

3rd KIEL-CEPR CONFERENCE ON GEOECONOMICS

DATE & LOCATION

October 17–18, 2024

Berlin, Federal Ministry for Economic Affairs and Climate Action

ORGANIZERS

Moritz Schularick (Kiel Institute, Sciences Po and CEPR) and
Christoph Trebesch (Kiel Institute, Kiel University and CEPR)

HOST AND SUPPORTER

German Federal Ministry for Economic Affairs and Climate Action

CONFERENCE PARTNERS

CEPR RPN Geoeconomics, CEPR RPN International Lending and
Sovereign Debt, IEP Bocconi University, ReCIPE, SciencesPo

Supported by:



on the basis of a decision
by the German Bundestag

THURSDAY OCTOBER 17, 2024

All plenary sessions and session A: Ludwig-Erhard-Saal

All session B: Eichensaal

08:00-09:00

Doors open & registration

09:00-09:20

OPENING

Welcome: Christoph Trebesch

Opening address: Franziska Brantner (Parliamentary State Secretary, Federal Ministry
for Economic Affairs and Climate Action)

09:20-09:30

Short break

09:30-10:50

PARALLEL PAPER SESSION I

A

Shortages and Critical Materials

Measuring Shortages since 1900

Dario Caladara (Federal Reserve Board)

Matteo Iacoviello (Federal Reserve Board and CEPR)

David Yu (UCLA)

Discussant: **Paul Bouscasse** (Sciences Po)

Industrial and Trade Policy in Supply Chains: The Case of Rare Earth Elements

Laura Alfaro (Harvard and CEPR)

Harald Fadinger (University of Mannheim and CEPR)

Jan Schymik (University of Mannheim)

Gede Virananda (Harvard)

Discussant: **Banu Demir** (Oxford and CEPR)

B (ReCIPE Session I)

War and Domestic Politics

Populism and War

Andrea Mattozzi (University of Bologna and CEPR)

Massimo Morelli (Bocconi and CEPR)

Marcos Yamada Nakaguma (University of São Paulo)

Discussant: **Michael Porcellacchia** (Kiel Institute) (tbc)

The Great Leveler According to HANK

Ralph Luetticke (University of Tübingen and CEPR)

Timothy Meyer (University of Bonn)

Gernot Müller (University of Tübingen and CEPR)

Moritz Schularick (Kiel Institute and CEPR)

Discussant: **Brigitte Hochmuth** (Universities of Bonn and Vienna and CEPR)

10:50-11:20

Coffee break

11:20-12:40

PARALLEL PAPER SESSION II

A

Industrial Policy and Geoeconomics

The Exchange Rate as Industrial Policy

Pablo Ottonello (University of Maryland)

Diego Perez (New York University)

William Witheridge (University of Maryland)

Discussant: **Paolo Cavallino** (Bank for International Settlements)

B

Geopolitics and Global Production Networks

Industrial Policies for Multi-stage Production: The Battle for Battery-powered Vehicles

Keith Head (University of British Columbia and CEPR)

Thierry Mayer (Sciences Po and CEPR)

Marc Melitz (Harvard University and CEPR)

Chenyang Yang (Singapore Management University)

Discussant: **Nuriye Bilgin** (University of Turin)

Side Event

New Data for Geo-economic Analysis

Room K1

Chair: Alexandra Effenberger (Federal Ministry for Economic Affairs and Climate Action)

Data Set Presentation

Dominik Boddin (Deutsche Bundesbank) and **Hendrik Kruse** (Destatis)

Who is to Suffer?

