

*Society for Economic Dynamics*  
**Annual Meeting**

**Budapest**  
**23 - 25 June 2005**



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# Society for Economic Dynamics Program

Thursday, June 23rd

Time	#	Location	Session Title
<b>10:00-12:00</b>	1.1	M201	Topics in International Finance
	1.2	F309	Wage Dynamics Over the Life Cycle
	1.3	M103 Gellner	Monetary Theory 1
	1.4	F509	Housing & Consumption
	1.5	M202	Political Economy
	1.6	Auditorium	Property Rights
	1.7	F409	Labor Market Dynamics
	1.8	M102 Popper	Structural VARs
	1.9	F609	Trade & Real Exchange Rate Fluctuations
<b>13:15-15:15</b>	1.10	M102 Popper	Heterogeneity & Its Consequences
	1.11	M201	Asset Pricing 1
	1.12	M202	Incomplete Markets, Contracts, & Institutions
	1.13	Auditorium	Current Account Dynamics
	1.14	F509	Financial History
	1.15	F309	Education & the Labor Market
	1.16	M103 Gellner	On Signalling & Information
	1.17	F409	On the Effects of Monetary Policy
	1.18	F406	Investment
<b>15:45-17:45</b>	1.19	Auditorium	Cyclical Fluctuations in Labor Markets
	1.20	M103 Gellner	Optimal Policy
	1.21	M202	Exchange Rates
	1.22	F609	On the Determinants of Economic Development
	1.23	F809	Urban Economics
	1.24	M201	Mechanism Design
	1.25	M102 Popper	Consumption & Portfolio Choice over the Life Cycle
	1.26	F309	Firms & Aggregate Dynamics
	1.27	F409	International Finance
1.28	F509	Growth & TFP	
<b>18:15-19:15</b>	<i>Hungarian Academy of Sciences</i>		
	<b>Plenary talk:</b> Stephen Morris (Yale). <i>"Higher Order Expectations."</i> Introduced by George Mailath (UPenn)		
<b>19:15</b>	<b>Cocktail Party</b> <i>Hungarian Academy of Sciences</i> . Ceremony honoring Edward C. Prescott and Finn Kydland. Speaker - Robert E. Lucas Jr.		

## Friday, June 24th

Time	#	Location	Session Title
10:00-12:00	2.1	Auditorium	Economic Growth: Economics & History
	2.2	M102 Popper	Housing & Business Cycles
	2.3	F409	Culture & Economics
	2.4	M202	Games of Timing
	2.5	F509	Empirical IO 2: Firm Dynamic
	2.6	F609	Households & Labor Supply
	2.7	M201	Financial Frictions & Liquidity
	2.8	F309	Emerging Market Crises
	2.9	M103 Gellner	Monetary Theory 2
13:15-15:15	2.10	F309	Inequality, Risk & Welfare
	2.11	M102 Popper	Dynamic Public Economics
	2.12	M201	Information & Macroeconomics
	2.13	F509	The Economics of Marriage
	2.14	F409	Computational Methods
	2.15	M202	Unemployment & Job Search
	2.16	F809	Accounting for International Price Differentials
	2.17	F609	Dynamics & Theory
	2.18	M103 Gellner	Monetary Theory & Policy
	2.19	Auditorium	Driving Forces of Macroeconomic Trends
15:45-17:45	2.20	Auditorium	Wealth Accumulation Over the Life Cycle
	2.21	F409	Financial Crises
	2.22	F609	Search, Market Segmentation, & Wages
	2.23	M102 Popper	Microfoundations of Wage & Price Rigidity
	2.24	M201	Game Theory
	2.25	M202	Banking
	2.26	M103 Gellner	Job Search & Labor Contracts
	2.27	F809	Monetary Policy in Open Economies
	2.28	F309	Trade & Business Cycles
	2.29	F509	Firms, Investment, & TFP
18:15-19:15	<i>Hungarian Academy of Sciences</i>		
	<b>Plenary talk:</b> Jonathan Eaton (NYU) " <i>Microeconomic Heterogeneity and Aggregate Behavior.</i> " Introduced by Tim Kehoe (Minnesota University)		

## Saturday, June 25th

<b>Time</b>	<b>#</b>	<b>Location</b>	<b>Session Title</b>
<b>10:00-12:00</b>	3.1	F309	Growth Perspectives
	3.2	F409	Topics in International Economics
	3.3	F509	Dynamic Models of Legislative Bargaining
	3.4	Auditorium	Empirical Analysis of Reallocation Frictions
	3.5	M202	Expectations: Empirical Analysis
	3.6	M103 Gellner	Optimal Contracting Under Moral Hazard
	3.7	F609	Social Security
	3.8	M201	Finance & Monetary Policy
	3.9	M102 Popper	Business Cycles & Employment Dynamics
<b>13:15-15:15</b>	3.10	F409	Incomplete Markets Models
	3.11	F309	International Trade, FDI & Offshoring
	3.12	M201	Empirical IO 1: Spatial Allocation of Firms
	3.13	M102 Popper	Information & Asset Pricing
	3.14	M103 Gellner	Matching & Dynamic Contracts
	3.15	F809	Empirical Studies of Consumption Behavior
	3.16	F609	Growth
	3.17	Auditorium	Optimal Fiscal & Monetary Policy
	3.18	F509	Impulse & Propagation Mechanisms
<b>15:45-17:45</b>	3.19	F409	Perspectives on Sovereign Debt & Default
	3.20	F309	Empirical Research in Labor Economics
	3.21	M202	Monetary Economies with Segmented Markets
	3.22	M201	Matching: Theory & Empirics
	3.23	M102 Popper	Computational Dynamic General Equilibrium
	3.24	M103 Gellner	Asset Pricing 2
	3.25	F809	Life Cycle Decisions & Altruism
	3.26	F609	Trade, Institutions & Growth
	3.27	F509	Time Consistency of Monetary & Fiscal Policy
	3.28	Auditorium	Determinants of Business Cycles
<b>18:15-19:15</b>	<i>Hungarian Academy of Sciences</i>		
	<b>Plenary talk:</b> Richard Rogerson (ASU) " <i>Understanding Differences in Hours of Work.</i> " Introduced by Ed Prescott (ASU)		
<b>20:00-23:00</b>	Danube cruise on <i>Európa</i> boat		
	<b>Farewell Dinner</b>		

# **Complete List of All Sessions**

# Room M102 Popper

## Thursday, June 23

### 10:00-12:00 Structural VARs

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1. "Inefficient Shocks"  
**Giorgio Primiceri** (Northwestern U.) & Andrea Tambalotti
2. "Vector Autoregressions & Reduced Form Representations of DSGE Models"  
**Federico Ravenna** (UC Santa Cruz)
3. "Are Structural VARs Useful Guides for Developing Business Cycle Theories?"  
**V. V. Chari** (FRB Minneapolis), Patrick Kehoe & Ellen McGrattan
4. "Assessing the Usefulness of Structural Vector Autoregressions"  
Lawrence Christiano, Martin Eichenbaum and **Robert Vigfusson** (FRBoard)

### 13:15-15:15 Heterogeneity & Its Consequences

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1. "Insurance & Opportunities: The Welfare Implications of Rising Wage Dispersion"  
Jonathan Heathcote, Kjetil Storesletten, **Gianluca Violante** (NYU)
2. "Firm Volatility & Wage Inequality"  
Fatih Guvenen & **Thomas Philippon** (NYU Stern)
3. "Accounting for the Changing Life-Cycle Profile of Earnings"  
Gueorgui Kambourov & **Iourii Manovskii** (UPenn)
4. "Nominal Contracts, Coordination & Risk Sharing"  
Matthias Doepke, **Martin Schneider** (NYU)

