

# EUROPEAN SUMMER SYMPOSIUM IN INTERNATIONAL MACROECONOMICS (ESSIM) 2015

Hosted by the Banco de España

Tarragona, Spain, 26-29 May 2015

## Programme

### Tuesday 26 May

08.15 - 08.45	Registration and Coffee	
08.45-09.00	Introductory remarks: James Costain (Banco de España)	
<b>Plenary Session</b>		
09.00 - 10.00	<b>Household Expenditure and Property Taxes: Evidence from a Fiscal Consolidation Plan</b> Paolo Surico (London Business School and CEPR) * <b>Riccardo Trezzi</b> (Board of Governors of the Federal Reserve System)	
<i>Discussant:</i>	<i>Benjamin Born (University of Mannheim and CEPR)</i>	
10.00-10.30	<b>Coffee Break</b>	
10.30-11.30	<b>Corporate Cash and Employment</b> Philippe Bacchetta (Université de Lausanne and CEPR) * <b>Kenza Benhima</b> (Université de Lausanne and CEPR) Céline Poilly (Université de Lausanne)	
<i>Discussant:</i>	<i>Tomasz Wieladek (Bank of England and CEPR)</i>	
<b>Parallel Session</b>	<b>1A</b>	<b>1B</b>
11.40-12.20	<b>The output effects of fiscal adjustment plans: disaggregating taxes and spending</b> Alberto Alesina (Harvard University and CEPR) Carlo Favero (IGIER, Università Bocconi and CEPR) * <b>Francesco Giavazzi</b> (IGIER, Università Bocconi and CEPR)	<b>Job Polarization and Structural Change</b> Zsofia Barany (Sciences Po, Paris) * <b>Christian Siegel</b> (University of Exeter)
12:20-13:00	<b>A New Identification of Fiscal Shocks Based on the Information Flow</b> * <b>Giovanni Ricco</b> (London Business School)	<b>Demographic Structure and Macroeconomic Trends</b> Yunus Aksoy (Birkbeck, University of London) * <b>Henrique Basso</b> (Banco de España) Tobias Grasl (Birkbeck, University of London) Ron P. Smith (Birkbeck, University of London)

13.30-14.30

Lunch

**Parallel Session**

**2A**

**2B**

14.30-15.10

**Austerity**

Harris Dellas (University of Bern and CEPR)  
**\*Dirk Niepelt** (Study Center Gerzensee and CEPR)

**Voter Turnout and City Performance**

**\*Anna Lo Prete** (Università di Torino)  
Federico Revelli (Università di Torino)

15.10-15.50

**Does austerity pay off?**

Benjamin Born (University of Mannheim and CEPR)  
**\*Johannes Pfeifer** (University of Mannheim)  
Gernot Müller (University of Bonn and CEPR)

**Optimal Spatial Taxation: Are Big Cities too Small?**

Jan Eeckhout (Universitat Pompeu Fabra and CEPR)  
**\*Nezih Guner** (Universitat Autònoma de Barcelona and CEPR)

15.50-16.20

Coffee Break

**Parallel Session**

**3A**

**3B**

16.20-17.00

**Price Level Changes and the Redistribution of Nominal Wealth Across the Euro Area**

**\*Klaus Adam** (University of Mannheim and CEPR)  
Junyi Zhu (Deutsche Bundesbank)

**Reverse engineering labour market flows**

**\*Tamás Papp** (Institute for Advanced Studies, Vienna)

17.00-17.40

**Jump-Starting the Euro Area Recovery: Should the Core Expand Spending to Help the Periphery?**

Olivier Blanchard (IMF)  
Christopher Erceg (Federal Reserve Board)  
**\*Jesper Lindé** (Sveriges Riksbank and CEPR)

**Countercyclical Job Values**

**\*Eran Yashiv** (Tel Aviv University and CEPR)

**Wednesday 27 May**

**Plenary Session**

09.00 - 10.00

**Financial Heterogeneity and Monetary Union**

Simon Gilchrist (Boston University)  
Raphael Schoenle (Brandeis University)  
**Jae Sim\*** (Federal Reserve Board)  
Egon Zakrajsek (Federal Reserve Board)