Quantifying the Impact of Sanctions on German Firms

Saskia Meuchelböck (Aarhus University)

EXIM's Exit: The Real Effects of Trade Financing by Export Credit Agencies

Adrien Matray (Princeton and CEPR)

Karsten Müller (National University of Singapore)

Chenzi Xu (Berkeley and CEPR)
Poorya Kabir (National University of Singapore)

Discussant: **Matthieu Crozet** (Université Paris-Saclay)

Global Value Chains in a World of Uncertainty and Automation

Marius Faber (University of Basel)

Kemal Kilic (TU Munich)

Gleb Kozliakov (TU Munich)

Dalia Marin (TU Munich and CEPR)

Discussant: **Lei Li** (University of Mannheim)

Decoupling Global Value Chains

Peter Eppinger (University of Tuebingen)

Gabriel J. Felbermayr (WIFO)

Oliver Krebs (ETH Zurich)

Bohdan Kukharskyy (City University of New York)

12:40-13:40

Lunch break

13:40-15:00

PARALLEL PAPER SESSION III

A

Sanctions and Sanction Evasion

Financial Sanctions Interact(ed) with Trade Sanctions

Christian Bayer (University of Bonn)

Alexandros Gilch (University of Bonn)

Farzad Saidi (University of Bonn and CEPR)

Discussant: **Dmitry Mukhin** (LSE and CEPR)

The Economics of Sanctions: How Do They Work in Theory and in Practice?

Oleg Itskhoki (Harvard and CEPR)

Elina Ribakova (Peterson Institute)

Discussant: **Gabriel Felbermayr** (WIFO)

B

Decoupling and Fragmentation I

The Price of Fragmentation

Julian di Giovanni (Federal Reserve Bank of New York, Columbia and CEPR)

Şebnem Kalemli-Özcan (Brown University and CEPR)

Alvaro Silva (Federal Reserve Bank of Boston)

Can Soylu (Brown University)

Muhammed A. Yildirim (Harvard and Koç University)

Discussant: **Francesco Zanetti** (Oxford and CEPR)

The Fragmentation Paradox: How De-risking Trade Undermines Global Safety

Thierry Mayer (Sciences Po and CEPR)

Isabelle Mejean (Sciences Po and CEPR)

Mathias Thoenig (HEC Lausanne)

Discussant: **Dzhamilya Nigmatulina** (HEC Lausanne)

15:00-15:30

Coffee break

15:30-16:35

BERNHARD HARMS PRIZE 2024

Laudation: Pierre-Olivier Gourinchas (IMF Chief Economist, Berkeley and CEPR)

Laureate: H el ene Rey (London Business School and CEPR)

16:35-16:45

Short break

16:45-18:15

MINISTERIAL SESSION

New Economics of European Security

Robert Habeck (Vice Chancellor and Federal Minister for Economic Affairs
and Climate Action, Germany)

18:15-19:00

RECEPTION

19:30

CONFERENCE DINNER (by invitation only)

Dinner speech: Richard Portes (Founder and Honorary President, CEPR)

FRIDAY OCTOBER 18, 2024

All plenary sessions and session A: Ludwig-Erhard-Saal

All session B: Eichensaal

08:30-09:00

Doors open & registration

09:00-10:20

PARALLEL PAPER SESSION IV

A

Decoupling and Fragmentation II

A Theory of Economic Coercion and Fragmentation

Christopher Clayton (Yale)

Matteo Maggiori (Stanford and CEPR)

Jesse Schreger (Columbia and CEPR)

Discussant: **Alberto Martin** (CREI, Pompeu Fabra and CEPR)

Geoeconomic Fragmentation and “Connector” Countries

Shehar Aiyar (SAIS, Johns Hopkins)

Franziska Ohnsorge (World Bank and CEPR)

Discussant: **Monika Kerekes** (Federal Ministry for Economic Affairs and Climate Action)

B

Sanctions - The Case of Russia

Trading Around Geopolitics

Giancarlo Corsetti (European University Institute and CEPR)

Banu Demir (Oxford and CEPR)

Beata Javorcik (Oxford and CEPR)

Discussant: **Marta Santamaria** (University of Warwick and CEPR)

Trade Sanctions

Konstantin Egorov (University of Antwerp)

Vasily Korovkin (Pompeu Fabra)

Alexey Makarin (MIT and CEPR)

Dzhamilya Nigmatulina (HEC Lausanne)

Discussant: **Julian Hinz** (Kiel Institute)

10:20-10:50

Coffee break

10:50-11:20

ACADEMIC KEYNOTE

Changing Global Linkages: A New Cold War?

