

Banque de France and CEPR Joint Conference

**18th-19th
November 2021
PARIS**

**MONETARY POLICY,
FISCAL POLICY
AND PUBLIC DEBT**
in a post covid world

The Banque de France (BdF) and the CEPR are organizing a joint (hybrid) meeting on "[Monetary Policy, Fiscal Policy and Public Debt in a Post COVID World](#)", on 18-19 November 2021. The conference will be held physically in Paris and accessible virtually via the Webex platform. [Registration](#) is mandatory.

Thursday, 18 November

12:30 – 13:00 Registration

13:00 – 13:15 [Welcome speech](#) by Olivier Garnier (BdF)

13:15 – 14:45 Session 1 “Fiscal dominance: practice and theory”

- “Coordinating Monetary and Fiscal Policies in Times of High Public Debt: How Fiscal Dominance led to Inflation during the French Wars (1793-1821)” by Pamfili Antipa (BdF, with Christophe Chamley).
Discussant: Rui Esteves (The Graduate Institute Geneva and CEPR)
- “The Economics of Helicopter Money” by Pierpaolo Benigno (University of Bern, EIEF and CEPR, with Salvatore Nistico).
Discussant: Jean Barthelemy (BdF)

14:45 – 15:00 Coffee break

15:00 – 16:00 [Invited speaker Ricardo Reis](#) (LSE and CEPR)

16:00 – 17:30 Session 2 “The optimal level of public debt”

- “The Liquidity Channel of Fiscal Policy” by Benjamin Born (Frankfurt School of Finance & Management and CEPR, with Christian Bayer & Ralph Luetticke).
Discussant: Kurt Mitman (Institute for International Economic Studies and CEPR)
- “The Risks of Safe Assets” by Lukas Schmid (Marshall School of Business/USC and CEPR, with Yang Liu & Amir Yaron).
Discussant: Benoit Mojon (BIS)

17:30 – 17:45 Coffee break

17:45 – 19:15 Session 3 “Pricing government debt in the Euro area”

- “Bond Convenience Yields in the Eurozone Currency Union” by Hanno Lustig (Stanford GSB, NBER and CEPR, with Zhengyang Jiang, Stijn van Nieuwburgh & Mindy Z. Xiaolan).
Discussant: Dmitriy Sergeyev (Bocconi University and CEPR)
- “Fiscal Limits and the Price of Eurobonds” by Jean-Paul Renne (University of Lausanne, with Kevin Pallara).
Discussant: Irina Zviadadze (HEC Paris and CEPR)

Friday, 19 November

11:30 – 13:00 Session 4 “Sovereign default risk and central bank asset purchases”

- “Asset Purchases and Heterogeneous Beliefs on Default Risk” by Carlo Galli (Universidad Carlos III de Madrid, with Gaetano Gaballo).
Discussant: Christian Hellwig (TSE and CEPR)
- “The Term Structure of Interest Rates in a Heterogeneous Monetary Union” by James Costain (Banco de España, with Galo Nuno & Carlos Thomas).
Discussant: Wolfgang Lemke (ECB)

13:00 – 14:00 Lunch break

14:00 – 15:00 Invited speaker: Federica Romei (University of Oxford and CEPR) “Sovereign Default in a Monetary Union” (with Sergio de Ferra)

15:00 – 16:30 Session 5 “Risk sharing in a currency union”

- “Monetary/Fiscal Interactions with Forty Budget Constraints” by Marco Bassetto (Federal Reserve Bank of Minneapolis, NBER, with Gherardo Caracciolo)
Discussant: Francesco Bianchi (Duke University, NBER and CEPR)
- “Who is Afraid of Eurobonds?” by Anna Rogantini Picco (Sveriges Riksbank, with Francesco Bianchi & Leonardo Melosi)
Discussant: Bartosz Maćkowiak (ECB and CEPR)

16:30 – 17:00 Coffee break

17:00 – 18:00 Invited speaker: John H. Cochrane (Hoover Institute and NBER) “Monetary and Fiscal Policy, Entwined in the Shadow of Debt”

Presentations are divided into 30 minutes for presenters, 10 minutes for discussants and 5 minutes for Q&A. Presentations of invited speakers are divided into 45 minutes for presenter and 15 minutes for general discussion

Organisers: Vincent Bignon; Stéphane Dupraz & Christoph Grosse-Steffen