



BANK OF ENGLAND



BANK OF ENGLAND AND CENTRE FOR MACROECONOMICS

CONFERENCE ON MACROECONOMICS UNDERSTANDING LOW GROWTH

London, 9-10 December 2013

Bank of England, Prudential Regulation Authority (PRA),
Auditorium, 20 Moorgate, London EC2R 6DA

Monday 9 December

09:40-10:00 Registration and Coffee

10:00-10:10 Introduction – Spencer Dale

10:10-11:10 Keynote 1 – Roger Farmer (UCLA)

11:10-11:30 Coffee

Session 1 **Bad equilibria 1**

11:30-12:15 Quantifying Sentiments – **Harris Dellas** (Bern) with George-Marios Angeletos (MIT) and Fabrice Collard (Bern)

Discussant Rüdiger Bachmann (Aachen)

12:15-13:00 *Macroeconomic Dynamics Near the ZLB: A Tale of Two Equilibria* – **Boragan Aruoba** (University of Maryland) with Frank Schorfheide (U Penn)

Discussant Anton Nakov (ECB)

13:00-14:00 Lunch

Session 2 **Uncertainty**

14:00-14:45 *Saving on a Rainy Day, Borrowing for a Rainy Day* – **Hamish Low** (Cambridge)

Discussant Mariacristina De Nardi (UCL)

14:45-15:30 *Fiscal Volatility Shocks and Economic Activity* – **Jesus Fernandez-Villaverde** (U Penn) with Pablo A. Guerrón-Quintana (FRBPhil), Keith Kuester (U Bonn), Juan Rubio-Ramírez (Duke)

Discussant Gisle Natvik (Norges Bank)

15:30-16:15 *Uncertainty in a Model With Credit Frictions* – **Ambrogio Cesa-Bianchi** (BoE) with Emilio Fernandez-Corugedo (IMF)

Discussant Frederic Malherbe (LBS)

16:15-16:35 Coffee

16:35-17:35 Keynote 2 – Paul Beaudry (UBC)

17:40-18:30 Drinks - Auditorium Foyer

18:40-21:00 Conference dinner for presenters and discussants at the Bank of England



Tuesday 10 December

09:00-09:30 Coffee

Session 3 **Bad equilibria 2**

09:30-10:15 *The Great Recession: A Self-fulfilling Global Panic* – **Philippe Bacchetta** (UNIL) with Eric van Wincoop (University of Virginia)

Discussant Franck Portier (Toulouse School of Economics)

10:15-11:00 *The Inefficient Markets Hypothesis: Why Financial Markets Do Not Work Well in the Real World* – **Carine Nourry** (GREQAM) with Roger Farmer (UCLA) and Alain Venditti (GREQAM)

Discussant Thomas Hintermaier (University of Bonn)

11:00-11:20 Coffee Break

Session 4 **Frictions**

11:20-12:05 *Job Uncertainty and Deep Recessions* – **Morten Ravn** (UCL) with Vincent Sterk (UCL)

Discussant Nicolas Petrosky-Nadeau (Carnegie Mellon)

12:05-12:50 *An Economical Business-Cycle Model* – **Pascal Michailat** (London School of Economics) with Emmanuel Saez (Berkeley)

Discussant Regis Barnichon (CREI)

12:50-13:50 Lunch

13:50-14:50 **Keynote 3 – Jaume Ventura (CREI)**

14:50-15:10 Coffee

Session 5 **Unconventional policy responses**

15:10-15:55 *Credit Traps and Credit Policies* - **Angus Foulis** (BoE) with Ben Nelson (BoE) and Misa Tanaka (BoE)

Discussant Peter Karadi (ECB)

15:55-16:40 *The Making of a Great Contraction With a Liquidity Trap and a Jobless Recovery* – **Stephanie Schmitt-Grohe** (Columbia) with Martin Uribe (Columbia)

Discussant Andy Blake (BoE)

16:40-16:45 End