*Discussant:*

*Isabel Correia (Banco de Portugal and CEPR)*

10.00 - 10.30

Coffee Break

10.30 - 11.30

**Stagnation Traps**

Gianluca Benigno (London School of Economics and CEPR)  
**\*Luca Fornaro** (CREI and Universitat Pompeu Fabra, Barcelona)

*Discussant:*

*Roger Farmer (University of California, Los Angeles and CEPR)*

**Parallel Session****1A**

11.40 - 12.20

**The interaction between household and firm dynamics and the amplification of financial shocks**

**\*Andrea Caggese** (Universitat Pompeu Fabra)  
Ander Perez (Universitat Pompeu Fabra and Barcelona GSE)

12:20 - 13:00

**What are the Real Effects of QE Driven Capital Flows with Macroprudential Response? Evidence from Firm-Bank Matched Data in an Emerging Market**

Yusuf Soner Baskaya (CBRT)  
**\*Julian di Giovanni** (UPF, BGSE, CREI, and CEPR)  
Sebnem Kalemli-Ozcan (University of Maryland and CEPR)  
José Luis Peydró (ICREA-UPF, BGSE, CREI and CEPR)  
Mehmet Fatih Ulu (CBRT)

13.30-14.30

**Lunch****Parallel Session****2A**

14.30 - 15.10

**Monetary Policy and Sovereign Debt Vulnerability**

**\*Galo Nuño** (Banco de España)  
Carlos Thomas (Banco de España)

15.10 - 15.50

**Sovereign Default: The Role of Expectations**

Joao Ayres (University of Minnesota)  
Gaston Navarro (New York University)  
Juan Pablo Nicolini (Federal Reserve Bank of Minneapolis and Universidad Di Tella)  
**\*Pedro Teles** (Catolica Lisbon, Banco de Portugal and CEPR)

15.50-16.20

**Coffee Break****Parallel Session****3A**

16.20 - 17.00

**Housing Debt and the Transmission of Monetary Policy**

**\*James Cloyne** (Bank of England and UCL)  
Clodomiro Ferreira (London Business School)  
Paolo Surico (London Business School and CEPR)

17.00 - 17.40

**Search-Based Endogenous Illiquidity and the Macroeconomy**

**\*Wei Cui** (University College London)  
Soren Radde (European Central Bank)

**1B**

**Home Away From Home? Foreign Demand and London House Prices**

**\*Cristian Badarinza** (University of Oxford)  
Tarun Ramadorai (University of Oxford and CEPR)

**Moving House**

**\*Liwa Rachel Ngai** (London School of Economics and CEPR)  
Kevin Sheedy (London School of Economics and CEPR)

**2B**

**Multinational Production and Comparative Advantage**

**\*Vanessa Alvarez** (University of Michigan)

**International Inflation Spillovers Through Input Linkages**

Raphael Auer (Swiss National Bank and CEPR)  
**\*Andrei Levchenko** (University of Michigan and CEPR)  
Philip Sauré (Swiss National Bank)

**3B**

**Optimal Time-Consistent Government Debt Maturity**

**\*Davide Debortoli** (Universitat Pompeu Fabra)  
Ricardo Nunes (Federal Reserve Bank of Boston)  
Pierre Yared (Columbia University)

**Debt into Growth: How the Country that Borrowed the Most Industrialized First**

Jaume Ventura (CREI and CEPR)  
**\*Hans-Joachim Voth** (University of Zurich, UPF-ICREA, CREI and CEPR)

## **Thursday 28 May**

### **Plenary Session**

09.00 - 10.00

#### **Is Government Spending at the Zero Lower Bound Desirable?**

Florin Bilbiie (Paris School of Economics)

**\*Tommaso Monacelli** (IGIER, Università Bocconi and CEPR)

Roberto Perotti (IGIER, Università Bocconi and CEPR)

*Discussant:*

*Ferre De Graeve (Sveriges Riksbank)*

10.00-10.30

**Coffee Break**

10.30 - 11.30

#### **Reconciling Hayek's and Keynes' views of recessions**

Paul Beaudry (University of British Columbia)

Dana Galizia (University of British Columbia)