### 15:45-17:45 Consumption & Portfolio Choice Over the Life Cycle

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1. "Income Taxation with Uninsurable Endowment & Entrepreneurial Investment Risks"  
**Sagiri Kitao** (NYU)
2. "Consumption, Expenditure & Home Production over the Lifecycle"  
**Mark Aguiar** (FRB Boston) & Erik Hurst
3. "Health & Heterogeneity"  
**Josep Pijoan-Mas** (CEMFI) & Victor Rios-Rull
4. "Consumption & Portfolio Choice with Costly Adjustment for Durables"  
**Nancy L. Stokey** (University of Chicago)

# Room M103 Gellner

## Thursday, June 23

### 10:00-12:00 Monetary Theory 1

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1. "Search, Money & Inflation under Private Information"  
**Huberto M. Ennis** (FRB Richmond)
2. "Bargaining in Monetary Economies"  
Guillaume Rocheteau & **Christopher Waller** (Notre Dame)
3. "Asset Prices & Liquidity in an Exchange Economy"  
**Ricardo Lagos** (FRB Minneapolis & NYU)
4. "Search Frictions & Asset Price Volatility"  
Enchuan Shao & **B. Ravikumar** (University of Iowa)

### 13:15-15:15 On Signalling & Information

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1. "Optimal Stalling While Bargaining"  
**John Thanassoulis** (Oxford University)
2. "Coordination Failure in Repeated Games with Almost-Public Monitoring"  
**George J Mailath** (UPenn) & Stephen Morris
3. "A Theory of Costly Signalling"  
Kim-Sau Chung & **Péter Eső** (Northwestern University)
4. "The Demand for Information: More Heat than Light"  
Jussi Keppo, **Giuseppe Moscarini** (Yale University) & Lones Smith

### 15:45-17:45 Optimal Policy

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1. "Optimal Taxation with Limited Memory"  
Stefania Albanesi & **Christopher Sleet** (University of Iowa)
2. "Dynamic Optimal Taxation of Productive Assets"  
**Stefania Albanesi** (Duke University) & Christopher Sleet
3. "Optimal Taxation with Persistent Shocks"  
**Marek Kapicka** (UC Santa Barbara)
4. "Copyrights, Price Discrimination & Hidden Trading: Lessons from a Ricardian Theory of Innovation"  
V. V. Chari, **Mike Golosov** (MIT), Aleh Tsyvinski



# Room M201

## Thursday, June 23

### 10:00-12:00 Topics in International Finance

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1. "Financial Crises & Total Factor Productivity: The Mexican Case"  
**Felipe Meza** (Universidad Carlos III) & Erwan Quintin
2. "Globalization & Emerging Markets: With or Without Crash?"  
**Philippe Martin** (Univ. Paris I) & H el ene Rey
3. "International Asset Portfolios: A Dynamic General Equilibrium Perspective"  
**Robert Kollmann** (Univ. Paris XII)
4. "Why do financial systems differ? History Matters"  
Erwan Quintin and **Cyril Monnet**(ECB)

### 13:15-15:15 Asset Pricing 1

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1. "Operating Leverage, Stock Market Cyclicity & the Cross-Section of Returns"  
**Francois Gourio** (University of Chicago)
2. "Euler Equation Errors"  
Martin Lettau & **Sydney C. Ludvigson** (NYU)
3. "The Equity Premium Implied by Production"  
**Urban J. Jermann** (UPenn)
4. "The Returns on Human Wealth: Good News on Wall Street is Bad News on Main Street"  
**Hanno Lustig** (UCLA) & Stijn Van Nieuwerburgh

### 15:45-17:45 Mechanism Design

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1. "Capacity Choice Counters the Coase Conjecture"  
R. Preston McAfee & **Thomas Wiseman** (UT Austin)
2. "Durable-Goods Monopoly with Varying Cohorts"  
**Simon Board** (University of Toronto)
3. "On Ascending Vickrey Auctions for Heterogeneous Objects"  
Sven de Vries, **James Schummer** (Northwestern University) & Rakesh Vohra
4. "Optimal Auction Design For Multiple Objects with Externalities"  
Nicolas Figueroa & **Vasiliki Skreta** (UCLA)

# Room M202

## Thursday, June 23

### 10:00-12:00 Political Economy

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1. "Playing for Your Own Audience: Extremism in Two-Party Elections"  
**Gábor Virág** (University of Rochester)
2. "Group Formation & Voter Participation"  
**Helios Herrera** (ITAM) & Cesar Martinelli
3. "Commitment Problems & the Political Economy of States & Mafias"  
Ethan Bueno de Mesquita & **Catherine Hafer** (NYU)
4. "Political Careers or Career Politicians?"  
Andrea Mattozzi & **Antonio Merlo** (UPenn)

### 13:15-15:15 Incomplete Markets, Contracts & Institutions

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1. "Informal Insurance in Social Networks"  
Francis Bloch, **Garance Genicot** (Georgetown U.) & Debraj Ray
2. "Unemployment Insurance under Moral Hazard & Limited Commitment: Public versus Private Provision"  
Jonathan P Thomas & **Tim Worall** (Keele University)
3. "Competition, Innovation & Growth with Limited Enforcement"  
**Ramon Marimon** (Universitat Pompeu Fabra) & Vincenzo Quadrini
4. "Firm Entry & Finance: Distinguishing Information Regimes"  
**Alexander Karaivanov** (Simon Fraser U.) & Robert Townsend

### 15:45-17:45 Exchange Rates

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1. "International Asset Markets & Real Exchange Rate Volatility"  
**Martin Bodenstein** (Northwestern University)
2. "Exchange Rate Regimes"  
Bernardino Adao, Isabel Correia & **Pedro Teles** (FRB Chicago)
3. "Pass-Through & Exchange-Rate Fluctuations in a DSGE Model of Price"  
Giancarlo Corsetti, Luca Dedola & **Sylvain Leduc** (Federal Reserve Board)
4. "Monetary Policy in the Open Economy Revisited: The Case for Exchange-Rate Flexibility Restored"  
**Margarida Duarte** (FRB Richmond) & Maurice Obstfeld

# Auditorium

## Thursday, June 23

### 10:00-12:00 Property Rights

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1. "The Product Cycle & Inequality"  
**Boyan Jovanovic** (NYU)
2. "Innovation & Imitation in a High Information Economy"  
**Thomas Cooley** (NYU) & Mehmet Yorukoglu (Sabanci U.)
3. "Oligarchic Property Rights & Investment"  
Serguey Braguinsky & **Roger Myerson** (U. Chicago)
4. "Lobbying & Technology Diffusion"  
**Diego Comin** (NYU) & Bart Hobijn

### 13:15-15:15 Current Account Dynamics

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1. "Current Account Fact & Fiction"  
**David Backus** (NYU) & Frederic Lambert
2. "Sovereign Default & Debt Renegotiation"  
**Vivian Z. Yue** (UPenn)
3. "International Financial Adjustment"  
Pierre Olivier Gourinchas & **Hélène Rey** (Princeton University)
4. "Sudden Stops & Productivity Drops"  
Timothy J. Kehoe & **Kim J. Ruhl** (University of Minnesota)

### 15:45-17:45 Cyclical Fluctuations in Labor Markets

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1. "Amplification of Labor Market Fluctuations: Why Vacancies Don't Like to Hire the Unemployed?"  
**Éva Nagypál** (Northwestern U.)
- 2.
- 3.
4. "More on Unemployment and Vacancy Fluctuations"  
**Dale T. Mortensen** (Northwestern University)

