Founders of Midwest Macro: Mario Crucini, Gerhard Glomm, Ping Wang

20th Annual Midwest Macro Conference

November 6-8, 2015

University of Rochester
Summary of All Sessions

November 6 (Friday)

(11AM Shuttle Bus from Strathallan to Goergen Hall)

<table>
<thead>
<tr>
<th>#</th>
<th>Time</th>
<th>Location</th>
<th>Title</th>
<th>Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>13:00-15:00</td>
<td>Goergen 108</td>
<td>Banking and Financial Intermediation</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>13:00-15:00</td>
<td>Wilmot 116</td>
<td>Barriers to Productivity</td>
<td>4</td>
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<tr>
<td>3</td>
<td>13:00-15:00</td>
<td>Goergen 109</td>
<td>International Trade</td>
<td>4</td>
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<tr>
<td>4</td>
<td>13:00-15:00</td>
<td>Harkness Hall 208</td>
<td>Market Structure and Monetary Policy</td>
<td>4</td>
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<tr>
<td></td>
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<td></td>
<td>Coffee Break</td>
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<tr>
<td>5</td>
<td>15:15-17:15</td>
<td>Harkness Hall 208</td>
<td>Default and Policy</td>
<td>3</td>
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<tr>
<td>6</td>
<td>15:15-17:15</td>
<td>Goergen 108</td>
<td>Frictions and Capital Reallocation</td>
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<tr>
<td>7</td>
<td>15:15-17:15</td>
<td>Wilmot 116</td>
<td>Innovation and Growth</td>
<td>4</td>
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<tr>
<td>8</td>
<td>15:15-17:15</td>
<td>Goergen 101</td>
<td>Social Insurance</td>
<td>4</td>
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<tr>
<td>9</td>
<td>17:30-18:30</td>
<td>Goergen 101 (Auditorium)</td>
<td>Plenary Session I Gianluca Violante (NYU) &quot;Optimal Tax Progressivity: An Analytical Framework&quot;</td>
<td>4</td>
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</tbody>
</table>

18:30 Shuttle Bus to Max or Strathallan
19:00- 21:00 Dinner at Max at Eastman Place
21:00 Shuttle Bus from Max to Hilton Garden Inn
### November 7 (Saturday)

**8:00AM Shuttle Bus From Strathallan to Goregen Hall**

**8AM Breakfast**

<table>
<thead>
<tr>
<th>#</th>
<th>Time</th>
<th>Location</th>
<th>Title</th>
<th>Papers</th>
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<tbody>
<tr>
<td>10</td>
<td>8:45-10:15</td>
<td>Goergen 101</td>
<td>Banking in the shadows</td>
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<tr>
<td>11</td>
<td>8:45-10:15</td>
<td>Goergen 108</td>
<td>Cash Flows, Asset Pricing, and Investment</td>
<td>3</td>
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<tr>
<td>12</td>
<td>8:45-10:15</td>
<td>Goergen 109</td>
<td>Fiscal Policy and Emerging Markets</td>
<td>3</td>
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<tr>
<td>13</td>
<td>8:45-10:15</td>
<td>Georgan 110</td>
<td>Measuring Structural Shifts</td>
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<td></td>
<td>Coffee Break</td>
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<tr>
<td>14</td>
<td>10:30-12:00</td>
<td>Goergen 101</td>
<td>Emerging Market Business Cycles</td>
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<tr>
<td>15</td>
<td>10:30-12:00</td>
<td>Goergen 109</td>
<td>Factors Affecting Inequality</td>
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<tr>
<td>16</td>
<td>10:30-12:00</td>
<td>Goergen 110</td>
<td>Household Production</td>
<td>3</td>
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<tr>
<td>17</td>
<td>10:30-12:00</td>
<td>Wilmot 116</td>
<td>Innovation, Management, and Growth</td>
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<tr>
<td>18</td>
<td>10:30-12:00</td>
<td>Goergen 108</td>
<td>Monetary and Fiscal Responses in Recession</td>
<td>3</td>
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<tr>
<td></td>
<td>12:00-13:00</td>
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<td>Lunch</td>
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<tr>
<td>19</td>
<td>13:00-15:00</td>
<td>Goergen 108</td>
<td>Exchange Rates</td>
<td>4</td>
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<tr>
<td>20</td>
<td>13:00-15:00</td>
<td>Goergen 101</td>
<td>Labor Market Dynamics and Aggregate Fluctuations</td>
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<tr>
<td>21</td>
<td>13:00-15:00</td>
<td>Goergen 110</td>
<td>Sector-Specific Human Capital</td>
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<tr>
<td>22</td>
<td>13:00-15:00</td>
<td>Wilmot 116</td>
<td>Taxation and Social Insurance</td>
<td>4</td>
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<tr>
<td>23</td>
<td>13:00-15:00</td>
<td>Goergen 109</td>
<td>Uncertainty and Savings</td>
<td>4</td>
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<td>Coffee Break</td>
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<tr>
<td>24</td>
<td>15:15-17:15</td>
<td>Wilmot 116</td>
<td>Firm Dynamics</td>
<td>4</td>
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<tr>
<td>25</td>
<td>15:15-17:15</td>
<td>Goergen 110</td>
<td>Housing</td>
<td>4</td>
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<tr>
<td>26</td>
<td>15:15-17:15</td>
<td>Goergen 109</td>
<td>International Trade and Business Cycles</td>
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<tr>
<td>27</td>
<td>15:15-17:15</td>
<td>Georgan 101</td>
<td>Optimal Policy with Financial Frictions</td>
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<tr>
<td>28</td>
<td>15:15-17:15</td>
<td>Georgan 108</td>
<td>Uncertainty Shocks</td>
<td>4</td>
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<tr>
<td>29</td>
<td>17:30-18:30</td>
<td>Georgan 101</td>
<td>Plenary Session II</td>
<td>4</td>
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<tr>
<td></td>
<td></td>
<td>(Auditorium)</td>
<td>Mark Aguiar</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>&quot;Self-Fulfilling Debt Crises&quot;</td>
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**19:00- 21:00 Dinner at Goergen Hall**

