

DAY 01

THURSDAY, APRIL 12, 2012

10:00 Registration Opens

Federal Foreign Office, Weltsaal

11:00 – 11:25 Host Remarks

Federal Foreign Office, Weltsaal

Harald Braun
State Secretary, Federal Foreign Office

Welcome

Thomas Bernes
Executive Director,
Centre for International Governance Innovation

Bernhard Lorentz
President, Stiftung Mercator

11:25 – 12:45 Challenging the Foundations of Economic Thinking

Federal Foreign Office, Weltsaal

MODERATOR

Anatole Kaletsky
Chairman of the Governing Board,
Institute for New Economic Thinking

SPEAKER

George Soros
Chair of Soros Fund Management

13:15 – 14:15

Lunch

Axica, Forum

In a time of great social and economic turmoil, society yearns for order and offers short-term rewards to experts who provide the illusion of certainty. Economists and policy makers must resist the siren songs of temptation and avoid false resolutions and pretending to the pretense of knowledge; economics must learn to abide uncertainty. Economists' fixation on certain, universal, and timeless laws is itself not universal and timeless but derives from the echoes of a centuries-old battle over religion in the aftermath of the Thirty Years War. A more relevant economics would reintroduce history, context, and humility instead of clinging to mathematical formalism and would reintegrate itself with the realities of human life.

SPEAKER

Robert A. Johnson
Executive Director, Institute for New Economic Thinking

14:20 – 16:30

Which Way Forward? Reflections on Global Turmoil and the Role of Markets, Governments, and Civil Society

Axica, Forum

The global economy is in turmoil. Societies are unstable and not anchored by faith in the system or social order. Democracy, free markets, and other “fantastic objects” of devotion provide little comfort when the prospects for order, freedom, and justice are faint. Trust disintegrates and societies do not cohere. Debt deflation has often been a trigger for social disintegration when creditors exercise their political power and the preservation of their wealth rather than the prospects for the future becomes the imperative. Even the notions of nations states and governance inspire little confidence when corporations are larger and more powerful than all but a few sovereign countries.

MODERATOR

Uwe Jean Heuser
Chief Economic Editor, Die Zeit

SPEAKERS

Joschka Fischer
Former Foreign Minister, Germany

William Janeway
Senior Advisor, Warburg Pincus

David Rothkopf
Visiting Scholar,
Carnegie Endowment for International Peace

Dennis Snower
President, Institut für Weltwirtschaft
(Kiel Institute for the World Economy), Kiel

Joseph Vogl
Professor of German Literature,
Cultural and Media Studies, Humboldt University Berlin

16:30 – 16:50

Break

Axica, Forum

16:50 – 19:00

What Can Economists Know? Rethinking the Foundations of Economic Understanding

Axica, Forum

The economics profession stands on the fragile foundation of presuppositions adopted by professional agreement rather than as a result of empirical observation. These fundamentals give the impression of solid scientific rigor but maintaining them comes at a cost. In the era of mathematical modeling we pay too large a price for a tractable expression that refracts and distorts the results and policy recommendations those models offer. A reexamination of the building blocks of economic thinking is necessary in order to explore how blind spots and misleading recommendations arise and sometimes take on lives of their own.

MODERATOR

Tony Lawson
Reader in Economics, University of Cambridge

DAY 01

SPEAKERS

Nancy Cartwright
Professor of Philosophy,
London School of Economics and Political Science

Roman Frydman
Professor of Economics, New York University

Gerd Gigerenzer
Director, Max Planck Institute for Human Development

Roger Guesnerie
Professor of Economic Theory and Social Organization,
Paris School of Economics

19:00 – 20:00

Reception

Axica, Foyer

20:00 – 21:45

Dinner

Axica, Forum

Keynote Address : Human Decisions

The human brain relies on three devices for its decisions: emotion controls; addictive learning; and intellectual processing. Understanding the conditions under which the three devices are engaged is essential for conscious decision-making.