# F309

Thursday, June 23

## 10:00-12:00 Wage Dynamics Over the Life Cycle

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1. "Understanding Consumption Inequality & Income Inequality: A Human Capital Approach"  
Fatih Guvenen & **Burhanettin Kuruscu** (UT Austin)
2. "Job Mobility & Wage Dynamics"  
**Luigi Pistaferri** (Stanford University)
3. "The Returns to Schooling & Ability During the Early Career: Evidence on Employer Learning & Post-School Investment"  
**Fabian Lange** (Yale University)
4. "Modeling Earnings Dynamics"  
Joseph Altonji, Anthony Smith & **Ivan Vidangos** (Yale University)

## 13:15-15:15 Education & the Labor Market

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1. "Search Equilibrium, Production Parameters & Social Returns to Education: Theory & Estimation"  
**Christian Holzner** (IFO Institute for Economic Research) & Andrey Launov
2. "The Complementarity & Self Productivity of Human Capital Investments in a SDGE Economy with Altruism & Lifetime Liquidity Constraints"  
**Flavio Cunha** (University of Chicago)
3. "Education Decisions, Equilibrium Policies & Wages Dispersion"  
**Giovanni Gallipoli** (UCL), Costas Meghir & Gianluca Violante
4. "Accounting for General Equilibrium Effects in Program Evaluation"  
**Miana Plesca** (University of Guelph)

## 15:45-17:45 Firms & Aggregate Dynamics

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1. "The Value of Information in Credit Markets"  
**Jose Wynne** (Duke University)
2. "Financial Development & Macroeconomic Stability"  
Urban Jermann & **Vincenzo Quadrini** (USC)
3. "Business Cycles & Firm Dynamics"  
Florin Bilbiie, **Fabio Ghironi** (Boston College) & Marc Melitz
4. "Firms & Aggregate Dynamics"  
**Francesco Franco** (Univ. Nova de Lisboa) & Thomas Philippon

# F409

Thursday, June 23

## 10:00-12:00 Labor Market Dynamics

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1. "Forward-Looking Hiring Behavior & the Dynamics of the Aggregate Labor Market"  
**Eran Yashiv** (LSE)
2. "Labor Turnover Costs & the Cyclical Behavior of Vacancies & Unemployment"  
Jose I. Silva & **Manuel Toledo** (University of Rochester)
3. "On-the-job Search & the Cyclical Dynamics of the Labor Market"  
**Michael U. Krause** (Tilburg University) & Thomas A. Lubik
4. "The Cyclical Behavior of Worker Reallocation"  
Marcus Hagedorn, **Gueorgui Kambourov** (U.Toronto) & Iourii Manovskii

## 13:15-15:15 On the Effects of Monetary Policy

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1. "Monetary Policy, Taxes & the Business Cycle"  
**William T. Gavin** (FRB St.Louis), Finn E. Kydland & Michael R. Pakko
2. "Monetary Shocks in a Model with Loss of Skills"  
**Julen Esteban-Pretel** (University of Tokyo) & Elisa Faraglia
3. "The Demand for Currency at Low Interest Rates"  
**Francesco Lippi** (Bank of Italy) & Alessandro Secchi
4. "Menu Costs at Work: Restaurant Prices & the Introduction of the Euro"  
Bart Hobijn, Federico Ravenna, **Andrea Tambalotti** (FRB New York)

## 15:45-17:45 International Finance

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1. "Financial Integration & the Wealth Effect of Exchange Rate Fluctuations"  
**Cedric Tille** (FRB New York)
2. "International Lending, Capital Controls & Wealth Inequality"  
**Geoffrey Dunbar** (Queen's University)
3. "Risks for the Long Run and the Real Exchange Rate"  
**Riccardo Colacito** (NYU) & Mariano Croce
4. "Monetary Policy in an Equilibrium Portfolio Balance Model"  
**Michael Kumhof** (IMF) & Stijn van Nieuwerburgh

# F509

Thursday, June 23

## 10:00-12:00 Housing & Consumption

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1. "Housing & the Macroeconomy: The Role of Implicit Guarantees for Government Sponsored Enterprises" **Karsten Jeske** (FRB Atlanta) & Dirk Krueger
- 2.
3. "Consumption Along the Life Cycle: How Different is Housing?"  
**Fang Yang** (University of Minnesota)
4. "Housing, House Prices & the Equity Premium Revisited"  
Morris Davis & **Robert F. Martin** (Federal Reserve Board)

## 13:15-15:15 Financial History

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1. "Regional Banks for Micro-Credit Institutions: Centrals in"  
**Timothy W. Guinnane** (Yale University)
2. "Were U.S. State Banknotes Priced as Securities?"  
**Warren E. Weber** (FRB Minneapolis)
3. "Commodities' Prices & Monetary Policy in 18th c. France"  
**Francois R. Velde** (FRB Chicago)
4. "The Big Problem of Large Bills: The Bank of Amsterdam & the Origins of Central Banking"  
Stephen Quinn & **William Roberds** (FRB Atlanta)

## 15:45-17:45 Growth & TFP

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1. "A Tale of Two States"  
**Amartya Lahiri** (FRB New York) & Kei-Mu Yi
2. "A Theory of Modern Transition Applied to Thailand"  
**Hyeok Jeong** (USC) & Yong Kim
3. "Accounting for the Secular 'Decline' of U.S. Manufacturing"  
Milton Marquis & **Bharat Trehan** (FRB San Francisco)
4. "Sustainable Miracles"  
**Benjamin Bridgman** (BEA), Victor Gomes & Arilton Teixeira

# F609

Thursday, June 23

## 10:00-12:00 Trade & Real Exchange Rate Fluctuations

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1. "Monetary and Fiscal Policy in a Monetary Union"  
Bernardino Adão, Nuno Alves, **Jose B. Brito** (Banco de Portugal), and Isabel Correia
2. "Real Exchange Rate Fluctuations & Endogenous Tradability"  
**Kanda Naknoi** (Purdue University)
3. "Heterogeneous Plants and Trade: Lessons from the Canada-US FTA"  
**Michael Rolleigh** (Williams College)
4. "Dual Inflation & the Real Exchange Rate in New Open Economy Macroeconomics"  
**Balázs Világi** (National Bank of Hungary)

## 13:15-15:15 Investment

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1. "(Relative Price) Lessons from Taking an AK Model to the Data"  
**Joao Ejarque** (University of Essex) & Ana Balcao Reis
2. "Modeling Inventories Over the Business Cycle"  
**Aubhik Khan** (FRB Philadelphia) & Julia K. Thomas
3. "Innovation, Machine Replacement & Productivity"  
**Omar Licandro** (European University Institute), Reyes Maroto & Luis A. Puch
4. "GMM for Discrete Choice Models: A Capital Accumulation Application"  
**Russell Cooper** (UT Austin), John Haltiwanger & Jon Willis

## 15:45-17:45 On the Determinants of Economic Development

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1. "Slavery, Institutional Development & Long-Run Growth in Africa"  
**Nathan Nunn** (University of Toronto)
2. "Malaria"  
**Douglas Gollin** (Williams College) & Christian Zimmerman
3. "Sons of Something: Taxes, Lawsuits & Local Political Control in Sixteenth Century Castile"  
**Mauricio Drelichman** (University of British Columbia)
4. "Evaluating Explanations for Stagnation"  
**Elizabeth Caucutt** (U. Western Ontario) & Krishna Kumar

# F809

## Thursday, June 23

### 15:45-17:45 Urban Economics

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1. "Job Search in Thick Markets: Evidence from Italy"  
**Sabrina Di Addario** (Bank of Italy)
2. "Outsourcing, Inequalities & Cities"  
**Wen-Chi Liao** (University of Minnesota)
3. "Why Are Private Schools Small? School Location, Returns to Scale & Size"  
**Margaret Ledyard** (UT Austin)
4. "Why are Some Cities So Crowded?"  
**Jordan Rappaport** (FRB Kansas City)



