Capital Markets Union

APRIL 25, 2024

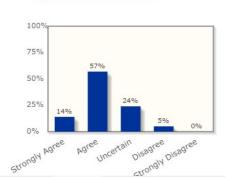
ADD TO POLL @

Question A:

Creation of a more unified capital market in Europe - with a common pool of capital, a single rule book and a strengthened European Securities and Markets Authority, comparable to the US Securities and Exchange Commission – would lead to a substantial shift in the balance of companies listing their shares in the EU vis-a-vis the US.

Responses

Responses weighted by each expert's confidence

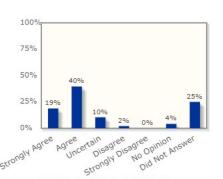


Question B:

Creation of a more unified capital market in Europe - with a common pool of capital, a single rule book and a strengthened European Securities and Markets Authority, comparable to the US Securities and Exchange Commission – would substantially increase the availability of funding for start-ups and growing companies across the EU.

Responses

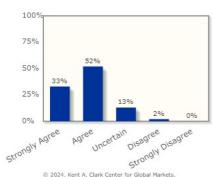
Methodology



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Source: European Clark Center Economic Experts Panel

Responses weighted by each expert's confidence



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Question A Participant Responses

Bio/Vote University Vote Confidence **Participant History** Imperial College London Disagree Bio/Vote History I don't think having vibrant capital markets is a matter of just rulebooks and regulation. They have a role to paly certainly. It's more of a cultural thing. Without Brexit, I think CMU would have worked well but with Brexit, it will stumble along. Harvard Did Not Answer Bio/Vote History Pol Antras Paris School of **Economics** Agree Bio/Vote History although the main impact may not be on listed companies. Bénassy-Quéré Peterson Institute Bio/Vote Agree History Olivier Blanchard University College London Did Not Answer Bio/Vote History

Richard William

Blundell

Bio/Vote Participant University Vote Confidence **History** Bocconi Bio/Vote 7 Uncertain History **Botticini** Bocconi Agree 8 Bio/Vote History Not sure it would really contribute to close the market gap between US and EU Elena Carletti but it would certainly help Paris School of **Economics** Bio/Vote Agree History Jean-Pierre **Danthine LSE** Bio/Vote 5 Uncertain History Paul De Grauwe **UPF** Barcelona Bio/Vote 5 Agree History Jan Eeckhout Barcelona GSE Did Not Answer Bio/Vote History

Xavier Freixas

Bio/Vote Participant University Vote Confidence **History** Goethe-Universität Frankfurt Bio/Vote Agree History Schündeln Barcelona GSE Bio/Vote 6 Agree History Jordi Galí **LSE** Bio/Vote 7 Agree History Luis Garicano Berkeley Bio/Vote 3 Uncertain History Yuriy Gorodnichenko University of Manchester Bio/Vote No Opinion History Rachel Griffith Chicago Booth Bio/Vote 6 Uncertain History Veronica Guerrieri

Bio/Vote

University Confidence **Participant** Vote **History** Einaudi Institute for **Economics and Finance** Bio/Vote Uncertain History Luigi Guiso Sciences Po Bio/Vote Agree History Sergei Guriev Trinity College Dublin Bio/Vote Agree History Patrick Honohan University of Oxford Bio/Vote Agree History Beata Javorcik Central European University Bio/Vote No Opinion History Botond Kőszegi Goethe University Frankfurt 6 Agree Bio/Vote History I "agree"m, although not "strongly", because we do not understand well why firms refrain from going public despite high earnings and excellent growth Jan Pieter

prospects - which is the case for many Mittelstand-firms in Germany. There

may be additional reasons for firms to stay private...

Krahnen

Bio/Vote Vote **Participant** University Confidence **History** Harvard Kennedy Did Not Answer Bio/Vote History **Ferrara** Chicago Booth 6 Uncertain Bio/Vote History Unsure that shift would be substantial. Measurable yes. Cap mkt union would help but there are other institutional or market factors. Valuations are higher in US and not clear this is solely because of securities regulation and SEC **Christian Leuz** enforcement (though they are important) -see background information here Sciences-Po Did Not Answer Bio/Vote History **Thierry Mayer** Yale Bio/Vote 9 Agree History Costas Meghir Università di Napoli Federico II Bio/Vote 10 Strongly Agree History Marco Pagano Chicago Booth Bio/Vote 10 Agree History Lubos Pastor

Bio/Vote Participant University Vote Confidence **History** Stockholm University Did Not Answer Bio/Vote History Torsten Persson London Business School 10 Strongly Agree Bio/Vote History CMU has been a key project for the EU since the GFC. A single capital market Richard Portes would unlock extensive economies of scale and scope. Chicago Booth Bio/Vote Uncertain History Canice Prendergast Imperial College London Did Not Answer Bio/Vote History Carol Propper University College London Did Not Answer Bio/Vote History Imran Rasul London Business School Bio/Vote 10 Strongly Agree History

Lucrezia Reichlin

Participant	University	Vote	Confidence	Bio/Vote History
	London School of Economics	Agree	6	Bio/Vote History
Ricardo Reis	Not enough, however.			
Rafael Repullo	CEMFI	Uncertain	4	Bio/Vote History
Hélène Rey	London Business School	Did Not Answer		Bio/Vote History
Antoinette Schoar	MIT	Did Not Answer		Bio/Vote History
Kjetil Storesletten	University of Minnesota	Disagree	6	Bio/Vote History
Daniel Sturm	London School of Economics	Agree	4	Bio/Vote History

Participant	University	Vote	Confidence	Bio/Vote History
Silvana Tenreyro	LSE	Agree	4	Bio/Vote History
Rick Van der Ploeg	Oxford	Agree	6	Bio/Vote History
John Van Reenen	LSE	Did Not Answer		Bio/Vote History
John Vickers	Oxford	Uncertain	4	Bio/Vote History
Hans-Joachim Voth	University of Zurich	Uncertain	6	Bio/Vote History
Karl Whelan	University College Dublin	Did Not Answer		Bio/Vote History

Participant

University

Vote

Confidence

Bio/Vote History



Wyplosz

The Graduate Institute Geneva



Agree



Bio/Vote History

Question B Participant Responses

Bio/Vote Participant University Vote Confidence History



Imperial College London



5

Bio/Vote History

Again, I think VC/PE is something cultural. American firms dominate so CMU would help but not much.



