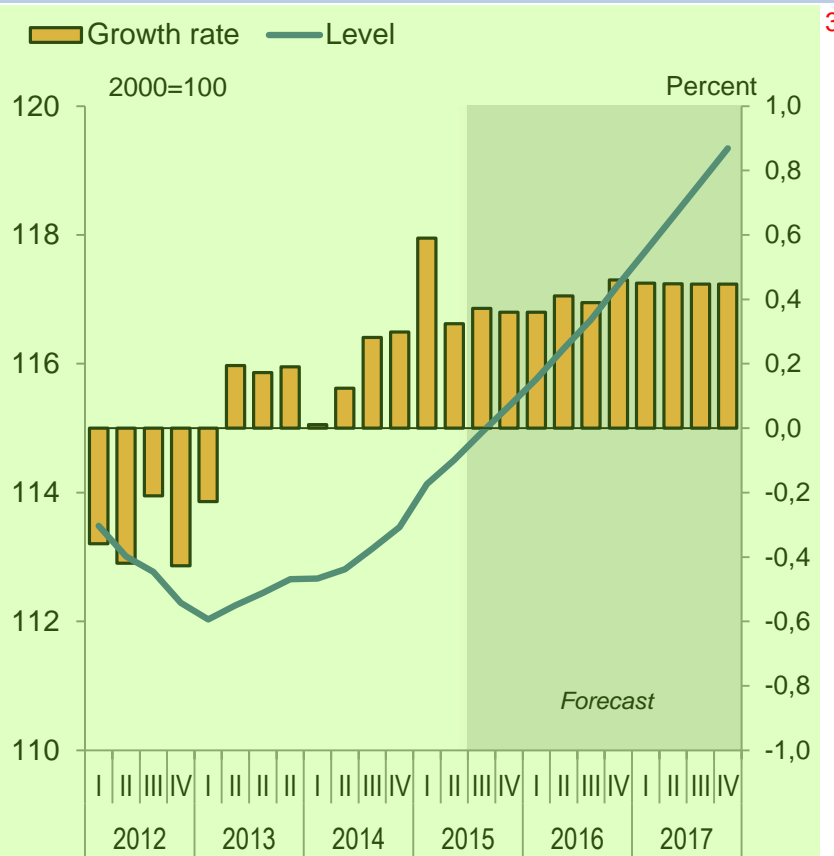


- 2014: 0.9 percent⁵
- 2015: 1.5 percent
- 2016: 1.7 percent
- 2017: 2.0 percent

Quarterly data, seasonal and working-day adjusted,⁴ qoq-change.

Outlook for the Euro Area ex Germany (GDP)¹

GDP in the Euro Area ex Germany²

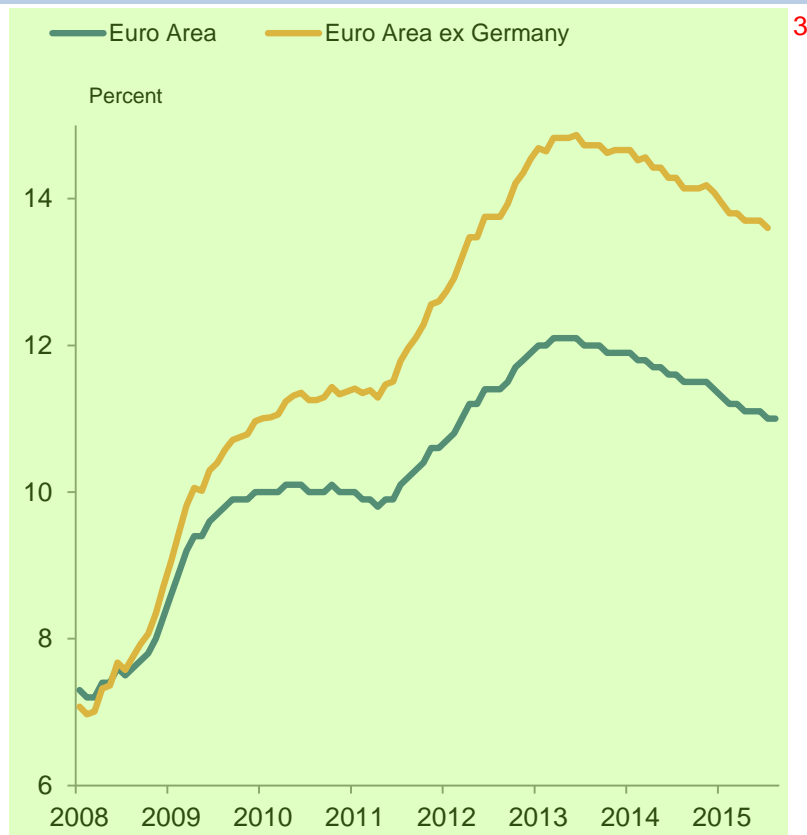


Quarterly data, seasonal and working-day adjusted;⁴
qoq-change.

- 2014: 0.6 percent⁵
- 2015: 1.4 percent
- 2016: 1.5 percent
- 2017: 1,8 percent

Labor market: Unemployment¹

Unemployment rate²



Monthly data, seasonally adjusted.⁴

- 2014: 11.6 percent⁵
- 2015: 11.0 percent
- 2016: 10.5 percent
- 2017: 9.9 percent

■ Greece²

- » Active population: -100 T³
- » Net Migration: -117 T
- » **Employment: -62 T**
- » Unemployment: -37 T

■ Portugal⁴

- » Active population: -87 T⁵
- » Net Migration: -72 T
- » **Employment: +81 T**
- » Unemployment: -81 T

■ Ireland⁶

- » Active population: -0 T⁷
- » Net Migration: -61 T
- » **Employment: +81 T**
- » Unemployment: -81 T

■ Spain⁸

- » Active population: -314 T⁹
- » Net Migration: -362 T
- » **Employment: +249 T**
- » Unemployment: -564 T

Wages¹

percentage change over previous year²

	2014	2015 ^b	2016 ^b	2017 ^b
Germany	2.6	3.0	2.2	3.1
France	1.4	1.3	1.2	1.2
Italy	0.7	1.4	0.7	1.0
Spain	-0.3	0.4	0.6	0.8
Netherlands	2.0	1.9	2.0	2.2
Belgium	1.0	0.6	1.5	2.0
Austria	1.7	1.9	2.1	2.3
Finland	1.4	1.0	0.8	1.0
Greece	-1.6	-0.8	0.0	0.5
Portugal	-1.4	1.6	1.5	2.0
Ireland	1.8	1.1	1.5	2.0
Slovakia	3.4	3.0	4.0	4.5
Luxembourg	1.9	1.0	2.0	2.5
Slovenia	1.1	0.8	1.0	1.1
Lithuania	4.8	4.4	5.0	5.2
Latvia	8.2	5.4	5.5	6.0
Estonia	7.7	6.2	7.0	7.5
Cyprus	-4.7	-2.7	-1.0	0.0
Malta	0.1	0.8	1.5	2.0
Euro area	1.5	1.8	1.5	1.9
Euro area excl. Germany	1.0	1.2	1.2	1.4

^aCompensation per employee. — ^bForecast.⁴

Wages, productivity, unit labor costs¹

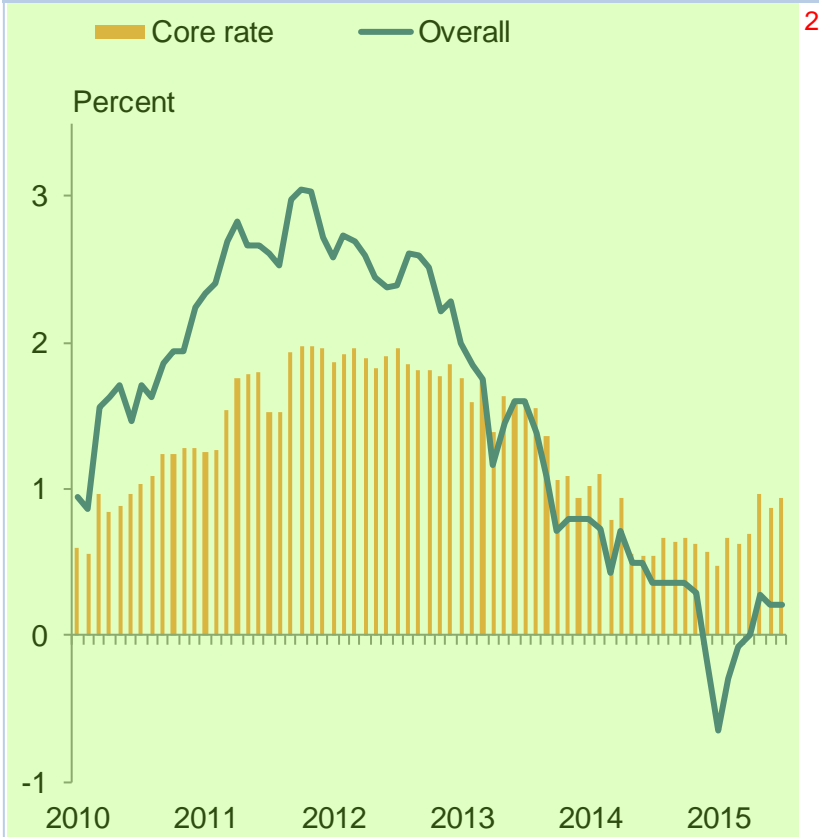
percentage change over previous year

	2014	2015 ^a	2016 ^a	2017 ^a
Compensation per employee				
Euro area	1.5	1.8	1.5	1.9
Euro area excl. Germany	1.0	1.2	1.2	1.4
Productivity				
Euro area	0.3	0.8	1.1	1.1
Euro area excl. Germany	0.1	0.9	1.1	1.0
Unit labor costs				
Euro area	1.2	0.9	0.4	0.8
Euro area excl. Germany	0.9	0.3	0.1	0.4

^aForecast.

Inflation

Consumer prices ¹

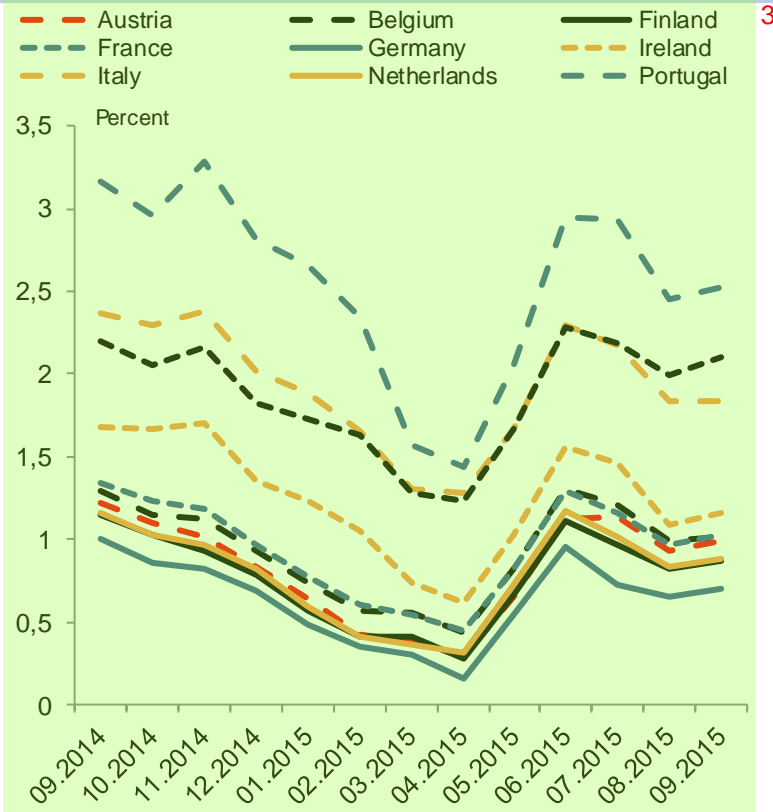


Monthly data, not seasonally adjusted; ³
change over previous year.

- Data edge ⁴
 - » CPI inflation about to dip again due to sharp drop of oil prices
- Expected increase of inflation by the end of 2015 ⁵
 - » 2014: 0.4 percent ⁶
 - » 2015: 0.0 percent
 - » 2016: 0.9 percent
 - » 2017: 1.8 percent
- Core inflation rate at ~1 % ⁷

Inflation: Expectations¹

Bond interest rates²



- Yields of government bonds on record-low levels at the start of QE program⁵
- Rising yields since April (increase in inflation expectations)⁶

Outlook: Upswing increasingly driven by domestic demand ¹

- **Supporting factors** for economic activity ²
 - » Low oil prices, low interest rates, low external value of the euro
- **Labor market** conditions improve further, thus stimulating consumption
- **Private investment** benefits from decrease in overall uncertainty
- **Budget:** Fiscal consolidation eases. Only slight improvement of budgets due to favorable financial conditions and recovery

- » 2014: -2,5 percent ³
- » 2015: -1,9 percent
- » 2016: -1,9 percent
- » 2017: -1,7 percent

- **External trade** will accelerate ⁴

- » Exports (low euro) and imports (domestic forces) both increase ⁵
- » Contribution of net exports to growth will be rather small

Budget Balances in the Euro Area ¹

²

	2014	2015 ^b	2016 ^b	2017 ^b
Germany	0.3	1.0	0.5	0.7
France	-4.0	-3.8	-3.8	-3.5
Italy	-3.0	-2.5	-2.0	-2.2
Spain	-5.8	-4.5	-3.7	-3.3
Netherlands	-2.3	-1.5	-1.3	-1.1
Belgium	-3.2	-2.5	-2.3	-2.1
Austria	-2.4	-1.9	-1.9	-1.7
Finland	-3.2	-3.6	-3.4	-3.1
Greece	-3.5	-2.2	-3.0	-2.9
Portugal	-4.1	-2.4	-2.4	-2.5
Ireland	-4.5	-3.1	-3.0	-2.8
Slovakia	-2.9	-2.7	-2.6	-2.5
Luxembourg	0.6	0.5	0.1	0.1
Slovenia	-4.9	-2.7	-2.4	-2.4
Lithuania	-0.7	-1.9	-0.8	-0.5
Latvia	-1.4	-1.2	-1.5	-1.5
Estonia	0.6	-0.4	-0.2	0.1
Cyprus	-8.8	-0.3	0.3	0.5
Malta	-2.1	-2.0	-1.7	-1.5
Euro area	-2.5	-1.9	-1.9	-1.7
Euro area excl. Germany	-3.7	-3.0	-2.8	-2.7

^aPercent of GDP. — ^bForecast. ³

Outlook for the Euro Area¹

Euro Area 2014–2017²

	2014	2015	2016	2017
Gross domestic product	0,9	1,5	1,7	2,0
Domestic demand	0,8	1,4	1,5	2,1
Private consumption	0,9	1,7	1,6	1,9
Public consumption	0,8	1,3	1,4	1,8
Fixed capital formation	1,3	1,8	2,1	3,3
Change in stocks	-0,1	-0,2	-0,2	-0,1
Net exports	0,1	0,2	0,2	0,0
Exports	3,9	4,9	5,0	5,5
Imports	4,1	5,0	4,9	6,2
Consumer prices	0,4	0,0	0,9	1,8
Unemployment rate	11,6	11,0	10,5	9,9
Current Account	2,0	2,4	2,7	2,7
Budget Balance	-2,5	-1,9	-1,9	-1,7

Gross Domestic product: volume; change over previous year. — Change in stocks, net export: contribution to GDP growth. — Consumer Prices: Harmonized Index of Consumer Prices (HICP). — Unemployment rate: ILO. — Budget Balance: in relation to GDP.

Source: Eurostat, *National Accounts*; own calculation; gray: forecast of IfW.

Outlook for the Euro area¹

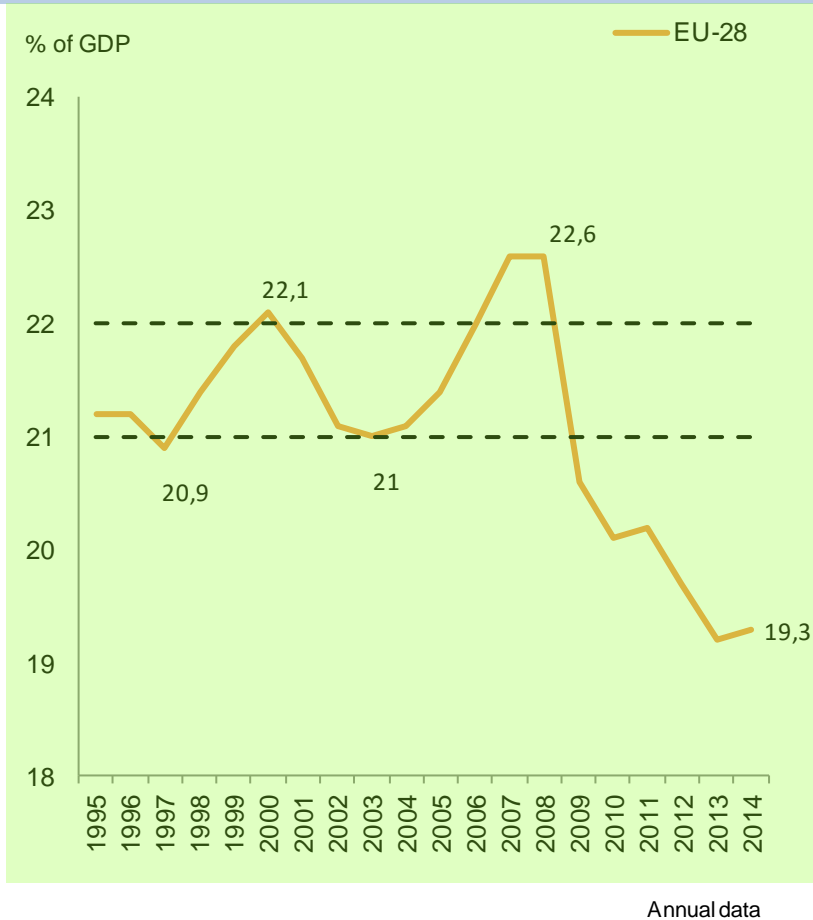
Real GDP, Consumer Prices and Unemployment Rates in the Euro Area 2015–2017²

	Weight	GDP			Consumer Prices			Unemployment rate		
		2015	2016	2017	2015	2016	2017	2015	2016	2017
Germany	28,3	1,5	2,1	2,3	0,2	1,0	2,1	4,7	4,5	3,9
France	21,3	1,1	1,2	1,6	0,1	0,9	1,8	10,4	10,3	9,8
Italy	16,2	0,8	1,5	1,6	0,0	0,7	1,5	12,2	11,8	11,2
Spain	10,6	3,3	3,2	2,5	-0,5	0,7	1,7	22,3	21,1	20,0
Netherlands	6,5	2,0	1,5	1,6	0,0	0,9	1,8	7,0	6,5	6,2
Belgium	4,0	1,3	1,6	1,6	0,2	1,1	2,0	8,5	8,2	7,8
Austria	3,2	1,0	1,8	1,8	0,9	1,9	2,9	5,5	5,2	4,9
Finland	2,0	0,3	1,2	1,5	0,0	0,7	1,7	9,5	9,4	9,1
Greece	1,8	-0,2	0,7	2,7	-2,1	-1,3	-0,1	25,8	24,6	24,0
Portugal	1,7	1,6	1,6	1,5	0,4	1,2	2,0	12,6	11,5	10,9
Ireland	1,8	5,1	3,6	3,0	-0,3	0,9	2,4	9,5	8,3	7,5
Slovakia	0,7	3,1	3,2	3,6	-0,2	1,1	2,5	11,5	10,2	8,8
Luxembourg	0,5	4,5	3,1	2,9	0,0	1,2	2,4	5,7	5,5	5,3
Slovenia	0,4	2,8	2,9	2,7	-0,6	0,5	1,5	9,2	8,8	8,5
Lithuania	0,4	1,6	3,0	3,6	-0,6	0,6	1,7	9,3	7,9	7,1
Latvia	0,2	2,6	3,1	3,8	0,5	1,6	2,9	9,7	9,0	8,5
Estonia	0,2	1,8	2,5	3,1	0,1	1,2	2,4	6,0	5,4	4,9
Cyprus	0,2	1,7	2,4	2,7	-1,1	0,1	1,0	16,0	15,3	14,5
Malta	0,1	3,1	2,6	2,4	0,9	1,7	2,7	5,4	5,0	4,8
Euro area	100,0	1,5	1,8	2,0	0,0	0,9	1,8	11,0	10,5	9,9
Euro area w/o Germany	71,7	1,4	1,5	1,8	-0,1	0,8	1,8	13,2	12,6	12,0

Weights: Based on nominal GDP in 2013. — Percentage change over previous year— 2015 and 2016 forecast. — Source: Eurostat, National Accounts, Price Statistics, Labor Statistics; own calculations.⁴

