



Bank of Finland and CEPR Joint Conference on

Monetary Economics and Reality

Bank of Finland, Helsinki, 12-13 October 2019

Saturday 12 October

8:00 – 8:30 *Registration and welcome coffee*

8:30 – 10:40 Session 1
Invited speaker, *"Expectations and the Zero Lower Bound"*
Mirko Wiederholt (Science Po and CEPR)

"The limits of forward guidance"

Filippo Ferroni (Federal Reserve Bank of Chicago) joint with Jeffrey R. Campbell, Jonas D. M. Fisher, Leonardo Melosi

Discussant: Christina Patterson (University of Chicago)

"Economic agents as imperfect problem solvers"

Rosen Valchev (Boston College) joint with Cosmin Ilut

Discussant: Luigi Lovino (Bocconi University)

10:40 – 11:00 *Coffee Break*

11:00 – 13:00 Session 2
Invited speaker, *"Collateral Booms and Information Depletion"*
Alberto Martin (CREI) joint with Vladimir Asriyan and Luc Laeven

"Zombie Credit and (Dis-)Inflation: Evidence from Europe"

Matteo Crosignani (Michigan Ross) joint with Viral V. Acharya, Michigan Ross, Tim Eisert and Christian Eufinger

Discussant: Sanjay Singh (University of California Davis)

"Is There a Zero Lower Bound? The Effects of Negative Policy Rates on Banks and Firms"

Lorenzo Burlon (European Central Bank) joint with Carlo Altavilla, Mariassunta Giannetti and Sarah Holton

Discussant: Andrea Polo (LUISS and EIEF)

13:00 – 14:00 *Lunch*

14:00 – 15:00 Keynote: *A Crisis of Beliefs*,
Andrei Shleifer (Harvard University)

15:00 – 15:30 *Coffee Break*

- 15.30 – 17.40 Session 3
Invited speaker, Banks, “Monetary Policy, Macroprudential Policy and the Financial Cycle ”
Ivan Werning (MIT) joint with Emmanuel Farhi
- “IQ, Expectations, and Choice”*
Francesco D'Acunto (Boston College) joint with, Daniel Hoang, Maritta Paloviita, Michael Weber
Discussant: Andreas Fuster (Swiss National Bank)
- “Inflation Expectations and Consumption Decisions”*
Erwan Gautier (Banque de France) joint with Philippe Andrade
Discussant: Concetta Rondinelli (Bank of Italy)

Sunday 13 October

- 8:30 – 10:40 Session 4
- “The Behavioral Financial Accelerator”*
Jasmine Xiao (University of Notre Dame) joint with Antonio Falato
Discussant: Egon Zakrajsek (Board of Governors of the Federal Reserve System)
- “Subjective Models of the Macroeconomy”*
Johannes Wohlfahrt (Goethe University Frankfurt) joint with Peter Andre, Carlo Pizzinelli and Christopher Roth
Discussant: Dimitris Georgarakos (European Central Bank)
- “The Impact of Households’ Uncertainty on their Expenditure”*
Dimitris Christelis (University of Glasgow) joint with Dimitris Georgarakos and Maarten van Rooij
Discussant: Luigi Guiso (Einaudi Institute)
- 10:40 – 11:00 *Coffee Break*
- 11:00 – 13:10 Session 5
- Invited speaker, “*The Household Channel of Monetary Policy in the Euro Area: A Back of the Envelope Calculation*”, with Jirka Slacalek and Oreste Tristani
Gianluca Violante (Princeton and CEPR)
- “Consumption and Investment Response to Monetary Policy: Evidence of the HANK channel”*
Yeow Hwee Chua (National University of Singapore) joint with Sumit Agarwal, Pulak Ghosh, and Changcheng Song
Discussant: Jirka Slacalek (European Central Bank)
- “Monetary Policy in Incomplete Market Models: Theory and Evidence”*
Marcus Hagedorn (University of Oslo) joint with Iourii Manovskii and Kurt Mitman
Discussant: Markus Sihvonon (Bank of Finland)

13:10 – 14:10 *Lunch*

14:10 – 16:10 Session 6

“Monetary Policy and the Cost of Wage Rigidity: Evidence from the Stock Market”

Vincenzo Pezone (Goethe University Frankfurt and SAFE) joint with Ester Faia

Discussant: Carlos Carvalho (PUC-Rio)

“Monetary Policy and Heterogeneity: An Analytical Framework”

Florin Bilbiie (University of Lausanne)

Discussant: Christian Bayer (University of Bonn and CEPR)

“Stock Market's Assessment of Monetary Policy Transmission: The Cash Flow Effect”

Refet Gürkaynak (Bilkent University, CEPR, CFS, and CESifo) joint with Hatice Gökçe Karasoy-Can and Sang Seok Lee

Discussant: Ander Perez (Board of Governors of the Federal Reserve System)

* Name of presenter in **bold**

Presentations are divided into 25 minutes for presenters, 10 minutes for discussants and 5 minutes for Q&A.

Presentations of invited speakers are divided into 40 minutes for presenter and 10 minutes for general discussion.

Organisers:

Francesco D'Acunto (Boston College)

Daniel Hoang (Karlsruhe Institute of Technology)

Seppo Honkapohja (Aalto University and CEPR)

Esa Jokivuolle (Bank of Finland)

Michael Weber (University of Chicago)