



Pre-Defence Workshop
Finance for a (Climate) Resilient Economy
21 May 2025

13:30-13:55 Welcome with coffee and tea

13:55-14:00 Welcome by **Mark Sanders** (Maastricht University)

14:00-14:45 **Dirk Broeders** (European Central Bank, Maastricht University):
Climate-Linked Bonds

15:00-15:45 **Maryann Feldman** (Arizona State University):
Private Equity and the Demise of the Local: The Loss of Community Economic Power and Autonomy

15:45-16:00 Coffee break

16:00-16:45 **Panel Discussion:**

Finance for Resilience: Policy options and future research avenues

Speakers:

Arnoud Boot (University of Amsterdam)

Dirk Broeders (European Central Bank, Maastricht University)

Maryann Feldman (Arizona State University)

Detmer Koekoek (National Delta Programme)

Moderator: **Vinzenz Peters**

16:45-16:50 Concluding remarks by **Stefan Straetmans** (Maastricht University)

16:50-17:30 Drinks and Get-together

Abstracts:

Dirk Broeders (European Central Bank, Maastricht University): *Climate-Linked Bonds*

Climate-linked bonds, issued by governments and supranational organizations, are pivotal in advancing towards a net-zero economy. These bonds adjust their payoffs based on climate variables such as average temperature and greenhouse gas emissions, providing investors a hedge against long-term climate risks. They also signal government commitment to climate action and incentivize stronger policies. The price differential between climate-linked bonds and nominal bonds reflects market expectations of climate risks. This paper introduces a model of climate risk hedging and estimates that approximately three percent of government debt in major economies could be converted into climate-linked bonds.

Broeders, Dirk and Dimitrov, Daniel and Verhoeven, Niek. *Climate-Linked Bonds*. ECB Working Paper No. 2025/3011, <https://ssrn.com/abstract=5091140>.

Maryann Feldman (Arizona State University): *Private Equity and the Demise of the Local: The Loss of Community Economic Power and Autonomy*

Capitalism is a powerful engine that requires finance. Private equity is part of the neo-liberal transformation of capitalism that has failed the average citizen and unleashed a tsunami of leveraged acquisitions that have destroyed entire sectors of our economy. Private equity has become a powerful force that has moved from restructuring industrial firms to buying up just about any economic activity in local communities that has assets that can be monetized, without any consideration of the impact on the quality of life and well-being of the community. This process has been aided and abetted by government policy. The authors of this Element explain the workings of the private equity model and the reasons it has been so profitable. They document the effects of PE on firms and communities by examining a range of activities that once had a local focus. They conclude by offering policy recommendations.

Feldman, Maryann and Kenney, Martin. *Private Equity and the Demise of the Local: The Loss of Community Economic Power and Autonomy*. Cambridge University Press; 2024. <https://doi.org/10.1017/9781009321853>.