

DYNARE CONFERENCE PROGRAM

Banque de France, Paris
September 18-19, 2014

Location: Espace Conférences, 31 rue Croix des Petits Champs, 75001 Paris

September 18, 2014

08:45-09:00 Registration and coffee

09:00-10:15 Plenary session, Auditorium

- **Michel Juillard** (Bank of France), Opening.
- **Fabrice Collard** (Univ. of Bern) Quantifying sentiments, *with G.M Angeletos and H. Dellas*

10:15-10:45 Coffee Break

10:45-12:15 Session A

Session A.1 Optimal fiscal and monetary policy. Chair: Alessandro Notarpietro (Banca d'Italia) **Room 4**

- **Sebastian Schmidt** (ECB) Dealing with a liquidity trap when government debt matters: Optimal time-consistent monetary and fiscal policy, *with Matthias Burgert (European Commission, IMFS and Goethe University Frankfurt)*
- **Alessandro Notarpietro** (Banca d'Italia) Inflation, debt, and the zero lower bound, *with Stefano Neri (Banca d'Italia)*

Session A.2 Optimal policy. Chair: Céline Poilly (Lausanne Univ.) **Room 5**

- **Andrea Colciago** (De Nederlandsche Bank) Imperfect competition and optimal taxation
- **Céline Poilly** (Lausanne Univ.) Employment, hours and optimal monetary policy, *with Maarten Dossche (National Bank of Belgium) and Vivien Lewis (KU Leuven)*

Session A.3 Estimating DSGE models. Chair: Takeki Sunakawa (University of Tokyo) **Room 6**

- **Lynda Khalaf** (Carleton Univ.) Exact inference in DSGE models, *with Zhenjiang Lin (Carleton University) and Abeer Reza (Bank of Canada)*
- **Takeki Sunakawa** (University of Tokyo) Applying the explicit aggregation algorithm to discrete choice economies: With an application to estimating the aggregate technology shock process.

12:15-13:45 Lunch

13:45-15:15 Session B

Session B.1 Identification and forecasting in nonlinear models. Chair: **S. Ivashchenko** (Russian Academy of Sciences) Room 4

- **Willi Mutschler** (Univ. of Münster) Identification of DSGE models: A comparison of methods and the effect of second order approximation.
- **Sergey Ivashchenko** (Russian Academy of Sciences) Forecasting of nonlinear DSGE models.

Session B.2 Fiscal policy. Chair: **Josef Hollmayr** (Deutsche Bundesbank) Room 5

- **Konstantinos Mavromatis** (Univ. of Amsterdam) US fiscal regimes and optimal monetary policy.
- **Josef Hollmayr** (Deutsche Bundesbank) Tales of Transition Paths: Policy Uncertainty and Monetary-Fiscal Interaction, *with Christian Matthes (Federal Reserve Bank of Richmond)*

Session B.3 Macroprudential policy I. Chair: **Michal Brzoza-Brzezina** (Narodowy Bank Polski) Room 6

- **Markus Haavio** (Bank of Finland) Macroeconomic effects of bank recapitalizations, *with Antti Ripatti (University of Helsinki, HECER, Bank of Finland) and Tuomas Takalo (Bank of Finland)*
- **Michal Brzoza-Brzezina** (Narodowy Bank Polski) Monetary and macro-prudential policy with multi-period loans, *with Paolo Gelain (Norges Bank) and Marcin Kolasa (Narodowy Bank Polski and Warsaw School of Economics)*

15:15-15:45 Coffee Break

15:45-18:00 Session C

Session C.1 Business cycles I. Chair: **Adrian Penalver** (Bank of France) Room 4

- **Cristiano Cantore** (Univ. of Surrey) Deep vs. superficial habits: Its all in the persistence, *with Paul Levine (University of Surrey) and Giovanni Melina (City University London)*
- **Nicolas Vincent** (HEC Montreal and Bank of France) On the importance of sales for aggregate price flexibility, *with Oleksiy Kryvtsov (Bank of Canada)*
- **Adrian Penalver** (Bank of France) Banks and the credit cycle.

Session C.2 Monetary policy in the crisis. Chair: **Takushi Kurozumi** (Bank of Japan) Room 5

- **Benjamin Keen** (Univ. Oklahoma, Federal Reserve Bank of St. Louis) The stimulative effect of forward guidance, *with William T. Gavin (Federal Reserve Bank of St. Louis), Alexander W. Richter (Auburn University) and Nathaniel A. Throckmorton (Indiana University)*
- **Xiaofei Ma** (CREST) Banks, sovereign risk and unconventional monetary policies, *with Stéphane Auray (CREST-Ensaï, ULCO (EQUIPPE) and CIRPÉE) and Aurélien Eyquem (Université de Lyon, Université Lumière Lyon 2, CNRS)*
- **Takushi Kurozumi** (Bank of Japan) Post-crisis slow recovery and monetary policy, *with Daisuke Ikeda (Bank of Japan)*

Session C.3 Capital flows, capital controls. Chair: **Benjamin Carton** (CEPREMAP) Room 6

- **Scott Davis** (Federal Reserve Bank of Dallas) Capital controls as an instrument of monetary policy, *with Ignacio Presno (Federal Reserve Bank of Boston)*
- **Ivan Jaccard** (ECB) Capital flows, intermediation frictions and the adjustment to common shocks, *with F. Smets (European Central Bank)*
- **Pietro Cova** (Banca d'Italia) Foreign exchange reserve diversification and the "exorbitant privilege", *with Patrizio Pagano (Bank of Italy) and Massimiliano Pisani (Bank of Italy)*

September 19, 2014

9:00-10:15 Plenary session, Auditorium. Chair: **Benoît Mojon** (Banque de France)

- **Alejandro Justiniano** (Federal Reserve Bank of Chicago) Borrowing, lending constraints and the housing boom.