Investment „gap“ in EU-28¹

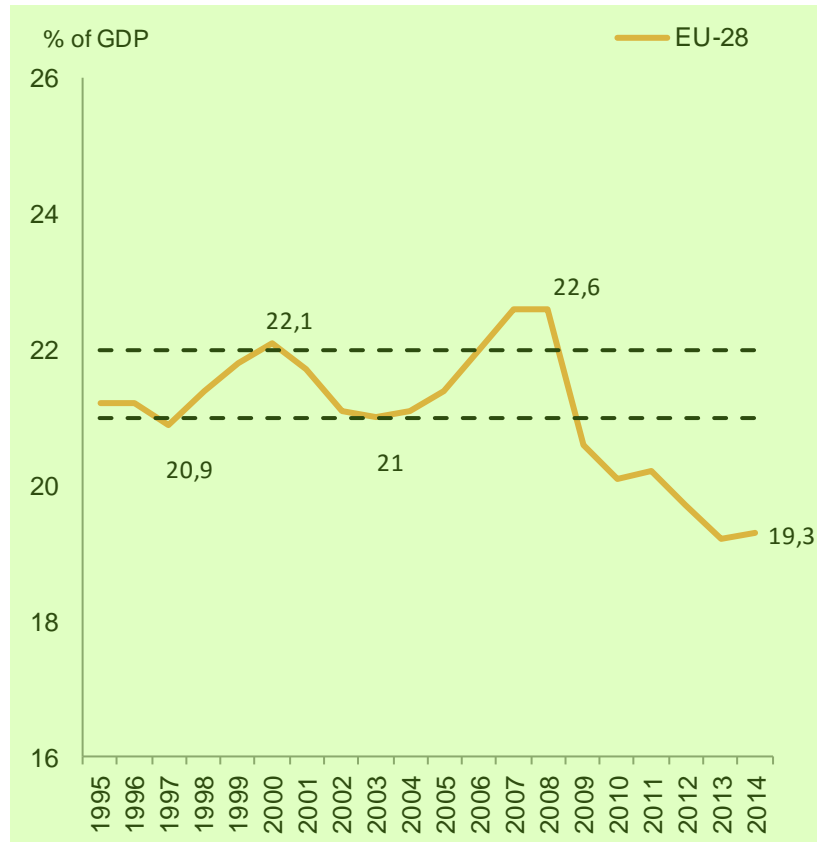
Gross Fixed Capital Formation (% GDP)²



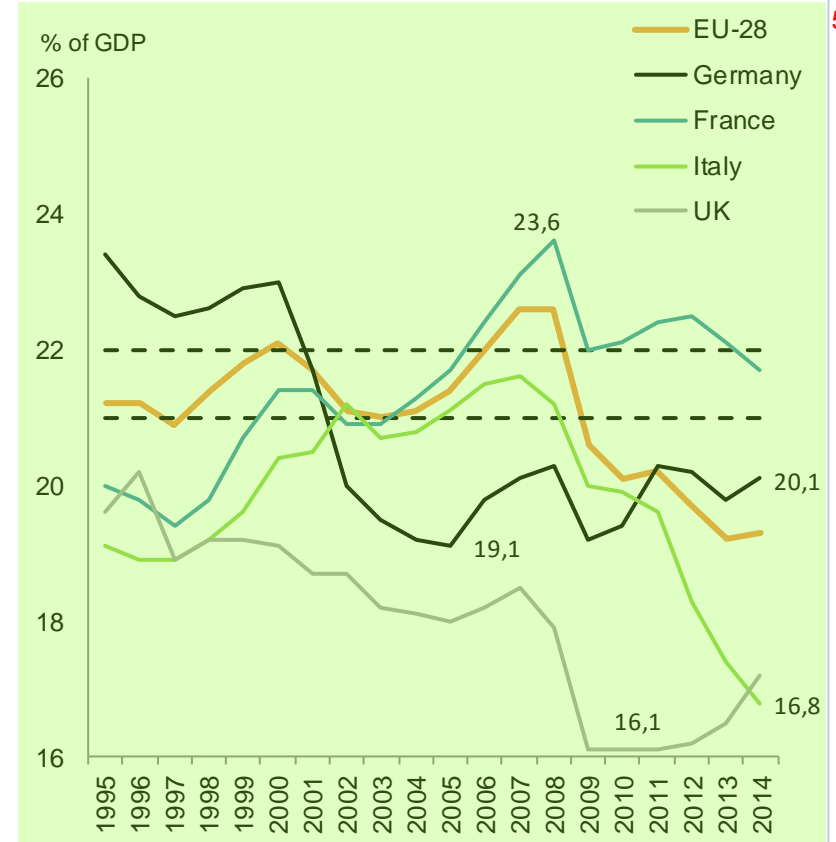
- Decline of gross investment since 2008⁴
- „Investment gap“:⁵
Still no recovery of the share of investment to the long-run range of 21-22 percent

Investment: large economies¹

Gross Fixed Capital Formation (% GDP)²

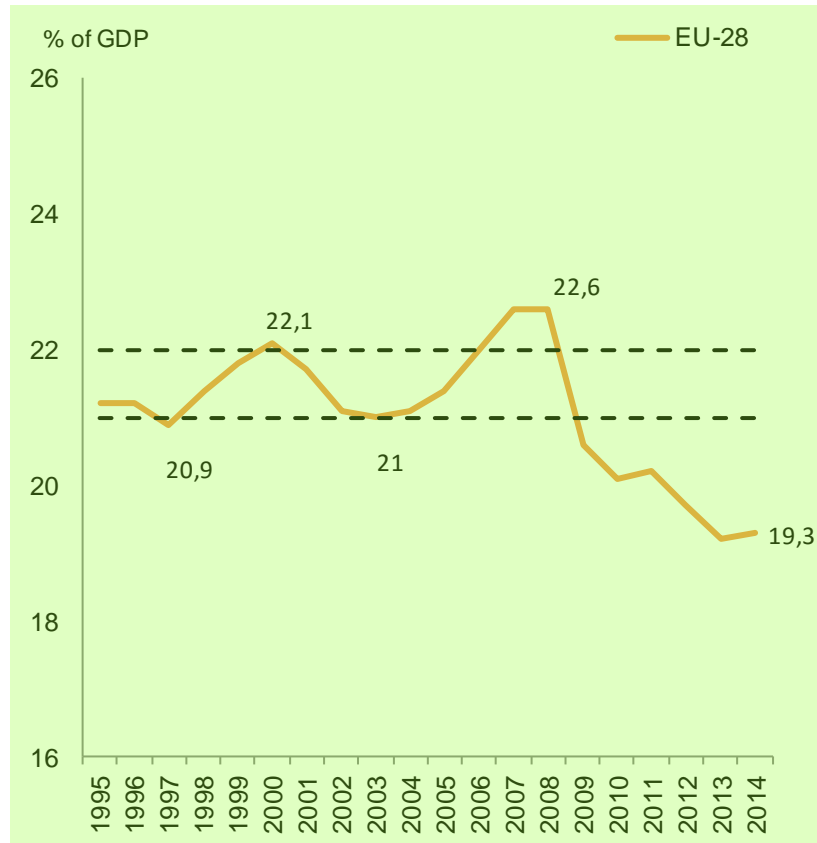


Gross Fixed Capital Formation (% GDP)⁴

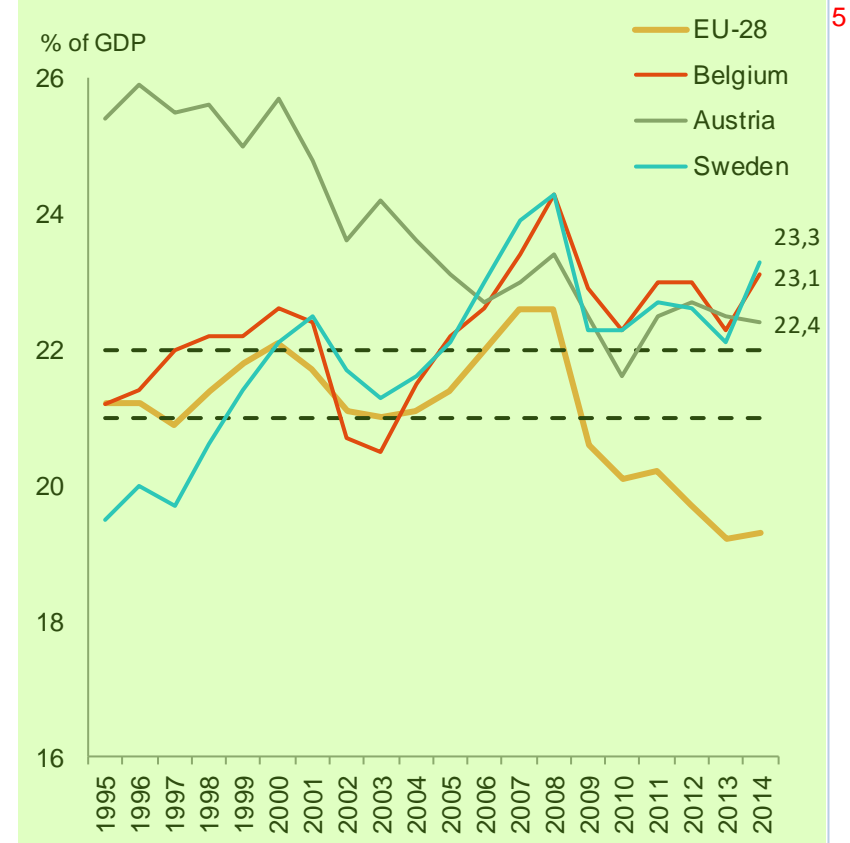


Investment: Countries without investment „gap“¹

Gross Fixed Capital Formation (% GDP)²

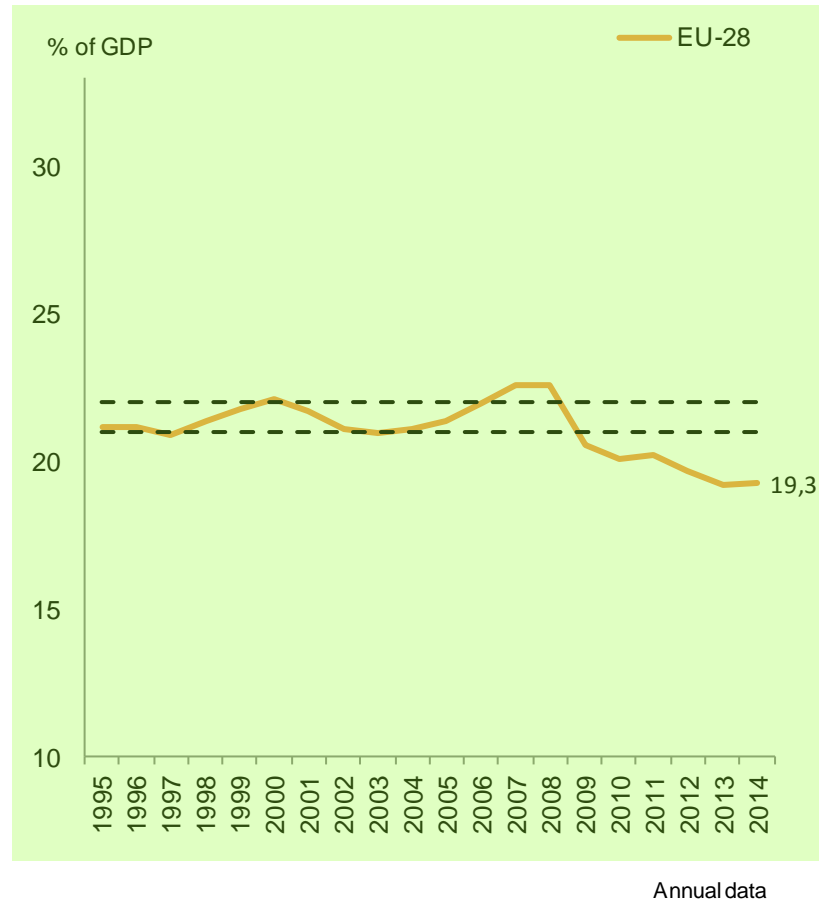


Gross Fixed Capital Formation (% GDP)⁴

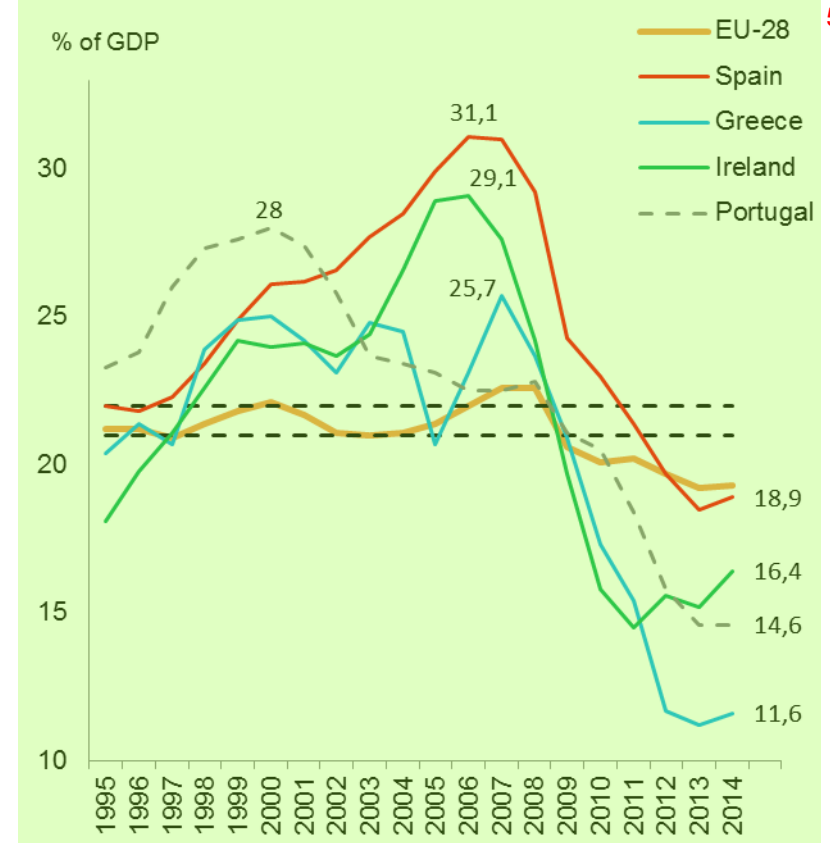


Investment: GIPS and the credit bubble¹

Gross Fixed Capital Formation (% GDP)²



Gross Fixed Capital Formation (% GDP)⁴

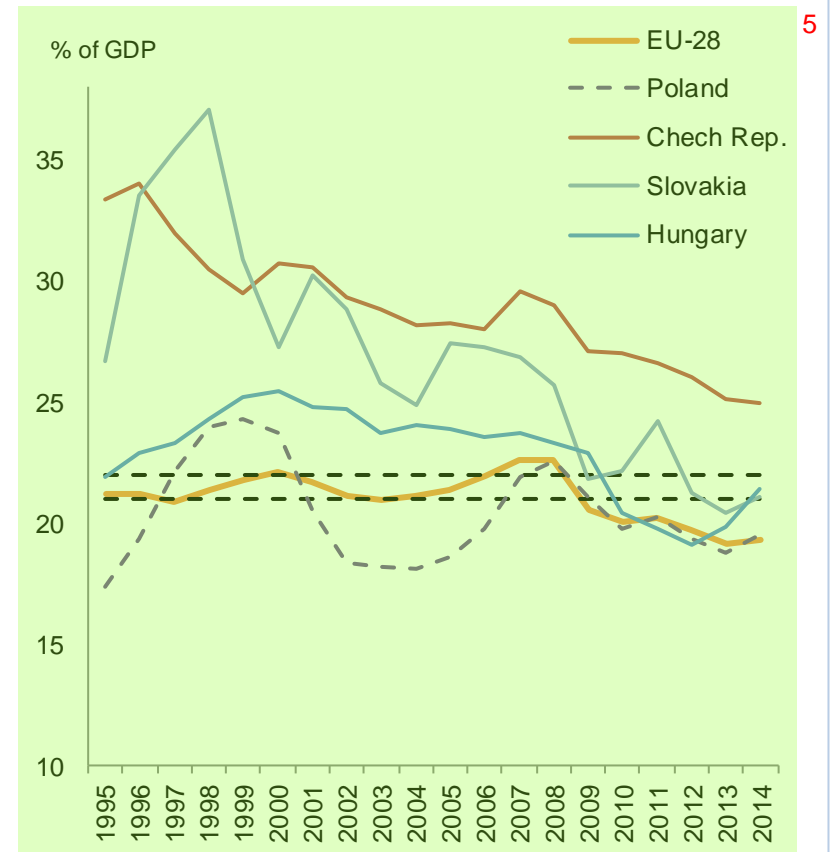


Investment: Eastern Europe¹

Gross Fixed Capital Formation (% GDP)²

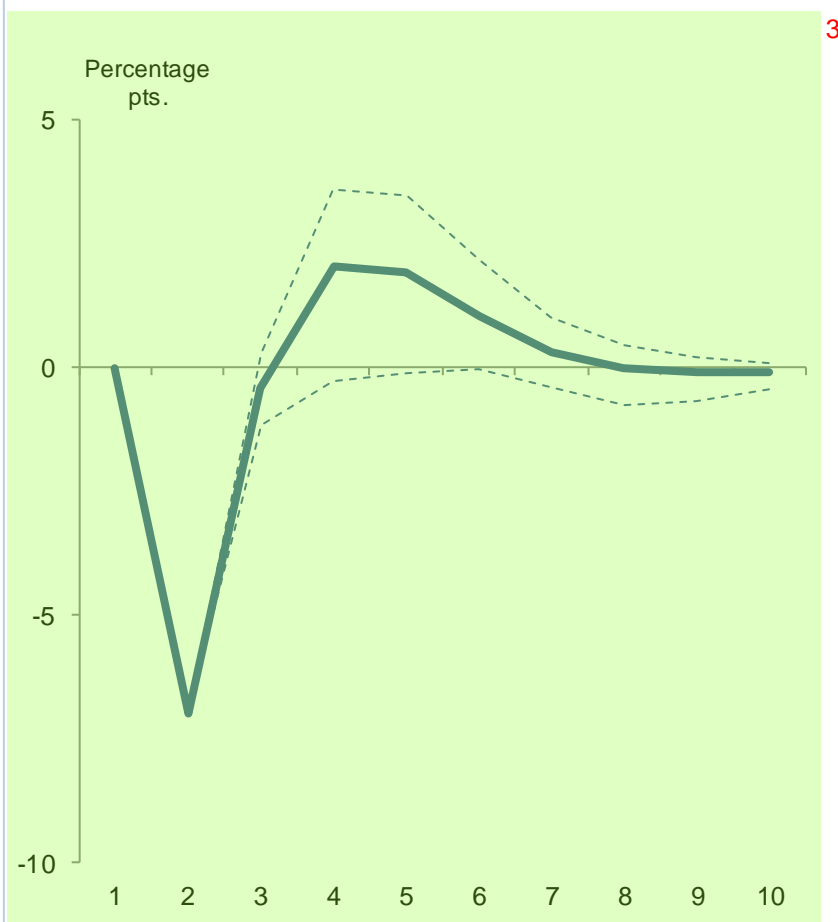


Gross Fixed Capital Formation (% GDP)⁴



Box: Post-recession investment (yoy change)¹

A. Normal recessions (growth rate)²

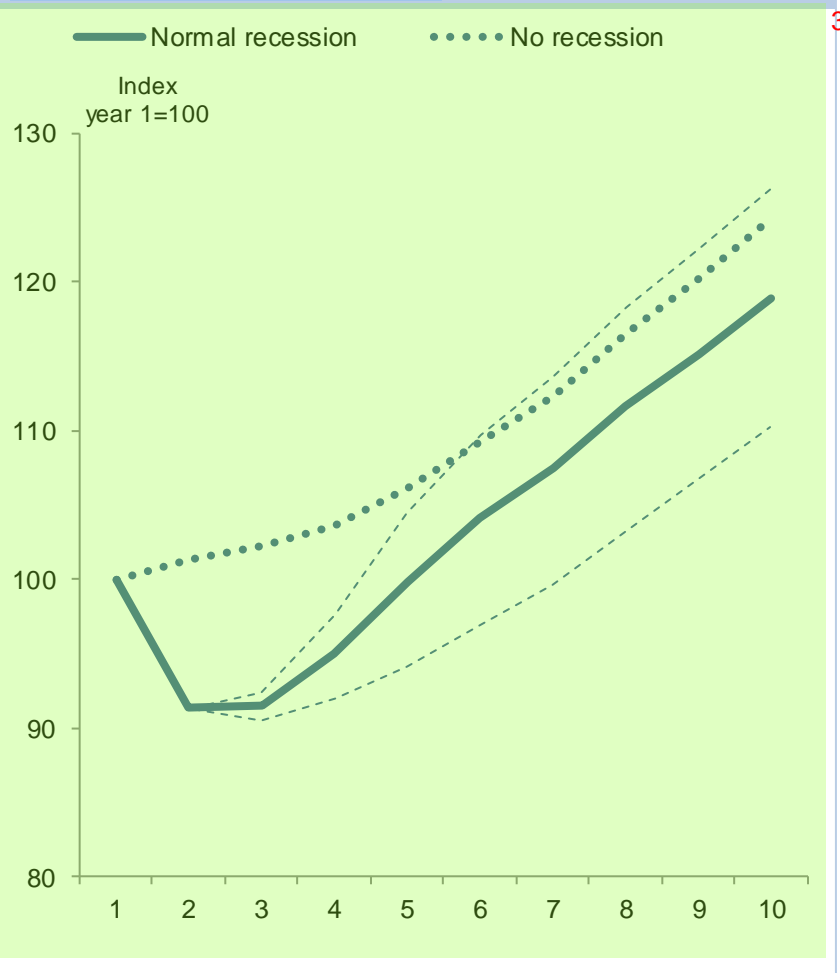


B. Financial crisis (growth rate)⁴

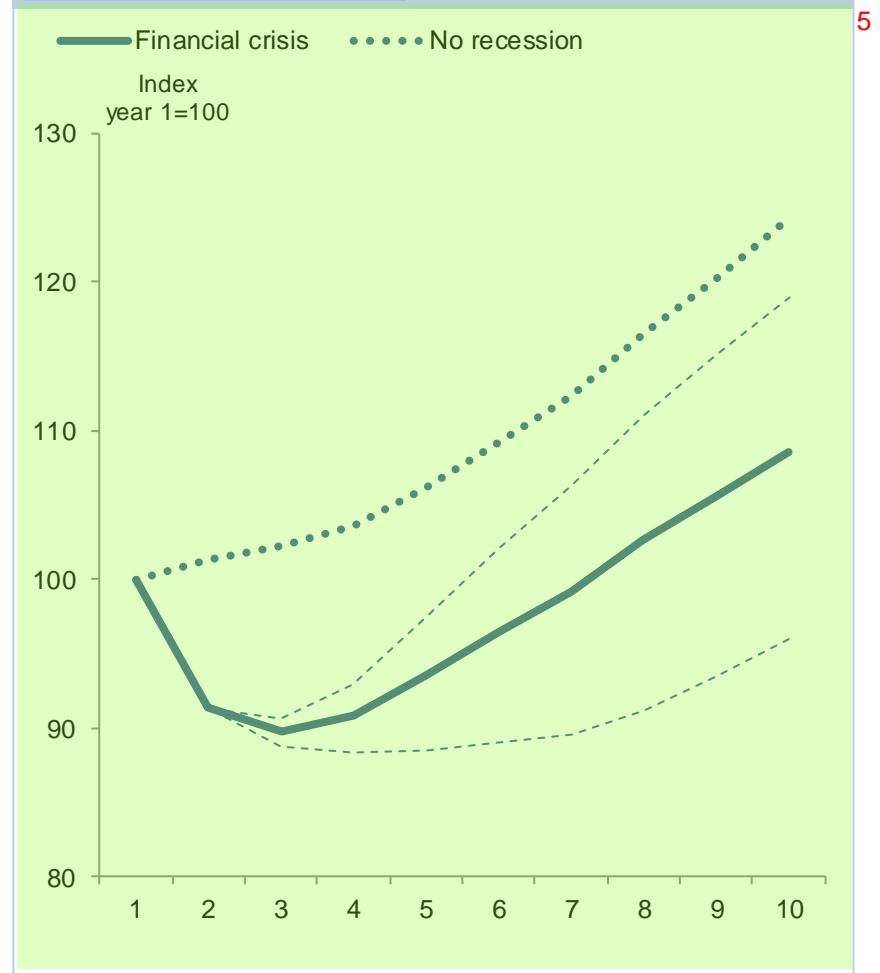


Box: Post-recession investment (level)¹

C. Normal recessions (level)²

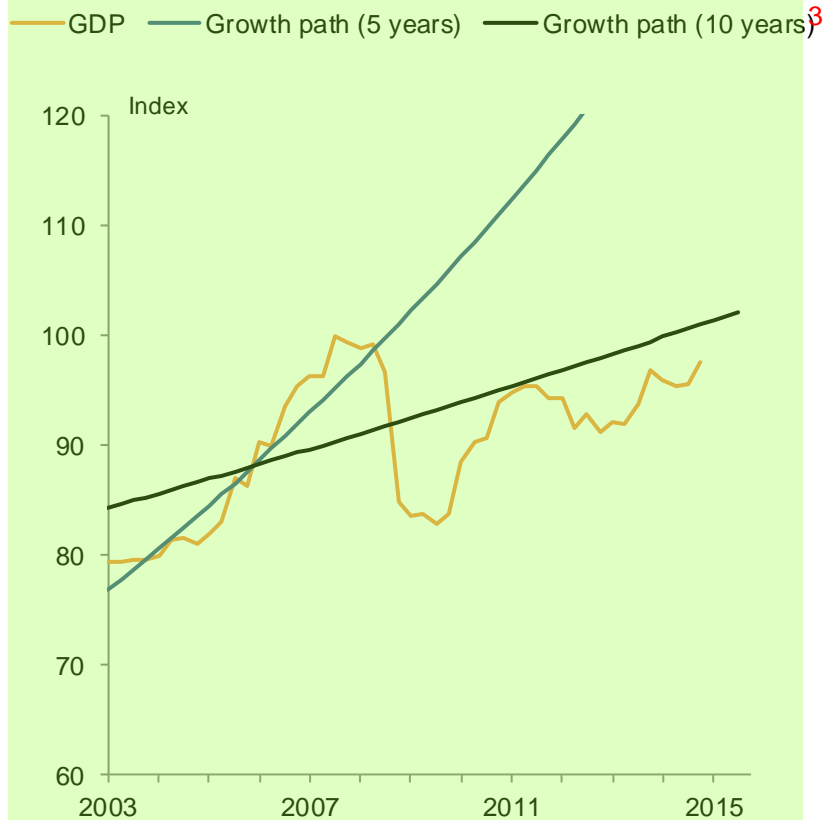


D. Financial crisis (level)⁴



Box: Post-crisis investment (Germany and Italy)¹

Germany²



Quartalsdaten; Unternehmensinvestitionen viertes Quartal 2007=100;⁴
Wachstumstrend wurde anhand eines log-linearen Trends in den 5 bzw.
10 Jahren vor Beginn der Krise im vierten Quartal 2007 geschätzt.

