

7th Annual Bank of Finland/CEPR Conference: Credit and the Macroeconomy

Helsinki, 2-3 November 2006

Programme

For each paper the author has 35 minutes, the discussant 15, with 10 minutes for general discussion.

Thursday, 2 November

Chair	Jouko Vilmunen, Bank of Finland
08.30 – 08.45	Welcome and Registration
08.45 – 09.00	Opening Remarks Sinikka Salo, Member of the Board, Bank of Finland
09.00 – 10.00	The Magnitude and Cyclical Behavior of Credit Market Frictions *Andrew T. Levin (Board of Governors of the Federal Reserve System and CEPR) Fabio Natalucci (Board of Governors of the Federal Reserve System) Egon Zakrajšek (Board of Governors of the Federal Reserve System)
Discussant	Joseph Pearlman (London Metropolitan University)
10.00 – 11.00	The Role of Debt and Equity Finance over the Business Cycle Francisco Covas (Bank of Canada) *Wouter J. den Haan (University of Amsterdam and CEPR)
Discussant	John Driffill (Birkbeck College and CEPR)
11.00 – 11.30	<i>Coffee</i>
11.30 – 12.30	How Important are Financial Frictions in the U.S. and the Euro Area? Virginia Queijo (IIES, Stockholm University)
Discussant	Stefano Neri (Banca d'Italia)
12.30 – 13.30	<i>Lunch</i>

- Chair: Martin Ellison, University of Warwick and CEPR
- 13.30 – 14.30 **Financial Frictions, Investment and Tobin's q**
Guido Lorenzoni (MIT)
*Karl Walentin (Sveriges Riksbank)
- Discussant Hubert Kempf (Banque de France and Université Paris-1 Panthéon-Sorbonne)
- 14.30 – 15.30 **Managerial Incentives, Capital Reallocation, and the Business Cycle**
Andrea L. Eisfeldt (Northwestern University)
*Adriano A. Rampini (Duke University)
- Discussant Pietro Reichlin (Università LUISS G. Carli and CEPR)
- 15.30 – 16.00 *Coffee*
- 16.00 – 17.00 **Entrepreneurship, Financiership, and Selection**
*Tuomas Takalo (Bank of Finland)
Otto Toivanen (University of Helsinki)
- Discussant Akos Valentinyi (University of Southampton and CEPR)
- 17.00 – 18.00 **Agency Costs, Net Worth and Endogenous Business Fluctuations**
Giovanni Favara (IIES, Stockholm University)
- Discussant Ari Hyytinen (Bank of Finland)
- 18.00 **Close**
- 18.30 **Dinner**

Friday, 3 November

- Chair Alistair Milne, Bank of Finland
- 09.00 – 10.00 **Investment during the Korean Financial Crisis: the Role of Foreign-Denominated Debt**
*Simon Gilchrist (Boston University)
Jae Sim (Boston University)
- Discussant Philippe Bacchetta (Study Center Gerzensee, Université de Lausanne and CEPR)
- 10.00 – 11.00 **Monetary Policy under Sudden Stops**
Vasco Cúrdia (Federal Reserve Bank of New York)
- Discussant Giovanni Lombardo (European Central Bank)



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11.00 – 11.30	<i>Coffee</i>
11.30 – 12.30	The Role of Housing Collateral in an Estimated Two-Sector Model of the U.S. Economy *Matteo Iacoviello (Boston College) Stefano Neri (Banca d'Italia)
Discussant	Livio Stracca (European Central Bank)
12.30 – 13.30	<i>Lunch</i>
Chair	Esa Jokivuolle, Bank of Finland
13.30 – 14.30	Expectations, Asset Prices, and Monetary Policy: The Role of Learning Simon Gilchrist (Boston University) *Masashi Saito (Bank of Japan and Institute for Monetary and Economic Studies)
Discussant	Andrea Pescatori (Universitat Pompeu Fabra and Federal Reserve Bank of Cleveland)
14.30 – 15.30	Credit Market and Macroeconomic Volatility Caterina Mendicino (Bank of Canada)
Discussant	Ferre de Graeve (Ghent University)
15.30 – 16.00	<i>Coffee</i>
16.00 – 17.00	Credit and the Natural Rate of Interest Fiorella De Fiore (European Central Bank) *Oreste Tristani (European Central Bank)
Discussant	Liam Graham (University College London)
17.00	Close of conference by Jouko Vilmunen, Head of Research Department, Bank of Finland

For papers which have more than one author, the * denotes the speaker

Organizers: Jouko Vilmunen (Bank of Finland)
Martin Ellison (University of Warwick and CEPR)

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