

Conference Programme

Third Conference on Recent Developments in Macroeconomics

Date: 27-28 June 2012

Venue: Centre for European Economic Research (ZEW)
L7, 1
68161 Mannheim
Germany

Information: www.zew.de/macroconference2012

Centre for European Economic Research (ZEW), Mannheim

The Centre for European Economic Research (ZEW) in Mannheim is a nonprofit and independent institute with the legal form of a limited liability company (GmbH). Founded in 1990 on the basis of a public-private initiative in the Federal State of Baden-Württemberg in co-operation with the University of Mannheim, ZEW is one of Germany's leading economic research institutes, and enjoys a strong reputation throughout Europe.

The ZEW pursues four key objectives:

- To conduct research of the highest quality
- To provide exceptional economic policy advising
- To train young economists, and
- To inform the professional and lay public

The Institute focuses on decision-makers in politics, economics, and administration, scientists in the national and international arena as well as the interested public. Regular interviews on the situation on the financial markets and the economic situation of the information industry as well as the large-scale annual study on innovation activities in the German economy are representative for the different types of information provided by ZEW.

AGENDA

Wednesday		Room: 1	Room: 2
13.00 - 13.15	Welcome and Introduction	Wolfgang Franz (ZEW Mannheim)	
13.15 - 14.15	Keynote Speech	Jean Pisani-Ferry (Paris-Dauphine University, Director of Bruegel)	
14.15 - 14.30	Coffee Break		
14.30 - 16.00	Parallel Sessions	Financial Stress	Labour Markets
16.00 - 16.30	Coffee Break		
16.30 - 18.00	Parallel Sessions	Sovereign Debt Crisis	Financial Integration
18.00 - 19.00	Break		
19.00 - 21.00	Conference Dinner		

Thursday		Room: 1	Room: 2
08.30 - 10.00	Parallel Sessions	Exchange Rates	Monetary Policy Rules
10.00 - 10.15	Coffee Break		
10.15 - 11.45	Parallel Sessions	Unconventional Monetary Policy	Empirical Macro
11.45 - 12.00	Coffee Break		
12.00 - 13.00	Keynote Speech	Volker Wieland (Goethe University of Frankfurt)	
13.00 - 14.00	Lunch		
14.00 - 15.30	Parallel Sessions	Monetary Policy and Business Cycles	Macroeconomic Imbalances
15.30 - 16.00	Coffee Break		
16.00 - 17.30	Parallel Sessions	Business Cycles	Monetary Policy

Wednesday, June 27

13:00 – 13:15, Room: 1

Welcome and Introduction

Wolfgang Franz (President of the ZEW)

13:15 – 14:15, Room: 1

Keynote Speech:

“Twenty Years After: The Economics of Economic and Monetary Union Revisited”

J. Pisani-Ferry (Paris-Dauphine University, Director of Bruegel)

14:15 – 14:30

Coffee Break

14:30 – 16:00

Session A1: Financial Stress, Room: 1

Chair: Willi Semmler

Financial Stress and Economic Activity in Germany

Björn van Roye (IfW Kiel)

Vector STAR model: In search of a reliable modeling cycle

Frauke Schleer (ZEW Mannheim)

Estimating a Banking-Macro Model for Europe Using a Multi-Regime VAR

Stefan Mittnik (Ludwig-Maximilians-Universität, Munich) and Willi Semmler (New School for Social Research, New York)

Session A2: Labour Markets, Room: 2

Chair: Wolfgang Lechthaler

Inequality, Aggregate Demand and the Crisis

Matthieu Charpe (International Labour Organization) and Stefan Kühn (International Labour Organization)

Identifying the Substitution Effect of Temporary Agency Employment

Elke J. Jahn (IAB Nuremberg, Aarhus University and IZA) and Enzo Weber (IAB Nuremberg, University of Regensburg and OEI)

Worker Identity, Employment Fluctuations and Stabilization Policy

Wolfgang Lechthaler (IfW Kiel) and Dennis J. Snower (IfW Kiel)

16:00 – 16:30

Coffee Break

16:30 – 18:00

Session B1: Sovereign Debt Crisis, Room: 1

Chair: Kai Daniel Schmid

Sovereign Borrowing, Financial Assistance and Debt Repudiation

Florian Kirsch (Bonn Graduate School of Economics) and Ronald Rühmkorf (Bonn Graduate School of Economics)

Why Do Borrowing Conditions for Sovereign Debt Differ? Lender's Trust and Borrower's Cost

Yanling Guo (Goethe University Frankfurt)

EMU and the Renaissance of Sovereign Credit Risk Perception

Kai Daniel Schmid (Institute for Applied Economic Research Tübingen) and Michael Schmidt (University of Tübingen)

Session B2: Financial Integration, Room: 2

Chair: Philipp Engler

International Capital Flows and Credit Market Imperfections: A Tale of Two Frictions

Alberto Martin (CREI, UPF and CEPR) and Filippo Taddei (Collegio Carlo Alberto, SAIS – John Hopkins University and CeRP)

The Impact of Financial Integration on European Households

Christian Friedrich (The Graduate Institute Geneva)

A Transfer Mechanism for a Monetary Union

Philipp Engler (Freie Universität Berlin) and Simon Voigts (Humboldt Universität Berlin)

18:00 – 19:00

Break

19:00

Conference Dinner (EURO-Bistro ZEW Mannheim)