Italy⁵



Quartalsdaten; Unternehmensinvestitionen viertes Quartal 2007=100;⁷
Wachstumstrend wurde anhand eines log-linearen Trends in den 5 bzw.
10 Jahren vor Beginn der Krise im vierten Quartal 2007 geschätzt.

Box: Post-crisis investment (France and Spain)¹

France²



Quartalsdaten; Unternehmensinvestitionen viertes Quartal 2007=100;³
Wachstumstrend wurde anhand eines log-linearen Trends in den 5 bzw.
10 Jahren vor Beginn der Krise im vierten Quartal 2007 geschätzt.⁴

Spain⁵



Quartalsdaten; Unternehmensinvestitionen viertes Quartal 2007=100;⁵
Wachstumstrend wurde anhand eines log-linearen Trends in den 5 bzw.
10 Jahren vor Beginn der Krise im vierten Quartal 2007 geschätzt.⁶

Überblick

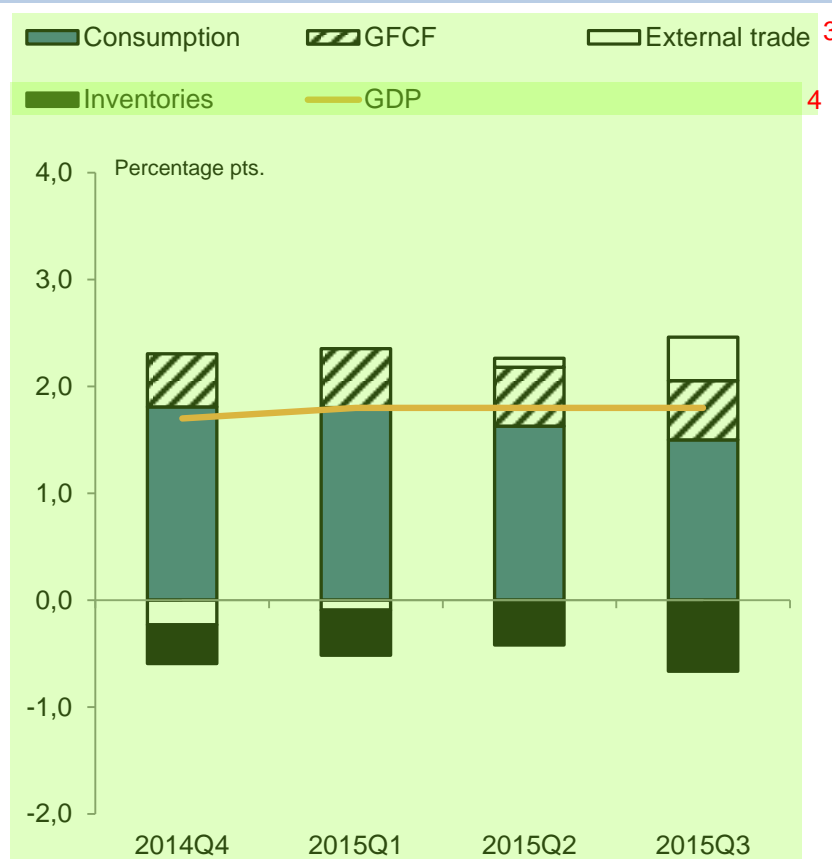
- Globale Perspektive¹
- Euroraum²
- Deutschland³
- Harte Landung in China?⁴
- Risiken der Niedrigzinspolitik⁵
- European Governance⁶

Overview

- German GDP is expected to increase by 1.8 percent (2015), 2.1 percent (2016), and 2.3 percent (2017).¹
- The uncertain international environment did not have strong dampening effects so far
- Private consumption is one of the main growth engines
- Investment to become a second growth pillar
- Imports are expected to grow faster than exports
- Economy dives into overutilization – overheating on the horizon

GDP growth forecasts for 2015 stable since 2014 Q4¹

GDP growth forecasts and expenditure components for 2015²

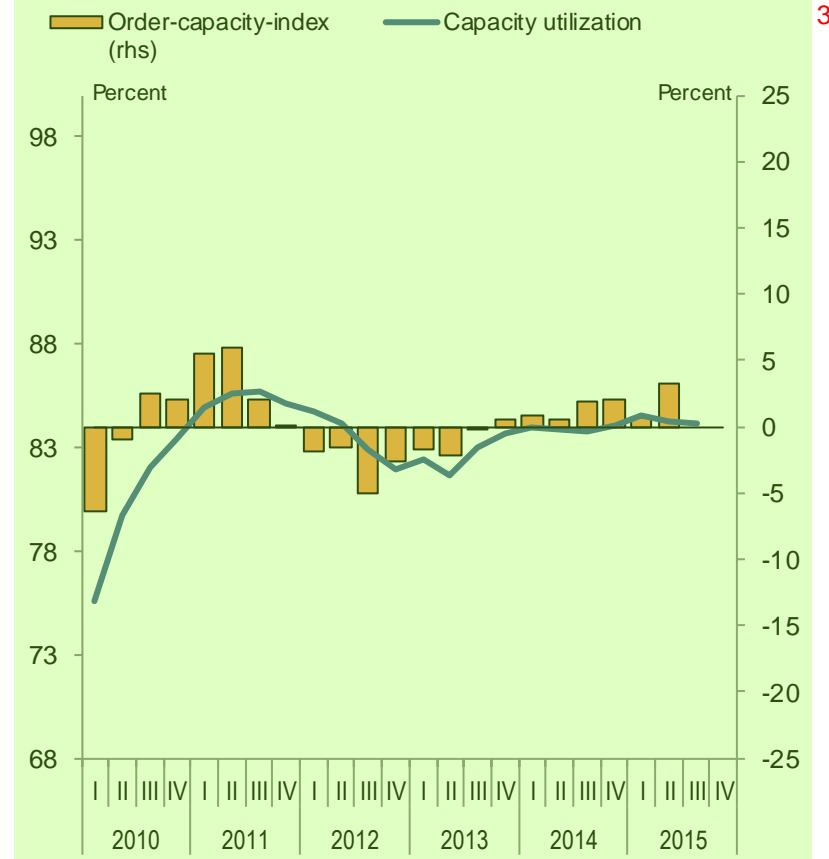


Annual data; price-adjusted, Lundberg components.⁵
x-axis: quarter when the forecast for GDP growth in 2015 was made.

- GDP growth forecast of 1.8 percent for 2015 has been rather stable⁶
- Contribution to GDP growth of consumption is currently expected to be somewhat lower than in 2014-Q4⁷
- Contribution to GDP growth of net exports is currently expected to be somewhat larger than in 2014-Q4⁸

Output gap is by and large closed¹

Capacity utilization²

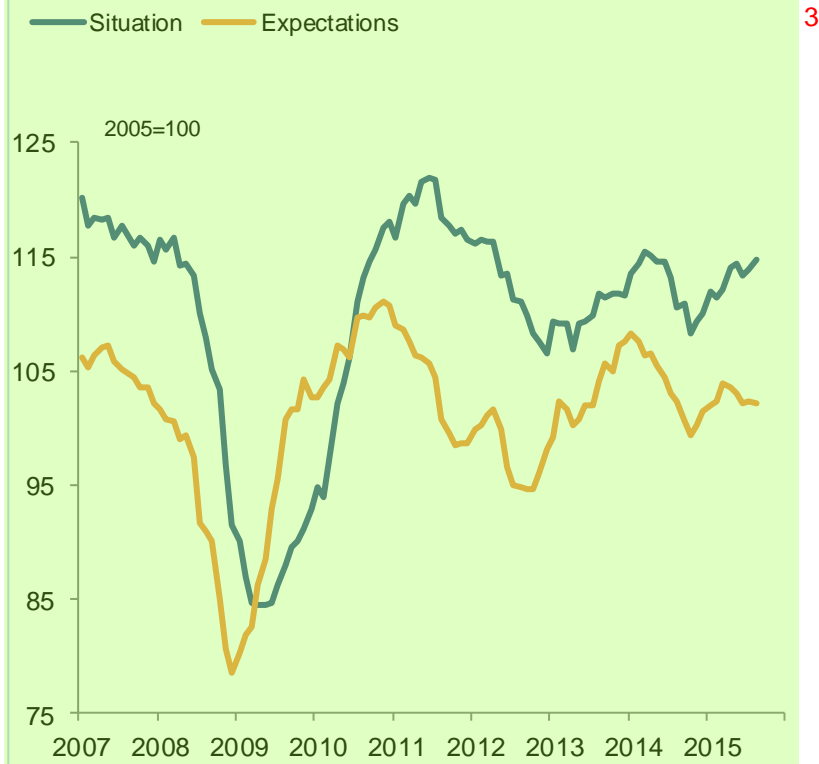


Quarterly data, seasonally adjusted;
capacity utilization in manu-facturing (axes cross at normal capacity utilization).⁴

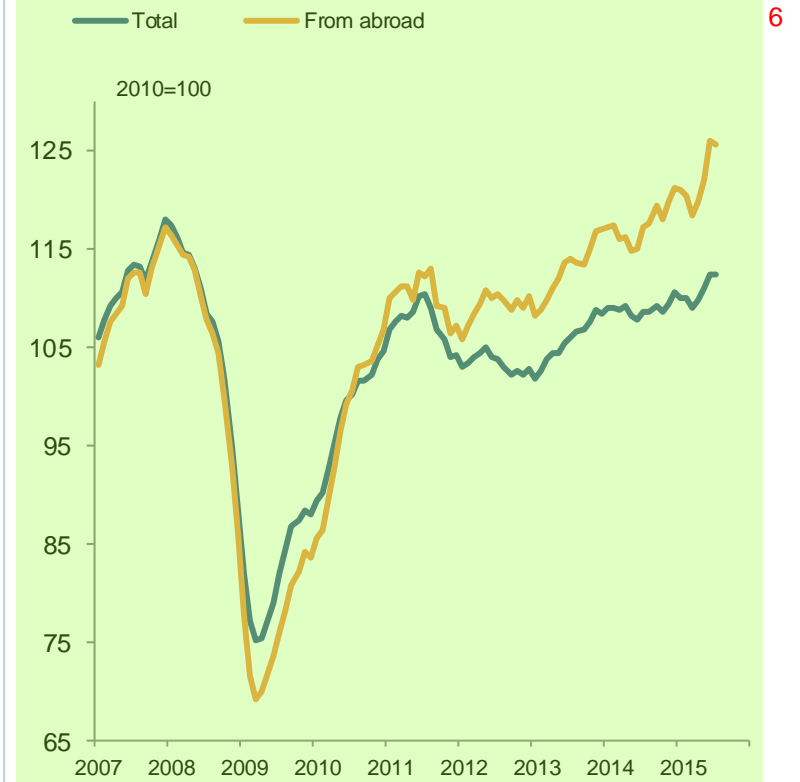
- Capacity utilisation is at normal levels⁵
- Incoming orders are higher than production capacities for manufacturing firms for nearly two years⁶

Business situation and incoming orders are improving¹

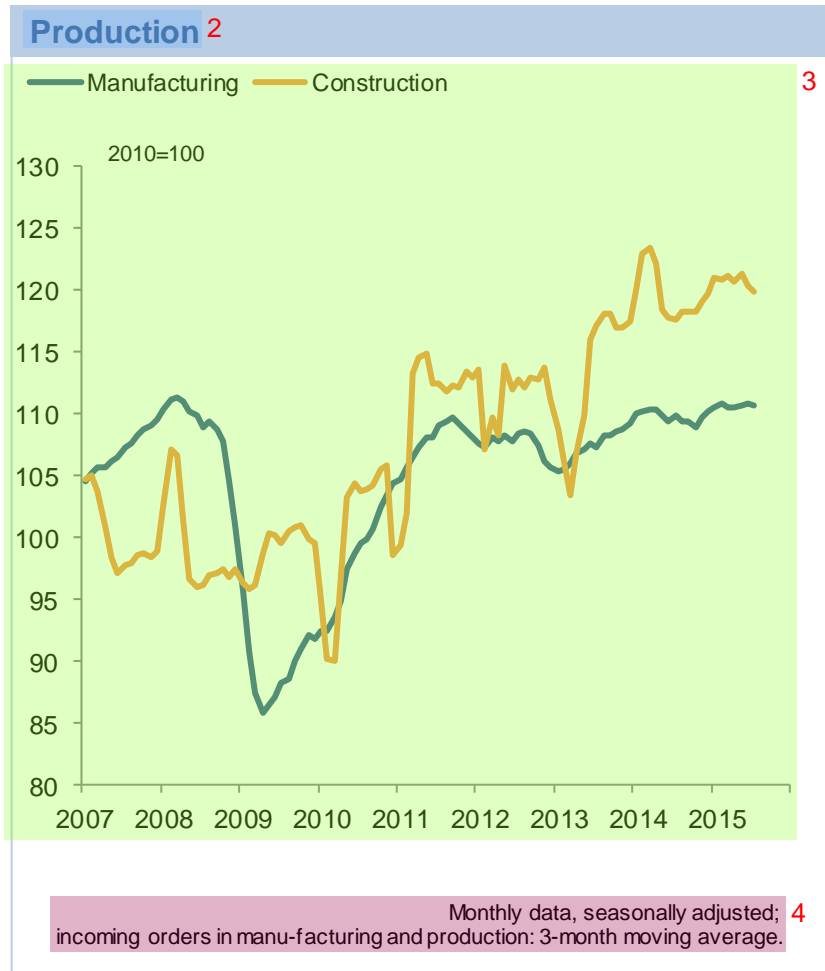
Business climate²



Incoming orders in manufacturing⁵



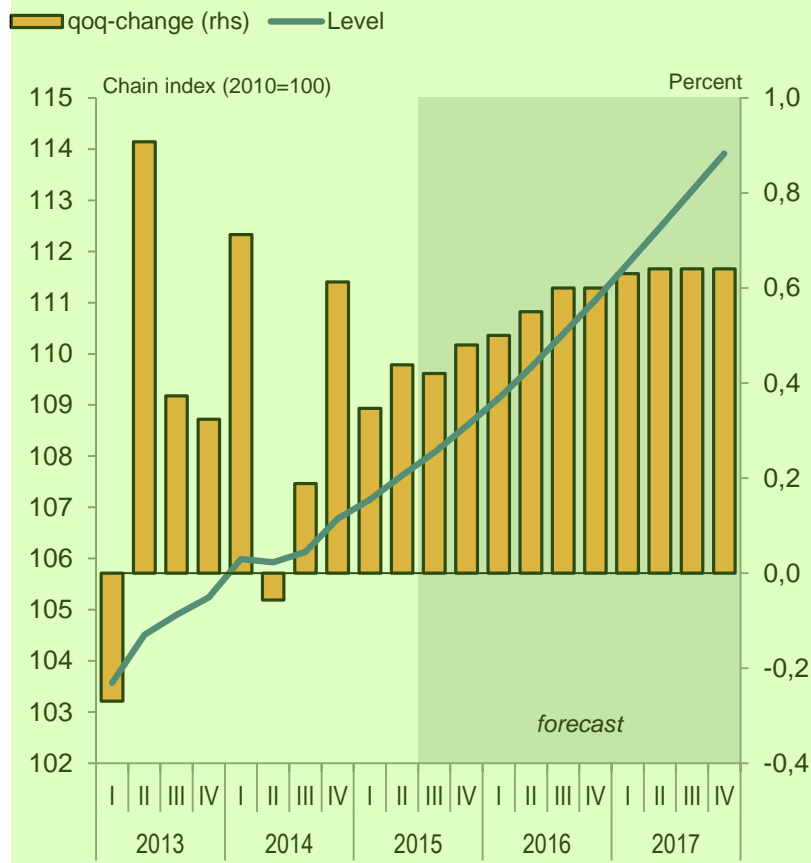
Modest growth in industrial production¹



- Business situation is still improving while expectations have deteriorated somewhat⁵
- Strong incoming orders⁶
- Modest growth in manufacturing production⁷
- Weather conditions may have contributed to recent decline in construction activity⁸

GDP growth is accelerating¹

Gross domestic product²



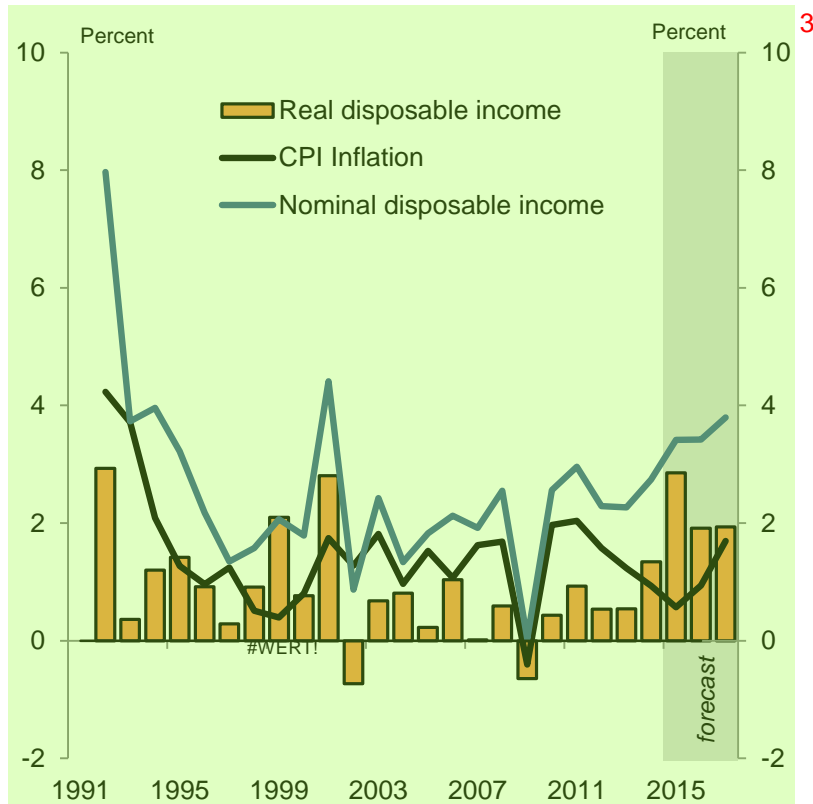
Quarterly data, volumes, seasonally and working-day adjusted.⁴

- 2015: +1.8 %⁵
- 2016: +2.1 %
- 2017: +2.3 %

- GDP is expected to grow by 0.4 percent in 2015-Q3⁶
- GDP growth is expected to accelerate

Strong increases in real disposable income¹

Disposable income and CPI inflation²



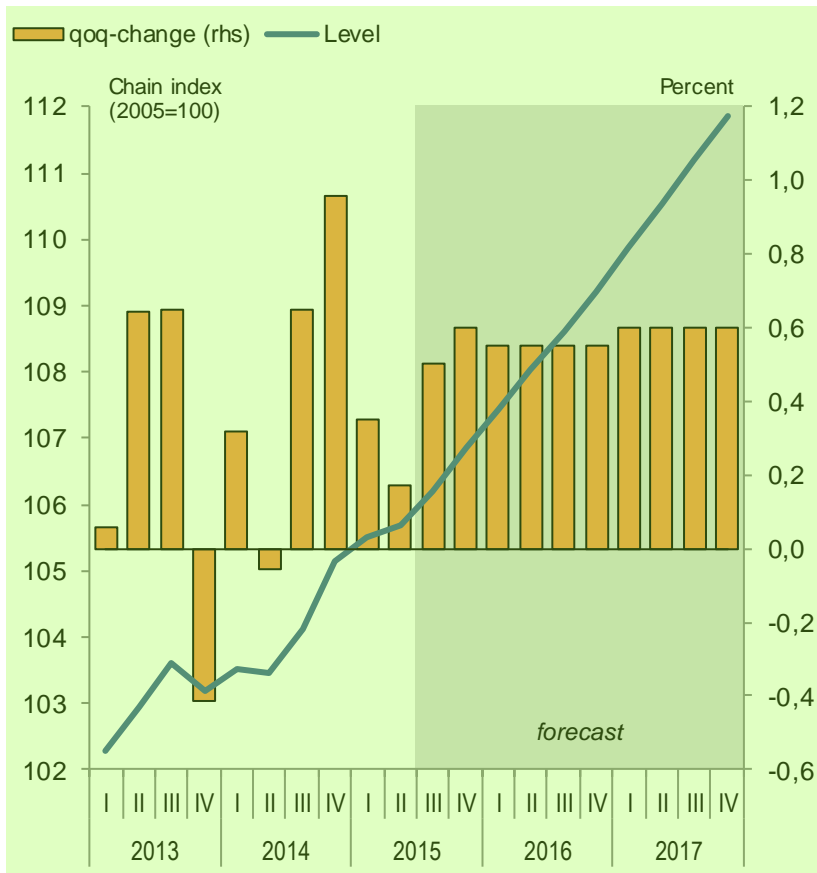
Annual data. ⁴
change on previous year;

