



## 9th Munich Economic Summit

# THE FINANCIAL CRISIS: THE WAY FORWARD

Hotel BAYERISCHER HOF  
Promenadeplatz 2-6  
80333 Munich

**Preliminary Programme**  
(as of 14 April 2010)

**Thursday, 29 April 2010**

**11.30 am**      Aperitifs

**12.00 pm**      Luncheon by Invitation of the **City of Munich**, Atrium

Welcome Address

**Christian Ude**

Lord Mayor of the City of Munich

**1.30 pm**      Opening of the Conference

Welcome

**Jürgen Chrobog**

Chairman of the Board of Directors, BMW Stiftung Herbert Quandt, Berlin and Munich

**Keynote Address**

**Horst Köhler**

President, Federal Republic of Germany

**Keynote Address**

**Jean-Claude Trichet**

President, European Central Bank, Frankfurt

Introduction

**Hans-Werner Sinn**

Professor of Economics and Public Finance, University of Munich;  
President, Ifo Institute for Economic Research, Munich

**Coffee break**

**3.15 pm****Panel 1****The Financial Crisis and Globalisation: What Linkages?**

For antiglobalisation warriors, the financial and economic crises confirmed the problems of unfettered markets. They made it possible for American toxic assets to be gobbled up by banks in many countries, and then helped to spread the malaise far and wide. The collapse of the US housing bubble brings Iceland and Ireland to their knees. Debt repayment difficulties in Dubai make the US and European stock exchanges stumble. Bank subsidiaries in one country bring their foreign parents to the brink of insolvency. Write-off losses, according to the IMF, have wiped out about half of the equity capital of the European banking system. What does the crisis really say about globalisation? Did the globalisation of the supply chain exacerbate the crisis's effects or its scope? Given that trade barriers are usually easier to erect than to dismantle, what is the outlook for globalisation in the coming years? Will finance become a more local affair?

Chairman

**John Peet**Europe Editor, *The Economist*, London

Introduction

**Barry Eichengreen**

Professor of Economics and Political Science, University of California, Berkeley

Speakers

**Martin Zeil**

Bavarian State Minister of Economic Affairs, Infrastructure, Transport and Technology and Deputy Minister-President

**Lady Barbara Judge**

Former Chairman, US Securities and Exchange Commission, Washington, DC; Chairman, UK Atomic Energy Authority, Harwell, Oxfordshire

**Martin Blessing**

Chairman of the Board of Managing Directors, Commerzbank AG, Frankfurt

**Theo Waigel**

Former Federal Minister of Finance, Federal Republic of Germany; Compliance Monitor, Siemens AG, Munich

Discussion

**5.30 pm**

End of Session

**7.30 pm**

Dinner at the Munich Residence by Invitation of the Bavarian Minister-President

represented by

**Martin Zeil**

Bavarian State Minister of Economic Affairs, Infrastructure, Transport and Technology and Deputy Minister-President

**Friday, 30 April 2010**

**9.00 am**

**Panel 2**

### **Managing the Crisis**

The speedy initial reaction after the Lehman Brothers debacle and the huge rescue packages enacted by governments around the world do appear to have averted a catastrophic meltdown. However, while an upswing seems to be underway in the US and elsewhere, the US is still reeling from the obliteration of its mortgage securitization market: private issues of mortgage-backed securities and the CDOs built on them collapsed to a single-digit percentage by 2009. Public debt will reach alarming proportions in many countries: in the US, it will exceed 100% of GDP in 2011, while in the G-20 countries, according to the IMF, it will reach 115% of GDP on average by 2014. Furthermore, credit default swaps guaranteeing tens of trillions of dollars are still outstanding. Are there any strategies to defuse the ticking bombs? Is it too early to wind down governments' stimulus packages? How can the US secure its recovery? Will China profit from this crisis enough to overtake the US even more quickly?

### **Keynote Address**

**Valdis Dombrovskis**

Prime Minister, Republic of Latvia

Chairwoman

**Patience Wheatcroft**

Editor-in-Chief, Europe, *The Wall Street Journal*, London

Introductory Debate

**Giancarlo Corsetti**

Professor of Economics, European University Institute, Florence

**Manfred J. M. Neumann**

Professor of Economics, Institute for International Economics, University of Bonn

Speakers

**Konstantinos Simitis**

Former Prime Minister, Hellenic Republic

**Georg Fahrenschon**

Bavarian State Minister of Finance

**Jochen Sanio**

President, German Federal Financial Supervisory Authority, Bonn

**Theodor Weimer**

Board Spokesman, HypoVereinsbank, Munich; Country Chairman Germany, UniCredit Group

**Coffee break**

**11.15 am**      **Panel 3**

### **Banking Regulation**

When a game offers you potential profits without a ceiling but potential losses limited to a manageable, known quantity, you will be tempted to gamble. What could possibly go wrong? Shareholders, bank managers and homeowners alike were offered such a game, with profits fuelled by a spiralling web of securitisations and losses restricted by limited liability. The result was seemingly limitless wealth creation that induced peoples and countries to live beyond their means, big bonuses to be given to bank managers, and huge dividends to be paid out to shareholders. The downside? A crater in public finances that may take a couple of generations to patch up. What regulatory approaches are now called for? Which transition strategy leads best to sound banking? What should be permitted, what should be prohibited? How crucial is it to harmonise regulation across countries?

#### **Keynote Address**

##### **Axel Weber**

President, Deutsche Bundesbank, Frankfurt

Introduction

##### **Markus K. Brunnermeier**

Professor of Economics, Princeton University

Chairman

##### **Anatole Kaletsky**

Chief Economics Commentator, *The Times*, London

Speakers

##### **Robert Kimmitt**

Chairman, Deloitte Center for Cross-Border Investment, Washington, DC; Former Deputy Secretary of the Treasury, United States of America

##### **Takamasa Hisada**

General Manager for Europe and Chief Representative, Bank of Japan, London

##### **Leszek Balcerowicz**

Chairman of the Board, Bruegel; Former President, National Bank of Poland; Former Deputy Prime Minister and Minister of Finance, Poland

##### **Karolina Ekholm**

Deputy Governor, Sveriges Riksbank, Stockholm

Discussion

**1.15 pm**      Buffet Lunch

The Munich Economic Summit is organised by the **BMW Stiftung Herbert Quandt** and the **CESifo Group Munich**