INTRODUCTION

Stuart Ewen
Distinguished Professor at Hunter College,
City University of New York

SPEAKER

Antonio Damasio
David Dornsife Professor of Neuroscience,
University of Southern California

FRIDAY, APRIL 13, 2012

7:45 – 8:30

Breakfast

Adlon, Salon Unter den Linden

8:45 – 10:55

The Challenge of De-leveraging and Overhangs of Debt I: Inflation and Austerity

Axica, Forum

After an era of vigorous expansion a downturn can reveal a large stock of debt relative to the economy's capacity to service it. Households, governments, businesses, and financial institutions all can buckle under the weight of balance sheet overhang. There are different strategies available for dealing with the difficulties depending on the entity in question. Inflation is one way to erode the real value of the debt in some circumstances. And while austerity may work for an individual business or household, governments can rarely sustain it over a long period when it precludes the prospect of renewed prosperity.

MODERATOR

David Smick
CEO, Johnson Smick International

SPEAKERS

Jörg Asmussen
Member of the Executive Board, European Central Bank

Erik Berglöv
Chief Economist,
European Bank for Reconstruction and Development

Angel Gurría
Secretary-General,
Organization for Economic Co-operation
and Development (OECD)

Axel Leijonhufvud
Professor of Economics, UCLA

Hans-Joachim Voht
ICREA Research Professor, Economics Department,
Universitat Pompeu Fabra

10:55 – 11:10

Break

Axica, Foyer

11:15 – 13:05

The Challenge of Deleveraging and Debt Overhangs II: The Politics and Economics of Restructuring

Axica, Forum

When the very fabric of society is threatened by prolonged austerity or a financial sector collapse, a deliberate restructuring of debt may be necessary to restore the hopes of renewed prosperity. But how does one recognize when indebtedness has reached the point of no return and threatens social stability? What are the enduring costs and benefits of debt restructuring? Who will bear these costs? Who will benefit? And how can the political will to restructure debt be mounted?

MODERATOR

Thomas Ferguson
Professor of Political Science,
University of Massachusetts, Boston

SPEAKERS

Anat Admati
George G.C. Parker Professor of Finance and Economics,
Graduate School of Business, Stanford University

David Graeber
Reader in Social Anthropology, Goldsmiths,
University of London

Kai Konrad
Managing Director,
Max Planck Institute for Tax Law and Public Finance

Arturo O'Connell
Advisor to the Presidency, Central Bank of Argentina

13:35 – 15:00

Lunch

Axica, Forum

Keynote Address : Reflections on the Politics of Deficit Reduction

“The Right Honourable Paul Martin will be discussing how Canada eliminated its deficit in the 1990s which was the worst of the G7 at the time.

In doing so, he will discuss timing and the need for governments to place greater emphasis on bringing a country's population onside when tough decisions are required.”

SPEAKER

Paul Martin
Former Prime Minister, Canada

15:00 – 17:10

Is Mercantilism Doomed to Fail? China, Germany, and Japan and the Exhaustion of Debtor Countries

Axica, Forum

A country that produces goods of high quality at a competitive price is likely to be rewarded for its ingenuity with a trade surplus. Small countries often achieve great development success through export-led growth. At the same time, the entire economic system must be balanced. Large surplus countries such as China, Japan, and Germany, weigh on the coherence of the international trading system as a whole. Surplus countries are rarely forced to adjust, and deficit countries very often must curtail growth to keep their balance of payments imbalances from exploding. Does this impart a deflationary bias to the world system? Do surplus countries have an obligation to support the system? Can large emerging countries like China continue to rely upon export-led growth without undermining social stability in the developed world? Can the rest of Europe adjust absent Germany's reflationary support?

SPEAKERS

Paul Davidson
Editor, Journal of Post Keynesian Economics

Heiner Flassbeck
Director of the Division on Globalization
and Development Strategies, United Nations Conference
on Trade and Development (UNCTAD)

Joseph Stiglitz
University Professor, Columbia University

Norbert Walter
Former Chief Economist, Deutsche Bank

DAY02

(Continued)

17:10 – 17:25

Break

Axica, Foyer

17:30 – 19:40

The Future of Europe

Axica, Forum

What has been learned now that the Euro zone's fault lines have been revealed?