- 2015: +2.9 %⁵
- 2016: +1.9 %
- 2017: +1.9 %

- Temporary effects (oil prices, expanded social transfers, minimum wage) boost income growth in 2015⁶

Private consumption is growing with highest rates since 2000¹

Private consumption²



Quarterly data, volumes, seasonally and working-day adjusted.⁴

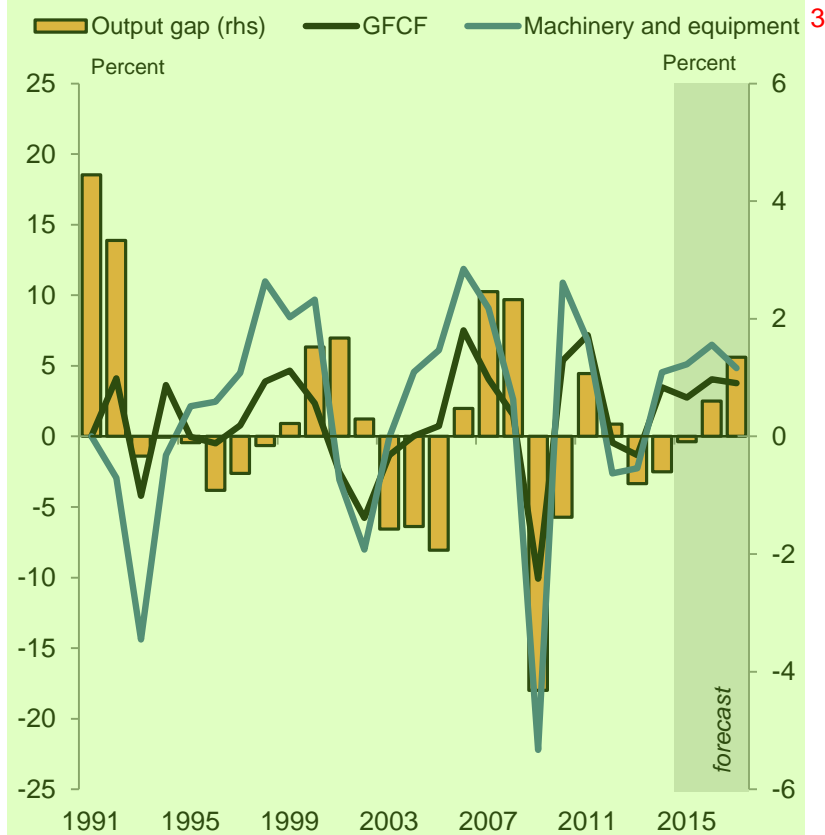
- 2015: +2.0 %⁵
- 2016: +2.3 %
- 2017: + 2.2 %

- Savings rate is expected to decline after 2015⁶

- » 2015: 10.0 %⁷
- » 2016: 9.9 %
- » 2017: 9.6 %

Gross Fixed Capital Formation and output gap¹

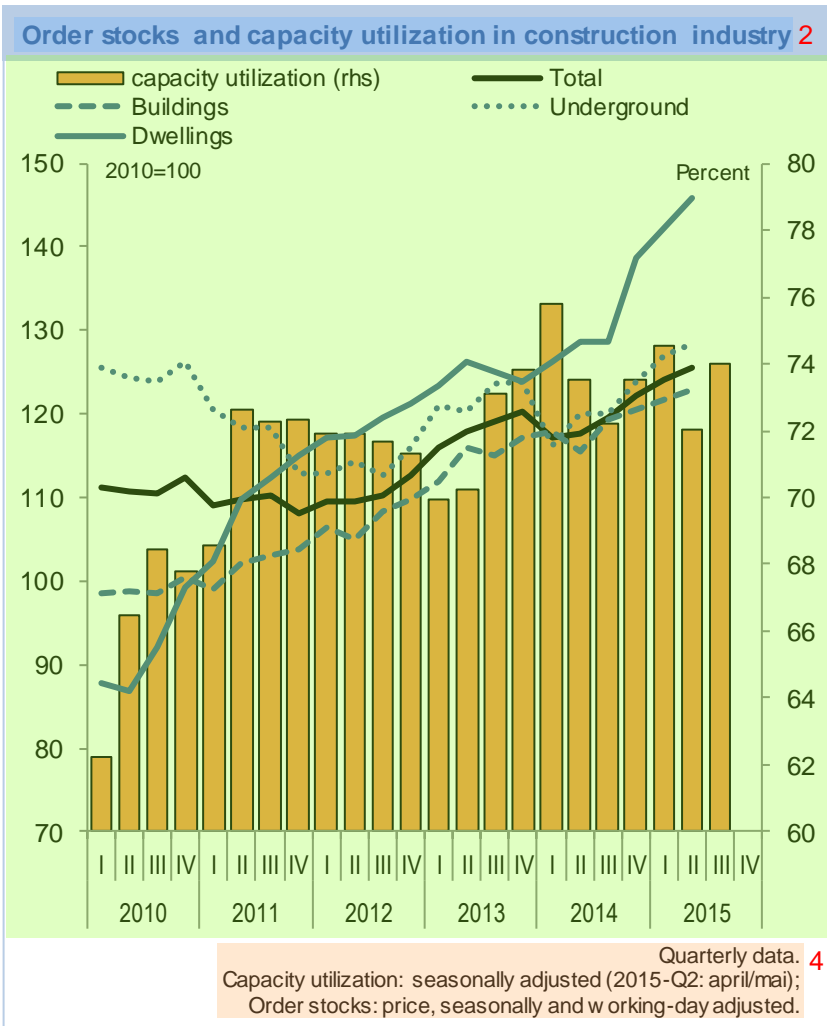
Investment cycles²



Annual data.⁴
GFCF, machinery and equipment: volumes, change on previous year;
Output gap: in percent of potential output.

- Growth in GFCF will accelerate with increasing capacity utilisation⁵
- Growth in all GFCF components is expected to accelerate in 2016⁶
- GFCF is expected to become a second growth pillar⁷

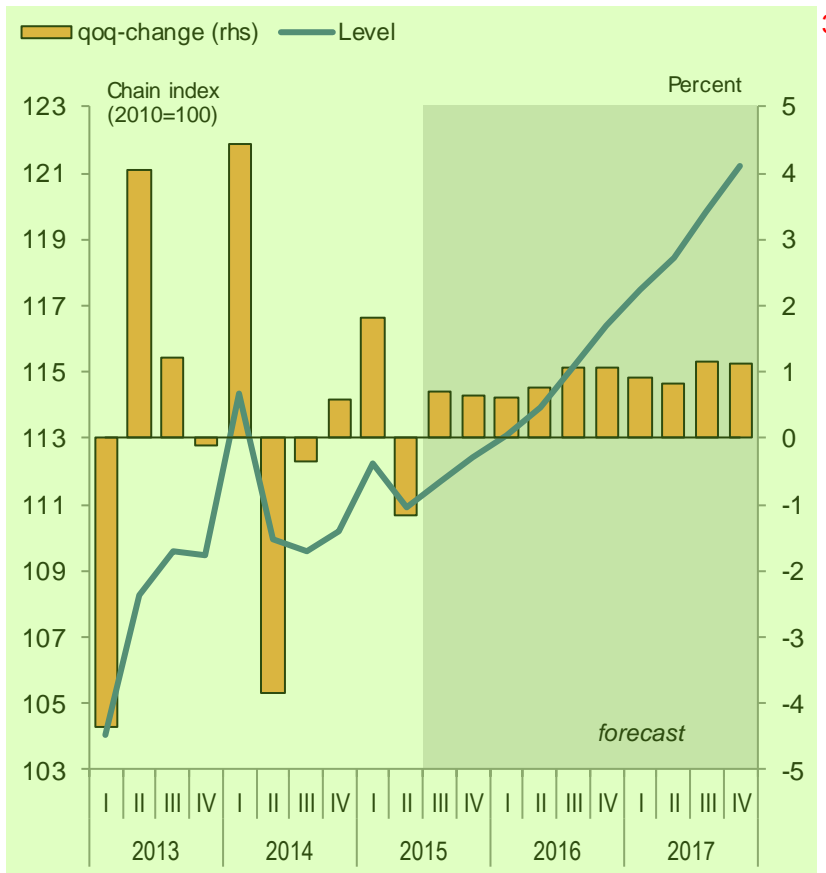
Order stocks and capacity utilization in construction industry ¹



- Order stocks are increasing and are at high levels ⁵
- Increase in capacity utilisation indicates that construction will grow again in Q3

Very stimulating environment for constructions¹

Constructions²



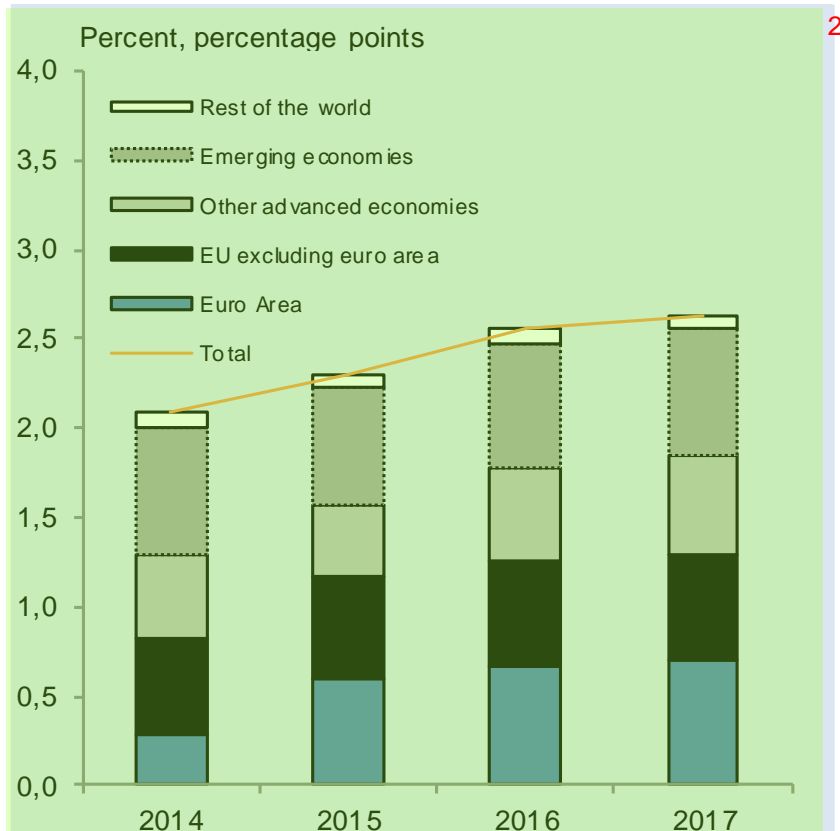
Quarterly data, volumes, seasonally and working-day adjusted.⁴

Very stimulating environment for constructions:⁵

- » Low interest rates⁶
- » Strong income growth
- » High government revenues
- » Increasing capacity utilisation

Growth in private residential investment and infra-structures is expected to pick up⁷

GDP growth in German export markets¹



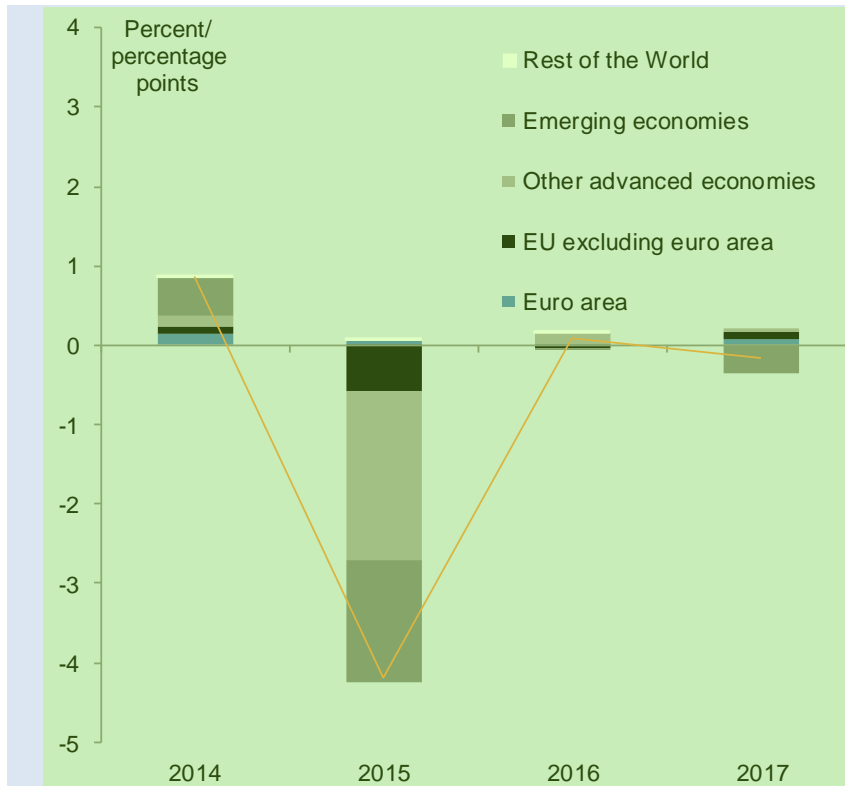
Annual data, volumes; GDP growth in 59 countries, weighted with shares in German exports.³

Sources: Statistisches Bundesamt; national sources;⁴ 2015–2017: IfW forecast.

- 2015: +2.3 %⁵
- 2016: +2.6 %
- 2017: +2.6 %

- GDP growth is expected to accelerate somewhat in advanced economies in 2016⁶
- No additional impulses from emerging economies

Price Competitiveness¹



Annual data; Against 56 countries based on consumer prices; Weights according to German's price competitiveness indicator against 56 trading partners based on consumer price indices of the Deutsche Bundesbank.

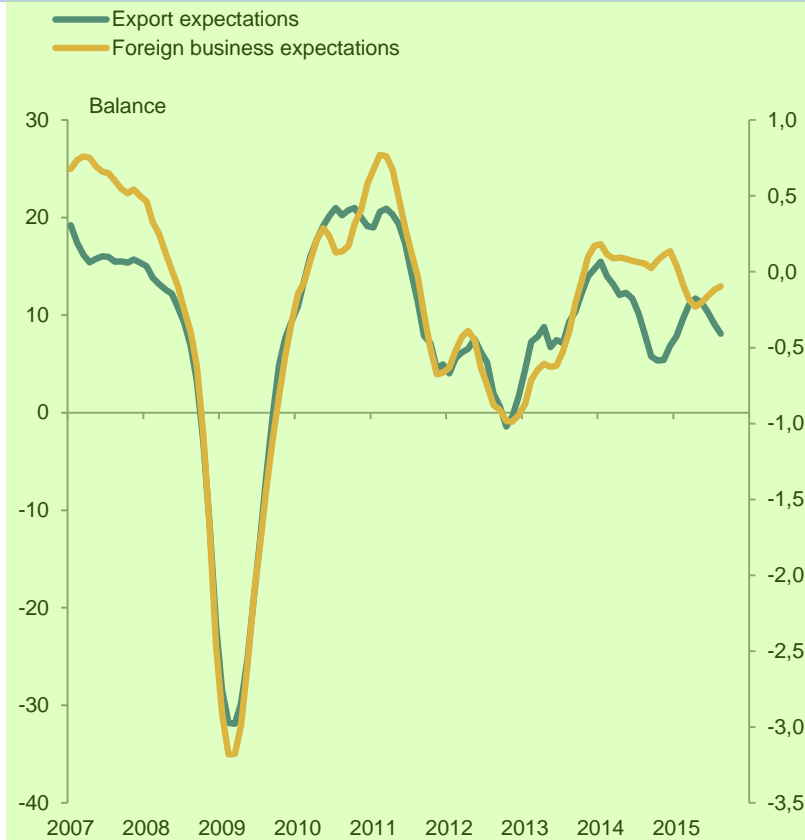
Source: Deutsche Bundesbank; national sources; 2015–2017: IfW forecast.

- 2015: -4.2%
- 2016: $+0.1\%$
- 2017: -0.2%

- Price competitiveness is improving due to euro depreciation in the current year
- In 2016 and 2017 it is expected to remain largely unchanged

Exports expectations and foreign business expectations¹

Export expectations and foreign business expectations²

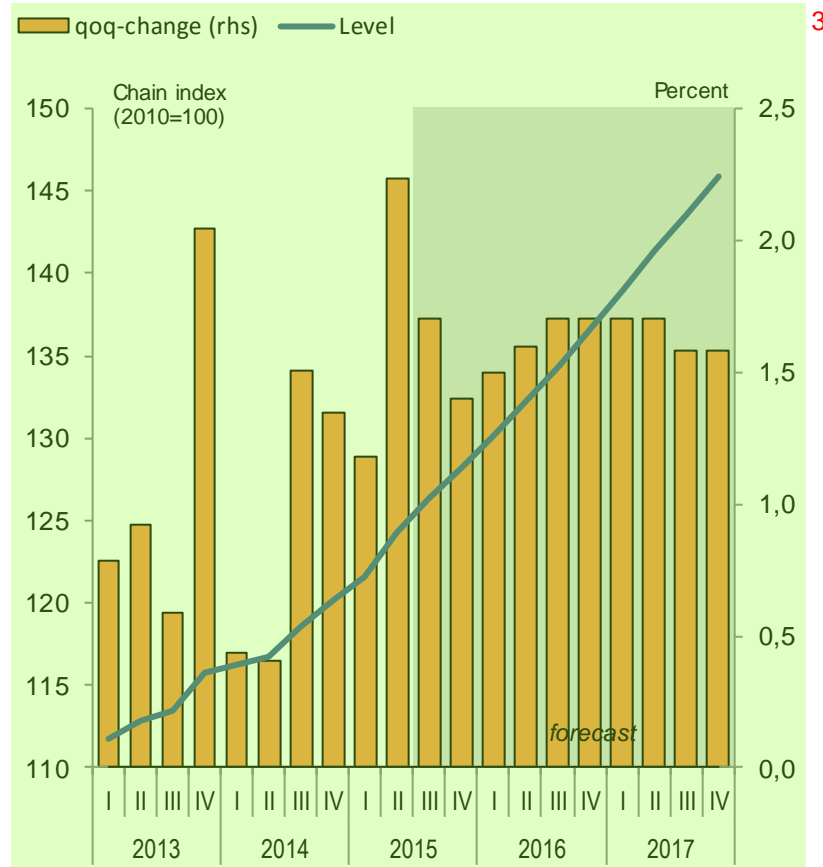


Monthly data, seasonally adjusted; export expectations: ifo; foreign business expectations: own calculations based on business expectations in 41 countries, exported-weighted. 3-month moving average.⁴

- Export expectations have deteriorated recently⁵
- Foreign business expectations were relatively stable⁶
- We expect strong export growth in Q3 (1.7%; strong export data in July) and somewhat weaker export growth in Q4⁷

Exports are growing with solid rates¹

Exports²



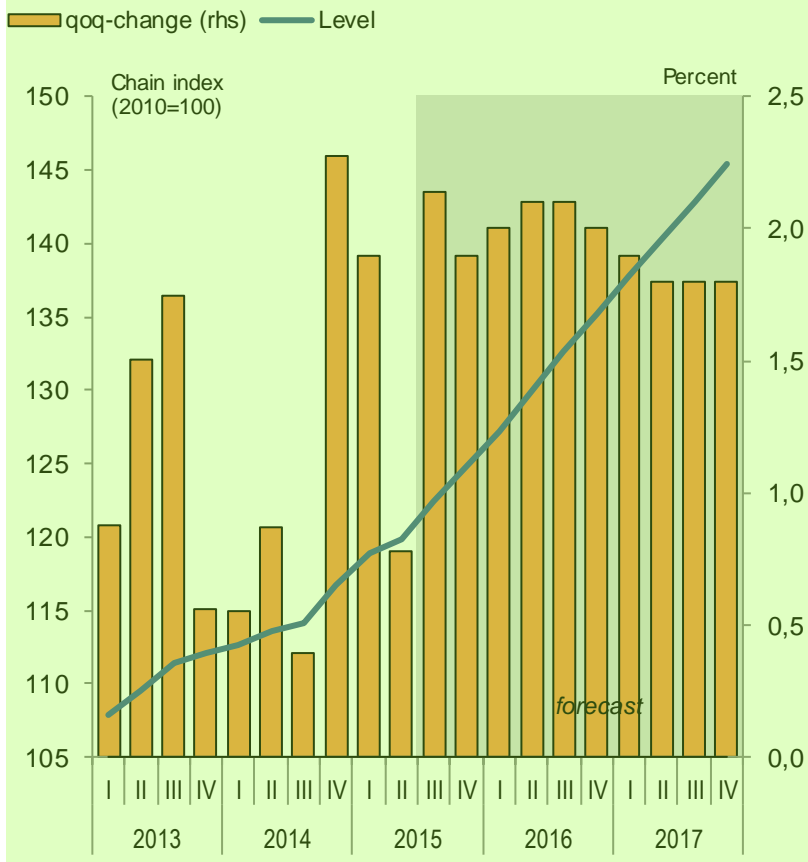
Quarterly data, volumes, seasonally and working-day adjusted.⁴

- 2015: +6.6 %⁵
- 2016: +6.8 %
- 2017: +6.4 %

- Higher growth in exports to euro area countries will compensate for lower growth in exports to emerging markets⁶

Imports are growing faster than exports¹

Imports²



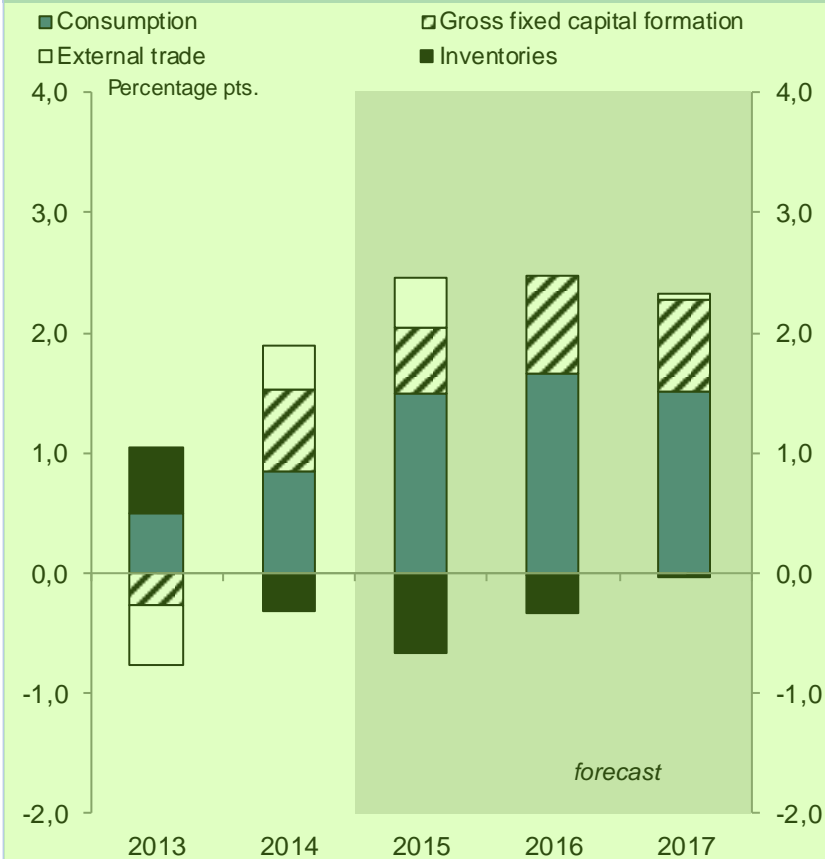
Quarterly data, volumes, seasonally and working-day adjusted.⁴

