

Conference Programme

Second Conference on Recent Developments in Macroeconomics

Date: 24-25 June 2010

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

Information: www.zew.de/macroconference2010

Centre for European Economic Research (ZEW), Mannheim

The ZEW is a non-profit economic research institute with the legal form of a limited liability company (GmbH). Founded in 1990, it took up work in April 1991 and meanwhile belongs to the leading German economic research institutes, which are all members of the Leibniz Association.

The ZEW is engaged in the field of applied empirical economic research. It has particularly distinguished itself nationally and internationally by its work on internationally comparative issues in the European context. The ZEW's main tasks comprise economic research, economic policy counselling, and knowledge transfer. The institute primarily addresses decision makers in politics, trade and industry, and administration as well as scientists and the interested public.

AGENDA

Thursday		Room: Luxemburg	Room: Straßburg
13.00 - 13.15	Welcome and Introduction	Wolfgang Franz (ZEW Mannheim)	
13.15 - 14.15	Keynote Speech	M. Hashem Pesaran (University of Cambridge)	
14.15 - 14.30	Break		
14.30 - 16.00	Parallel Sessions	Forecasting	Political Economy
16.00 - 16.30	Break		
16.30 - 18.00	Parallel Sessions	Methods	Fiscal Policy
18.00 - 19.00	Break		
19.00 - 21.00	Conference Dinner		

Friday		Room: Luxemburg	Room: Straßburg
08.30 - 09.30	Keynote Speech	Giuseppe Bertola (University of Turin)	
09.30 - 09.45	Break		
09.45 - 11.15	Parallel Sessions	Labor Markets	Inflation and Prices
11.15 - 11.30	Break		
11.30 - 13.00	Parallel Sessions	International Economics	Monetary Economics
13.00 - 14.00	Lunch		
14.00 - 15.00	Keynote Speech	Fabrizio Zilibotti (University of Zurich)	
15.00 - 15.30	Break		
15.30 - 17.00	Parallel Sessions	Economic Growth	Financial Crises
17.00 - 17.15	Break		
17.15 - 18.45	Parallel Sessions	Incomplete Markets and Asymmetric Information	Business Cycles
19.00 –	Excursion to Heidelberg (optional)		

Thursday, June 24

13:00 – 13:15, Room: Luxemburg

Welcome and Introduction

Wolfgang Franz (President of the ZEW)

13:15 – 14:15, Room: Luxemburg

Keynote Speech:

Supply, Demand and Monetary Policy Shocks in a Multi-Country New Keynesian Model

M. Hashem Pesaran (University of Cambridge)

14:15 – 14:30

Break

14:30 – 16:00

Session A1: Forecasting, Room: Luxemburg

Chair: Jan-Christoph Rülke

The Diversity of Forecasts from Macroeconomic Models of the U.S. Economy

Volker Wieland (Goethe University Frankfurt, CEPR and CFS) and Maik Wolters (Goethe University Frankfurt)

Macro Expectations, Aggregate Uncertainty, and Expected Term Premia

Christian Dick (ZEW Mannheim), Maik Schmeling (University of Hannover) and Andreas Schrimpf (Aarhus University and CREATES)

Do Euro Area Forecasters (Still) Have Faith in Macroeconomic Building Blocks? – Expectation Formation when Economics is in Crisis

Michael Frenkel (CEUS and WHU), Eliza Lis (WHU) and Jan-Christoph Rülke (WHU)

Session A2: Political Economy, Room: Straßburg

Chair: Calin Arcalean

Words Speak Louder Than Actions: The Impact of Politics on Economic Performance

Steffen Osterloh (ZEW Mannheim)

A Dynamic Politico-Economic Model of Intergenerational Contracts

Francesco Lancia (University of Bologna and Catholic University of Milan) and Alessia Russo (University of Bologna and University of Modena)

Dynamic Fiscal Interactions and Economic Integration

Calin Arcalean (ESADE Business School)

16:00 – 16:30

Break

16:30 – 18:00

Session B1: Methods, Room: Luxemburg

Chair: Olaf Posch

Macroprudential Policies and Financial Stability

Andrew Hughes Hallett (George Mason University, School of Public Policy, and CEPR), Jan Libich (La Trobe University and CAMA) and Petr Stehlík (University of West Bohemia)

Modeling and Estimation of the Synchronization in Multivariate Regime-Switching Models

Cem Çakmaklı (Tinbergen Institute Erasmus University Rotterdam), Richard Paap (Institute Erasmus University Rotterdam) and Dick van Dijk (Institute Erasmus University Rotterdam)

Estimating Continuous-Time DSGE Models using Macro and Financial Data: A Regression Based Approach

Bent Jesper Christensen (Aarhus University and CREATES), Olaf Posch (Aarhus University and CREATES) and Michel van der Wel (Aarhus University and Erasmus University Rotterdam)

Session B2: Fiscal Policy, Room: Straßburg

Chair: Christophe Kamps

Fiscal Multipliers and the Labour Market in the Open Economy

Ester Faia (Goethe University Frankfurt, IfW Kiel and CEPREMAP), Wolfgang Lechthaler (IfW Kiel) and Christian Merkl (IfW Kiel, University of Kiel and IZA)

Fiscal Stimulus: A Neoclassical Perspective

Holger Strulik (Leibniz University Hannover) and Timo Trimborn (Leibniz University Hannover)

The Analytics of the Sign Restriction Approach to Shock Identification: a Framework for Understanding the Empirical Macro Puzzles

Dario Caldara (IIES University of Stockholm) and Christophe Kamps (European Central Bank)

