

Bank of Finland and CEPR Joint Conference on

## Monetary Policy in Times of Large Shocks

June 16-17, 2023

Bank of Finland Museum, Helsinki and online (UTC +3)

### Friday June 16

**8.30-9.00 Registration**

Be prepared to show an ID at the registration on both conference days

**9.00-10.30 Session I: Inflation Expectations**

Chair: Esa Jokivuolle (Bank of Finland)

**9.00-9.30 Price Setting when Expectations are Unanchored**

Carlos Carvalho, Kapitalo Investimentos / PUC-Rio

Co-authors: Daniel Abib (University of Western Ontario), João Ayre (IADB), Marco Bonomo (INSPER), Stefano Eusepi (University of Texas at Austin), Silvia Matos (IBRE-FGV and EPGE-FGV), Marina Perrupato (IADB)

**9.30-10.00 Inflation Literacy, Inflation Expectations, and Trust in the Central Bank: A Survey Experiment**

Lena Dräger, Leibniz University Hannover

Co-author: Giang Nghiem (Leibniz University Hannover)

**10.00-10.30 Inflation and Wage Expectations of Firms and Employees**

Lukas Buchheim, Technische Universität Dortmund

Co-authors: Sebastian Link (University of Munich, IZA and CES), Sascha Möhrle (Institute and University of Munich)

**10.30-11.00 Coffee Break**

**11.00-11.30 Policy Keynote Speech**

**Olli Rehn, Governor of the Bank of Finland**

Chair: Juha Kilponen (Bank of Finland)

**11.30-12.15 Invited Speech: "title TBA"**

**Antonella Trigari, Bocconi University**

Chair: Juha Kilponen (Bank of Finland)

**12.15-13.15 Lunch Break**

at the Bank of Finland Museum

**13.15-14.45 Session II: Macro Labor**

Chair: Markus Haavio (Bank of Finland)

**13.15-13.45 Monetary Policy and Wage Inequality: The Labour Mobility Channel**

Ekaterina Shabalina, Goethe University Frankfurt and CEPR

Co-authors: Ester Faia (Goethe University Frankfurt and CEPR), Marianna Kudlyak (FRB San Francisco, Hoover Institution, CEPR, IZA), David Wiczer (FRB of Atlanta)

**13.45-14.15 Robot Adoption and Inflation Dynamics**

Henrique S. Basso, Banco de España

Co-author: Omar Rachedi (ESADE Business School and Universitat Ramon Llull)

**14.15-14.45 Inclusive Monetary Policy: How Tight Labor Markets Facilitate Broad-Based Employment Growth**

Benjamin Born, Frankfurt School of Finance & Management and CEPR

Co-authors: Nittai K. Bergman (Berglas School of Economics, Tel Aviv University), David Matsa (Kellogg School of Management, Northwestern University), Michael Weber (Booth School of Business, University of Chicago)

**14.45-15.15 Coffee break**

**15.15-16.00 Invited Speech: "title TBA"**

**Jennifer La'O, Colombia University**

Chair: Francesco D'Acunto (Georgetown University)

**16.00-17.30 Session III: Monetary Policy**

Chair: Francesco D'Acunto (Georgetown University)

**16.00-16.30 Monetary Policy and Endogenous Financial Crises**

Cristina Manea, Bank for International Settlements

Co-authors: Frederic Boissay (Bank of International Settlements), Fabrice Collard (Toulouse School of Economics), Jordi Gali (CREI, Universitat Pompeu Fabra and Barcelona School of Economics)

**16.30-17.00 Raising the Inflation Target: What Are the Effective Gains in Policy Room**

Jean-Paul L'Huilier, Brandeis University and Federal Reserve Bank of Cleveland

Co-author: Raphael Schoenle (Brandeis University and Federal Reserve Bank of Cleveland)

**17.00-17.30 A Theory of Dynamic Inflation Targets**

Christopher Clayton, Yale School of Management

Co-author: Andreas Schaab (Toulouse School of Economics)

## Saturday June 17

**8.45-9.15 Registration and morning coffee**

Be prepared to show an ID at the registration on both conference days

**9.15-10.00 Invited Speech "title TBA"**

**Kurt Mitman, Stockholm University**

Chair: Michael Weber (The University of Chicago)

**10.00-11.30 Session IV: Cognition and Behavioral Factors**

Chair: Michael Weber (The University of Chicago)

**10.00-10.30 Heterogeneity in what? Cognitive Skills, Beliefs, and the Liquid Wealth Distribution**

Oliver Pfäuti, University of Mannheim

Co-authors: Fabian Seyrich (Berlin School of Economics, DIW Berlin and Freie Universität Berlin), Jonathan Zinman (Dartmouth College, Department of Economics)

**10.30-11.00 A KISS for Central Bank Communication in Times of High Inflation**

Emanuel Moench, Frankfurt School of Finance & Management and CEPR

Co-authors: Mathias Hoffman (Deutsche Bundesbank), Lora Pavlova (Deutsche Bundesbank, Karlsruhe Institute of Technology), Guido Schultefrankenfeld (Deutsche Bundesbank)

**11.00-11.30 Aggregate Implications of Heterogeneous Inflation Expectations: The Role of Individual Experience**

Hiroshi Toma, University of Michigan

Co-authors: Mathieu Pedemonte (Federal Reserve Bank of Cleveland), Esteban Verdugo (University of Michigan)

**11.30-12.30 Lunch**

at the Bank of Finland Museum

**12.30-13.15 Invited Speech "title TBA"**

**Greg Kaplan, University of Chicago**

Chair: Seppo Honkapohja (Aalto University)

**13.15-14.45 Session V: Large Shocks and New Policies**

Chair: Seppo Honkapohja (Aalto University)

**13.15-13.45 The scarring effects of deep contractions**

Mikael Juselius, Bank of Finland

Co-authors: David Aikman (King's College London), Mathias Drehmann (Bank for International Settlements), Xiaochuan Xing (Balyasny Asset Management L.P.)

**13.45-14.15 Quantifying the Inflationary Impact of Fiscal Stimulus Under Supply Constraints**

Şebnem Kalemli-Özcan, University of Maryland, CEPR, NBER

Co-authors: Julian di Giovanni (Federal Reserve Bank of New York, CEPR), Alvaro Silva (University of Maryland), Muhammed A. Yildirim (Harvard University and Koç University)

**14.15-14.45 Exit Strategies from Quantitative Easing: The role of the fiscal-monetary policy mix**

Florencia S. Airaudo, Universidad Carlos III de Madrid

**14.45 Conference has ended**