- 2015: +6.7 %⁵
- 2016: +8.1 %
- 2017: +7.6 %

- Strong domestic demand and solid export growth will stimulate imports further⁶
- Improvement in Terms of Trade⁷

Growth contributions¹

Expenditure-side components to GDP-growth²



Annual data; price-adjusted, Lundberg components.⁴

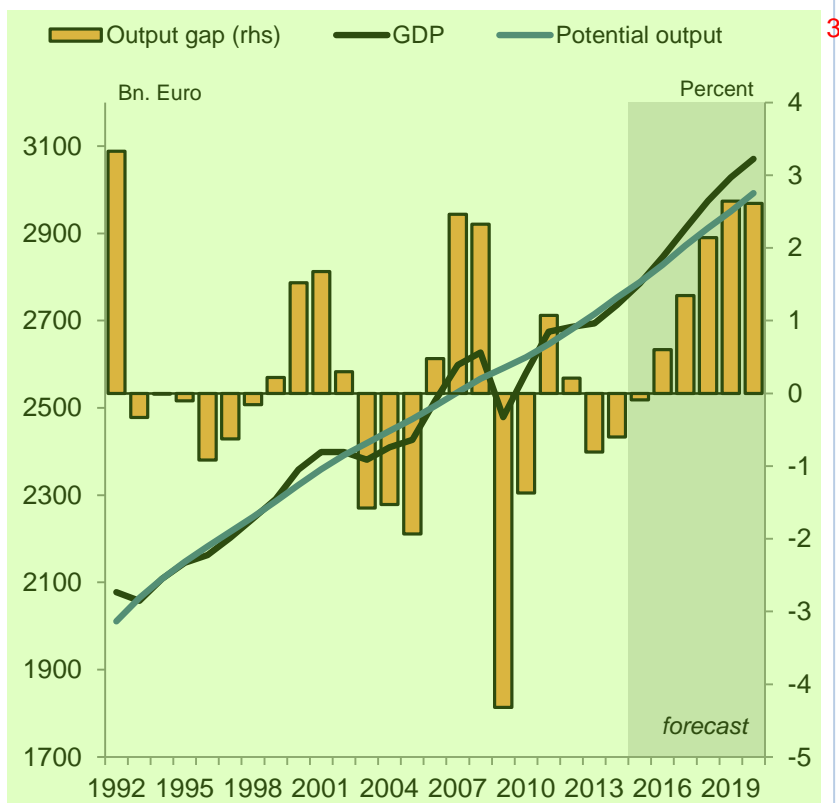
2015-2017: GDP growth is driven by private consumption⁵

2016: GFCF to become second growth pillar⁶

Due to strong import growth contributions of net exports are expected to be close to zero⁷

Potential output and production¹

Production and potential output²

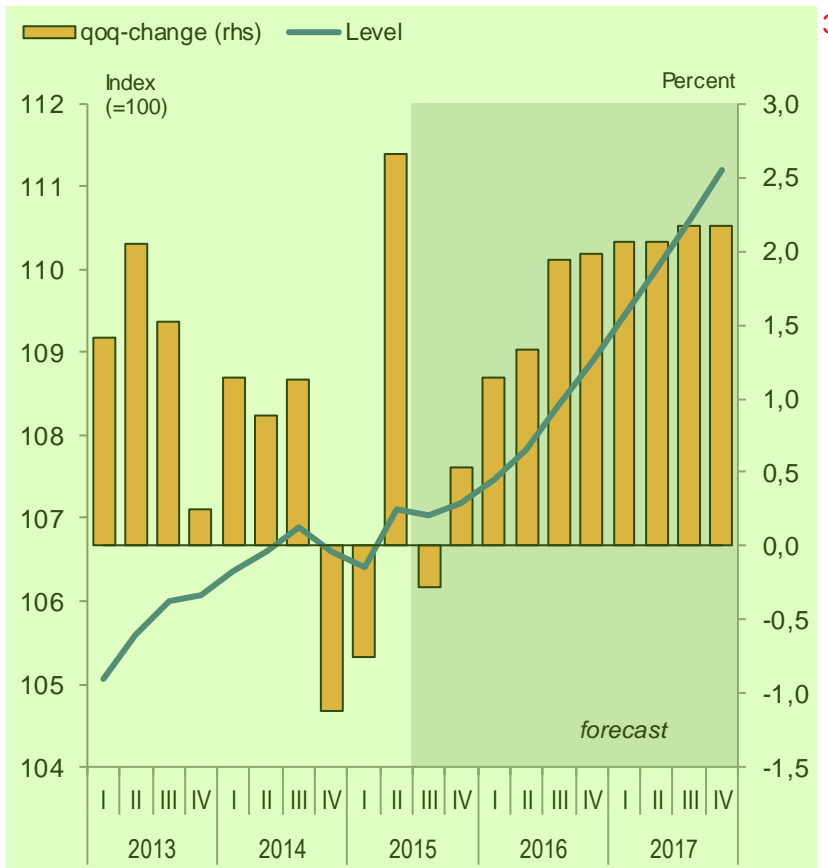


Yearly data;⁴
GDP, Potential output: price adjusted (chain index volumes, 2005=100).

- Potential growth is expected to grow on average with 1.4 percent per year⁵
- GDP to grow faster than potential for several years, e.g., due to expansionary monetary policy.⁶
- Output gap is approaching its largest value since the reunification⁷
- Risks for economic and financial stability are increasing⁸

Consumer Prices¹

Consumer price index²



Quarterly data, seasonally adjusted.⁴

■ CPI inflation:⁵

2015: 0.3 %

2016: 1.1 %

2017: 2.0 %

■ GDP deflator⁶

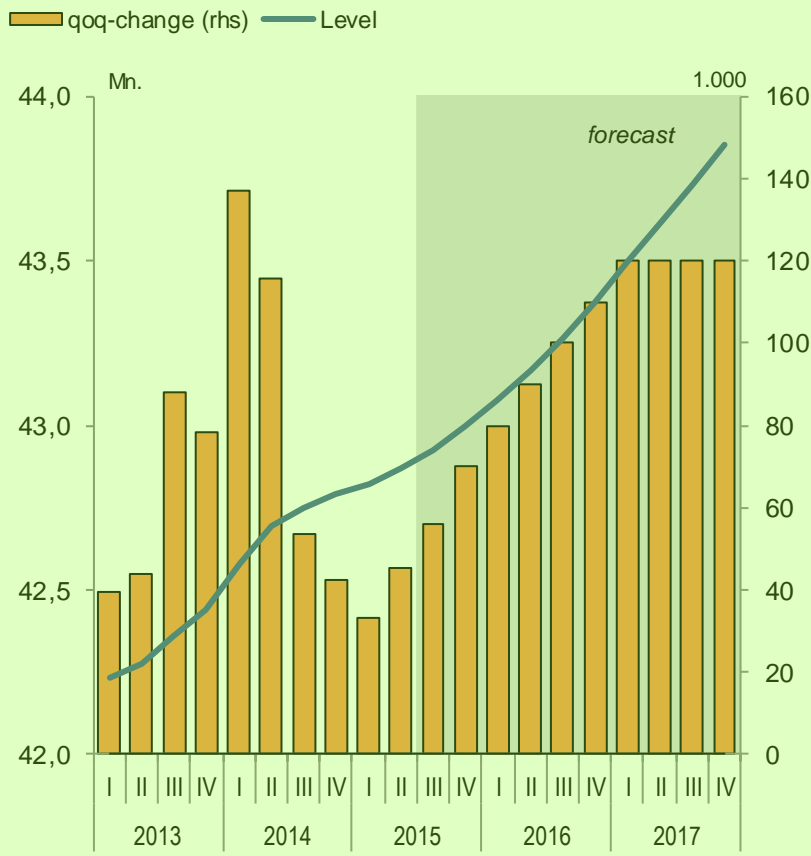
2015: 2.0 %

2016: 1.9 %

2017: 2.1 %

Labor market remains in good shape¹

Employment²

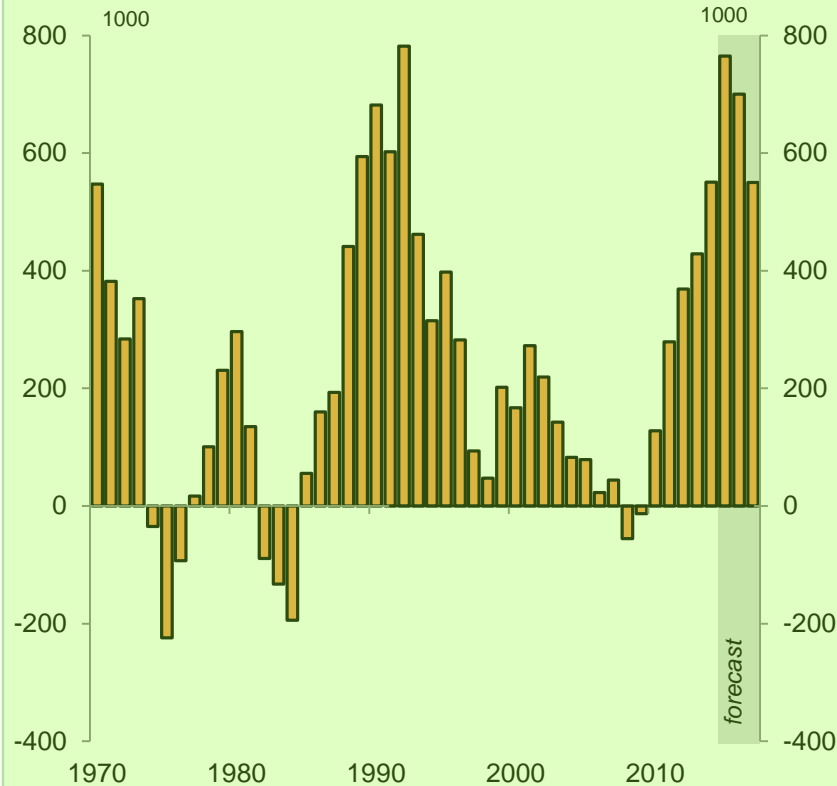


Quarterly data, seasonally adjusted. ⁴

- Temporary weakness in employment growth due to minimum wage. ⁵
- Loss of 200,000 mini jobs in the last 12 months (most of them in 2015-Q1) ⁶
- Labor force is increasing due to net migration. ⁷

Net migration will stay at high levels¹

Net migration²



Annual data. ⁴

- Increasing net migration is a factor in current labor market developments: 66% of increase in employment in the past 12 months. ⁵
- Most important is migration from Eastern Europe (freedom of movement) ⁶
- Effects due to increased number of asylum applicants is currently relative small, but is expected to become larger in the medium-run ⁷

Net Migration¹

- Government expenditures are expected to increase by 5 bn. in 2015 and by 4 bn. in 2016 due to increased number of asylum seekers²³
- Rough estimates may indicate visible increases in private consumption and construction
- However, net effects are difficult to estimate (e.g., due to potential crowding out of alternative investment projects at the local level)
- Currently, due to net migration the labor force is increasing instead of decreasing
- From about 500,000 asylum seekers in the current year, by far less than 100,000 enter the labor force
- Additional asylum seekers may have visible (but small) effects on potential output

Key Indicators

Key indicators 2014–2017 ¹

	2014	2015	2016	2017
Gross domestic product (GDP), price-adjusted	1,6	1,8	2,1	2,3
Gross domestic product, deflator	1,7	2,0	1,9	2,1
Consumer prices	0,9	0,3	1,1	2,0
Labor productivity (per hour worked)	0,4	0,8	1,5	1,3
Employment (1000 persons)	42.703	42.903	43.220	43.675
Unemployment rate (percent)	6,7	6,4	6,2	5,6
<i>in relation to nominal GDP</i>				
Public sector net lending	0,3	1,0	0,5	0,7
Gross public debt	74,4	70,5	66,9	62,8
Current account balance	7,6	8,8	9,0	9,0

GDP, consumer prices, labor productivity: percentage change on previous year; unemployment rate: as defined by the Federal Employment Agency. ³

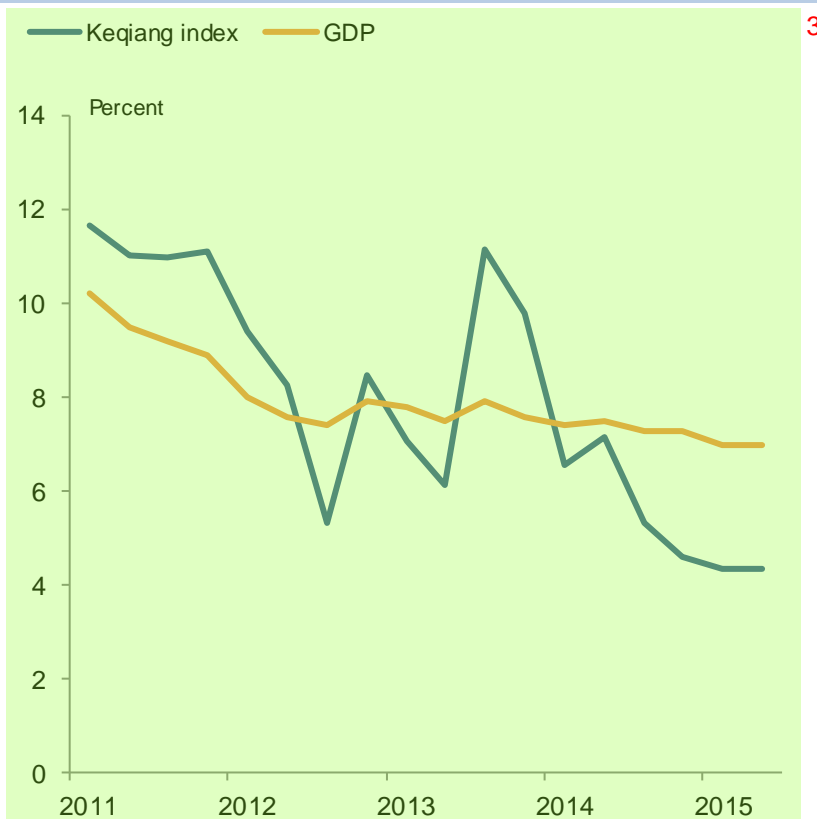
Source: Federal Statistical Office, *Fachserie 18, Series 1.2* ; Federal Employment Agency, *Monthly Bulletin*; Federal Employment Agency, *Employment Statistics* ; shaded: IfW forecast.

Überblick

- Globale Perspektive¹
- Euroraum²
- Deutschland³
- **Harte Landung in China?**⁴
- Risiken der Niedrigzinspolitik⁵
- European Governance⁶

China – Current economic situation (1)¹

China: GDP and Keqiang index²

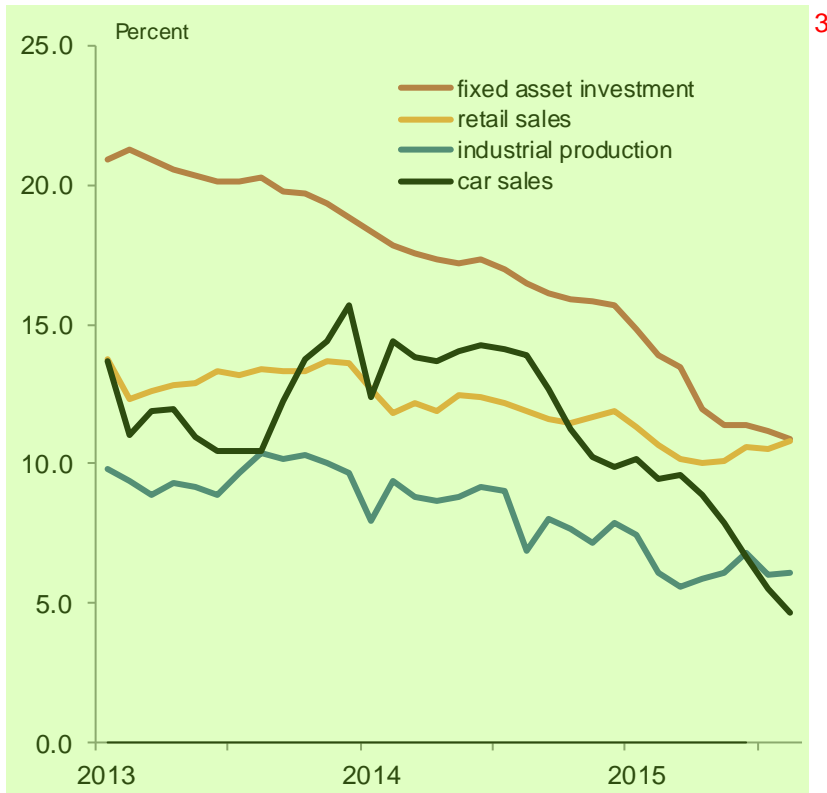


Quarterly data. GDP: y-o-y- growth rate.
Keqiang index: arithmetic mean of outstanding credit,
railway freight cargo and electricity consumption; y-o-y growth rate.

- Gradual economic slowdown from double-digit growth to currently 7 per cent y/y (in 2015-Q2)⁵
- Doubts regarding reliability and accuracy of official data⁶
- Keqiang index points to a pronounced slowdown since 2014-H1⁷
- Weak imports and industrial production, declining car and smartphone sales, ...⁸

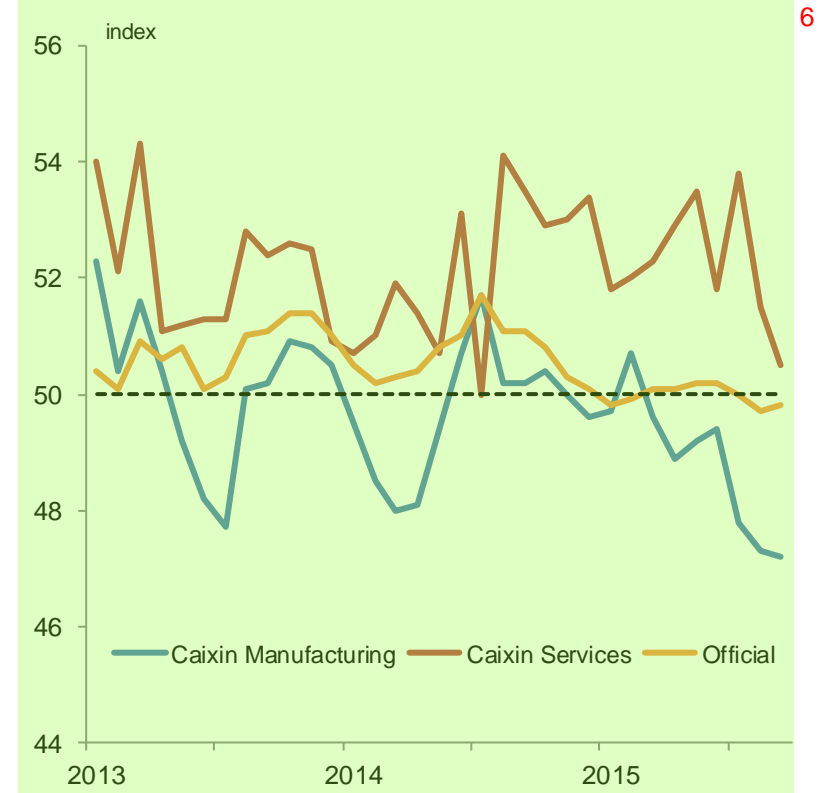
China – Current economic situation (2)¹

China: monthly indicators²



Monthly data. Industrial production and retail sales: y-o-y growth rates.⁴
FAI: year-to-date growth rate. Car sales: 12 MM, y-o-y growth rate.
Source: National Bureau of Statistics

China: Purchasing managers' indices⁵

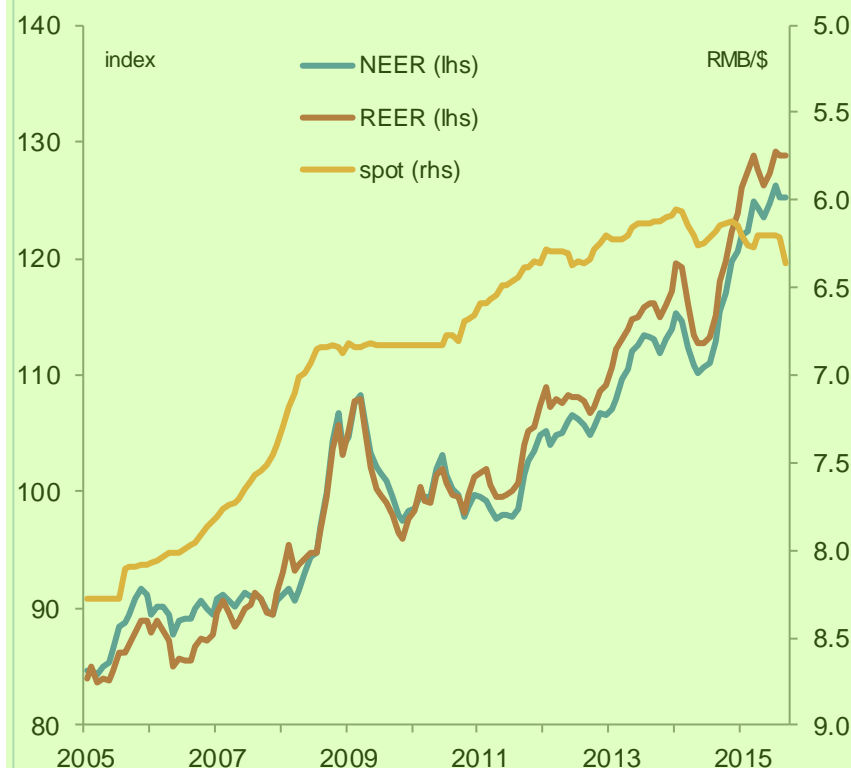


Monthly data.⁷
Source: Markit, National Bureau of Statistics

China – Devaluation of the renminbi (1)¹

- Historic devaluation of RMB in August -> market forces to play a greater role²
- Strong effective appreciation since H2 2014 -> both real and nominal
- Poor communication added to doubts about economic prospects
- Massive interventions to stabilize RMB are unsustainable given further depreciatory pressures