# Room M102 Popper

## Friday, June 24

### 10:00-12:00 Housing & Business Cycles

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1. "Heterogeneity within Communities: A Stochastic Model with Tenure Choice"  
**Francois Ortalo-Magne** (University of Wisconsin Madison) & Sven Rady
2. "The Role of Collateralized Household Debt in Macroeconomic Stabilization"  
Jeffrey C. Campbell & **Zvi Hercowitz** (Tel Aviv University)
3. "Consumption Commitments: Neoclassical Foundations for Habit Formation"  
Raj Chetty & **Ádam Szeidl** (UC Berkeley)
4. "Private Debt & Idiosyncratic Volatility: A Business Cycle Analysis"  
**Matteo Iacoviello** (Boston College)

### 13:15-15:15 Dynamic Public Economics

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1. "A Theory of Capital Adequacy Requirements of Banks"  
Mike Golosov & **Aleh Tsyvinski** (UCLA)
2. "Income Redistribution & Disability Insurance"  
**Hugo Hopenhayn** (UCLA) & Juan Carlos Hatchondo
3. "Anonymous Markets & Optimal Policy"  
Alberto Bisin & **Adriano Rampini** (Northwestern University)
4. "Inequality & Social Discounting"  
**Emmanuel Farhi** (MIT) & Ivan Werning

### 15:45-17:45 Microfoundations of Wage & Price Rigidity

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1. "Search, Costly Price Adjustment & the Frequency of Price Changes: Theory & Evidence"  
Jerzy D. Konieczny & **Andrzej Skrzypacz** (Stanford University)
2. "Dynamic Screening: A Role for Up-or-Out Contracts"  
**Braz Camargo** (U. Western Ontario) & Elena Pastorino
3. "Shooting the Auctioneer"  
**Roger E. A. Farmer** (UCLA)
4. "Private Information, Wage Bargaining & Employment Fluctuations"  
**John Kennan** (University of Wisconsin Madison)

# Room M103 Gellner

Friday, June 24

## 10:00-12:00 Monetary Theory 2

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1. "Time Consistent Monetary Policy with Endogenous Price Rigidity"  
**Henry Siu** (University of British Columbia)
2. "Inflation, Prices & Information in Competitive Search"  
Miquel Faig & **Belen Jerez** (Universidad Carlos III de Madrid)
3. "Mechanism Design & Payments"  
Thorsten Koeppl, Cyril Monnet & **Ted Temzelides** (U. Pittsburgh)
4. "On the Coexistence of Money & Bonds"  
**David Andolfatto** (SFU)

## 13:15-15:15 Monetary Theory & Policy

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1. "Currency Areas & Monetary Coordination"  
**Qing Liu** (University of Toronto) & Shouyong Shi
2. "Money & Capital"  
**S. Boragan Aruoba** (U. Maryland), Christopher J. Waller & Randall Wright
3. "Monetary Policy & Distribution"  
**Stephen D. Williamson** (University of Iowa)
4. "The Effects of Inflation in a Search Model of Labor"  
**Brian Peterson** (Indiana University) & Roberto Samaniego

## 15:45-17:45 Job Search & Labor Contracts

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1. "A Theory of Wage & Turnover Dynamics"  
**Lalith Munasinghe** (Columbia University)
2. "Wage-Tenure Contracts, Experience & Employment Status"  
**Carlos Carrillo-Tudela** (University of Essex)
3. "Labor Market Dynamics under Long Term Wage Contracting"  
**Leena Rudanko** (University of Chicago)
4. "The Cyclical Behavior of Equilibrium Unemployment & Vacancies Revisited"  
**Marcus Hagedorn** (University of Bonn) & Iourii Manovskii

# Room M201

## Friday, June 24

### 10:00-12:00 Financial Frictions & Liquidity

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1. "A Model of Dynamic Liquidity Contracts"  
**Onur Ozgur** (NYU)
2. "The Magnitude & Cyclical Behavior of Financial Market Frictions"  
Andrew T. Levin, Fabio M. Natalucci & **Egon Zakrajsek** (Federal Reserve Economists)
3. "The Design of Monetary & Fiscal Policy: A Global Perspective"  
**Jess Benhabib** (NYU) & Stefano Eusepi
4. "Financing Shortfalls & the Value of Aggregate Liquidity"  
**Andrea Eisfeldt** (Northwestern University) & Adriano Rampini

### 13:15-15:15 Information & Macroeconomics

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1. "Information Immobility & the Home Bias Puzzle"  
Stijn Van Nieuwerburgh & **Laura Veldkamp** (NYU)
2. "Inattentive Producers"  
**Ricardo Reis** (Princeton University)
3. "Optimal Sticky Prices under Rational Inattention"  
Bartosz Mackowiak & **Mirko Wiederholt** (Humboldt University Berlin)
4. "Monetary Policy & Consumer Expectations"  
**Guido Lorenzoni** (MIT)

### 15:45-17:45 Game Theory

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1. "The Wisdom of the Minority"  
Steven Callander, **Johannes Horner** (Northwestern University)
2. "Unawareness"  
**Jing Li** (UPenn)
3. "Revealed Preference in Game Theory"  
**Ádám Galambos** (Northwestern University)
4. "Theories of Coalitional Rationality"  
**Attila Ambrus** (Harvard University)

# Room M202

## Friday, June 24

### 10:00-12:00 Games of Timing

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1. "Experimentation & Observational Learning in a Market with Exit"  
**Pauli Murto** (Helsinki School of Economics) & Juuso Valimaki
2. "The Timing of Acquisitions"  
**Robin Mason** (University of Southampton) & Helen Weeds
3. "Preemption Games with Private Information"  
Hugo Hopenhayn & **Francesco Squintani** (UCL)
4. "Endogenous Herding & The Gold Rush: Timing Models with both Explosive & Timed Entry"  
**Andreas Park** (University of Toronto) & Lones Smith

### 13:15-15:15 Unemployment & Job Search

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1. "Privatization, Unemployment & Subsidy"  
K. Balla, G. Kertesi, J. Köllö & **András Simonovits** (Institute of Economics, Hungarian Academy of Sciences)
2. "Embodied Technical Change & the Persistence of Vacancies"  
**Reinout De Bock** (Northwestern University)
3. "Structural Change & Aggregate Employment with Mobility Barriers"  
**Liwa Rachel Ngai** (LSE) & Christopher Pissarides
4. "Directed Search without Wage Commitment: A New Role for Minimum Wages & Unions"  
**Adrian Masters** (SUNY Albany)

### 15:45-17:45 Banking

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1. "Bank Finance vs. Bond Finance: What Explains the Differences Between U.S. & Europe?"  
**Fiorella De Fiore** (European Central Bank) & Harald Uhlig
2. "Forbearance & Prompt Corrective Action"  
N. Kocherlakota & **Ilhyock Shim** (Bank for International Settlements)
3. "Monopoly vs. Competition in Banking: Some Implications for Growth & Welfare"  
**Beátrix Paál** (UT Austin), Ke Wang & Bruce D. Smith
4. "The Welfare Cost of Bank Capital Requirements"  
**Skander Van den Heuvel** (UPenn)

# Auditorium

## Friday, June 24

### 10:00-12:00 Economic Growth: A Conversation Between Economics

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1. "The Surprising Dynamism of the Malthusian Economy: England, 1200-1800"  
**Gregory Clark** (UC Davis)
2. "The Great Synergy: The European Enlightenment as a Factor in Modern Economic Growth"  
**Joel Mokyr** (Northwestern University)
3. "Land Inequality & the Origin of Divergence & Overtaking in the Growth Process: Theory & Evidence"  
Oded Galor, **Omer Moav** (Hebrew University of Jerusalem) & Dietrich Vollrath
4. "Reflections on Economic Growth"  
**Robert Lucas** (University of Chicago)

