



BANCA D'ITALIA
EUROSISTEMA

2nd BANK OF ITALY CONFERENCE ON MACRO MODELING IN THE POLICY ENVIRONMENT

30 June-1 July, 2009

Rome, Italy

Hosted by

Banca d'Italia
Economic Outlook and Monetary Policy Department
Via Nazionale 91, Rome

Program

30 June 2009, Morning

Session 1: Fiscal policy

Chair: Pierpaolo Benigno (LUISS)

9:15-9:30

Opening address

TBA

9:30-10:30

Temporary Partial Expensing in a General-Equilibrium Model

Rochelle Edge (Board of Governors of the Federal Reserve System) and Jeremy B. Rudd (Board of Governors of the Federal Reserve System)

Discussant: Roland Straub (European Central Bank)

10:30-11:30

Fiscal policy with credit constrained households

Werner Roeger (European Commission, DG-ECFIN) and Jan in't Veld (European Commission, DG-ECFIN)

Discussant: Alessandro Notarpietro (Banca d'Italia)

11:30-12:00

Coffee Break

12:00-13:00

Fiscal policy in open economies

Lorenzo Forni (Banca d'Italia) and Massimiliano Pisani (Banca d'Italia)

Discussant: Giancarlo Corsetti (European University Institute, University of Rome III and CEPR)

13:00-14:30

Buffet Lunch

30 June 2009, Afternoon

Session 2: Economic policy under Zero Lower Bound

Chair: Lorenzo Forni (Banca d'Italia)

14:30-15:30

Is There a Fiscal Free Lunch in a Liquidity Trap?

Jesper Lindé (Board of Governors of the Federal Reserve System and CEPR) and Christopher J. Erceg (Board of Governors of the Federal Reserve System)

Discussant: Rafael Wouters (National Bank of Belgium)

15:30-16:30

The Effects of Foreign Shocks when U.S. Interest Rates are at Zero

Luca Guerrieri (Board of Governors of the Federal Reserve System), Martin Bodenstein (Board of Governors of the Federal Reserve System) and Christopher Erceg (Board of Governors of the Federal Reserve System)

Discussant: Michel Juillard (Bank of France and CEPREMAP)

16:30-17:00

Coffee Break

17:00-18:00

Risk-premium shocks and the zero bound on nominal interest rates

Malik Shukayev (Bank of Canada) and Robert Amano (Bank of Canada)

Discussant: Andrea Tambalotti (Federal Reserve Bank of New York)

20:00-23:00

Conference Dinner (by invitation only)

1 July 2009 , Morning

Session 3: Credit frictions

Chair: Stefano Neri (Banca d'Italia)

9:30-10:15

Macroeconomic Effects of Financial Shocks

Vincenzo Quadrini (University of Southern California) and Urban Jermann (University of Southern California)

Discussant: Pietro Reichlin (LUISS)

10:15-11:00

Optimal Policy with Occasionally Binding Credit Constraints

Gianluca Benigno (London School of Economics), Huigang Chen (International Monetary Fund), Christopher Otrok (University of Virginia), Alessandro Rebucci (Inter-American Development Bank) and Eric R. Young (University of Virginia)

Discussant: Robert Kollmann (ECARES, Université Libre de Bruxelles and CEPR)

11:00-11:30

Coffee Break

11:30-12:15

The Role of Bank Capital in the Propagation of Shocks

Cesaire Meh (Bank of Canada) and Kevin Moran (Bank of Canada)

Discussant: Andrea Gerali (Banca d'Italia)

12:15-13:00

Credit Constraints, Firms' Precautionary Investment and the Business Cycle

Ander Pérez Orive (Universitat Pompeu Fabra)

Discussant: Aleh Tsyvinski (Yale University)

13:00-15:00

Buffet Lunch