(19:00-21:00 Continuous Shuttle Bus to Strathallan and Hilton Garden)
November 8 (Sunday)

8:00AM Shuttle Bus From Strathallan to Goergen

8AM Breakfast

<table>
<thead>
<tr>
<th>#</th>
<th>Time</th>
<th>Location</th>
<th>Title</th>
<th>Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>8:45-10:15</td>
<td>Goergen 101</td>
<td>Default, Trade, and Labor Markets</td>
<td>3</td>
</tr>
<tr>
<td>31</td>
<td>8:45-10:15</td>
<td>Goergen 109</td>
<td>Fertility and Inequality</td>
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<tr>
<td>32</td>
<td>8:45-10:15</td>
<td>Goergen 108</td>
<td>Information and Learning</td>
<td>3</td>
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<tr>
<td>33</td>
<td>8:45-10:15</td>
<td>Goergen 110</td>
<td>Political Economy, Voting, and Budget Crisis</td>
<td>3</td>
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<tr>
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<td></td>
<td>Coffee Break</td>
<td></td>
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<tr>
<td>34</td>
<td>10:30-12:30</td>
<td>Goergen 110</td>
<td>Estimating Propagation Factors</td>
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<tr>
<td>35</td>
<td>10:30-12:30</td>
<td>Goergen 109</td>
<td>Fiscal Policy</td>
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<tr>
<td>36</td>
<td>10:30-12:30</td>
<td>Goergen 101</td>
<td>International Transmission and Credit</td>
<td>4</td>
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<tr>
<td>37</td>
<td>10:30-12:30</td>
<td>Goergen 108</td>
<td>Matching, Search, and Unemployment</td>
<td>4</td>
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(12:30 Shuttle Bus to Airport)
### Detailed List of Sessions

**11:00 AM Shuttle from Strathallan to Goergen Hall**

<table>
<thead>
<tr>
<th>Session 1: Market Structure and Monetary Policy</th>
<th>November 6, 2015 13:00 to 15:00</th>
<th>Harkness Hall 208</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary policy implications for an oil-exporting economy of lower long-run international oil prices</td>
<td>Presented by: Jesus Bejarano, Banco de la Republica.</td>
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</tr>
<tr>
<td>Unconventional monetary policy spillovers in a small open economy</td>
<td>Presented by: Michal Popiel, Queen's University</td>
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<tr>
<td>A Menu Cost Model with Price Experimentation</td>
<td>Presented by: David Argente, University of Chicago</td>
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</tbody>
</table>