### 13:15-15:15 Driving Forces of Macroeconomic Trends

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1. "Wage Structure & Public Sector Employment: Sweden vs. the United States 1970-1999"  
**David Domeij** (Stockholm School of Economics) & Lars Ljungqvist
2. "Japanese Saving Rate"  
Kaiji Chen, Ayse Imrohoroglu & **Selo Imrohoroglu** (USC)
3. "Saving & Interest Rates in Japan: Why They Have Fallen & Why They Will Remain Low"  
**R. Anton Braun** (U. Tokyo), Daisuke Ikeda & Douglas Jones
4. "Productivity & the Post-1990 U.S. Economy"  
**Ellen McGrattan** (FRB Minneapolis) & Edward Prescott

### 15:45-17:45 Wealth Accumulation Over the Life Cycle

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1. "Risky Human Capital"  
Mark Huggett, **Gustavo Ventura** (PSU) & Amir Yaron
- 2.
3. "Estimating the Response of Bequests to Early & Late Income Shocks"  
**Joseph G. Altonji** (Yale University) & Ernesto Villanueva
4. "Estate Taxes, Entrepreneurship, and Wealth"  
**Mariacristina De Nardi** (U. Minnesota) & Marco Cagetti

# Room F309

## Friday, June 24

### 10:00-12:00 Emerging Market Crises

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1. "Aggregate Investment Expenditures on Traded and Nontraded Goods"  
**Rudolfs Bems** (Stockholm School of Economics)
2. "Do Miracles Lead to Crises? An Informational Frictions Explanation to Emerging Market Financial Crises"  
**Emine Boz** (University of Maryland)
3. "Optimal Monetary & Exchange Rate Policies in Crisis-Prone Small Open Economies"  
Joydeep Bhattacharya & **Rajesh Singh** (Iowa State University)
4. "Government Finance in the Wake of Currency Crises"  
**Craig Burnside** (Duke University), Martin Eichenbaum & Sergio Rebelo

### 13:15-15:15 Inequality, Risk & Welfare

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1. "Private & Public Risk Sharing in Economies with Limited Enforcement"  
**Dirk Krueger** (UPenn) & Fabrizio Perri
2. "Trade Policy, Income Risk & Welfare"  
Tom Krebs, **Pravin Krishna** (Brown University) & William Maloney
3. "Aggregate Shocks & the Volatility of House Prices"  
J.V.Rios-Rull & **Virginia Sanchez-Marcos** (Universidad de Cantabria)
4. "A Tractable Framework for Understanding Dispersion in Labor Supply & Consumption"  
Jonathan Heathcote, **Kjetil Storesletten** (Stockholm U.) & Gianluca Violante

### 15:45-17:45 Trade & Business Cycles

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1. "Trade Intensity & International Business Cycles"  
Timothy J. Kehoe & **Kim J. Ruhl** (UT Austin)
2. "Import Protection as Export Destruction"  
Hiroyuki Kasahara & **Beverly Lapham** (Queen's University)
3. "Trade & the Canadian Great Depression"  
Pedro Amaral & **Jim MacGee** (University of Western Ontario)
4. "Trade, Production Sharing & the International Transmission of Business Cycles"  
Ariel Burstein, Chris Kurz & **Linda Tesar** (U. Michigan)

# Room F409

## Friday, June 24

### 10:00-12:00 Culture & Economics

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1. "The Local Dynamics of Culture"  
**Alberto Bisin** (NYU) & Onur Ozgur
2. "Fertility & Female Employment: A Different View of the Last 50 Years"  
Sebastien Buttet, **Alice Schoonbroodt** (University of Minnesota)
3. "Cultural Biases in Economic Exchange"  
**Luigi Guiso** (University of Chicago), Paola Sapienza & Luigi Zingales
4. "Living Arrangements in Western Europe: Does Cultural Origin Matter?"  
**Paola Giuliano** (IMF)

### 13:15-15:15 Computational Methods

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1. "On the Recursive Saddle Point Method"  
Ramon Marimon, **Matthias Messner** (Bocconi University) & Nicola Pavoni
2. "Asset Trading Volume in a Production Economy"  
**Emilio Espino** (Institute for Advanced Studies) & Thomas Hintermaier
3. "Bayesian Estimation of Dynamic Discrete Choice Models"  
Susumu Imai, **Neelam Jain** (Northern Illinois University) & Andrew Ching
4. "Solving Dynamic Stochastic Optimization Problems Using the Method of Endogenous Gridpoints"  
**Christopher D. Carroll** (Johns Hopkins University)

### 15:45-17:45 Financial Crises

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1. "Reputation & Price Dynamics in Financial Markets"  
**Amil Dasgupta** (LSE) & Andrea Prat
2. "Market Expectations & Currency Crises: Theory & Empirics"  
**Bernardo Guimaraes** (LSE)
3. "Crises & Prices: Information Aggregation, Multiplicity & Volatility"  
**George-Marios Angeletos** (MIT) & Ivan Werning
4. "Financial Crises & Interest Rates"  
**Christian Hellwig** (UCLA), A. Mukherji & Aleh Tsyvinski

# Room F509

## Friday, June 24

### 10:00-12:00 Empirical IO 2: Firm Dynamics

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1. "Prices, Production & Inventories Over the Automotive Model Year"  
Adam Copeland, Wendy Dunn & **George Hall** (Yale University)
2. "Technology Adoption, Learning by Doing & Productivity: A Study from Steel Refining Furnaces"  
Tsuyoshi Nakamura & **Hiroshi Ohashi** (University of Tokyo)
3. "Modeling Firm Dynamics to Identify the Cost of Financing Constraints in Ghanaian Manufacturing"  
**Matthias Schundeln** (Harvard University)
4. "Measuring & Mismeasuring Industry Productivity Growth Using Plant-Level Data"  
**Amil Petrin** (University of Chicago) & James Levinsohn

### 13:15-15:15 The Economics of Marriage

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1. "The Value of Sons in Premodern Economies: A View from the Marriage Market"  
**Maristella Botticini** (BU & Univ. di Torino) & Aloysius Siow
2. "The Mystery of Monogamy"  
Eric D. Gould, Omer Moav & **Avi Simhon** (Hebrew University of Jerusalem)
3. "Spousal Matching, Marriage Contracts & Divorce: A Collective Household Approach"  
Pierre-Andre Chiappori, **Murat Iyigun** (University of Colorado) & Yoram Weiss
4. "What Makes You Click? An Empirical Analysis of Online Dating"  
Guenter Hitsch, **Ali Hortacsu** (University of Chicago) & Dan Ariely

### 15:45-17:45 Firms, Investment & TFP

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1. "Macroeconomic Implications of Size Dependent Policies"  
**Nezih Guner** (PSU), Gustavo Ventura & Xu Yi
2. "Development Accounting with Endogenous TFP"  
**Marla Ripoll** (University of Pittsburgh) & Juan Carlos Cordoba
3. "Spurious Investment Specific Technological Change"  
**Bart Hobijn** (FRB New York) & Alisdair McKay
4. "New Evidence on Durable Goods Biased Technological Change"  
Susanto Basu, **John Fernald** (FRB Chicago), J. Fisher & M. Kimball



# Room F609

## Friday, June 24

### 10:00-12:00 Households & Labor Supply

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1. "Consumption Inequality & Intra-Household Allocations"  
**Jeremy Lise** (Queen's University) & Shannon Seitz
2. "Job Assignments, Careers & the Gender Earnings Gap"  
Stefania Albanesi & **Claudia Olivetti** (Boston University)
3. "Labor Supply & the Changing Household"  
**James Kahn** (FRB New York) & Simon Potter
4. "Keeping Up with the Joneses: Evidence from Micro Data"  
**Enrichetta Ravina** (Northwestern University)

