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 Angelesos 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, IMF 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-Ensai, 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)
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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 Foroni (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.