Where are Europe and the Euro zone today? What threatens stability and coherence? Will the system break up in the months to come? What are the needed elements of a new European architecture? Is flawed economic thinking responsible for this crisis?

MODERATOR

Wolfgang Münchau

Associate Editor and European Economic Columnist, Financial Times

SPEAKERS

Markus Brunnermeier

Edwards S. Sanford Professor, Princeton University

Sven Giegold

Member of Committee on Economic and Monetary Affairs, European Parliament

George Soros

Chair of Soros Fund Management

Giulio Tremonti

Former Minister of Economy and Finance, Italy

Yanis Varoufakis

Department of Economics, University of Athens

19:40 – 20:30

Reception

Adlon, Palaissaal Foyer

20:30 – 22:10

Dinner

Adlon, Palaissaal Ballroom

Keynote Address :
What matters : fundamental challenges and self inflicted wounds

MODERATOR

Norbert Häring

Correspondent, Handelsblatt

SPEAKER

Adair Turner

Chairman of the Financial Services Authority, UK

SATURDAY, APRIL 14, 2012

7:30 – 8:30

Breakfast

Adlon, Salon Unter den Linden

7:30 – 8:30

Breakfast for Young Scholars

(By Invitation)

Adlon

DAY03

8:45 – 10:35

Managing the Global Commons: Growth, Inequality, and New Thinking for Sustainable Economics

Axica, Forum

How can we distribute growth globally when the developed world needs growth to emerge from debt overhangs and inequality between nations is still quite formidable? Current methods of production tax the biosphere and will endanger us all if we continue to grow unmindfully. How can we balance protection of the global commons with the need to reduce inequality and maintain social stability?

MODERATOR

Bo Lidegaard

Editor-in-Chief, Politiken, Denmark

SPEAKERS

Ottmar Edenhofer

Designated Director, Mercator Research Institute on Global Commons and Climate Change (MCC)

Geoffrey Heal

Donald C. Waite III Professor of Social Enterprise, Columbia Business School, New York

Jiahua Pan

Professor of Economics and Director, Institute for Urban & Environmental Studies, Chinese Academy of Social Sciences (CASS)

Peter Victor

Professor in Environmental Studies, York University

10:35 – 10:50

Break

Axica, Foyer

(Continued)

10:55 – 12:45

Breakout Sessions I

The Impact of Inequality on Macroeconomics Dynamics

Axica, Auditorium

Does greater inequality produce more fragile economic dynamics? Does concentration of wealth and income make societies more prone to crisis? If so, why?

MODERATOR

Henrik Enderlein
Professor of Political Economy,
Hertie School of Governance

SPEAKERS

Peter Bofinger
Member of the German Council of Economic Experts

James Galbraith
Lloyd M. Bentsen Jr. Chair in Government
and Business Relations, University of Texas

Arjun Jayadev
Assistant Professor of Economics,
University of Massachusetts, Boston

Michael Kumhof
Deputy Division Chief, Modeling Unit,
Research Department, International Monetary Fund

10:55 – 12:45

Taking Stock of Complexity Economics: Which Problems Does it Illuminate?

Axica, Sky Lobby

Complexity economics represents a different vision of the economic process and has the capacity to illuminate different systems of behavior. What has been learned to date from this research program and what promise does it hold for the future?

MODERATOR

Thomas Homer-Dixon
Director, Waterloo Institute for Complexity and Innovation,
University of Waterloo

SPEAKERS

Jean-Philippe Bouchaud
Professor of Physics, École Polytechnique

Doyle Farmer
Professor at Santa Fe Institute

Mauro Gallegati
Professor of Economics,
Polytechnic University of Marche, Ancona

Ricardo Hausmann
Professor of the Practice of Economic Development,
Harvard University

10:55 – 12:45

How Can We Create a Financial System That Is Socially Useful?