Thursday, June 28

08:30 – 10:00

Session C1: Exchange Rates, Room: 1

Chair: Martin Berka

International Financial Markets' Influence on the Pricing Currency Choice

Almira Buzaushina (International Monetary Fund), Zeno Enders (University of Heidelberg) and Mathias Hoffmann (Deutsche Bundesbank)

Delayed Overshooting Puzzle in Structural Vector of Autoregression Models

Klodiana Istrefi (Goethe University Frankfurt) and Balazs Vonnak (Magyar Nemzeti Bank)

Real Exchange Rate Adjustment In and Out of the Eurozone

Martin Berka (Victoria University of Wellington), Michael B. Devereux (University of British Columbia) and Charles Engel (University of Wisconsin)

Session C2: Monetary Policy Rules, Room: 2

Chair: John Lewis

Taylor Rules, Fear of Floating and the Role of the Exchange Rate in Monetary Policy: A Case of Observational Equivalence

Juan Paez-Farrell (Loughborough University)

What's in a Second Opinion? Shadowing the ECB and the Bank of England

Matthias Neuenkirch (Philipps-University Marburg) and Pierre L. Siklos (Wilfrid Laurier University and Viessmann European Research Centre)

ECB Reaction Functions and the Crisis of 2008

Stefan Gerlach (Goethe University of Frankfurt and CePR) and John Lewis (De Nederlandsche Bank)

10:00 – 10:15

Coffee Break

10:15 – 11:45

Session D1: Unconventional Monetary Policy, Room: 1

Chair: Signe Krogstrup

Asset Pricing, Collateral and Unconventional Monetary Policy in a DSGE Model

Björn Hilberg (Goethe University of Frankfurt) and Josef Hollmayr (Deutsche Bundesbank)

A Model of Aggregate Excess Reserves and the Federal Funds Market

Jochen Güntner (University of Magdeburg)

Portfolio Balance Effects of the SNB's 2009 Bond Purchase Program

Andreas Kettemann (University of Zurich) and Signe Krogstrup (Swiss National Bank)

Session D2: Empirical Macro, Room: 2

Chair: K. Peren Arin

The Exchange Rate Susceptibility of Some European Core Industries and the Currency Union

David Leuwer (University of Leipzig) and Bernd Süßmuth (University of Leipzig, CESifo)

On the Non-Linear Relationship Between Inflation and Economic Growth

Jude C. Eggoh (Université d'Orléans) and Khan Muhammad (Université d'Orléans)

Fiscal Multipliers Over the Business Cycle

K. Peren Arin (Zayed University and CAMA), Faik Koray (Louisiana State University) and Nicola Spagnolo (CAMA and Brunel University)

11:45 – 12:00

Coffee Break

12:00 – 13:00, Room: 1

Keynote Speech:

Complexity and Monetary Policy

Volker Wieland (Goethe University of Frankfurt)

13:00 – 14:00

Lunch

14:00 – 15:30

Session E1: Monetary Policy and Business Cycles, Room: 1

Chair: Raphael Schoenle

Macroeconomic Regimes

Lieven Baele (Tilburg University), Geert Bekaert (Columbia University and NBER), Seonghoon Cho (Yonsei University), Koen Inghelbrecht (Ghent University and University College Ghent) and Antonio Moreno (University of Navarra)

Firm Heterogeneity, Endogenous Entry and Exit, and Monetary Policy

Jiarui Zhang (Ludwig-Maximilians-Universität)

Is Increased Price Flexibility Stabilizing? Redux

Saroj Bhattacharai (Penn State University), Gauti Eggertsson (New York Fed) and Raphael Schoenle (Brandeis University)

Session E2: Macroeconomic Imbalances, Room: 2

Chair: Andreas Steiner

Debt, Assets and Imbalances in the Euro Area: An Urgent Call for Rebalancing Instead of Deleveraging

Christophe Van Nieuwenhuyze (National Bank of Belgium)

Investigating Global Imbalances: Empirical Evidence from a GVAR Approach

Timo Bettendorf (University of Kent)

A Tale of Two Deficits: Current Account Balance and Public Budget under the Dollar Standard

Andreas Steiner (University of Osnabrück)

15:30 – 16:00

Coffee Break

16:00 – 17:30

Session F1: Business Cycles, Room: 1

Chair: Atilim Seymen

What's so Great about the Great Moderation? A Multi-Country Investigation of Time-Varying Volatilities of Output Growth and Inflation

John W. Keating (The University of Kansas) and Victor J. Valcarcel (Texas Tech University)

Terms of Trade Uncertainty and Business Cycle Fluctuations

Johannes Pfeifer (University of Bonn), Benjamin Born (Ifo Institute) and Gernot J. Müller (University of Bonn and CEPR)

Sequential Identification of Technological News Shocks

Atilim Seymen (ZEW Mannheim)

Session F2: Monetary Policy, Room: 2

Chair: Romain Baeriswyl

Monetary Policy, Liquidity, and Growth

Philippe Aghion (Harvard University and NBER), Emmanuel Farhi (Harvard University and NBER) and Enisse Kharroubi (Bank of International Settlements)

Bank capital, entrepreneurial capital and macroeconomic dynamics

Markus Haavio (Bank of Finland), Antti Ripatti (University of Helsinki) and Tuomas Takalo (Bank of Finland)

The Non-Inflationary Great Leveraging

Romain Baeriswyl (Swiss National Bank) and Maya Ganarin (Swiss National Bank and University of Lausanne)