Pol Antras

Did Not Answer Harvard

> Bio/Vote History



Agnès Bénassy-Quéré



Strongly Agree



10

Bio/Vote History

Europe has excess savings. Offering wider diversification options (at lower fixed costs) would help reaping the benefits of these savings for the real economy.



Blanchard

Peterson Institute



Agree



Bio/Vote History

Bio/Vote Participant University Vote Confidence **History** University College London Did Not Answer Bio/Vote History Richard William Blundell Bocconi Bio/Vote Agree History Maristella **Botticini** Bocconi Bio/Vote Agree History Elena Carletti Paris School of **Economics** Bio/Vote Strongly Agree History Jean-Pierre **Danthine LSE** Bio/Vote Agree 6 History Paul De Grauwe **UPF** Barcelona Bio/Vote 5 Uncertain History Jan Eeckhout

Participant	University	Vote	Confidence	Bio/Vote History
Xavier Freixas	Barcelona GSE	Did Not Answer		Bio/Vote History
Nicola Fuchs- Schündeln	Goethe-Universität Frankfurt	Strongly Agree	8	Bio/Vote History
Jordi Galí	Barcelona GSE	Agree	6	Bio/Vote History
Luis Garicano	LSE	Agree	7	Bio/Vote
	One crucial instance where harmonization would help is what happens when a company fail. Bankruptcy procedures are different across Europe and they mean that owning a share, a bond, providing a security to a counterparty means a different things in different countries.			
Yuriy Gorodnichenko	Berkeley	Uncertain	3	Bio/Vote History
Rachel Griffith	University of Manchester	No Opinion		Bio/Vote History

Participant	University	Vote	Confidence	Bio/Vote History
Veronica Guerrieri	Chicago Booth	Strongly Agree	6	Bio/Vote History
Luigi Guiso	Einaudi Institute for Economics and Finance	Strongly Agree	1	Bio/Vote History
Sergei Guriev	Sciences Po	Agree	7	Bio/Vote History
Patrick Honohan	Trinity College Dublin	Agree	8	Bio/Vote History
Beata Javorcik	University of Oxford	Agree	3	Bio/Vote History
Botond Kőszegi	Central European University	No Opinion		Bio/Vote History

Bio/Vote University Confidence **Participant** Vote **History** Goethe University Frankfurt Agree Bio/Vote History I subscribe to the common corporate finance view that better stock market access will increase capital inflow into new business ventures - because exit Krahnen potential has risen. Harvard Kennedy Did Not Answer Bio/Vote History Eliana La **Ferrara** Chicago Booth Uncertain Bio/Vote History Substantial? Deep & liquid public markets are important, not only b/c they provide funding to growth firms, but also b/c they provide exit for PE and VCs **Christian Leuz** that fund private & startups. Though we also see fewer IPOs in US, yet there is plenty of funding for private & growth firms Sciences-Po Did Not Answer Bio/Vote History Thierry Mayer Yale Bio/Vote Strongly Agree 9 History Costas Meghir Università di Napoli Federico II Bio/Vote Strongly Agree 10 History

Marco Pagano

Participant	University	Vote	Confidence	Bio/Vote History
Lubos Pastor	Chicago Booth	Agree	10	Bio/Vote History
Torsten Persson	Stockholm University	Did Not Answer		Bio/Vote History
Richard Portes	London Business School	Strongly Agree	10	Bio/Vote History
Canice Prendergast	Chicago Booth	Agree	4	Bio/Vote History
Carol Propper	Imperial College London	Did Not Answer		Bio/Vote History
Imran Rasul	University College London	Did Not Answer		Bio/Vote History

Bio/Vote Participant University Vote Confidence **History** London Business School Bio/Vote Strongly Agree 10 History Reichlin London School of **Economics** Bio/Vote Agree History Ricardo Reis **CEMFI** Bio/Vote Agree History Rafael Repullo London Business School Did Not Answer Bio/Vote History Hélène Rey MIT Did Not Answer Bio/Vote History **Antoinette** Schoar University of Minnesota Bio/Vote 6 Agree History Kjetil Storesletten

Participant	University	Vote	Confidence	Bio/Vote History
Daniel Sturm	London School of Economics	Agree	4	Bio/Vote History
Silvana Tenreyro	LSE	Agree	4	Bio/Vote History
Rick Van der Ploeg	Oxford	Agree	5	Bio/Vote History
John Van Reenen	LSE	Did Not Answer		Bio/Vote History
John Vickers	Oxford	Uncertain	4	Bio/Vote History
Hans-Joachim Voth	University of Zurich	Uncertain	9	Bio/Vote History

Participant University Vote Confidence Bio/Vote History

University College Dublin Did Not Answer

Bio/Vote History



Charles Wyplosz





Bio/Vote History