Axica, Forum

Many feel that due to its size and scale the financial system has become a burden on society rather than a servant to it. What are the key elements of a productive financial sector? How can one discern beneficial from parasitic financial-sector behavior? Should the ability of citizens and governments to deal with political and economic crises be restricted so that capital can be free?

MODERATOR

Thomas Fricke
Chief Economist, Financial Times Deutschland

SPEAKERS

Dirk Bezemer
Associate Professor, University of Groningen

Andrew Haldane
Executive Director for Financial Stability, Bank of England

John Kay
Visiting Professor, London School of Economics
and Political Science

Katharina Pistor
Michael I. Sovern Professor of Law, Columbia Law School

13:30 – 15:10

Lunch

Axica, Forum

Keynote Address :

SPEAKERS

Amartya Sen
Lamont University Professor, Harvard University

15:15 – 17:05

Breakout Sessions II

Instability in Financial Markets: Sources and Remedies

Axica, Forum

What creates instability in financial markets? How does the weight of debt, the structure of expectations, or radical uncertainty contribute to instability? What regulatory and social designs can deter or diminish the violence that financial markets can create?

MODERATOR

Olaf Storbeck
International Economics Correspondent, Handelsblatt

SPEAKERS

Domenico Delli Gatti
Professor of Economics, Catholic University Milan

Michael Goldberg
Roland H. O'Neal Professor, Whittemore School
of Business and Economics, University of New Hampshire

Steve Keen
Professor in Economics and Finance,
University of Western Sydney

Moritz Schularick
Professor of Economics and Economic History,
Free University of Berlin

DAY03

(Continued)

15:15 – 17:05

Does The Effectiveness of Fiscal Stimulus Depend on The Context? Balance Sheet Overhangs, Open Economy Leakages, and Idle Resources

Axica, Sky Lobby

The effectiveness of fiscal stimulus in promoting economic recovery appears to depend upon many factors. Arguments are often heated and related to underlying political philosophies about the role of government in society rather than the actual policies' impact in the short, medium and long run. What are the reasons that so many scholars differ regarding the impact of fiscal policy? What structural conditions matter? What are the potential costs of relying upon the use of fiscal policy for economic stimulus over the long term?

MODERATOR

Robin Wells
former Research Professor of Economics
at Princeton University

SPEAKERS

Giancarlo Corsetti
Professor of Macroeconomics, University of Cambridge

Steven Fazzari
Professor of Economics,
Washington University in St Louis

Lars Feld
Member of the German Council of Economic Experts

Atif Mian
Joe Shoong Chair in International Business,
Haas School of Business,
University of California at Berkeley

15:15 – 17:05

New Economics, Climate Change, and New Models of Growth

Axica, Auditorium

Evidence of climate change is widely accepted by scientists. At the same time surveys show that people are resistant to, or afraid of, changing the nature of their livelihoods in order to facilitate environmental goals. How can the world move from the diagnosis of its problems to implementing solutions to its pressing challenges?

MODERATOR

Eric Beinhocker
Executive Director, INET @ Oxford Martin School

SPEAKERS

Cameron Hepburn
Senior Research Fellow, Grantham Institute,
London School of Economics and Political Science

Carlo C. Jaeger
Head of Research Domain Transdisciplinary Concepts
& Methods, Potsdam Institute for Climate Impact Research

Seth Klein
Director, Canadian Centre for Policy Alternatives

17:05 – 17:20

Break

Axica- Foyer

17:25 – 19:15

Inequality and The Challenge of Employment

Axica, Forum

Inequality has been growing and destabilizing confidence in many countries in recent years. What policies can be enacted over the long-term to prevent the unnecessary disparities in wealth and income that have been so evident in recent years? What policies can mitigate or offset the pressures of globalization and technical change that are often associated with rising inequality?

