

Stabilization policies: Lessons from the COVID-19 crisis and prospects for future policy strategies

8th Conference on New Developments in Business Cycle Analysis
Virtual Conference hosted by Deutsche Bundesbank

13 – 14 December 2021

(All times are CET)

Day 1: Monday, December 13

12:30 – 12:45 **Webex opens,**
opportunity for technical checks

12:45 – 13:00 **Welcome address**
by **Christian Schumacher** (Deutsche Bundesbank)

13:00 – 14:15 **Parallel Session 1A on financial markets**

Chair: Cristina Manea (Deutsche Bundesbank)

**“Outlasting the Pandemic: Corporate Payout and
Financing Decisions During Covid-19”**

by **Allan Timmermann** (University of California San Diego) with
Davide Pettenuzzo (Brandeis University), Riccardo Sabbatucci (Department
of Finance, Stockholm School of Economics and Swedish House of Finance)

“Credit and Liquidity Policies during Large Crises”

by **Miguel Faria-e-Castro** (Federal Reserve Bank of St. Louis) with
Mahdi Ebsim (New York University), Julian Kozlowski (Federal Reserve
Bank of St. Louis)

“Monetary Policy and Endogenous Financial Crises”

by **Frederic Boissay** (Bank for International Settlement) with
Fabrice Collard (Toulouse School of Economics), Jordi Galí (CREI, Universitat
Pompeu Fabra and Barcelona GSE), Cristina Manea (Deutsche Bundesbank)

13:00 – 14:15 **Parallel Session 1B on fiscal issues**

Chair: Natascha Hinterlang (Deutsche Bundesbank)

“Gauging the Effects of the German COVID-19 Fiscal Stimulus Package”

by **Natascha Hinterlang (Deutsche Bundesbank)** with
Stéphane Moyen (Deutsche Bundesbank), Oke Röhe (Deutsche Bundesbank),
Nikolai Stähler (Deutsche Bundesbank)

“The Macroeconomic Effects of Corporate Tax Reforms”

by **Blanco Julio Andrés (University of Michigan)** with
Isaac Baley (UPF, CREI, BSE, CEPR)

“The Effects of Government Spending in the Eurozone”

by **Pessoa Ana Sofia (University of Bonn)** with Ricardo Duque Gabriel
(University of Bonn), Mathias Klein (Sveriges Riksbank)

14:15 – 14:25 Breakout Sessions (one per Paper)

14:25 – 15:40 **Parallel Session 2A on macroeconomic transmission**

Chair: Mathias Hoffmann (Deutsche Bundesbank)

“The Transmission of Keynesian Supply Shocks”

by **Ambrogio Cesa-Bianchi (Bank of England)** with
Andrea Ferrero (University of Oxford, CEPR and CfM)

“The Death and the Resurrection of the Phillips Curve”

by Francesco Furlanetto (Norges Bank) with **Drago Bergholt (Norges Bank)**,
Etienne Vaccaro Grange (NYU Abu Dhabi)

**“What Can Stockouts Tell Us About Inflation?
Evidence from Online Micro Data”**

by **Oleksiy Kryvtsov (Bank of Canada)** with
Alberto Cavallo (Harvard Business School)

14:25 – 15:40 **Parallel Session 2B on macroeconomic consequences**

Chair: Pernille Valentin Borgensgaard (Danmarks Nationalbank)

**“Macroeconomic Consequences of Stay-At-Home Policies During
the COVID-19 Pandemic”**

by **Neha Bairoliya (University of Southern California)** with
Ayşe İmrohoroğlu (University of Southern California)

**“Can the cure kill the patient? Corporate credit interventions and
debt overhang”**

by **Fabrice Tourre (Copenhagen Business School)** with
Nicolas Crouzet (Northwestern University)

“Job Retention During the COVID-19 Pandemic”

by **Pernille Valentin Borgensgaard (Danmarks Nationalbank)**

- 15:40 – 15:50 Breakout Sessions (one per Paper)
- 15:50 – 16:05 Break
- 16:05 – 17:05 Keynote by Veronica Guerrieri (University of Chicago)
- 17:05 – 17:55 **Parallel Session 3A on financial markets**

Chair: Johannes Poeschl (Danmarks Nationalbank)

“Aggregate Risk in the Term Structure of Corporate Credit”
by **Johannes Poeschl (Danmarks Nationalbank)** with Ram Yamarthy
(Office of Financial Research within the U.S. Department of the Treasury)

“Turbulence Business Cycles”
by Zheng Liu (Federal Reserve Bank of San Francisco) with
Pengfei Wang (HSBC School of Business, Peking University), and
Ding Dong (Hong Kong University of Science and Technology)

- 17:05 – 17:55 **Parallel Session 3B on fiscal policy**

Chair: Olga Goldfayn-Frank (Deutsche Bundesbank)

“A Temporary VAT Cut as Unconventional Fiscal Policy”
by **Olga Goldfayn-Frank (Deutsche Bundesbank)** with
Rüdiger Bachmann (University of Notre Dame, CEPR, CESifo, and ifo Institute),
Benjamin Born (Frankfurt School of Finance & Management, CEPR,
CESifo, and ifo Institute), Georgi Kocharkov (Deutsche Bundesbank),
Ralph Luetticke (University College London, CEPR and CFM),
Michael Weber (University of Chicago, NBER and CEPR)