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<thead>
<tr>
<th>Session 2: Barriers to Productivity</th>
<th>November 6, 2015 13:00 to 15:00</th>
<th>Wilmot 116</th>
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</thead>
<tbody>
<tr>
<td>Reducing US High-skill Immigration Barriers: The Case of H-1B Visa</td>
<td>Presented by: Hyun Lee, University of Chicago</td>
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<tr>
<td>Migration Restrictions: Implications on Human Capital, Output, and Welfare</td>
<td>Presented by: Byoung Hoon Seok, The Ohio State University</td>
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<tr>
<td>Growing Services. Stagnant Manufacturing: Sectoral Resource Misallocation in India</td>
<td>Presented by: Manisha Goel, Pomona College</td>
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<tr>
<td>Electrification, Telecommunications and the Finance/Growth Nexus: Evidence from Firm-level Data</td>
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</tbody>
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<thead>
<tr>
<th>Session 3: International Trade</th>
<th>November 6, 2015 13:00 to 15:00</th>
<th>Goergen 109</th>
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</thead>
<tbody>
<tr>
<td>Beyond Cash: Venture Capital, Firm Dynamics, and Economic Growth</td>
<td>Presented by: Sina Ates, University of Pennsylvania</td>
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<tr>
<td>External Economies and International Trade: A Quantitative Framework</td>
<td>Presented by: Gary Lyn, University of Massachusetts Lowell</td>
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</tr>
<tr>
<td>Optimal Corporate Tax Rates in an Asymmetric Melitz Model: Pareto vs. Log-Normal Distribution</td>
<td>Presented by: Siraj Bawa, Vanderbilt University</td>
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</tr>
</tbody>
</table>
### Session 4: Banking and Financial Intermediation  
**November 6, 2015 13:00 to 15:00**  
*Goergen 108*

- **Inequality and Financial Fragility**  
  Presented by: Yuliyan Mitkov, Rutgers University

- **Innovation-induced Bank Runs: Run in and Run out**  
  Presented by: Danxia Xie, University of Chicago

- **The Effect of Bank Recapitalization Policy on Corporate Investment: Evidence from a Banking Crisis in Japan**  
  Presented by: Michio Suzuki, University of Tokyo

- **Consumer Debt Dynamics: Follow the Increasers**  
  Presented by: Edward Knotek II, Federal Reserve Bank of Cleveland

10:15-10:30 Coffee Break

### Session 5: Default and Policy  
**November 6, 2015 15:15 to 17:15**  
*Harkness Hall 208*

- **Income Inequality and Sovereign Default**  
  Presented by: Zeynep Kabukcuoglu, University of Pittsburgh

- **A Theory of Credit Scoring and the Competitive Pricing of Default Risk**  
  Presented by: Kyle Dempsey, University of Wisconsin-Madison

- **Equilibrium Default and the Unemployment Accelerator**  
  Presented by: Gaston Navarro, Federal Reserve Board

### Session 6: Frictions and Capital Reallocation  
**November 6, 2015 15:15 to 17:15**  
*Goergen 108*

- **Labor and capital dynamics under financing frictions**  
  Presented by: Ryan Michaels, Federal Reserve Bank of Philadelphia

- **Financial Intermediation and Capital Reallocation**  
  Presented by: Fang Yang, Louisiana State University

- **Heterogeneous Capital, Financial Shocks and Medium Term Cycles**  
  Presented by: Matthew Knowles, University of Rochester

- **A search-theoretical model of capital reallocation**  
  Presented by: Wei Wang, Washington University in St. Louis
Session 7: Innovation and Growth
November 6, 2015 15:15 to 17:15
Wilmot 116

Entry costs rise with development
  Presented by: Huiyu Li, Federal Reserve Bank of San Francisco
Capital Obsolescence and Agricultural Productivity
  Presented by: Julieta Caunedo, Cornell University
High-Skilled Migration and Global Innovation
  Presented by: Rui Xu, Stanford University
Product innovation, prices and factor reallocations
  Presented by: Clemens Struck, Trinity College Dublin

Session 8: Social Insurance
November 6, 2015 15:15 to 17:15
Goergen 101

The Disability Option: Labor Market Dynamics with Macroeconomic and Health Risks
  Presented by: Amanda Michaud, Indiana University
Eating Up Productivity: Social Insurance Traps to Invest, Migrate and Grow
  Presented by: Raul Santaeulalia, Washington University St. Louis
Economic Analysis of Social Security Survivors Benefits For Dependent Children
  Presented by: Yue Li, University at Albany, SUNY
Life-time earnings inequality and income redistribution through the Social Security system in the U.S.
  Presented by: Pavel Brendler, European University Institute