MODERATOR

Robert Dugger
Managing Partner, Hanover Investment Group

SPEAKERS

Steven Durlauf
Kenneth J. Arrow and Laurits R. Christensen Professor
of Economics, University of Wisconsin-Madison

Armin Falk
Director, Center for Economics and Neuroscience,
University of Bonn

James Heckman
Henry Schultz Distinguished Service Professor
of Economics at the University of Chicago

Ronald Schettkat
Professor of Economics at Schumpeter School,
Bergische Universität Wuppertal, Germany

19:15 – 20:15

Reception

Adlon- Palaisaal Foyer

DAY03

20:15 – 22:15

Closing Dinner

Adlon, Palaisaal

Overhangs, Uncertainty and Political Order: Where Do We Go From Here

Leading thinkers from outside the developed countries look to the future, spotlighting the pitfalls and opportunities that await us.

INTRODUCTION

Thomas Fricke
Chief Economist, Financial Times Deutschland

MODERATOR

Chystia Freeland
Global Editor-at-Large, Reuters

SPEAKERS

Sergei Guriev
Rector, New Economic School, Moscow

Richard Koo
Chief Economist, Nomura Research Institute

Andrew Sheng
Chief Adviser, China Banking Regulatory Commission

Andres Velasco
Former Minister of Finance, Chile

DAY04

SUNDAY, APRIL 15, 2012

8:00 – 10:00

Breakfast

Adlon, Salon Unter den Linden

8:00 – 11:00

INET Board Meeting with Breakfast

Mercator Centre Berlin

9:00 – 10:30

Meeting of Young Scholars

(by Invitation)

Marriott Berlin

9:00 – 12:00

Berlin Tour

During the legendary twenties, Berlin's tourist board was already promoting the capital as the "City of Music and Theatre" on their publications and posters. The budding metropolis' extraordinary dense and diverse cultural offering during the so-called "Golden Twenties" was the main reason for actively marketing the city's cultural life as the principle motive for a trip to Berlin. Even today, this approach continues to shape the city's mythical status and magical appeal.

11:00 – 13:00

YSI Berlin Tour

12:00

Check-out / Departures

YSI IN BERLIN, and YSI COMMONS.

At INET, new economic thinking means new thinking about the economy, not necessarily by economists. Our Young Scholars Initiative is an ongoing experiment in conversation among people who do not normally talk to one another. It brings together students and faculty, both junior and senior, from economics and from allied disciplines, to engage with the pressing problems of our age.

At Berlin we continue the experiment with YSI in Berlin. We used an open call for applications from graduate students worldwide, and selected twenty-five to join us in the main hall. Only ten of the twenty-five chosen state "Economics" or "Finance" as their major field of study, and the rest range from "Anthropology" and "Philosophy" to "Cognitive Science" and "Computational Social Science". In between, we find "Political Economy", "Law and Finance", "Economic History" and "History of Economic Thought". Notwithstanding this diversity, what all have in common is their sense of adventure, and their commitment to new economic thinking.

The response to our initial call was so overwhelming that we also decided to invent something new, that we are calling the YSI Commons. The name is meant to evoke the intellectual commons that we all share, a deep and wide well that we collectively tap as a vital resource for facing the challenges of the present. The name is also meant as a reference to the venerable "common room" of traditional universities, a central axis of scholarly society and culture, in ages past.

Here in Berlin, our Commons has an actual physical location. After Berlin, our Commons will relocate to a permanent home on the web, where it will serve as the central axis of a new scholarly society and culture, a culture organized for the new economic thinking of the future.

Here in Berlin, we are located in the Akademieraum, in the Adlon Hotel. All conference participants are welcome to drop by. There will be coffee and other refreshments, but there will also be young scholars, the aspiring new economic thinkers of the future, and the energy they bring to this vital task. Join us!

BERLIN

ACTIVITIES

Boasting everything from the historical opera house, to the symbolic division of the Cold War, and Berlin's new City Centre, this three hour tour, especially tailored for the attendees of this year's Annual Conference, shows the diverse sights that Berlin has to offer.