“Fiscal Multipliers in the COVID-19 Recession”
by **Alan Auerbach (University of California-Berkeley and NBER)** with
Yuriy Gorodnichenko (UC Berkeley and NBER), Peter B. McCrory
(J.P. Morgan Chase), Daniel Murphy (University of Virginia)

- 17:55 – 18:05 Breakout Sessions (one per Paper)
- 18:05 End of Day 1

Day 2: Tuesday, December 14

12:45 – 13:00 **Webex opens,**
Opportunity for technical checks

13:00 – 14:15 **Parallel Session 4A on financial markets**

Chair: Nicolò Maffei-Faccioli (Norges Bank)

“Corporate debt maturity matters for monetary policy”

by **Joachim Jungherr (University of Bonn)** with Matthias Meier (University of Mannheim), Timo Reinelt (University of Mannheim), Immo Schott (Université de Montréal and CIREQ)

“Racial Disparities in Access to Small Business Credit: Evidence from the Paycheck Protection Program”

by **Johannes Stroebel (New York University)** with Sabrina T. Howell (NYU Stern & NBER), Theresa Kuchler (NYU Stern & NBER), David Snitkof (Oculus), Jun Wong (University of Chicago)

“Nonlinear Transmission of Financial Shocks: Some new evidence”

by **Nicolò Maffei-Faccioli (Norges Bank)** with Mario Forni (Università di Modena e Reggio Emilia), Luca Gambetti (Barcelona School of Economics), Luca Sala (Barcelona School of Economics)

13:00 – 14:15 **Parallel Session 4B on pandemics and the macroeconomy**

Chair: Matthias Rottner (Deutsche Bundesbank)

“Pandemic Recessions and Contact Tracing”

by **Matthias Rottner (Deutsche Bundesbank)** with Leonardo Melosi (Federal Reserve Bank of Chicago and CEPR)

“Maximum Employment and the Participation Cycle”

by **Bart Hobijn (W.P. Carey School of Business, Arizona State University)** with Ayşegül Şahin (University of Texas, NBER)

“Stuck at Home: A Structural Model of Housing Demand During the COVID-19 Pandemic”

by **James Graham (University of Sydney)** with William Gamber (Federal Reserve Board of Governors), Anirudh Yadav (Reserve Bank of Australia)

14:15 – 14:25 Breakout Sessions (one per Paper)

14:25 – 15:25 Keynote by Jennifer La’O (Columbia University)

15:25 – 15:40 Break

15:40 – 16:55 **Parallel Session 5A on monetary policy and inequalities**

Chair: Eleonora Granziera (Norges Bank)

“Redistribution and the Monetary-Fiscal Policy Mix”

by **Saroj Bhattarai (University of Texas-Austin)** with
Jae Won Lee (University of Virginia), Choongryol Yang (Federal Reserve Board)

“Monetary Policy and Inequality”

by **Mia Jørgensen (Danmarks Nationalbank)** with Asger Andersen (University of Copenhagen, CEBI and DFI), Niels Johannesen (University of Copenhagen, CEBI, DFI and CEPR), José-Luis Peydró (Imperial College, UPF-CREI-ICREA and CEPR)

“Nowcasting Norwegian household consumption with debit card transaction data”

by **Eleonora Granziera (Norges Bank)** with Knut Are Aastveit (Norges Bank), Tuva M. Fastbø (Norges Bank), Kenneth S. Paulsen (Norges Bank), Kjersti N. Torstensen (Norges Bank)

15:40 – 16:55 **Parallel Session 5B on monetary and fiscal policy interactions**

Chair: Stéphane Moyen (Deutsche Bundesbank)

“Monetary Policy and the Maturity Structure of Public Debt”

by **Michele Andreolli (London Business School)**

“Can Monetary Policy Create Fiscal Capacity?”

by **Vadim Elenev (Johns Hopkins Carey Business School)** with
Tim Landvoigt (Wharton, NBER, CEPR), Patrick Schultz (Wharton),
Stijn Van Nieuwerburgh (Columbia GSB, NBER, CEPR, ABFER)

“Who is afraid of Eurobonds?”

by **Anna Rogantini Picco (Sveriges Riksbank)** with
Francesco Bianchi (Johns Hopkins University, Duke University, CEPR and NBER),
Leonardo Melosi (Federal Reserve Bank of Chicago and CEPR)

16:55 – 17:05 Breakout Sessions (one per Paper)

17:05 – 17:20 Concluding Remarks by **Federico Ravenna (Danmarks Nationalbank)**

17:20 End of the Conference

Organisers:

Francesco Furlanetto (Norges Bank),
Mathias Hoffmann (Deutsche Bundesbank),
Cristina Manea (Deutsche Bundesbank),
Stéphane Moyen (Deutsche Bundesbank),
Federico Ravenna (Danmarks Nationalbank),
Tobias Renkin (Danmarks Nationalbank)