Session 9: Plenary Session I: Gianluca Violante (NYU) "Optimal Tax Progressivity: An Analytical Framework
November 6, 2015 17:30 to 18:30
Goergen 101 (Auditorium)

  18:30 Shuttle to Max or Strathallan Hotel
  19:00 -21:00 Dinner at Max (Eastman Place)
  21:00 Shuttle from Max to Hilton Garden Inn
## Nov 7, Saturday
8:00 AM Shuttle from Strathallan to Goergen Hall
8:00AM: Breakfast

### Session 10: Banking in the shadows
November 7, 2015 8:45 to 10:15
Goergen 101

<table>
<thead>
<tr>
<th>Topic</th>
<th>Presenter</th>
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</thead>
<tbody>
<tr>
<td>A Model of Endogenous Loan Quality and the Collapse of the Shadow Banking System</td>
<td>Francesco Ferrante, Federal Reserve Board</td>
</tr>
<tr>
<td>Uncertainty and the Shadow Banking Crisis: A Structural Estimation</td>
<td>Xu Tian, University of Rochester</td>
</tr>
<tr>
<td>Leverage, Size Distribution, and Bank Dynamics</td>
<td>Tirupam Goel</td>
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</table>

### Session 11: Fiscal Policy and Emerging Markets
November 7, 2015 8:45 to 10:15
Goergen 109

<table>
<thead>
<tr>
<th>Topic</th>
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</thead>
<tbody>
<tr>
<td>Lifetime-Laffer Curves and the Eurozone Crisis</td>
<td>Zachary Stangebye, University of Notre Dame</td>
</tr>
<tr>
<td>Sovereign Default Resolution Through Maturity Extension and Heterogeneous Haircuts</td>
<td>Gabriel Mihalache, University of Rochester</td>
</tr>
<tr>
<td>Inequality, Fiscal Policy and Business Cycle Anomalies in Emerging Markets</td>
<td>Jacek Rothert, United States Naval Academy</td>
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### Session 12: Cash Flows, Asset Pricing, and Investment
November 7, 2015 8:45 to 10:15
Goergen 108

<table>
<thead>
<tr>
<th>Topic</th>
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<tbody>
<tr>
<td>Rational Bubbles and Ponzi Schemes:How Large are Non-Fundamental Asset Values?</td>
<td>David Domeij, Stockholm School of Economics</td>
</tr>
<tr>
<td>Accounting for the Corporate Cash Increase</td>
<td>Jake Zhao, Stony Brook University</td>
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</table>
Session 13: Measuring Structural Shifts  
November 7, 2015 8:45 to 10:15  
Georgen 110

Investment in Measured Capital and Income from Unmeasured Capital  
Presented by: Mark Lasky, Congressional Budget Office

A Tale of Transition: An Empirical Analysis of Economic Inequality in Urban China, 1986-2009  
Presented by: Haiyan Ding, Shanghai University of Finance and Economics

Demographic Trends and the Decline in Labor's Share  
Presented by: Jacob Short, University of Western Ontario

10:15-10:30 Coffee Break

Session 14: Emerging Market Business Cycles  
November 7, 2015 10:30 to 12:00  
Georgen 101

Revisiting Trend Dynamics in Small Open Economies: An Endogenous Growth Perspective  
Presented by: Nils Mattis Gornemann, International Finance Board of Governors

Sharing a Ride on the Commodities Roller Coaster: Common Factors in Business Cycles of Emerging Economies  
Presented by: Andres Gonzalez Gomez, International Monetary Fund

Trends and Cycles in Small Open Economies: Making the Case for a General Equilibrium Approach  
Presented by: Mario Crucini, Vanderbilt University

Session 15: Monetary and Fiscal Responses in Recession  
November 7, 2015 10:30 to 12:00  
Georgen 108

Fragility of Purely Real Macroeconomic Models  
Presented by: Narayana Kocherlakota, Federal Reserve Bank of Minneapolis

The Forward Guidance Puzzle  
Presented by: Marc Giannoni, Federal Reserve Bank of New York