China: exchange rates³

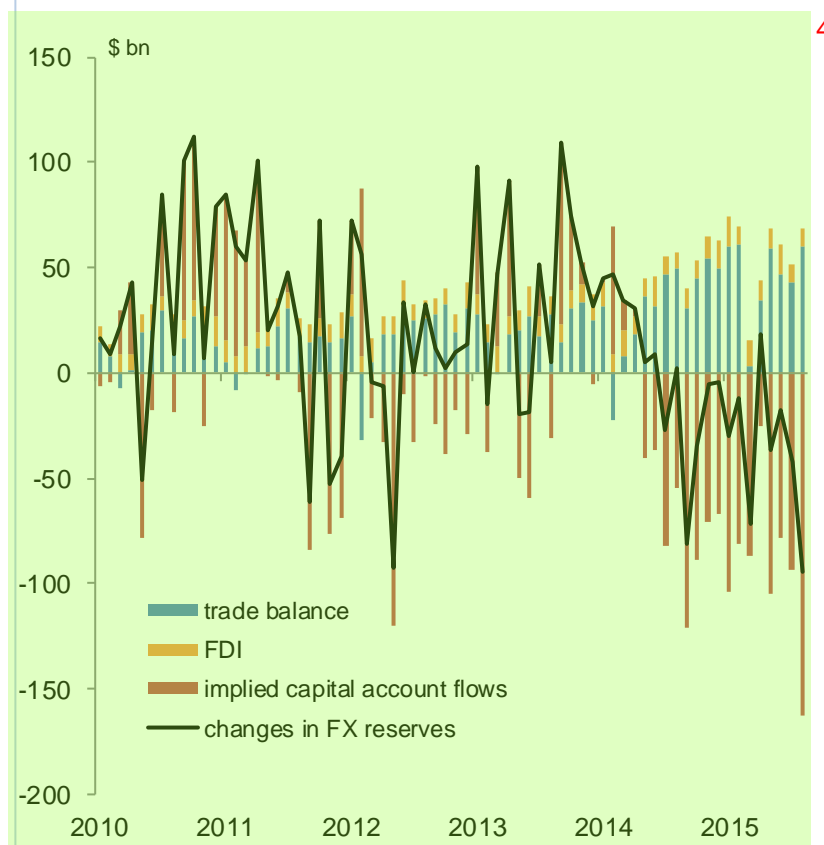


Monthly data. Source: JPMorgan, Datastream.⁵

China – Devaluation of the renminbi (2)¹

- PBoC intervened heavily in the markets in August to defend the new „peg“²
- Capital outflows are putting further downward pressure on RMB
- Caveat: changes in FX reserves are an imperfect proxy -> changes in valuation of non-dollar assets and portfolio preferences of firms also play a role

China: Capital outflows³



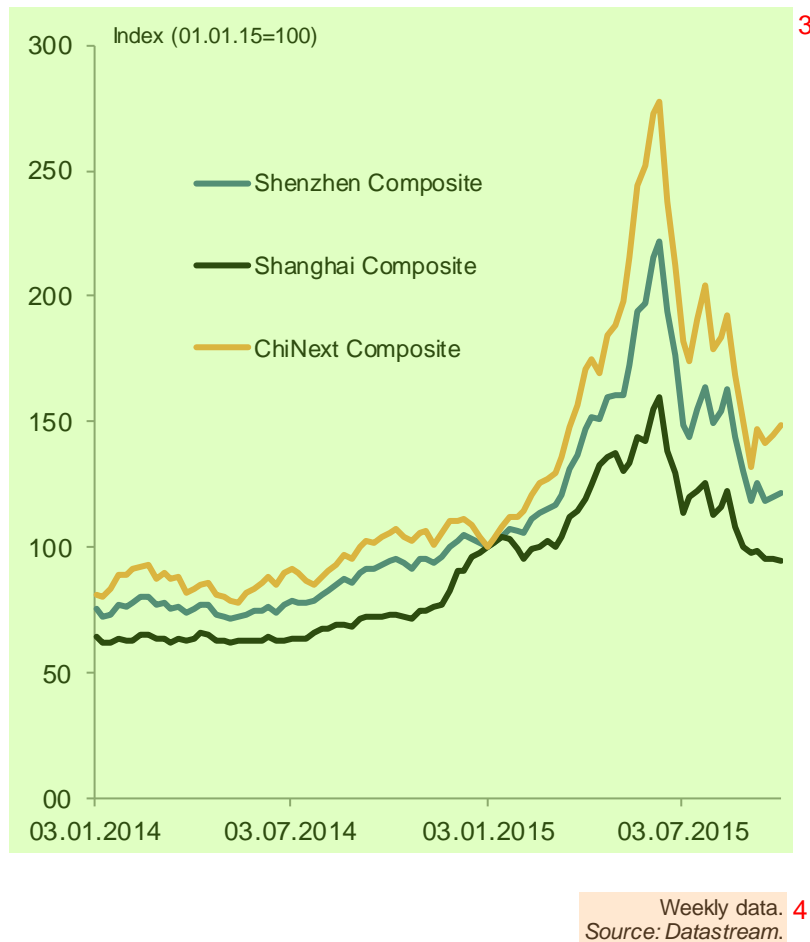
China – Devaluation of the renminbi (3)¹

- We simulate a 30 per cent devaluation of the RMB in NiGEM²
- Significant effects on the world economy with growth momentum shifting back towards China³
- Scenario assumes no retaliatory exchange rate or monetary policy responses⁵

	Year 1	Year 2
World	-0,3	-0,9
Advanced Economies		
Germany	-0,4	-1,2
Euro area	-0,4	-1,2
Japan	-0,9	-2,3
South Korea	-0,9	-2,7
UK	-0,6	-1,7
USA	-0,4	-0,9
Emerging Economies		
Brazil	-0,5	-1,4
China	0,7	1,2
India	-0,6	-2,0
Indonesia	-0,7	-2,5
Mexico	-0,3	-0,9
Russia	-0,6	-1,9

China – Price correction in equity markets¹

China: Stock markets²



- Sharp correction in stock prices since June⁵
- Initially, government resisted and intervened heavily⁶
- Direct impact on real economy should be limited⁷
- More important are developments in the housing sector -> roughly 50 per cent of outstanding loans directly or indirectly linked to real estate⁸

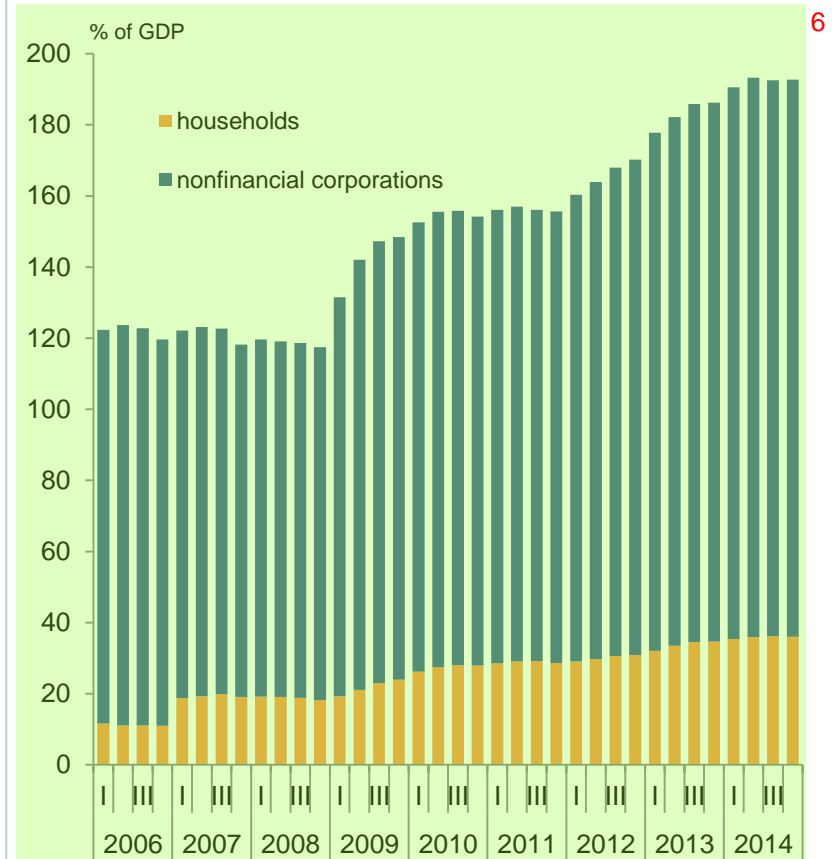
China – Are we in for a hard landing? ¹

China: House prices ²



Residential property prices in 67 cities. Monthly data. ⁴
Source: National Bureau of Statistics.

China: private sector debt ⁵



Quarterly data. Source: BIS. ⁷

China – Hard landing: modelling approach¹

- We use two - conceptually distinct – models²
 - » **NiGEM** (structural macroeconometric model)³
 - » **GVAR** (global vector autoregressions)
- For comparison, we interpret a hard landing as **reduction of Chinese GDP by 3 per cent** in both models⁴
- However, shock is implemented differently: in GVAR, initial impulse and model „takes over“ dynamics. To get the desired effect on GDP in NiGEM we calibrate a reduction in domestic demand in the first year and then slowly let it return to baseline⁵

China – Hard landing: global impact (1)¹

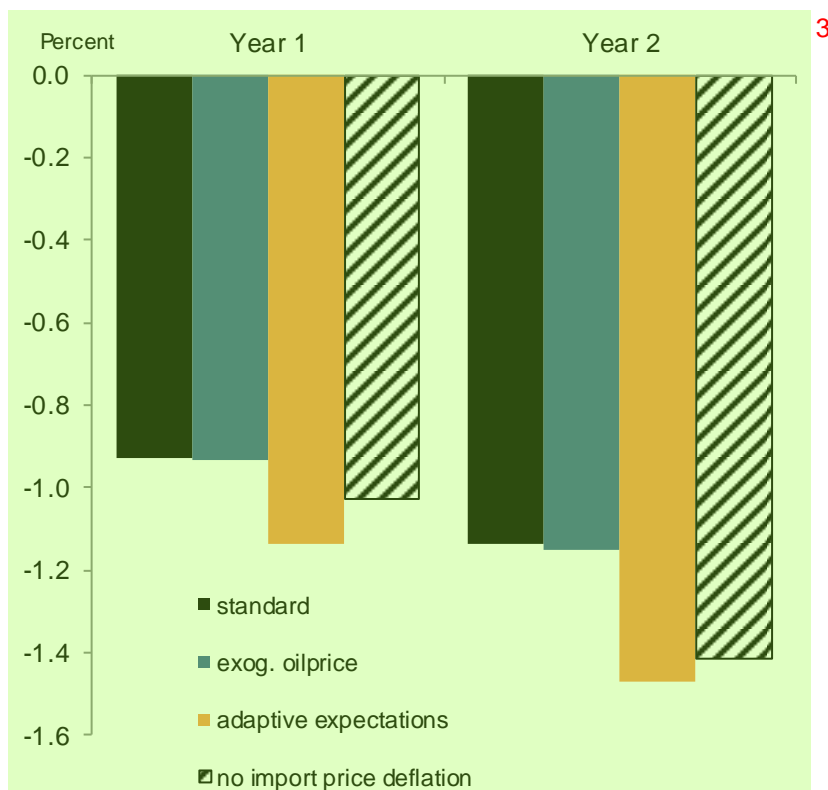
Year after shock	GVAR			NiGEM		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
World						
GDP	-0,7	-0,9	-1,0	-0,9	-1,1	-0,7
World trade	-	-	-	-2,7	-2,0	-0,3
Oil price	-1,3	-2,7	-3,0	-0,4	-1,0	-1,2
World excl. China						
GDP	-0,3	-0,4	-0,5	-0,5	-0,5	-0,3
Advanced Economies (GDP)						
Germany	-0,4	-0,5	-0,5	-0,4	-0,3	0,0
France	-0,1	-0,2	-0,2	-0,3	-0,2	0,0
Japan	-0,5	-0,7	-0,7	-0,9	-1,1	-0,8
South Korea	-0,6	-0,9	-1,0	-1,3	-1,9	-1,7
UK	-0,2	-0,3	-0,3	-0,3	-0,2	-0,1
USA	-0,3	-0,5	-0,5	-0,1	0,3	0,5
Emerging Economies (GDP)						
Brazil	-0,1	-0,2	-0,2	-0,8	-0,8	-0,2
China	-3,0	-3,3	-3,4	-3,0	-3,8	-2,7
India	0,2	0,2	0,2	-0,6	-1,1	-1,1
Indonesia	-0,3	-0,7	-0,8	-1,1	-2,1	-1,9
Mexico	0,0	0,3	0,4	-0,2	-0,1	-0,1
Russia	-	-	-	-0,7	-1,0	-0,5
Regions (GDP)						
Euro area	-0,2	-0,4	-0,4	-	-	-
Rest of Asia	-0,4	-0,7	-0,8	-	-	-
Latin America	-0,1	-0,1	-0,1	-	-	-

China – Hard landing: global impact (2)¹

- Broadly robust results across both models²
- Relative order also robust across country -> Germany more severely affected than UK or France due to stronger trade links with China³
- Emerging markets generally affected more adversely in NiGEM than in GVAR⁴
- Biggest difference: United States! US economy actually benefits from hard landing in NiGEM -> income effect from cheaper imports⁵

China – Hard landing: sensitivity analysis¹

NiGEM: sensitivity analysis²



Global GDP. Percentage deviation from baseline.
Source: Kiel Institute calculations with NiGEM.

- Results virtually unchanged if oil prices are held fixed⁴
- Effectiveness of monetary policy at the ZLB might be overestimated in NiGEM: under adaptive expectations hard landing lowers global GDP by an additional 0.2 pp in the first year⁵
- Exogenizing Chinese import prices leads to similarly stronger negative impact⁶

Überblick

- Globale Perspektive¹
- Euroraum²
- Deutschland³
- Harte Landung in China?⁴
- **Risiken der Niedrigzinspolitik**⁵
- European Governance⁶

Monetary policy: General remarks from a global viewpoint¹

■ Global landscape²

- » Mankind's largest monetary experiment of all peace times³
- » Potentially misleading signals from „Inflation targeting“

■ Experience from „Quantitative Easing“⁴

- » Extremely heterogeneous (theoretically and empirically)⁵
- » Story not over yet: Exit experience is missing

■ Financial crisis and capital stock distortions⁶

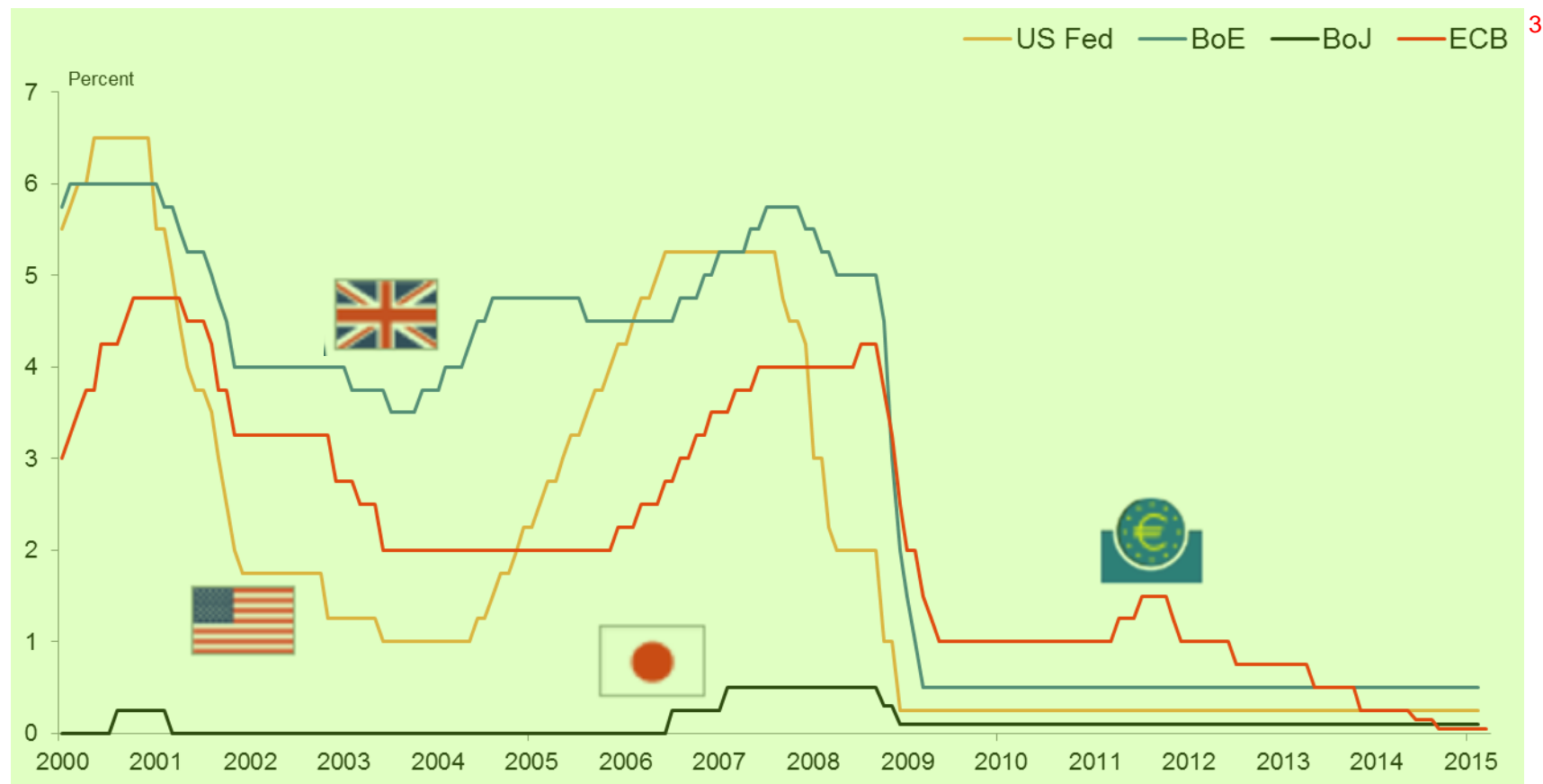
- » Macro-analysis prone to misleading results (structural problems)
- » Underlying mismatches are non-monetary by their very nature

■ Role of interest⁷

- » Aligning time preferences and production structures ...
- » ... or just another macro policy instrument?

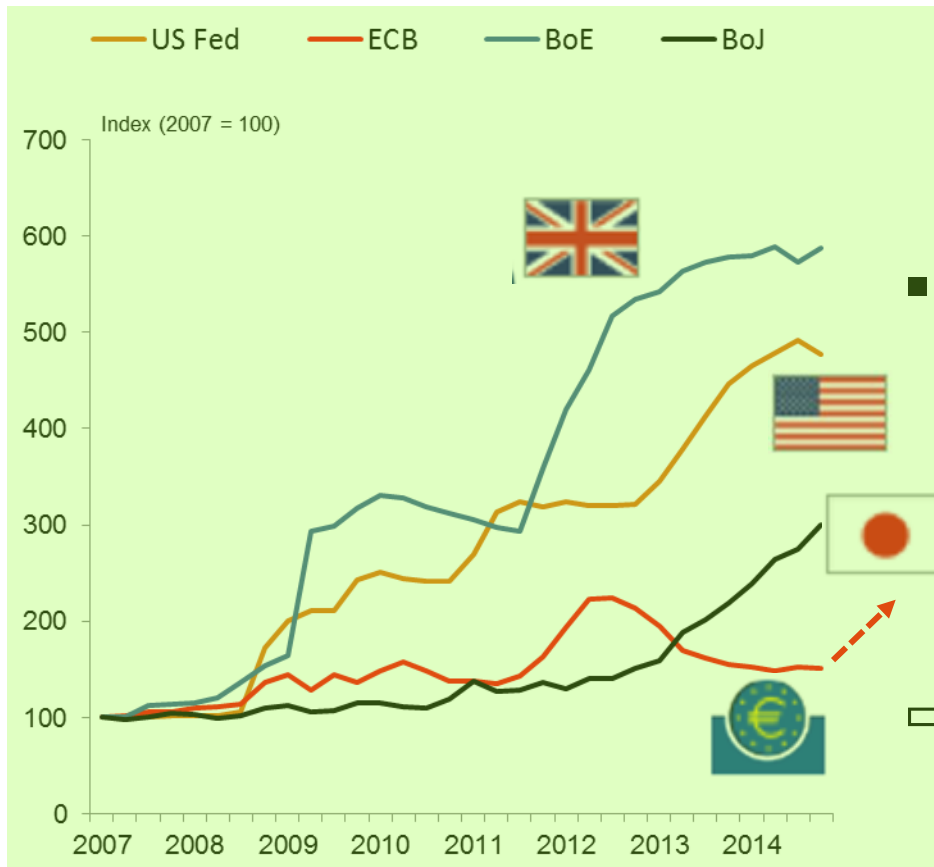
Policy rates of major central banks at ultra-low levels¹

Monetary policy rates²



„Quantitative Easing“

Monetary base ¹



■ Type 1: ⁴
² Liquidity provision in times of financial turmoil

■ Type 2: ⁵
Stimulating at the zero lower bound

⇒ Exit-Strategy? ⁶

Role of central banks

- „In many respects, central banks have been the **heroes of the global financial crisis.**“¹

*Christine Lagarde, IWF*²

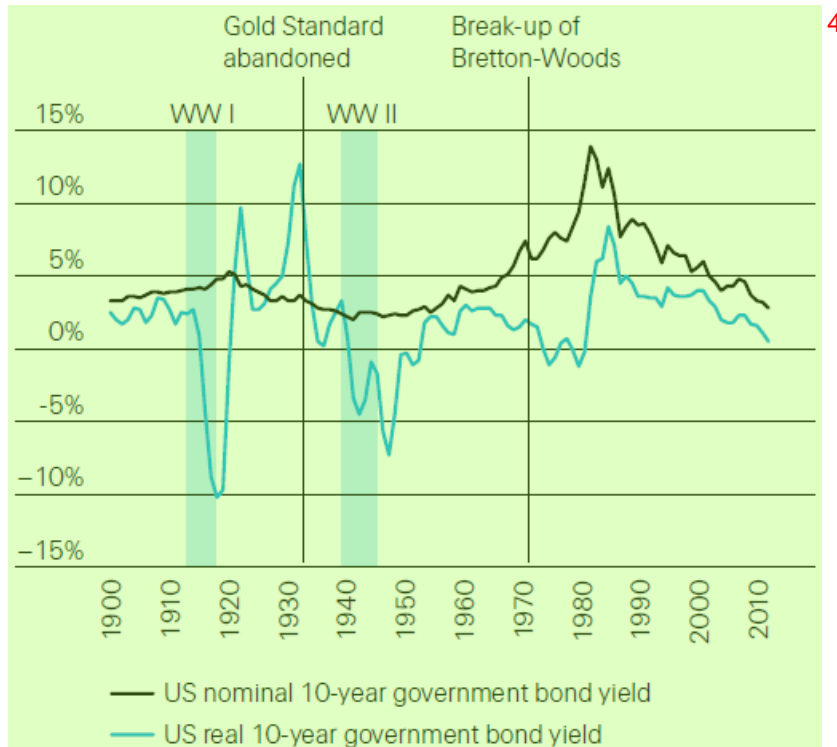
- „Ich halte es für keine gute Entscheidung, dass die EZB sich jetzt zum umfangreichen Kauf von Staatsanleihen entschlossen hat. **Geldpolitik kann nur Zeit dafür kaufen**, die Voraussetzungen für langfristiges Wachstum zu schaffen - aber nicht die dazu nötigen Strukturreformen ersetzen.“³

