

8th DYNARE CONFERENCE
Zurich, 20-21st of September, 2012

Conference venue: Hotel Zurich Marriott, Neumühlequai 42, 8001 Zürich

Conference program

(Each session is chaired by the last speaker of that session.)

19th of September

18:00-20:00 **Welcoming Apero** (Foyer Sequence)

20th of September

08:30-09:00 **Registration and coffee** (Foyer Sequence)

09:00-10:30 **Parallel sessions A**

- **Session A1: Current policy issues** (Room Pendulum)
 - **Stéphane Moyen** and Michael Krause, *Public Debt and Changing Inflation Targets*
 - **Massimiliano Pisani**, S. Gomes and P. Jacquinot, *Rebalancing the Euro Area, Unit Labor Costs and Price Competitiveness: a Model-based Analysis*

- **Session A2: Advances in methodology** (Room Tourbillon)
 - **Michal Andrle**, *Understanding DSGE Filters in Forecasting and Policy Analysis* [[paper](#)]
 - **Tom Holden** and Michael Paetz, *Efficient Simulation of DSGE Models with Inequality Constraints*

- **Session A3: Financial frictions and the great recession** (Room Index)
 - **Ivan Jaccard**, *Financial Intermediation and the Macroeconomic Effects of Liquidity Shocks*
 - **Ansgar Rannenberg**, *Asymmetric Information in Credit Markets, Bank Leverage Cycles and Macroeconomic Dynamics*

10:30-10:50 **Coffee break** (Foyer Sequence)

10:50-12:20 **Parallel sessions B**

- **Session B1: Monetary policy** (Room Pendulum)
 - **Efrem Castelnuovo**, *Monetary Policy Neutrality? Sign Restrictions Go to Monte Carlo*
 - **Christian Matthes** and Francesca Rondina, *Two-sided Learning in New Keynesian Models: Dynamics, Convergence and the Value of Information* [[paper](#)]

- **Session B2: Monetary policy in open economies** (Room Index)
 - **Guido Traficante**, *Uncertain potential output: implications for monetary policy in small open economy* [[paper](#)]
 - **Simone Meier**, *Financial Globalization and Monetary Transmission* [[paper](#)]

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- **Session B3: News shocks** (Room Tourbillon)
 - **André Kurmann** and Christopher Otrok, *News Shocks and the Term Structure of Interest Rates: Lessons for DSGE Models*
 - **Sandra Gomes** and Caterina Mendicino, *Housing Market Dynamics: Any News?* [\[paper\]](#)

12:20-13:45 **Lunch** (Foyer Sequence)

13:45-14:45 **Plenary session** (Room Pendulum)

- **Larry Christiano**, *Unemployment and business cycle*, with M. Eichenbaum and M. Trabandt.

14:50-16:20 **Parallel sessions C**

- **Session C1: Credit constraints I** (Room Tourbillon)
 - **Felix Kubler**, Johannes Brumm, Michael Grill and Karl Schmedders, *Margin Requirements and Asset Prices*
 - **Marcin Kolasa**, Micha Brzoza-Brzezina and Krzysztof Makarski, *Occasionally binding credit constraints* [\[paper\]](#)
- **Session C2: Perturbation methods** (Room Index)
 - **Andrew Foerster**, Juan Rubio-Ramirez, Dan Waggoner and Tao Zha, *Perturbation Methods for Markov-Switching Models*
 - **Alexander Meyer-Gohde** and Hong Lan, *Existence and Uniqueness of Perturbation Solutions to DSGE Model* [\[paper\]](#)
- **Session C3: US monetary and fiscal policy** (Room Pendulum)
 - **Eurilton Araújo**, *Monetary Policy Objectives and Money's Role in U.S. Business Cycles*
 - **Woong Yong Park**, Saroj Bhattarai and Jae Won Lee, *Policy Regimes, Policy Shifts, and U.S. Business Cycles* [\[paper\]](#)

16:20-16:40 **Coffee break** (Foyer Sequence)

16:40-18:10 **Parallel sessions D**

- **Session D1: Advances in estimation** (Room Index)
 - **Marco Ratto** and Nikolay Iskrev, *Estimation and inference in DSGE models using derivatives of the likelihood*
 - **Sebastian Giesen** and Rolf Scheufele, *Effects of incorrect specification on the finite sample properties of full and limited information estimators in DSGE models*
- **Session D2: Monetary policy and exchange rates** (Room Pendulum)
 - **Paul D. McNelis**, Hwee Kwan Chow and G.C.Lim, *Monetary Regime Choice in Singapore: Would a Taylor Rule Outperform Exchange-Rate Management?* [\[paper\]](#) [\[slides\]](#)
 - **Anamaria Santacreu** and I. Mihov, *The Exchange Rate as an Instrument of Monetary Policy*