### 13:15-15:15 Dynamics & Theory

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1. "Endogenous Borrowing Constraints in the Presence of Shipping Costs"  
**Stephane Guibaud** (Paris-Jourdan Sciences Economiques)
2. "Complete Markets, Enforcement Constraints & Intermediation"  
**Árpád Ábrahám** (University of Rochester) & Eva Carceles-Poveda
3. "Delay Aversion"  
**Jean-Pierre Benoit** (NYU) & Efe OK
4. "Strategic Experimentation with Undiscounted Bandits"  
**Godfrey Keller** (University of Oxford) & Sven Rady

### 15:45-17:45 Search, Market Segmentation & Wages

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1. "Human Capital Portfolios & the Distribution of Earnings"  
**Eric Smith** (University of Essex)
2. "Does Employment Protection Create its Own Political Support?: The Role of Wage Determination"  
**Bjoern Bruegemann** (Yale University)
3. "On the Segmentation of Markets"  
**Nicolas L Jacquet** (UPenn) & Serene Tan
4. "Lots of Heterogeneity in a Matching Model"  
Martin Browning, **John Kennes** (U. Copenhagen) & A. Schiff

# Room F809

## Friday, June 24

### 13:15-15:15 Accounting for International Price Differentials

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1. "Price Dispersion: The Role of Borders, Distance & Location"  
**Mario Crucini** (Vanderbilt University), Chris Telmer & Marios Zachariadis
2. "The Balassa–Samuelson Hypothesis Forty Years Later"  
Berthold Herrendorf & **Ákos Valentinyi** (U. Southampton)
3. "Violating Purchasing Power Parity"  
**George Alessandria** (FRB Philadelphia) & Joseph Kaboski
4. "A Decomposition of the Sources of Incomplete Cross-Border Transmission"  
**Rebecca Hellerstein** (FRB New York)

### 15:45-17:45 Monetary Policy in Open Economies

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1. "Optimal Monetary Policy in a Small Open Economy under Segmented Asset Markets & Sticky Prices"  
**Ruy Lama** (UCLA) & Juan Pablo Medina
2. "Real Effects of Nominal Exchange Rate Shocks"  
**Péter Benczúr** (National Bank of Hungary) & István Kónya
3. "Inflation Differentials & Labor & Product Market Differences in the EMU"  
Alessia Campolmi & **Ester Faia** (Universitat Pompeu Fabra)
4. "Optimal Fiscal and Monetary Policy in Open Economies"  
**Bernardino Adao** (Bank of Portugal) & Isabel Correia

# Room M102 Popper

## Saturday, June 25

### 10:00-12:00 Business Cycles & Employment Dynamics

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1. "Unemployment Dynamics with Staggered Nash Wage Bargaining"  
**Mark Gertler** (NYU) & Antonella Trigari
2. "Organizational Capital & Employment Fluctuations"  
**Thijs van Rens** (Princeton University)
3. "Technology Shock & Employment: Do We Need Models with a Fall in Hours?"  
Martial Dupaigne, **Patrick Feve** (U. Toulouse) & Julien Matheron
4. "A New Measure of Hours Per Capita"  
Neville Francis & **Valerie A. Ramey** (UC San Diego)

### 13:15-15:15 Information & Asset Pricing

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1. "A Search-Based Theory of the On-the-Run Phenomenon"  
Dimitri Vayanos & **Pierre-Olivier Weill** (NYU)
2. "Consumption Dynamics, Asset Pricing & Welfare Effects under Information Processing Constraints"  
**Yulei Luo** (Princeton University)
3. "Information Acquisition & Portfolio Underdiversification"  
**Stijn Van Nieuwerburgh** (NYU) & Laura Veldkamp
4. "A Quantitative Model of Competitive Asset Pricing Under Private Information"  
Juan Carlos Hatchondo, **Per Krusell** (U. Rochester) & Martin Schneider

### 15:45-17:45 Computational Dynamic General Equilibrium

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1. "Optimal Policy Under Sticky Prices: How to Get Accurate Solutions"  
**Michael Reiter** (Universitat Pompeu Fabra)
2. "Two-Fund Separation in Dynamic General Equilibrium"  
**Karl Schmedders** (Northwestern University)
3. "Approximate Generalizations in Applied Equilibrium Analysis"  
**Felix Kubler** (University of Mannheim)
4. "Numerical Solution of Dynamic Non-Optimal Economies"  
**Jianjun Miao** (Boston University) & Manuel Santos

# Room M103 Gellner

## Saturday, June 25

### 10:00-12:00 Optimal Contracting Under Moral Hazard

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1. "Contracting with Repeated Moral Hazard & Private Evaluations"  
**William Fuchs** (Stanford University)
2. "Repeated Moral Hazard with Effort Persistence"  
**Arantxa Jarque** (Universidad de Alicante)
3. "Reputation & Capital Controls"  
**Christopher Phelan** (FRB Minneapolis)
4. "Stochastic Monitoring, Optimal Capital Structure & Executive Compensation"  
Andrew Atkeson & **Harold Cole** (UCLA)

### 13:15-15:15 Matching & Dynamic Contracts

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1. "Social Preferences, Skill Segregation & Wage Dynamics"  
Antonio Cabrales, Antoni Calvo-Armengol & **Nicola Pavoni** (UCL)
2. "Wage Distribution with a Two-Sided Job Auction"  
Marja-Liisa Halko, Klaus Kultti & **Juha Virrankoski** (U. Helsinki)
3. "Termination of Dynamic Contracts in an Equilibrium Labor Market Model"  
**Cheng Wang** (Iowa State University)
4. "Surplus Sharing & Pricing in Matching Markets"  
George Mailath, **Andrew Postlewaite** (UPenn) & Larry Samuelson

### 15:45-17:45 Asset Pricing 2

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1. "Was There a Nasdaq Bubble in the Late 1990s?"  
**Lubos Pastor** (University of Chicago) & Pietro Veronesi
2. "Asset Prices & Asset Correlations in Illiquid Markets"  
**Celso Brunetti** (Johns Hopkins U.) & Alessio Caldarera
3. "Why is Long-Horizon Equity Less Risky? A Duration-Based Explanation of the Value Premium"  
Martin Lettau & **Jessica Wachter** (UPenn)
4. "Job Risk & Asset Returns"  
**Christopher Malloy** (LBS), Tobias Moskowitz & A. Vissing-Jorgensen

# Room M201

## Saturday, June 25

### 10:00-12:00 Finance & Monetary Policy

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1. "Optimal Stabilization Policies in a Model with Financial Intermediation"  
**Aleksander Berentsen** (University of Basel) & Christopher Waller
2. "Monetary Policy & the Term Structure of Interest Rates"  
Federico Ravenna & **Juha Seppala** (University of Illinois)
3. "No-Arbitrage Taylor Rules"  
**Andrew Ang** (Columbia University), Sen Dong & Monika Piazzesi
4. "Taylor Rules, McCallum Rules & the Term Structure of Interest Rates"  
Michael F. Gallmeyer, Burton Hollifield & **Stanley E. Zin** (CMU)

### 13:15-15:15 Empirical IO 1: Spatial Allocation of Firms

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1. "The Dynamics of Retail Oligopolies"  
**Beresteanu Arie** (Duke University) & Paul Ellickson
2. "Coordination Games, Multiple Equilibria & the Timing of Radio Commercials"  
**Andrew Sweeting** (Northwestern University)
3. "Stochastic Dynamic Programming in Space: An Application to British Columbia Forestry"  
**Harry J. Paarsch** (University of Iowa) & John Rust
4. "Competition in Large Markets"  
**Jeffrey R. Campbell** (FRB Chicago)