Pierre-Olivier Gourinchas (IMF Chief Economist, Berkeley and CEPR)

11:20-12:05

EXCELLENCE AWARDS 2024

Adrien Bilal (Stanford and CEPR)

Diana Van Patten (Yale)

Emil Verner (MIT)

Christian Wolf (MIT)

2021 Award (postponed): Jesse Schreger (Columbia and CEPR)

12:05-12:10

Short break

12:10-13:10

POLICY PANEL

Small Yard, High Fence: How Small is the Yard?

Chad Bown (Chief Economist, US Department of State and CEPR)

Marion Jansen (Director General, Trade Directorate, OECD)

N.N.

13:10-13:50

Lunch break

13:50-14:50

POLICY PANEL

hosted by the Institute for European Policymaking at Bocconi University (IEP@BU)

Global Trade in Times of Geopolitical Trade Policy

Adam Posen (President, Peterson Institute for International Economics and CEPR)

Angela Ellard (Deputy Director-General, WTO)

Vera Thorstensen (Professor of Economics, Fundação Getulio Vargas and WTO Chair Holder in Brazil)

14:50-15:20

Coffee break

15:20-16:40

PARALLEL PAPER SESSION V

A

Geopolitics and International Finance

Global Hegemony and Exorbitant Privilege

Carolyn E. Pflueger (University of Chicago and CEPR)

Pierre Yared (Columbia University)

Discussant: **Fernando Broner** (CREI, Pompeu Fabra and CEPR)

Dominant Currency Paradigm with Input-Output Linkages

Sihwan Yang (IMF)

Discussant: **Saskia Meuchelböck** (Aarhus University)

B

Trade Shocks and Reshoring

Reshoring, Automation, and Labor Markets under Trade Uncertainty

Hamid Firooz (University of Rochester)

Sylvain Leduc (Federal Reserve Bank of San Francisco)

Zheng Liu (Federal Reserve Bank of San Francisco)

Discussant: **Florian Unger** (Leuphana University Lüneburg)

Supply Shocks and On-shoring: Evidence Using an AI-built Production Network

Bennet Feld (LSE)

Thiemo Fetzer (Warwick University and CEPR)

Prashant Garg (Imperial College)

Peter John Lambert (LSE)

Discussant: **Friedrich Geiecke** (LSE)

16:40-16:50

Short break

16:50-18:10

PARALLEL PAPER SESSION VI

A (ReCIPE Session II)

Wars and Military Buildups

Guns vs. Butter?

Jonathan Federle (Kiel Institute)

Johannes Marzian (Kiel Institute)

Christoph Trebesch (Kiel Institute and CEPR)

Discussant: **Gernot Müller** (University of Tübingen and CEPR)

Who Wins Wars?

Jonathan Federle (Kiel Institute)

Dominic Rohner (University of Lausanne and CEPR)

Moritz Schularick (Kiel Institute and CEPR)

Discussant: **Sarah Langlotz** (University of Göttingen)

B

Geopolitics and Asset Ownership

Seizing Central Bank Assets?

Tobias Krahnke (Deutsche Bundesbank)

Arnaud Mehl (ECB and CEPR)

Massimo Ferrari Minesso (ECB)

Isabel Vansteenkiste (ECB)

Discussant: **Nuno Coimbra** (Banque de France and CEPR)

China's Global Ownership

Jennie Bai (Georgetown)

Yaojun Ke (Nanyang Business School)

Luc Laeven (ECB)

Hong Ru (MIT)

Discussant: **Sebastian Horn** (Kiel Institute)

18:10-18:15

CLOSING

Moritz Schularick and Christoph Trebesch

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