18:00 – 19:00

Break

19:00

Conference Dinner (Best Western Delta Park Hotel, Keplerstraße 24, 68165 Mannheim)

Friday, June 25

08:30 – 09:30, Room: Luxembourg

Keynote Speech:

Government policies, finance, and economic integration
Giuseppe Bertola (University of Turin)

09:30 – 09:45

Break

09:45 – 11:15

Session C1: Labour Markets, Room: Luxembourg

Chair: Christian Zimmermann

Determining the Impact of Institutions on the Unemployment Rate
Andreas Sachs (ZEW Mannheim)

Looking into the Matching Function: Time Varying Coefficients and Unobserved Components
Petr Sedláček (University of Amsterdam)

Unemployment Benefits vs. Unemployment Accounts: A Quantitative Exploration
Stéphane Pallage (University of Québec) and Christian Zimmermann (University of Connecticut)

Session C2: Inflation and Prices, Room: Straßburg

Chair: Alfred Maußner

Macroeconomic Dynamics and Inflation Regimes in the U.S. Results from Threshold Vector Autoregressions
Martin Mandler (University of Giessen)

Multiproduct Firms and Price-Setting: Theory and Evidence from U.S. Producer Prices
Saroj Bhattarai (Princeton University) and Raphael Schoenle (Princeton University)

The Burden of Unanticipated Inflation: Analysis of an Overlapping Generations Model with Progressive Income Taxation and Staggered Prices
Burkhard Heer (University of Bolzano-Bozen and CESifo) and Alfred Maußner (University of Augsburg)

11:15 – 11:30

Break

11:30 – 13:00

Session D1: International Economics, Room: Luxemburg

Chair: Viktoria Hnatkovska

The Volatility of the Tradeable and Nontradeable Sectors: Theory and Evidence

Laura Povoledo (Bristol Business School, University of the West of England)

International and Intra-national Real Exchange Rates: Theory and Evidence

Michael Devereux (University of British Columbia) and Viktoria Hnatkovska (University of British Columbia)

Session D2: Monetary Policy, Room: Straßburg

Chair: Juan Paez-Farrell

Firm Entry, Firm Heterogeneity, and Monetary Policy

Henning Weber (IfW Kiel)

The Role of Model Uncertainty and Learning in the Optimal Policy Response to Oil Prices

Francesca Rondina (Institute for Economic Analysis, CSIC and Barcelona GSE)

Resuscitating the Ad Hoc Loss Function for Monetary Policy Analysis

Juan Paez-Farrell (Loughborough University)

13:00 – 14:00

Lunch

14:00 – 15:00, Room: Luxemburg

Keynote Speech:

Growing like China

Fabrizio Zilibotti (University of Zurich)

15:00 – 15:30

Break

15:30 – 17:00

Session E1: Economic Growth, Room: Luxembourg

Chair: Ioana Schiopu

Public Spending Distribution, Regionalism, and Growth

Lorenzo Burlon (Universitat Autònoma de Barcelona)

Financial Development and Convergence Clubs

Nalan Baştürk (Tinbergen Institute University of Rotterdam), Richard Paap (University of Rotterdam) and Dick van Dijk (University of Rotterdam)

Directed Technology Adoption, Human Capital Formation and World Income Distribution

Ioana Schiopu (ESADE Business School, Barcelona)

Session E2: Financial Crisis, Room: Straßburg

Chair: Moritz Schularick

Who are the Losers from the Labor-Market Downturn? A Scenario Analysis for Germany

Olivier Bargain (UC Dublin, IZA, the ESRI, the Geary Institute and CHLD), Herwig Immervoll (OECD and IZA), Andreas Peichl (IZA, the University of Cologne and ISER) and Sebastian Siegloch (IZA and the University of Cologne)

Financial Crises and Revisions to Potential Output, Employment and Capital: Estimates from OECD Countries

Marcus Kappler (ZEW Mannheim)

Credit Booms Gone Bust: Monetary Policy, Leverage Cycles and Financial Crisis, 1870-2008

Moritz Schularick (Free University of Berlin) Alan M. Taylor (University of California Davis)

17:00 – 17:15

Break

17:15 – 18:45

Session F1: Incomplete Markets/Asymmetric Information, Room: Luxembourg

Chair: Marek Kapička

Why Don't People Pay Attention? Endogenous Sticky Information in a DSGE Model

Lena Vogel (University of Hamburg and ETH Zurich)

Computing Equilibria in Dynamic Models with Occasionally Binding Constraints

Johannes Brumm (University of Mannheim) and Michael Grill (University of Mannheim)

Consumption Risk Sharing Under Private Information when Earnings are Persistent

Marek Kapička (University of California Santa Barbara) and Paul Klein (IIES, University of Stockholm)

Session F2: Business Cycles, Room: Straßburg

Chair: Arnoud Stevens

Do Monetary and Technology Shocks Move Euro Area Stock Prices?

Tim Oliver Berg (Goethe University Frankfurt and IMFS)

How Uncertainty about Taxes Contributes to Macroeconomic Volatility

Benjamin Born (University of Bonn), Alexandra Peter (University of Bonn) and Johannes Pfeifer (University of Bonn)

Oil Demand and Supply Shocks: an Analysis in an Estimated DSGE-Model

Gert Peersman (Ghent University) and Arnoud Stevens (Ghent University)

19:00 –

Excursion to Heidelberg: We would like to invite interested participants to join us on an evening walk-and-talk excursion to this beautiful old university town. We will walk through the cobbled streets of the old town centre, stopping along the way at local cafes, bars and/or restaurants.