### 15:45-17:45 Matching: Theory & Empirics

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1. "Semiparametric Estimation of Two-Sided Matching Models with Endogenous Prices"  
**Jeremy T. Fox** (University of Chicago)
2. "Credible Group Stability in Multi-Partner Matching Problems"  
Hideo Konishi & **Utku Unver** (Koc University)
3. "Assortative Matching with Explicit Search Costs"  
**Alp Atakan** (Northwestern University)
4. "A Theory of Stability in Many-to-Many Matching Markets"  
**Federico Echenique** (Caltech) & Jorge Oviedo

# Room M202

## Saturday, June 25

### 10:00-12:00 Expectations: Empirical Analysis

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1. "Learning & Bargaining in Dispute Resolution: Theory & Evidence from Medical Malpractice Litigation"  
**Yasutora Watanabe** (UPenn)
2. "The Epidemiology of Consumption"  
C.Carroll, **Jiri Slacalek** (German Inst. Econ. Resrch Berlin) & M. Sommer
3. "Measuring Revisions to Subjective Expectations"  
**Adeline Delavande** (RAND)
4. "Individual Perceptions of the Criminal Justice System"  
**Lance Lochner** (University of Western Ontario)

### 15:45-17:45 Monetary Economies with Segmented Markets

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1. "Sticky Demand or Sticky Prices?"  
**Chris Edmond** (NYU)
2. "Endogenously Segmented Asset Market in an Inventory Theoretic Model of Money Demand"  
**Jonathan Chiu** (University of Western Ontario)
3. "Inflation & Interest Rates with Endogenous Market Segmentation"  
Aubhik Khan & **Julia K. Thomas** (University of Minnesota)
4. "A Likelihood-Based Evaluation of the Segmented Markets Friction in Equilibrium Monetary Models"  
John Landon-Lane & **Filippo Occhino** (Rutgers University)

# Auditorium

## Saturday, June 25

### 10:00-12:00 Empirical Analysis of Reallocation Frictions

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1. "A Theory of the Matching Function"  
**Robert Shimer** (University of Chicago)
2. "An Empirical Model of Growth Through Product Innovation"  
**Rasmus Lentz** (Boston University) & Dale T. Mortensen
3. "Career Dynamics Under Uncertainty: Estimating the Value of Firm Experimentation"  
**Elena Pastorino** (UPenn)
4. "Minimum Wage & Compliance in a Model of Search On-the-Job"  
**Zvi Eckstein** (Tel Aviv University), S. Ge & B. Petrongolo

### 13:15-15:15 Optimal Fiscal & Monetary Policy

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1. "On the Privatization of Public Debt"  
Marco Del Negro, Fabrizio Perri & **Fabiano Schivardi** (Bank of Italy)
2. "The Benefits of Low Inflation: Financial Development within an Endogenous Growth Economy"  
**Max Gillman** (CEU), Mark Harris & Michal Kejak
3. "Benefits from U.S. Monetary Policy Experimentation in the Days of Samuelson"  
Timothy Cogley, Riccardo Colacito & **Thomas Sargent** (NYU)
4. "Endogenous Money, Inflation & Welfare"  
Espen Henriksen & **Finn Kydland** (Carnegie Mellon University)

### 15:45-17:45 On the Determinants of Business Cycles

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1. "Stock Prices, Total Factor Productivity & Economic Fluctuations: Some Further Evidence from Japanese & U.S. Sectoral Data"  
Paul Beaudry & **Franck Portier** (Universite de Toulouse)
2. "The European Unemployment Experience: Theoretical Robustness"  
**Lars Ljungqvist** (Stockholm School of Economics) & Thomas J. Sargent
3. "Growth Expectations & Business Cycles"  
**Wouter J. Denhaan** (LSE) & Georg Kaltenbrunner
4. "Why have business cycle fluctuations become less volatile?"  
Andres Arias, **Gary Hansen** (UCLA) and Lee Ohanian

# Room F309

## Saturday, June 25

### 10:00-12:00 Growth Perspectives

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1. "Human Capital & the Wealth of Nations"  
**Rodolfo Manuelli** (University of Wisconsin) & Ananth Seshadri
2. "Colonies"  
**Matthias Doepke** (UCLA) & Andrea Eisfeldt
3. "Three Equations Generating an Industrial Revolution"  
**Michele Boldrin** (University of Minnesota) & Larry E. Jones
4. "A Life-Cycle Theory of Household Size: United States 1850-2000"  
Todd Schoellman & **Michele Tertilt** (Stanford University)

### 13:15-15:15 International Trade, FDI & Offshoring

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1. "Varieties, Terms of Trade & Growth"  
**Christian Broda** (FRB New York) & David Weinstein
2. "An Anatomy of International Trade: Evidence from French Firms"  
Jonathan Eaton, **Samuel Kortum** (U. Minnesota) & Francis Kramarz
3. "An Assignment Theory of Foreign Direct Investment"  
**Volker Nocke** (UPenn) & Stephen Yeaple
4. "Offshoring in a Knowledge Economy"  
Pol Antràs, Luis Garicano & **Esteban Rossi-Hansberg** (Stanford U.)

### 15:45-17:45 Empirical Research in Labor Economics

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1. "The Public Pay Gap in Britain: Small Differences that (Don't?) Matter"  
**Fabien Postel-Vinay** (CREST-INSEE) & Hélène Turon
2. "More Results on the Use of Record Statistics in Job Search Models"  
**Gadi Barlevy** (FRB Chicago)
3. "Career Progression & Formal vs. On the Job Training"  
J. Adda, C. Dustmann, C. Meghir & **Jean-Marc Robin** (Univ. Paris 1)
4. "How Large are Search Frictions?"  
Pieter Gautier & **Coen Teulings** (University of Amsterdam)



# Room F409

## Saturday, June 25

### 10:00-12:00 Topics in International Economics

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1. "Fiscal Policy Amplified Shocks in Emerging Markets"  
Mark Aguiar, **Manuel Amador** (Stanford U.) & Gita Gopinath
2. "Why Does Capital Flow to the Wrong Countries?"  
**Pierre-Olivier Gourinchas** (UC Berkeley) & Olivier Jeanne
3. "Sudden Stops in an Equilibrium Business Cycle Model with Credit Constraints: A Fisherian Deflation of Tobin's Q"  
**Enrique G. Mendoza** (University of Maryland)
4. "Trade Costs, Pricing to Market & International Relative Prices"  
Andrew Atkeson & **Ariel Burstein** (UCLA)

### 13:15-15:15 Theoretical & Empirical Implications of Incomplete Markets Models

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1. "Borrowing Constraints, Durables & the Business Cycle"  
**Jesus Fernandez-Villaverde** (UPenn) & Dirk Krueger
2. "Job Displacement Risk & the Cost of Business Cycles"  
**Tom Krebs** (Brown University)
3. "Rising Earnings Instability & Prices of Housing & Financial Assets"  
**Makoto Nakajima** (University of Illinois)
4. "U.S. Inequality: Debt Constraints or Incomplete Markets?"  
**Juan Carlos Cordoba** (Rice University)

### 15:45-17:45 Perspectives on Sovereign Debt & Default

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1. "Haircuts"  
Federico Sturzenegger & **Jeromin Zettelmeyer** (IMF)
2. "Sovereign Defaults: Information, Investment & Credit"  
**Guido M. Sandleris** (Columbia University)
3. "A Theory of Debt Overhang & Buyback"  
Natalia Kovrijnykh & **Balázs Szentes** (University of Chicago)
4. "Guano Happens: Two Centuries of Sovereign Debt & Default"  
Mike Tomz & **Mark Wright** (Stanford University)

