



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