*Christoph Schmidt, SVR*⁴

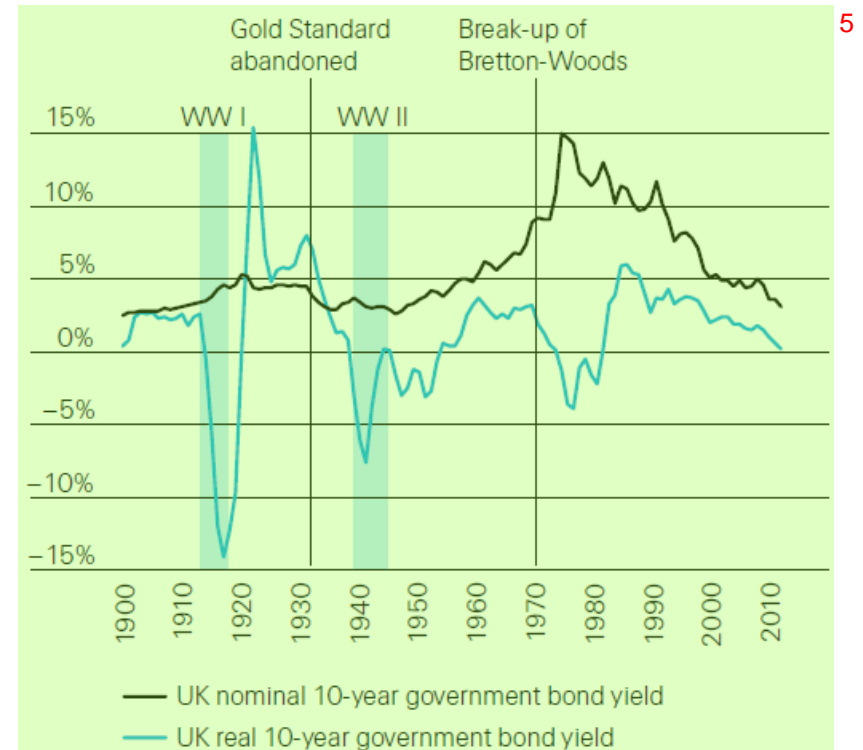
Interest rates: A centenary perspective¹

Nominal und real yields on 10-year government bonds 1900-2011²

US³



UK



Sources: Datastream; Homer Sidney and Richard Sylla, A History of Interest Rates (New Jersey: Wiley Finance, 2005); Swiss Re Economic Research & Consulting

QE made by ECB: The Public Sector Purchase Programme ¹

- Extended Asset Purchase Programme (EAPP) ²
monthly
 - » Asset-Backed Securities Purchase Programme (ABSPP) 10 bn
 - » Covered Bond Purchase Programme (CBPP3)
 - » Public Sector Purchase Programme (PSPP) 50 bn

⇒ 1.1 trillion in assets in total until September 2016
(approx. + 50 % of Eurosystem's consolidated balance sheet)

■ PSPP ³

- » March 2015 to September 2016 (or later) ⁴
- » Assets of supranational institutions (explicit risk sharing) 6 bn ⁵
- » Central government bonds, securities of national agencies
 - Held by ECB (explicit risk sharing) 4 bn
 - Held by National Central Banks (no explicit risk sharing) 40 bn

Eligibility criteria and quantitative limits¹

- Eligibility criteria for sovereign bonds²
 - » Remaining maturity of 2 to 30 years³
 - » Collateral quality for ECB monetary policy operations⁴
 - High credit rating⁵
 - EU financial assistance programme (not under review)
 - » Yielding at least ECB deposit rate (currently -0.2 percent)⁶

- Limits (for Eurosystem as a whole)⁷
 - » Not more than **33 percent** of the debt of any single issuer⁸
 - » Not more than **25 percent** of any given issue (no blocking minority)
 - ⇒ **Irrelevant with respect to monetary financing**

Risk separation

■ Credibility¹

- » Loss absorption capacity of NCBs²
- » Recapitalization rules for national central banks
- ⇒ **Central bank equity matters**

■ Central bank independence³

- » “In the event of an NCB’s net equity becoming less than its statutory capital or even negative would require that the respective Member State provides the NCB with an appropriate amount of capital at least up to the level of the statutory capital within a reasonable period of time so as to comply with the principle of financial independence.”⁴
(ECB, 2010 Convergence Report)

Quantitative feasibility (1/2)¹

■ Aggregate euro-area bond market²

» Outstanding debt issued by central governments	6,666 bn	³
» ... of which 25 percent (issue limit)	1,666 bn	
» ... SMP programme (prior to PSPP)	194 bn	
» ... Bonds held by NCBs (prior to PSPP)	240 bn	
» Gross eligible central government debt	approx. 1,250 bn	
» Outstanding securities issued by national agencies	350 bn	
» Securities issues by supranational institutions	567 bn	
» Gross total eligible securities	approx. 2,150 bn	

⇒ Not binding until September 2016 (but increasingly so after)⁴

- Maturity spectrum hardly relevant
- Currently market values higher than nominal values, and minimum yield limit not binding

Quantitative feasibility (2/2)¹

■ Country-specific bond markets²

Small countries without
“sufficiently” high issued debt

Luxembourg, Lithuania, Latvia,
Estonia

Highly indebted countries without
sufficiently high eligible
outstanding debt

Greece, Ireland, (Portugal)

Large countries (80 percent of
euro-area sovereign bond market)

Italy, France, Germany, Spain

- ⇒ **Limiting criteria binding for small countries only**
- ⇒ **By and large, the programme can be carried out as foreseen**
- ⇒ **Enlarging the programme would face relevant limits
(e.g. German bonds, supranational institutions)**

Financial risks for the Eurosystem¹

- Central banks²

- » Technical insolvency vs. political insolvency³
- » Strong financial health is a key factor to ensure independence

- Money⁴

- » Functions as a general means of exchange
- » Excessive money creation destroys this function

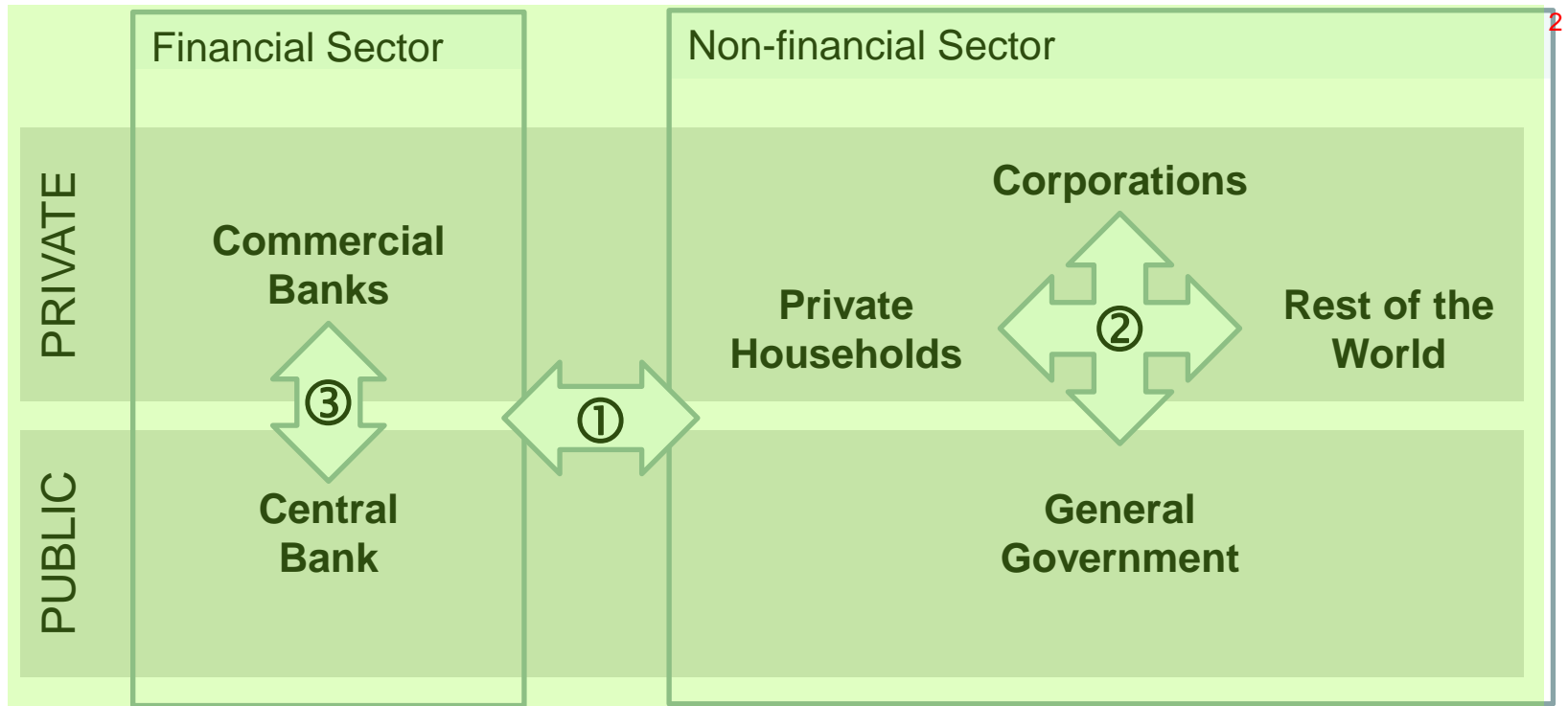
- Default risks and loss absorption capacity of NCBs

- » Eurosystem strong enough to deal with even a 100 percent default⁵

- Interest rate risks and accounting principles

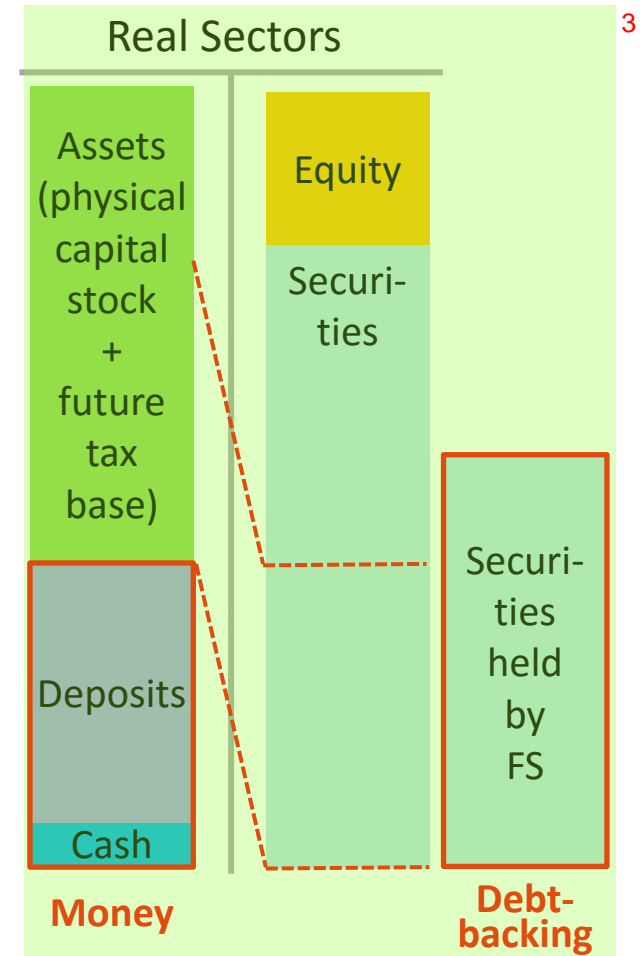
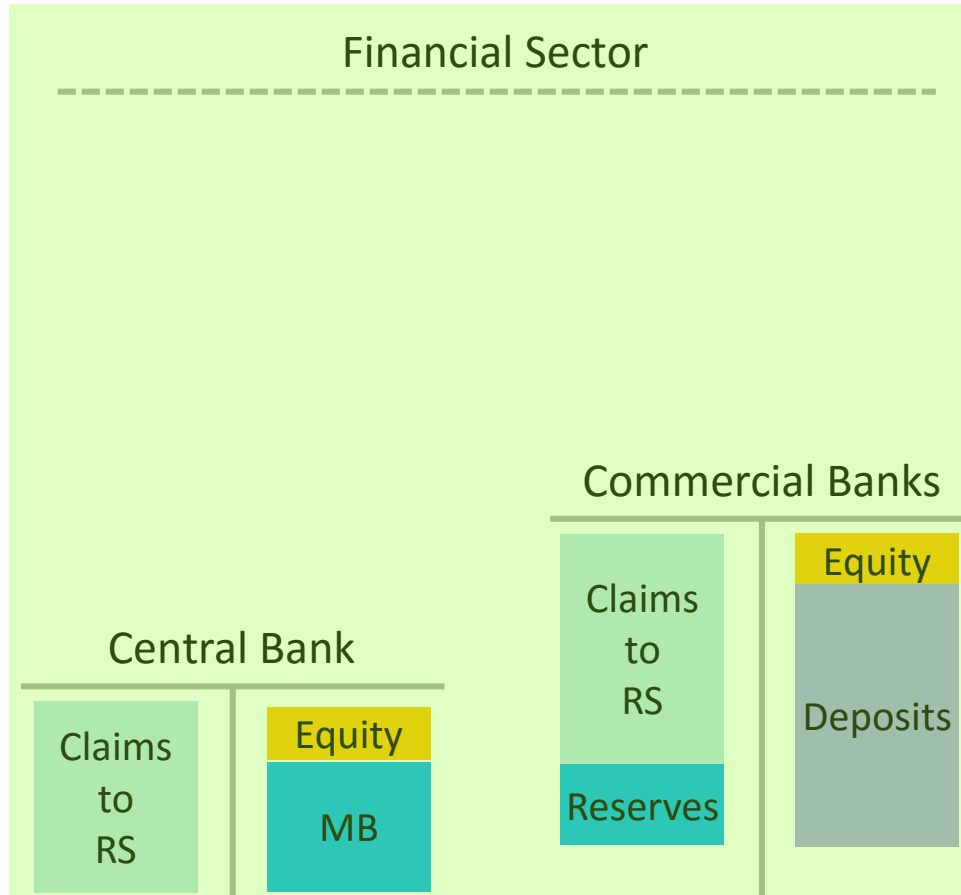
- » QE operations necessarily earmarked as “held to maturity”
(otherwise substantial capital provision to cushion against QE)
- » Significant losses under a fairly broad range of assumptions

Economic sectors, money creation, and financing¹

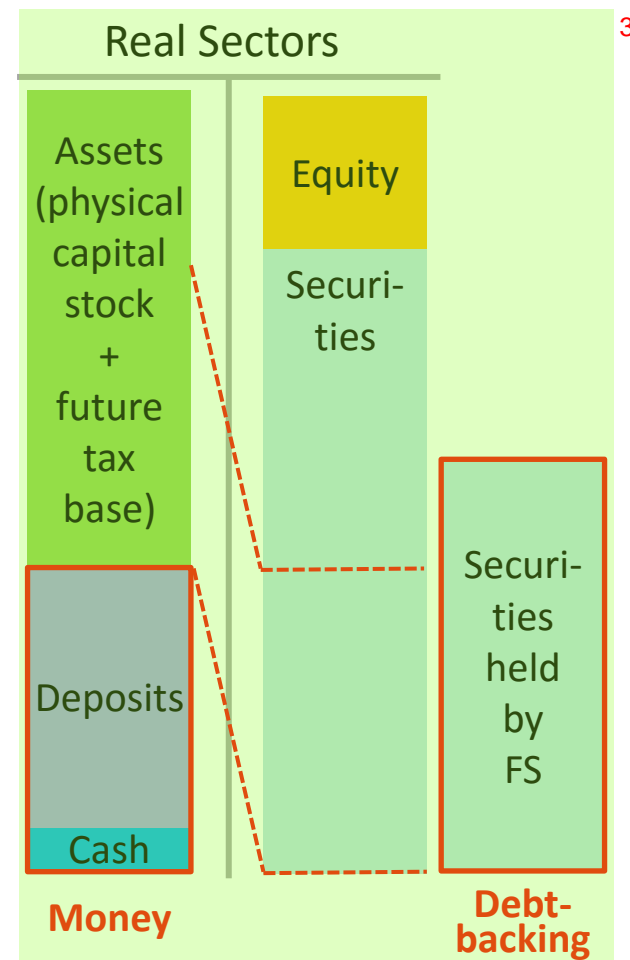
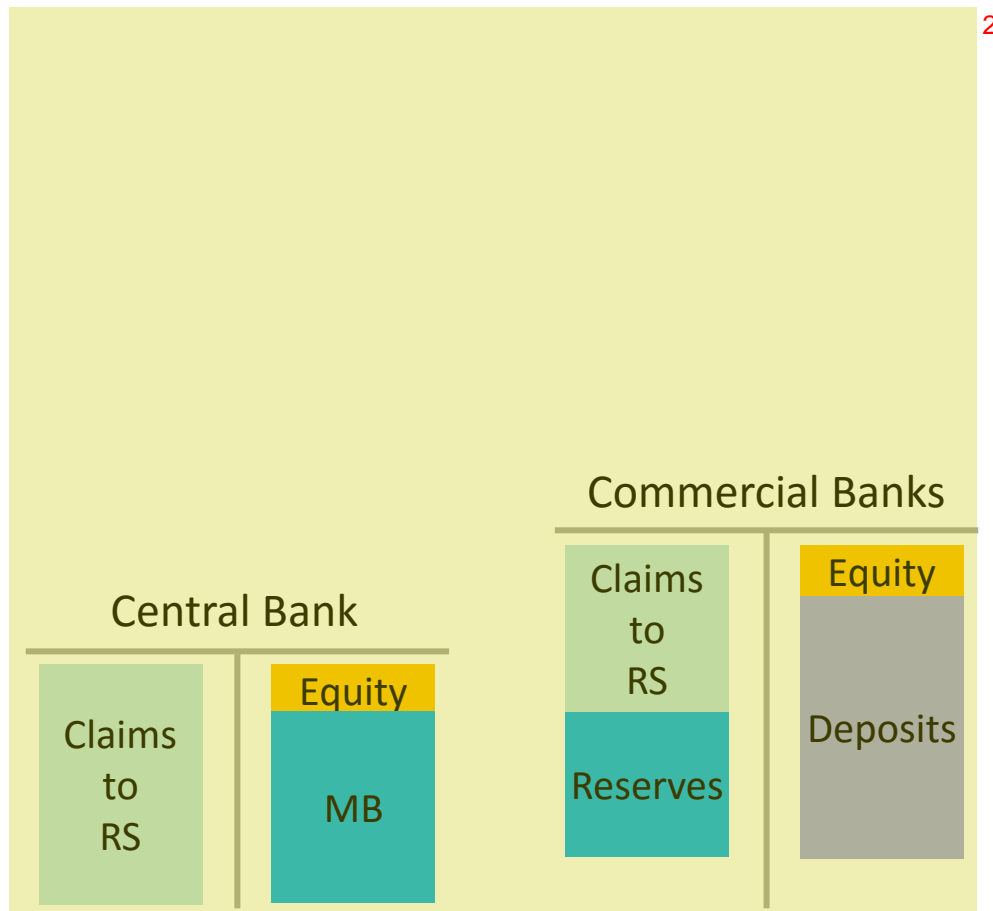


- ① Liquidity provision: money demand vs. money supply (and financial intermediation)³
- ② Financing: saving (lending) vs. investment (borrowing)
- ③ "Quantitative Easing": monetary base

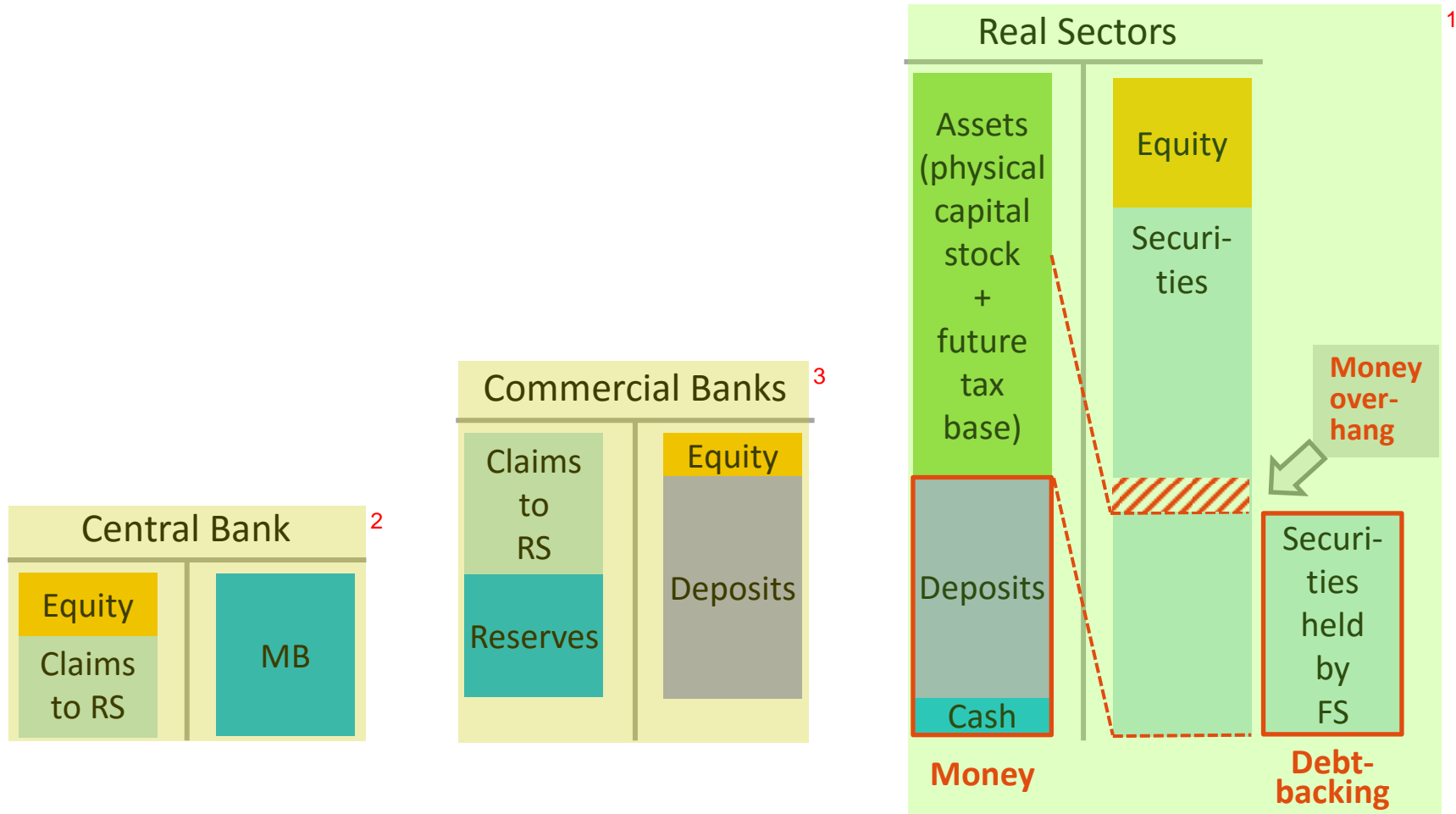
Financial framework of a debt-backed monetary system ¹



