

## EAST-WEST ECONOMIC CONFERENCE IN VIENNA

On 2–4 November Austria's central bank (**Oesterreichische Nationalbank**) and the **Joint Vienna Institute** summoned an international East-West conference, **The Economic Potential of a Larger Europe: "Keys to Success"**. Among the participants were representatives of all the ten countries that are about to join the European Union on 1 May 2004 – mainly banking specialists and economists. Eesti Pank was represented by Deputy Governor **Märten Ross** and Head of the Research Department, **Martti Randveer**. Head of the Publications Group, **Ants Kaasik**, was responsible for co-ordinating the display introducing Estonia at the conference.

The main topics discussed at the conference included economic sustainability, the role that research and development and foreign investments play in catching up with the developed countries, the steps planned under the exchange rate mechanism, ERM II<sup>1</sup>, corporate administration, financial markets and the optimum role of the government, macroeconomic and structural policies in the expanding euro area, and the possible leading role of the Economic and Monetary Union in the political union.

In addition, the 10th anniversary of the Joint Vienna Institute was celebrated in Vienna and the new premises of the educational institution into which the institute had moved in May were officially inaugurated. JVI is a joint educational establishment set up by the International Monetary Fund, Austria's Ministry of Finance and Oesterreichische Nationalbank, where representatives of many developing countries have received either primary banking and other economic instruction or further advanced their education. The institute has played a significant role also for the specialists of Eesti Pank, particularly in the early and mid-1990s. JVI's co-operation partners are also the Bank for International Settlements (BIS), the European Bank for Reconstruction and Development (EBRD), the Organisation for Economic Co-operation and Development (OECD) and the World Trade Organisation (WTO).

The following is a short survey of a conference panel discussion, ERM II – the Next Steps, whose dozen speakers also included representatives of the central banks of all the ten acceding countries with **Märten Ross** from Estonia. We are also publishing translations of the speeches held in Vienna by **Horst Köhler**, Managing Director of the International Monetary Fund (IMF), and **Gertrude Tumpel-Gugerell**, Member of the Executive Board of the European Central Bank. Subsequently, anyone interested can find a more detailed overview of the East-West conference in a publication to be issued by Oesterreichische Nationalbank as well as on its web site<sup>2</sup>.

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<sup>1</sup> The exchange rate mechanism, ERM II, is a multilateral arrangement of fixed, but adjustable, exchange rates with a central rate and a standard fluctuation band of  $\pm 15\%$ .

<sup>2</sup> The web site of Oesterreichische Nationalbank is <http://www.oenb.at/>