

## Fiscal and Monetary Policy in the Aftermath of the Financial Crisis

The Economic Journal, the Banque de France, the Euro Area Business Cycle Network and the Paris School of Economics will host a conference on "*Fiscal and Monetary Policy in the Aftermath of the Financial Crisis*". The conference will be held in **Paris on December 8-9, 2011**.

**Location:** Maison des Sciences Economiques, 106 - 112 boulevard de L'Hôpital, 75013, Paris.

### *Preliminary Program* (Presenters Indicated in **Bold Letters**)

Thursday 8 December

#### **8:45-9:00 – Welcome and Opening Remarks:**

**François Bourguignon**, *Director, Paris School of Economics*

#### **Topic 1: Public Debt: Expectations and Sustainability - Session chair: Wouter den Haan (LSE)**

##### **09:00-09:45**

"*Debt Sustainability with (or without) Growth*" by Leandro Andrian (IADB), Julian Kozlowski (IADB and Universidad Torcuato Di Tella) and **Alessandro Rebucci** (IADB)

Discussant: *Jean Imbs (Paris School of Economics)*

##### **09:45-10:30**

"*Financial Market Expectations, Debt and Monetary Policy*" by **Stefano Eusepi** (Federal Reserve Bank of New York) and Bruce Preston (Columbia University)

Discussant: *Martin Ellison (University of Oxford)*

**10:30-11:00** Coffee Break

#### **Topic 2: Fiscal Consolidation - Session chair: Frank Smets (ECB)**

##### **11:00-11:45**

"*Sovereign risk and the effects of fiscal retrenchment in deep recessions*" by **Giancarlo Corsetti** (Cambridge University and CEPR), Keith Kuester (Federal Reserve Bank of Philadelphia), Andre Meier (IMF) and Gernot J. Müller (Universität Bonn and CEPR)

Discussant: *Antonio Fatas (INSEAD)*

##### **11:45-12:30**

"*Uncertain Fiscal Consolidations*", by Huixin Bi (Bank of Canada), **Eric Leeper** (Indiana University) and Campbell Leith (University of Glasgow)

Discussant: *Isabel Correia (Bank of Portugal and Catholic University of Lisbon)*

**12:30-14:30** Lunch break

#### **Topic 3: Fiscal Policy Multipliers - Session chair: Albert Marcet (IAE, ICREA, BGSE and CEPR)**

##### **14:30-15:15**

"*A Reconciliation of SVAR and Narrative Estimates of Tax Multipliers*" by **Morten Ravn** (University College London and CEPR) and Karel Mertens (Cornell University)

Discussant: *Matthieu Bussière (Banque de France)*

##### **15:15-16:00**

"*Public Debt Dynamics and Tax and Spending Multipliers: A Bayesian Approach*" by **Gauti Eggertsson** (Federal Reserve Bank of New York), Sophia Gilbukh (Federal Reserve Bank of New York) and Matthew Denes (University of Pennsylvania)

Discussant: *Bartosz Mackowiak (European Central Bank)*

16:00-16:30 Coffee Break

**Topic 4: Fiscal Policy and Financial Markets - Session chair: Christian Durand (BdF)**

16:30-17:15

"Borrowers, Savers, and Public Debt" by Florin O. Bilbiie (Paris School of Economics, University Paris I Panthéon-Sorbonne and CEPR), Tommaso Monacelli (Università Bocconi, IGIER and CEPR) and **Roberto Perotti** (Università Bocconi, IGIER, CEPR and NBER)

Discussant: *Gernot J. Müller (University of Bonn and CEPR)*

17:15-18:00

"Household Leverage and Fiscal Multipliers" by **Javier Andres** (Universitat de València), José E. Boscá (Universitat de València) and Javier Ferri (Universitat de València)

Discussant: *Xavier Ragot (Banque de France and Paris School of Economics)*

20:00 Dinner: **Restaurant Les Fontaines Saint Honoré, 196, rue Saint-Honoré 75001 Paris.**

Friday 9 December

**Topic 5: Sovereign Debt Risk and Default - Session chair: Christian Pfister (BdF)**

09:00-09:45

"Optimal Sovereign Debt Default" by **Klaus Adam** (Universität Mannheim) and Michael Grill (Universität Mannheim)

Discussant: *Julien Matheron (Banque de France)*

09:45-10:30

"The Impact of Government Debt Maturity on Inflation" by Elisa Faraglia (Cambridge University and CEPR), Albert Marcet (Institut d'Anàlisi Econòmica CSIC, ICREA, BGSE and CEPR), Rigas Oikonomou (HEC Montreal) and **Andrew Scott** (London Business School and CEPR)

Discussant: *Pedro Teles (Bank of Portugal and Catholic University of Lisbon)*

10:30-11:00 Coffee Break

**Topic 6: Monetary and Macroprudential Policy - Session chair: Florin O. Bilbiie (PSE)**

11:00-11:45

"Macroprudential Regulation Versus Mopping Up After the Crash" by **Anton Korinek** (University of Maryland) and Olivier Jeanne (Johns Hopkins University)

Discussant: *Philippe Bachetta (HEC Lausanne, Banque de France and PSE)*

11:45-12:30

"Monetary Policy and Rational Asset Pricing Bubbles" by **Jordi Galí** (CREI, Universitat Pompeu Fabra, CEPR and NBER)

Discussant: *Pierre-Olivier Gourinchas (UC Berkeley, Visiting Paris School of Economics & Sciences Po)*

12:30-14:30 Lunch break

**14:30-16:00 Policy Panel:** Daniel Cohen (PSE), Pierre Jalliet (BdF), Albert Marcet, Pier Carlo Padoan (OECD), Frank Smets, Jordi Galí, Pierre-Olivier Gourinchas and Roberto Perotti

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**Organizers:** **Florin O. Bilbiie** (Paris School of Economics, Université Paris I Panthéon-Sorbonne and CEPR); **Matthieu Bussière** (Banque de France); **Wouter den Haan** (London School of Economics and CEPR); and **Albert Marcet** (Institut d'Anàlisi Econòmica CSIC, ICREA, BGSE and CEPR).

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