“Quantitative Easing” inflates central bank’s balance sheet¹



Serious default scenario



Overall implications for monetary policy ¹

2

- Increased risk of policy insolvency
 - » Stronger incentives to choose a too-accommodative monetary policy stance
- Central bank independence
 - » May weaken the independence of the ECB by making the Eurosystem more dependent on the fiscal soundness of member states
- Signalling
 - » Financial risks may be perceived by market participants as a signal that interest rates will remain low for an even longer period than they would otherwise be
- Price stability
 - » In extreme scenarios, the financial health of the Eurosystem could be significantly harmed, reducing its capacity to ensure price stability
- Market distortions
 - » Higher volatilities in bond markets (due to less market depth), associated with the risk of asset price bubbles
- Future room for manoeuvre
 - » Future attempts to expand its asset purchase programmes may force the ECB to loosen current limits and eligibility criteria

Überblick

- Globale Perspektive¹
- Euroraum
- Deutschland
- Harte Landung in China?
- Risiken der Niedrigzinspolitik²
- **European Governance**³

Krise als Beschleuniger der europäischen Integration? ¹

- Maastricht-Vertrag (Februar 1992) ³
- Stabilitäts- und Wachstumspakt (Juli 1997), Reform (März 2005) ²
- Wachstumsstrategie „Europa 2020“ (Juni 2010)
- EFSF (Juni 2010)
- Europäisches Semester (September 2010)
- Euro-Plus-Pakt (März 2011)
- **Six-Pack (Dezember 2011) ⇒ MIP**
- Fiskalpakt (März 2012)
- ESM (Oktober 2012)
- Two-Pack (Mai 2013)

Makroökonomisches Ungleichgewichteverfahren (MIP)¹

■ Fokussierung²

- » Krisenprävention (vs. Europa 2020)
- » Gemeinschaftsinteressen (vs. „gute“ Wirtschaftspolitik)

■ Spannungsfelder

- » Koordinierung vs. Subsidiarität
- » Strukturprobleme vs. Makroindikatoren

■ Konzeptionelle Unschärfe (eklektischer Ansatz)

- » Makroökonomischer Ungleichgewichtsbegriff
- » Wettbewerbsfähigkeit von Wirtschaftsräumen

■ Ökonomische Systeme als soziokybernetische Regelkreise

- » Binnenmarkt: Pekuniäre „externe“ Effekte als Normalfall
- » Instrumenteneinsatz: Primat der Primärwirkung über Nebeneffekte

Krisenerklärung und -interpretation¹

- MIP: Reaktion auf europäische Schuldenkrise²
- Finanzkrisen ⇔ Kapitalstockverzerrung³
 - » Monetäre Konjunktur- und Krisentheorie⁴
 - » Zinsniveau, Fristentransformation und Produktionsstruktur (realwirtschaftliche Verwurzelung einer Finanzkrise)
 - » Krise als Korrektur nicht-nachhaltiger Forderungspositionen (Liquidationskrise zur Bereinigung von „Zombie-Strukturen“)
 - » Neubewertung des marktfähigen Kapitalstocks
- Krisendiagnose in EUV 1176/2011⁵
 - » Unzureichende wirtschaftspolitische Koordination⁶
 - » Mangelnde ökonomische Konvergenz (Leistungsfähigkeit)

Ordnungsökonomisches Spannungsfeld¹

- Subsidiaritätsprinzip gemäß EU-Vertrag
(Wettbewerb und wirtschaftspolitische Selbstverantwortung)²
 - Abwehr von Fehlentwicklungen in einzelnen Mitgliedsländern,
die das Gemeinschaftsinteresse berühren (Koordinierung und
wirtschaftspolitische Überwachung)³
- ⇒ Hohe Hürden für die Legitimation von Eingriffen⁴
- » Nachweis systemischer externer Effekte erforderlich
 - » Recht auf „falsche“ nationale Wirtschaftspolitik liegt im
Gemeinschaftsinteresse (Raum für institutionelle Experimente)

Makroökonomische Koordinationsdefekte¹



Inkongruenzen zwischen einzelwirtschaftlichen Plänen³

⇒ Dynamische Koordinationseffizienz
(Abbau von Angebots- und Nachfrageüberhängen)

Pervasive Koordinationsdefekte⁴

⇒ Verfügungsrechte (Ordnungsrahmen)⁵
⇒ Geld (allgemeines Tauschmittel)
⇒ Kapital/Zins (intertemporale Koordination)
⇒ Arbeit/Lohn (quasi-universeller Produktionsfaktor)

Grenzüberschreitende Koordinationsdefekte⁶

⇒ Geld- und Kreditwesen, Schuldentragfähigkeit

≠ Konjunkturglättung (Globalsteuerung)⁷
≠ Pekuniäre Wettbewerbseffekte im Binnenmarkt

Dysfunktionale Koordinationsmechanismen ⇒ Symptomatische Makroentwicklung

Systemische externe Effekte und Stabilitätskultur¹

■ Finanzsystem: Geld- und Kreditwesen²

- » Kreditdeckung des Geldes
(simultane Geld- und Kreditschöpfung aus dem Nichts)
- » Implizite Gesamthaftung für Kollateral des Eurosystems
- » Regulierungsarbitrage

■ Hartwährungsverbund erfordert Stabilitätskultur⁴

- » Variante 1:
Haftungsprinzip, Anreiz zur Vorsicht („No-bail-out“)
- » Variante 2:
Überwachung, Hilfen unter Auflagen („No-bank-left-behind“)

⇒ Funktionsfähigkeit von Institutionen beruht auf Einsicht und
gemeinsamem Regelverständnis (Ownership)⁵

„Nationale Wettbewerbsfähigkeit“

- WF kein makroökonomisch bedeutungsvolles Konzept¹
 - » Anpassung der Faktorpreise²
 - » Internationaler Handel kein Nullsummenspiel
 - » Konsummöglichkeiten sind relevant (Volkswirtschaft ≠ Exportsektor)
- Leistungsfähigkeit = Produktivität³
 - » Produktivität entscheidet über Einkommen/Terms-of-Trade, nicht über Vorteilhaftigkeit des Außenhandels
 - » Funktionsfähiger Binnenmarkt setzt weder hohe, noch konvergierende Produktivität voraus (sondern hat sie zur Folge)
 - » Produktivitätsschwäche: Kein Problem der Außenbeziehungen
- Politikkoordinierung?⁴
 - » Best-practice und peer-review⁵
 - » Keine Interessenkonflikte, Recht auf „schlechte“ Wirtschaftspolitik

Primat des Subsidiaritätsprinzips¹

■ Subsidiaritätsprinzip²

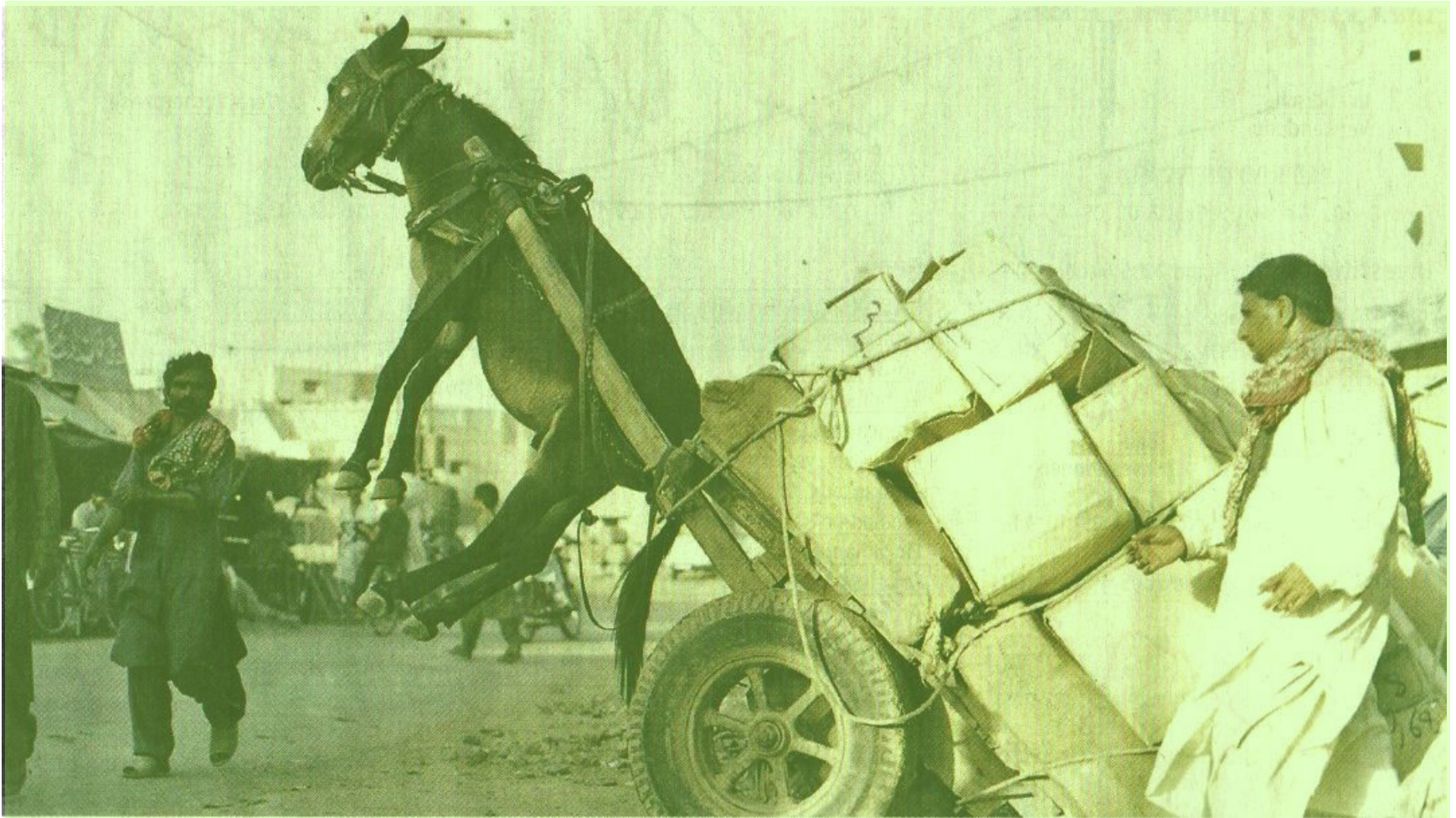
- » Anreizkonstellation³
- » Informationsstand
- » Instrumentenzugriff
- » Demokratische Legitimierung

■ Vertikaler Aufgabenzuschnitt⁴

- » Theorie des Fiskalföderalismus (Exkludierbarkeit, Rivalität)
- » Genuine europäische Gemeinschaftsgüter statt „politische Projekte“

⇒ Subsidiarität macht Europa stark, nicht schwach⁵

Überlastet



Quelle: FAZ, 26. Oktober 2011, S. 11

Reformüberwachung und Goodhart's Law¹

- Any observed statistical regularity will tend to collapse once pressure is placed upon it for control purposes.²

(Charles Goodhart)³

- When a measure becomes a target, it ceases to be a good measure.⁴

(Marilyn Strathern)⁵

Volkswirtschaftliche Gesamtrechnung vs. Finanzstatistik¹

■ VGR²

- » Nicht ausgelegt für Instrumente des Haushaltsrechts (Analogie: Handels- vs. Steuerbilanz)³
- » Notlösung mangels international einheitlicher Budgetierungsregeln

■ Beispiel: Investitionsbegriff und Zulässigkeit übermäßiger Defizite⁴

■ Exkurs: Problem für die Weiterentwicklung der VGR⁵

Messung struktureller Defizite¹

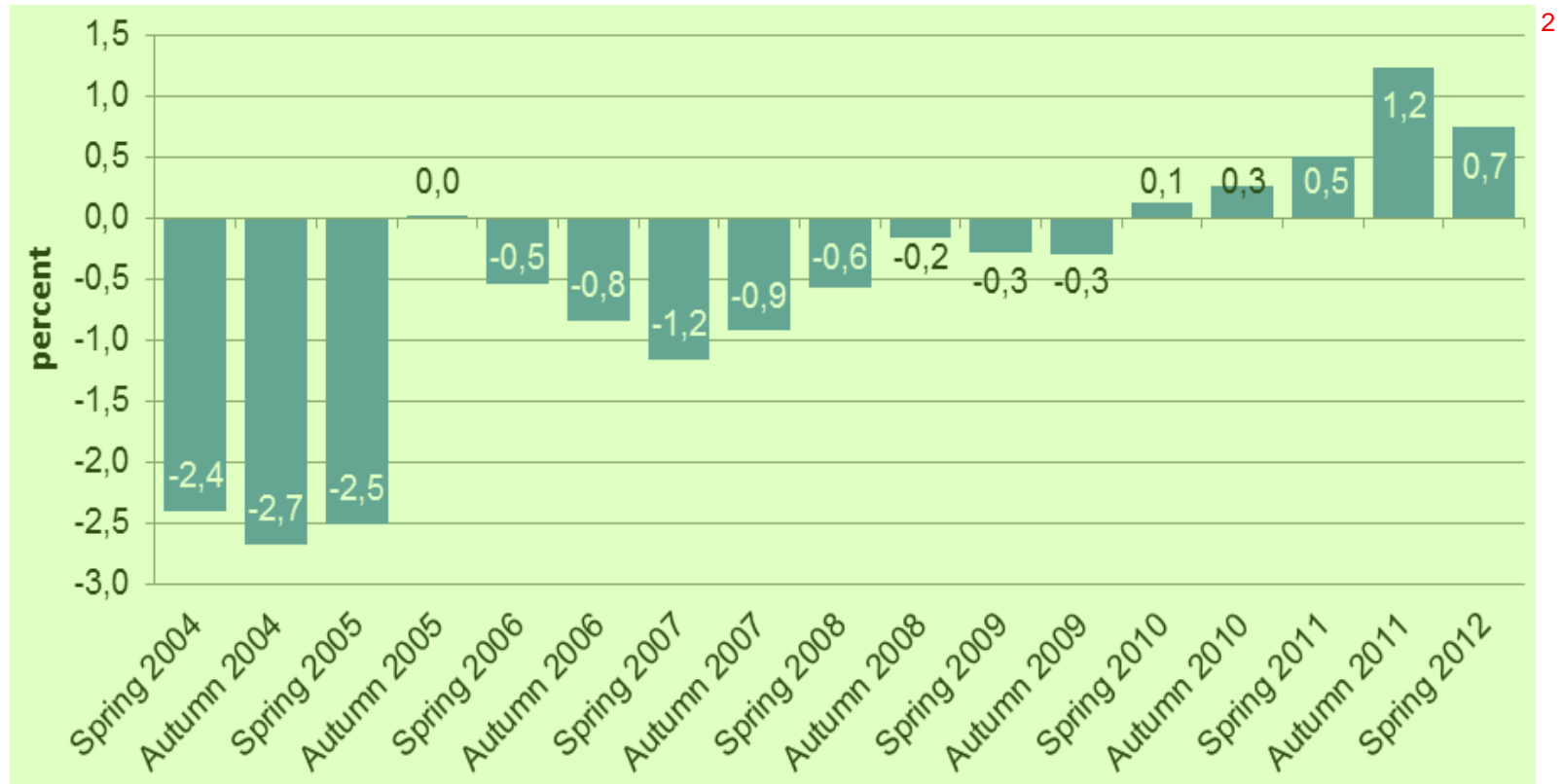
- Bestimmung des Produktionspotenzials²

- » Produktionsfunktion³
- » Faktorbestände, technischer Fortschritt
- ⇒ Glättung über ex-post Beobachtungen

- Schätzprobleme am aktuellen Rand⁴
(Parametersetzung kaum justiziabel)
- Revisionsanfälligkeit der Vergangenheit
- Konzeptionelle Untauglichkeit bei Strukturkrisen

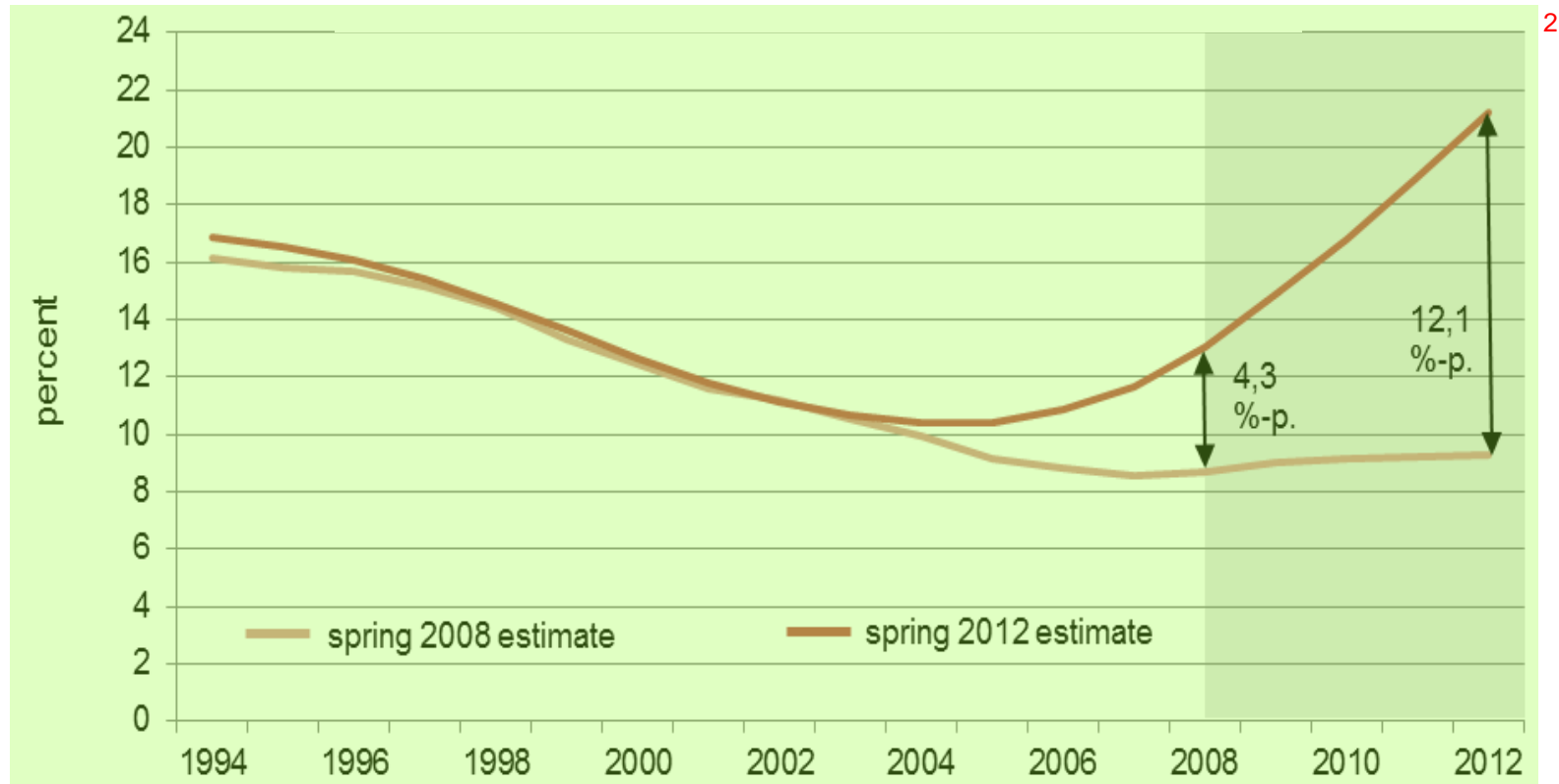
Beispiel Spanien: Produktionslücke im Jahr 2005¹

Schätzung der EU-Kommission



Beispiel Spanien: NAIRU-Schätzung¹

Schätzung der EU-Kommission



Haushaltsüberwachung und Nicht-Beistandsklausel¹

■ Wirtschaftspolitische Glaubwürdigkeit²

- » Fiskalische Selbstverantwortung (SWP schwächt Maastrichter Nicht-Beistandsklausel)³
- » Finanzwirtschaftliche Übertragungskanäle (implizite „No bank left behind“-Politik)

■ Positivbeispiel: US-Staaten⁴

- » Kein Zugang zum Notenbankkredit⁵
- » Klare No-Bailout-Politik des Zentralstaates
- ⇒ Fiskalregeln zur Selbstbindung in 49 Staaten, kein Staatsbankrott seit 1840

■ Negativbeispiel: Bundesländer⁶

- » 1992 Bundes-Sonderergänzungszuweisungen (HB,SL)⁷
- » 2011 Drohende Haushaltsnotlagen (HB,SL,B,SH)

Rolle der Geldpolitik/Finanzmarktordnung¹

■ Nullzinspolitik²

- » Erzeugt Schuldentragfähigkeitsillusion³
- » Leitet nächste Runde der Kapitalstockverzerrung ein

■ QE: Exit?⁴

- » Typ 1: Liquiditätsversorgung bei akutem Finanzmarktstress
- » Typ 2: Konjunkturstimulierung an der Nullzinsgrenze

■ Maastricht 2.0⁵

- » Euroraum als Goldstandard ohne Gold (Supranationalität)⁶
- » Supranationalität als Vorteil
- » Sprengsatz: Mangelnder monetärer Konsens

■ Insolvenzverfahren für Staaten

■ Bankenunion: Ende des Too-big-to-fail?