**\*Franck Portier** (Toulouse School of Economics and CEPR)

*Discussant:*

*Kurt Mitman (IIES, Stockholm University)*

### **Parallel Session**

#### **1A**

11.40-12.20

#### **The Fundamental Surplus in Matching Models**

**\*Lars Ljungqvist** (Stockholm School of Economics and CEPR)

Thomas J Sargent (New York University)

12:20 - 13:00

#### **Costly decisions and sequential bargaining**

**\*James Costain** (Banco de España)

#### **1B**

#### **Global Sunspots and Asset Prices in a Monetary Economy**

**\*Roger Farmer** (University of California, Los Angeles and CEPR)

#### **An Investigation of Optimal Interaction between Monetary Policy and Bank Capital Requirements**

Chuan Du (Bank of England)

**\*David Miles** (Bank of England and Imperial College London)

13.30 - 14.30

**Lunch**

14.30

**Afternoon Off**

## **Friday 29 May**

### **Plenary Session**

09.00 - 10.00

#### **When Does a Central Bank's Balance Sheet Require Fiscal Support?**

**\*Marco Del Negro** (Federal Reserve Bank of New York)

Christopher A. Sims (Princeton University)

*Discussant:*

*Luca Dedola (European Central Bank and CEPR)*

10.00 - 10.30

**Coffee Break**

10.30 - 11.30

#### **The Impact of Contract Enforcement Costs on Outsourcing and Aggregate Productivity**

**Johannes Boehm** (Sciences Po, Paris)

*Discussant:*

*Nuno Coimbra (Paris School of Economics)*

<b>Parallel Session</b>	<b>1A</b>	<b>1B</b>
<b>11.40-12.20</b>	<b>Approximating Time Varying Structural Models with Time Invariant Structures</b> * <b>Fabio Canova</b> (EUI, Firenze and CEPR) Fillippo Ferroni (Banque de France) Christian Matthes (Federal Reserve Bank of Richmond)	<b>Financial Shocks and Job Flows</b>  Neil Mehrotra (Brown University) * <b>Dmitriy Sergeev</b> (Università Bocconi)
<b>12:20 - 13:00</b>	<b>Resolving the Spanning Puzzle in Macro-Finance Term Structure Models</b> Michael D. Bauer (Federal Reserve Bank of San Francisco) * <b>Glenn Rudebusch</b> (Federal Reserve Bank of San Francisco)	<b>Worker Turnover and Non-employment Insurance</b> Sekyu Choi (Universitat Autònoma de Barcelona) * <b>Javier Fernandez-Blanco</b> (Universitat Autònoma de Barcelona)
<b>13.30 - 14.30</b>	<b>Lunch</b>	
<b>Parallel Session</b>	<b>2A</b>	<b>2B</b>
<b>14.30 - 15.10</b>	<b>Climate Tipping and Economic Growth: Precautionary Capital and the Price of Carbon</b> Aart de Zeeuw (Tilburg University) * <b>Frederick van der Ploeg</b> (Oxford University and CEPR)	<b>Fertility, Longevity and Capital Flows</b>  Zsofia Barany (Sciences Po, Paris) Taha Choukhmane (Yale University) Nicolas Coeurdacier (Sciences Po, Paris and CEPR) * <b>Stéphane Guibaud</b> (Sciences Po, Paris)
<b>15.10 - 15.50</b>	<b>Convergence and Divergence in Growth Regressions</b> Michele Battisti (University of Palermo) Gianfranco Di Vaio (LUISS Guido Carli) * <b>Joseph Zeira</b> (Hebrew University of Jerusalem and CEPR)	<b>Menu Costs, Aggregate Fluctuations, and Large Shocks</b> * <b>Peter Karadi</b> (European Central Bank and CEPR) Adam Reiff (Central Bank of Hungary)

\* Indicates the presenter

**The timings of the plenary sessions are:**

40 minutes plenary presentation, including some questions

15 minutes discussion

5 minutes for additional questions

**Organisers**

Antonio Ciccone (University of Mannheim and CEPR)

Giancarlo Corsetti (Cambridge University and CEPR)

Wouter Den Haan (London School of Economics and CEPR)

Juan F Jimeno (Banco de España and CEPR)

Antonella Trigari (IGIER, Università Bocconi and CEPR)