The tour starts in front of the Adlon Hotel, Sunday, April 15 at 9 am, at the most important symbol of Berlin, the Brandenburg Gate.

Stops on this tour include:

- Brandenburg Gate
- Unter den Linden
- State Opera
- Zeughaus/ German Historical Museum
- Berliner Dom & Museum Island
- Alexanderplatz
- Television Tower
- Former "Stalin Avenue"
- East Side Gallery
- Red Townhall
- Nikolai-Viertel
- Gendarmenmarkt
- Checkpoint Charlie
- Potsdamer Platz
- Philharmonie
- New National Gallery
- Bauhaus-Archiv
- Embassy Quarter
- Tiergarten
- Victory Column
- Palace Bellevue
- Reichstag and Government Quarter
- Berlin Main Train Station
- Holocaust-Memorial



Brandenburg Gate

- Berlin's main landmark monument, historical town gate.
- A former symbol of the divided city, it drew visitors who used to climb the observation deck in order to get a glimpse of the world behind the Iron Curtain, on the other side of the barren "death-strip" which separated east from west Berlin, geographically and politically.

State Opera

- Historical opera house
- Under reconstruction until 2014

Zeughaus / German Historical Museum

- German historical museum in a 17th century building
- Oldest building of the Unter den Linden Blvd.
- Built 1695 – 1706, former armoury of the local garrison

East Side Gallery

- Longest Berlin wall section and worldwide the longest open air art gallery.
- Some of the best known paintings such as "The Mortal Kiss" by Dimitri Vruble, of Erich Honecker and Leonid Brezhnev's mouth-to-mouth embrace and Birgit Kinder's Trabi (Trabant) knocking down the Wall.



Alexanderplatz

- 'Alex' to Berliners, a cattle market in the Middle Ages, a military parade square and an exercise ground for nearby barracks until the mid 19th century
- Many of the well known buildings, examples of East Berlin's attempt to compete with the Western side's own in-your-face high-rises were erected during this time.

Television Tower

- Socialistic architecture at its best
- 365 meter TV tower, Berlin's highest construction topped by a globe with a rotating viewing platform.

Former "Stalin Avenue"

- Role model city planning after "Moscovian" standards.
- Largest ensemble of 1950ies soviet style architecture in Germany.

New National Gallery

- Museum of modern art by Mies van der Rohe
- Imposing steel and glass box near Potsdamer Platz.

Gendarmenmarkt

- Historical city center.
- The Gendarmenmarkt is arguably Berlin's most magnificent square. It is best known for the architectural trio composed of the German and French cathedrals (Deutscher und Französischer Dom) and Schinkel's Konzerthaus (concert hall) which together form one of the most stunning ensembles in Berlin.



Checkpoint Charlie

- The Wall-museum.
- The sign, which became a symbol of the division of Cold War Berlin and read like a dire warning to those about to venture beyond the Wall – YOU ARE NOW LEAVING THE AMERICAN SECTOR – in English, Russian, French and German.

Potsdamer Platz

- New Berlin City Center.
- Main attractions to be seen while walking around the Potsdamer Platz area include: Debris Tower (Renzo Piano) and the DaimlerChrysler Atrium with its public spaces, including changing art exhibitions and an auto showroom and the artificial water basin; The Sony Centre and Cinema Complex and Film Museum, the Arkaden Shopping Mall (Richard Rogers), a 3D IMAX cinema, Musical Theatre and Casino, and Weinhaus Huth wine merchants the oldest and only surviving original pre World War II building.

Victory Column

- Landmark monument with a golden statue on top.
- The 67m high symbol of victory originally stood in front of the Reichstag in the former Königsplatz and today's Platz der Republik. It was relocated here, in the Tiergarten's main roundabout by the Nazis in 1938.

Holocaust-Memorial

- Berlin's Holocaust Memorial, located in Mitte on a stretch of the former "death strip", where the Wall once stood near the Brandenburg Gate, is Berlin's stunning monument to the Holocaust, dedicated to the Jewish victims of the Nazi genocide of World War II