10:15-10:45 Coffee Break

10:45-12:15 Session D

Session D.1 Financial and banking frictions. Chair: **Livio Stracca** (ECB) Room 4

- **Lorenza Rossi** (Univ. of Pavia) Banking frictions and endogenous firms exit.
- **Livio Stracca** (ECB) Capital regulation in a macroeconomic model with three layers of default, with *Laurent Clerc* (Banque de France), *Alexis Derviz* (Czech National Bank), *Caterina Mendicino* (Banco de Portugal), *Stephane Moyen* (Deutsche Bundesbank), *Kalin Nikolov* (European Central Bank), *Javier Suarez* (CEMFI and CEPR) and *Alexandros Vardoulakis* (Federal Reserve Board of Governors)

Session D.2 Approximation and simulation on nonlinear models. Chair: **Alexander Meyer-Gohde** (Humboldt Univ.) Room 5

- **Giovanni Lombardo** (ECB) A theory of pruning, with *Harald Uhlig* (University of Chicago CentER, NBER and CEPR)
- **Alexander Meyer-Gohde** (Humboldt Univ.) Risky linear approximations.

Session D.3 Macroprudential policy II. Chair: **Gisle Natvik** (Norges Bank) Room 6

- **Stefania Villa** (KU Leuven) Leaning against windy bank lending, with *Giovanni Melina* (City University London)
- **Gisle Natvik** (Norges Bank) Leaning against the credit cycle, with *Paolo Gelain* (Norges Bank) and *Kevin Lansing* (The federal Reserve Bank of San Francisco)

12:15-13:30 Lunch

13:30-15:00 Session E

Session E.1 Labor markets and institutions. Chair: **Arthur Poirier** (EPEE,TEPP) Room 4

- **Giorgio Presidente** (ILO) Labor market institutions in a DSGE model.
- **Arthur Poirier** (EPEE,TEPP) Unemployment benefits extensions at the zero lower bound on nominal interest rate, with *Julien Albertini* (Humboldt-Universität zu Berlin)

Session E.2 Business cycles II. Chair: **Jan Duras** (Federal Reserve Bank of Minneapolis) Room 5

- **Francesco Furlanetto** (Norges Bank) Labor supply factors and economic fluctuations, with *Claudia Feroni* (Norges Bank) and *Antoine Lepetit* (Paris School of Economics and Norges Bank)
- **Jan Duras** (Federal Reserve Bank of Minneapolis) Amplification of shocks in a model with labor and goods market search.

Session E.3 Uncertainty. Chair: **Andrew Foerster** (Federal Reserve Bank of Kansas City) Room 6

- **Nathaniel Throckmorton** (College of William and Mary) The zero lower bound and endogenous uncertainty, with *Michael Plante* (Federal Reserve Bank of Dallas) and *Alexander W. Richter* (Auburn University)
- **Andrew Foerster** (Federal Reserve Bank of Kansas City) Uncertainty and fiscal cliffs, with *Troy Davig* (Federal Reserve Bank of Kansas City)

15:00-15:30 Coffee Break

15:30-17:00 Session F

Session F.1 Capital flows in the euro area. Chair: Daniele Siena (Banque de France) Room 4

- **Robert Kollmann** (Brussels Free Univ.) International capital flows and the boom-bust cycle in Spain, *with Jan in't Veld (DG-ECFIN, EU Commission), Beatrice Pataracchia (European Commission, Joint Research Centre), Marco Ratto (European Commission, Joint Research Centre) and Werner Roeger (DG-ECFIN, EU Commission)*
- **Paul McNelis** (Fordham Univ.) TARGET balances and macroeconomic adjustment to sudden stops in the euro area, *with Gabriel Fagan (Trinity College, Dublin and DG-Research, European Central Bank)*

Session F.2 Euro area macrodynamics. Chair: Stéphane Lhuissier (Univ. Paris 1) Room 5

- **Pascal Jacquinot** (ECB) Imbalances in the euro area and fiscal devaluation: A model-based analysis, *with S. Gomes (Bank of Portugal), and M. Pisani (Bank of Italy)*
- **Stéphane Lhuissier** (Univ. Paris 1) Financial instability and the euro area macroeconomic dynamics.

Session F.3 Fiscal multipliers. Chair: Taisuke Nakata (Federal Reserve Board) Room 6

- **Tim Schwarzmüller** (Kiel Institute for the World Economy) The short- and long-run effects of fiscal consolidation in dynamic general equilibrium, *with Maik H. Wolters (University of Kiel and Kiel Institute for the World Economy)*
- **Taisuke Nakata** (Federal Reserve Board) Fiscal multipliers at the zero lower bound: The role of policy inertia, *with Timothy Hills (Federal Reserve Board)*

Speakers have 35 minutes to present their paper, leaving 10 minutes to the floor.