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19:00-19.30 **Reception** (Zunft zur Zimmerleuten, Limmatquai 40, 8001 Zürich)

19:30-ca. 22.00 **Conference Dinner** (Zunft zur Zimmerleuten, Limmatquai 40, 8001 Zürich)

21st of September

08:30-10:00 **Parallel sessions E**

- **Session E1: Real wage rigidities** (Room Pendulum)
 - **A. Pelloni**, N. Acocella, L. Bisio and G. Di Bartolomeo, *Labor Market Imperfections, Real Wage Rigidities and Financial Shocks*
 - **Cristiano Cantore**, Filippo Ferroni and Miguel Léon-Ledesma, *The dynamics of hours worked and technology*
 - **Marianna Riggi**, *Capital Destruction, Jobless Recoveries, and the Discipline Device Role of Unemployment* [**paper**]

- **Session E2: Fiscal policy** (Room Index)
 - **George Perendia** and Chris Tsoukis, *The Keynesian multiplier, news and fiscal policy rules in a DSGE model*
 - **Carlos Zarazaga** and Finn Kydland, *Fiscal Sentiment and the Weak Recovery from the Great Recession: A Quantitative Exploration*

- **Session E3: Optimal monetary policy** (Room Tourbillon)
 - **Elmar Mertens**, *Managing Beliefs about Monetary Policy under Discretion*
 - **Taisuke Nakata**, *Optimal Fiscal and Monetary Policy With Occasionally Binding Zero Bound Constraint* [**paper**] [**slides**]

10:00-10:20 **Coffee break** (Foyer Sequence)

10:20-11:20 **Plenary session** (Room Pendulum)

- **Junior Maih**, *Rationality In a Switching Environment*

11:20-12:50 **Parallel sessions F**

- **Session F1: Search and matching** (Room Pendulum)
 - **Francesco Furlanetto** and Nicolas Goshenny, *Mismatch Shocks, Vacancies and Unemployment*
 - **Matthias Hertweck** and Federico Di Pace, *Labour Market Frictions, Monetary Policy and Durable Goods* [**paper**] [**slides**]

- **Session F2: Inequality and the business cycle** (Room Index)
 - **Matthieu Charpe** and Stefan Kühn, *Inequality, Aggregate Demand and Crises* [**paper**]
 - **Federico Ravenna** and Nicolas Vincent, *Inequality, Financial Instability and Optimal Policy*

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- **Session F3: Firm entry and exit** (Room Tourbillon)
 - **Roland Winkler** and Sven Offick, *Endogenous Firm Entry in an Estimated Model of the U.S. Business Cycle*
 - **Andrei Zlatey**, *Offshore Production and Business Cycle Dynamics with Heterogeneous Firms*

12:50-14:00 **Lunch** (Foyer Sequence)

14:00-15:30 **Parallel sessions G**

- **Session G1: DSGE models in the policy making process** (Room Pendulum)
 - **Charlotta Groth**, *Bank of England*
 - **Ulf Söderström**, *Riksbank, Bank of Sweden*
 - **Nicolas Cuche-Curti and Alain Gabler**, *Swiss National Bank*

- **Session G2: Macroprudential policy** (Room Index)
 - **Paolo Gelain**, Kevin J. Lansing and Caterina Mendicino, *House Prices, Credit Growth, and Excess Volatility: Implications for Monetary and Macroprudential Policy* [**paper**]
 - **Margarita Rubio** and José A. Carrasco-Gallego, *Macroprudential Measures, Housing Markets, and Monetary Policy*

15:30-15:50 **Coffee break** (Foyer Sequence)

15:50-17:20 **Parallel sessions H**

- **Session H1: Business Cycles** (Room Pendulum)
 - **Alessandro Flamini**, Guido Ascari and Lorenza Rossi, *Price Stickiness Asymmetry, Industrial Transformation, and the Great Moderation*
 - **Shunichi Yoneyama**, *Accounting for the TFP decline during the lost decades in Japan*

- **Session H2: Credit constraints II** (Room Index)
 - **Cristina Fuentes-Albero**, *Financial Frictions, Financial Shocks, and Aggregate Volatility* [**paper**]
 - **Matteo Iacoviello** and Luca Guerrieri, *Collateral Constraints and Macroeconomic Asymmetries*