# Room F509

## Saturday, June 25

### 10:00-12:00 Dynamic Models of Legislative Bargaining

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1. "Bargaining over Taxation"  
Julio Davila, **Jan Eeckhout** (UPenn) & Cesar Martinelli
2. "Dynamics of Westminster Parliamentarism"  
**Tasos Kalandrakis** (University of Rochester)
3. "A Positive Theory of Public Investment"  
**Marco Battaglini** (Princeton University) & Stephen Coate
4. "A Dynamic Theory of Endogenous Constitutions"  
Matteo Cervellati, Piergiuseppe Fortunato, **Uwe Sunde** (IZA)

### 13:15-15:15 Impulse & Propagation Mechanisms

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1. "Learning-by-Doing or Habit Formation?"  
**Hafedh Bouakez** (HEC Montreal) & Takashi Kano
2. "Stabilization vs. Insurance: Welfare Effects of Procyclical Taxation Under Incomplete Markets"  
**James Costain** (Universidad Carlos III de Madrid) & Michael Reiter
3. "Ambiguity & the Welfare Costs of Aggregate Fluctuations"  
**Irasema Alonso** (University of Rochester) & Jose Mauricio Prado Jr.
4. "The Granular Origins of Aggregate Fluctuations"  
**Xavier Gabaix** (MIT)

### 15:45-17:45 Time Consistency of Monetary & Fiscal Policy

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1. "Default Risk, the Real Exchange Rate & Income Fluctuations in Emerging Economies"  
**Cristina Arellano** (University of Minnesota)
2. "Optimal Fiscal Policy & the (Lack of) Time Inconsistency Problem"  
**Marina Azzimonti** (U. Iowa), Pierre-Daniel Sarte & Jorge Soares
3. "Time Consistent Fiscal Policy & Heterogeneous Agents"  
**Roc Armenter** (FRB New York)
4. "Tax Riots"  
**Marco Bassetto** (University of Minnesota) & Christopher Phelan

# Room F609

## Saturday, June 25

### 10:00-12:00 Social Security

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1. "Sustainable Social Security"  
**Thomas Eisensee** (Stockholm University)
2. "The Welfare Gains of Improving Risk Sharing in Social Security"  
**Conny Olovsson** (Stockholm School of Economics)
3. "Immigration & the Survival of the Welfare State"  
**Francesc Ortega** (Universitat Pompeu Fabra)
4. "Pareto-Improving Social Security Reform"  
**Douglas H. Joines** (USC)

### 13:15-15:15 Growth

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1. "The Stock Market & the Allocation of Capital in a Production Economy"  
**Joel Peress** (INSEAD)
2. "Intermediation Costs, Investor Protection & Economic Development"  
Antonio Antunes, **Tiago Cavalcanti** (Universidade Nova de Lisboa) & Anne P. Villamil
3. "Technological Diversification"  
**Miklós Koren** (Harvard University & Hungarian Academy of Sciences) & Silvana Tenreyro
4. "Corporate Taxes, Growth & Welfare in a Schumpeterian Economy"  
**Pietro F. Peretto** (Duke University)

### 15:45-17:45 Trade, Institutions & Growth

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1. "Globalization & Democracy, 1870-2000"  
Jose Ernesto Lopez Cordova & **Christopher M. Meissner** (University of Cambridge)
2. "An Unbalanced Growth Path for the Global Economy"  
**Cristina Echevarria** (U. Saskatchewan) & Christopher Hajzler
3. "Institutions: Why are They Persistent & Why do They Change?"  
**Bryan Paterson** (Queen's University)
4. "On the Joint Dynamics of Inequality & Growth"  
F. Jaramillo, **Hubert Kempf** (Univ.Paris-1 Pantheon-Sorbonne) & F. Moizeau

# Room F809

## Saturday, June 25

### 13:15-15:15 Empirical Studies of Consumption Behavior

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1. "Aggregate Shocks, Idiosyncratic Risk & Durable Goods Purchases: Evidence from Turkey's 1994 Financial Crisis"  
**Burcu Duygan** (European University Institute)
2. "Adjustment to a Large Shock- Do Households Smooth Low Frequency Consumption?"  
**Nicola Fuchs-Schuendeln** (Harvard University)
3. "Temptation & Self-Control: Some Evidence from the Consumer Expenditure Survey"  
**Xiadong (Kevin) Huang** (FRB Philadelphia) Zheng Liu, Qi Zhu
4. "Risk Sharing"  
**Martin Gervais** (University of Western Ontario) & Paul Klein

### 15:45-17:45 Life Cycle Decisions & Altruism

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1. "Subjective Morality Risks & Bequests"  
Li Gan, **Guan Gong** (UT Austin), Michael Hurd & D. McFadden
2. "Explaining Life-Cycle Asset Allocation: The Role of Bequests & Under-Diversification"  
**Claudio Campanale** (University of Alicante) & Fatih Guvenen
3. "Elimination of Social Security in a Dynastic Framework"  
Luisa Fuster, Ayse Imrohoroglu and **Selo Imrohoroglu** (USC)
4. "The Effects of Longevity & Distortions on Education & Retirement"  
**Pedro Cavalcanti Ferreira** (Getulio Vargas) & Samuel de Abreu Pessoa

# Society for Economic Dynamics

## Program

### Last Minute Changes

- Paper 1.1.4 replaced by “Why do financial systems differ? History Matters”  
Erwan Quintin and **Cyril Monnet**(ECB)
- Paper 1.4.2 cancelled
- Paper 1.9.1 replaced by “Monetary and Fiscal Policy in a Monetary Union”  
Bernardino Adão, Nuno Alves, **Jose B. Brito** (Banco de Portugal), and Isabel Correia
- Paper 1.9.3 replaced by “Heterogeneous Plants and Trade: Lessons from the Canada-US FTA”  
**Michael Rolleigh** (Williams College)
- Add paper 1.15.4 “Accounting for General Equilibrium Effects in Program Evaluation”  
**Miana Plesca** (University of Guelph)
- Paper 1.19.2 cancelled
- Paper 1.19.3 cancelled
- Paper 1.19.4 title updated to “More on Unemployment and Vacancy Fluctuations”  
**Dale Mortensen** (Northwestern University)
- Paper 1.21.2 title updated to “Exchange Rate Regimes” Bernardino Adão, Isabel Correia and **Pedro Teles** (FRB Chicago)
- Paper 2.8.1 changed to “Aggregate Investment Expenditures on Traded and Nontraded Goods”  
**Rudolfs Bems** (Stockholm School of Economics)
- Paper 2.20.2 cancelled
- Paper 2.27.4 title and presenter updated: “Optimal Fiscal and Monetary Policy in Open Economies”  
Bernardino Adão and **Isabel Correia** (Banco de Portugal)

- Add paper 3.3.4 “A Dynamic Theory of Endogenous Constitutions”  
Matteo Cervellati, Piergiuseppe Fortunato, **Uwe Sunde** (IZA)
- Paper 3.4.1 title updated to “A Theory of the Matching Function”  
**Robert Shimer** (University of Chicago)
- Paper 3.9.1 presenter updated “Unemployment Dynamics with Staggered Nash Wage Bargaining”  
Mark Gertler (NYU) and **Antonella Trigari** (Bocconi)
- Paper 3.25.3 replaced by “Elimination of Social Security in a Dynastic Framework”  
Luisa Fuster, Ayse Imrohoroglu and **Selo Imrohoroglu** (USC)
- Paper 3.28.4 replaced by “Why have business cycle fluctuations become less volatile?”  
Andres Arias, **Gary Hansen** (UCLA) and Lee Ohanian