Monetary and Macroprudential Policies under Fixed and Variable Interest Rates  
Presented by: Margarita Rubio, University of Nottingham
Session 16: Household Production  
November 7, 2015 10:30 to 12:00  
Goergen 110

Expenditure versus Time Across Households and Across Decades  
Presented by: Pedro Silos, Temple University

Does Home Production Drive Structural Transformation?  
Presented by: Solmaz Moslehi, Monash University

Housework and Fiscal Expansion  
Presented by: Daniela Hauser, Bank of Canada

Session 17: Factors Affecting Inequality  
November 7, 2015 10:30 to 12:00  
Goergen 109

Inequality in the Welfare Costs of Disinflation  
Presented by: Benjamin Pugsley, Federal Reserve Bank of New York

The evolution of wealth inequality over half a century: the role of taxes, transfers and technology  
Presented by: Baris Kaymak, Universite de Montreal

Understanding Severance Pay Determination: Mandates, Bargaining, and Unions  
Presented by: Samuel Danthine, CREST-Ensai

Session 18: Innovation, Management, and Growth  
November 7, 2015 10:30 to 12:00  
Wilmot 116

The Macro Impact of Short-Termism  
Presented by: Stephen Terry, Boston University

Innovation, Skills and Resource Misallocation in an Economy with Informality  
Presented by: Manuel Toledo, CAF

Quantifying the Effects of Patent Protection on Innovation, Imitation, Growth, and Aggregate Productivity  
Presented by: Pedro Bento, Texas A&M University

12:00 – 13:00 Lunch Break
Session 19: Exchange Rates  
November 7, 2015 13:00 to 15:00  
Goergen 108

- Real Exchange Rate Targeting and Macroeconomic Stability in Partially Dollarized Economies  
  Presented by: Marco Airaudo, Drexel University, LeBow Business School
- Global Macro Risks in Currency Excess Returns  
  Presented by: Kimberly Berg, Bank of Canada
- Exchange Rates and UIP Violations at Short and Long Horizons  
  Presented by: Rosen Valchev, Boston College
- Bad Investments and Missed Opportunities? Postwar Capital Flows to Asia and Latin America  
  Presented by: Paulina Restrepo-Echavarria, Federal Reserve Bank of St Louis

Session 20: Labor Market Dynamics and Aggregate Fluctuations  
November 7, 2015 13:00 to 15:00  
Goergen 101

- Cyclicality of Wage Structure and Vintage-Capital-Skill Complementarity  
  Presented by: Gonzalo Castex, Central Bank of Chile
- Downward Nominal Rigid Wages, Inflation, and Unemployment  
  Presented by: Jose Mustre-del-Rio, Federal Reserve Bank of Kansas City
- Sectoral Reallocation, Employment and Earnings over the Business Cycle  
  Presented by: David Wiczer, FRB St. Louis
- Labor supply factors and economic fluctuations  
  Presented by: Francesco Furlanetto, Norges Bank

Session 21: Sector-Specific Human Capital  
November 7, 2015 13:00 to 15:00  
Goergen 110

- A Dynamic Analysis of Sectoral Mismatch and the Wage-Tenure Profile  
  Presented by: David Fuller, Carnegie Mellon University
- College Expansion and Curriculum Choice  
  Presented by: Michael Kaganovich, Indiana University
- Occupational Choice, Human Capital, and Financing Constraints  
  Presented by: Rui Castro, Western University
- Labor Market Structure and College Choices  
  Presented by: HAKKI LEE, University of Pittsburgh
Session 22: Taxation and Social Insurance  
November 7, 2015 13:00 to 15:00  
Wilmot 116

Responding to the Inflation Tax  
Presented by: Cathy Zhang, Purdue University

The political economy of underfunded municipal pension plans  
Presented by: Daniele Coen-Pirani, University of Pittsburgh

Higher-Order Income Risk and Social Insurance Policy Over the Business Cycle  
Presented by: Rocio Madera, University of Minnesota

Need for (the Right) Speed: The Timing and Composition of Public Debt Deleveraging  
Presented by: Federica Romei, Stockholm School of Economics

Session 23: Uncertainty and Savings  
November 7, 2015 13:00 to 15:00  
Goergen 109

Dynastic Precautionary Savings  
Presented by: Corina Boar, University of Rochester

Understanding Portfolio Choice and Wealth Inequality: The Role of Non-Gaussian Earnings Risk with Asymmetric Mean Reversion  
Presented by: Serdar Ozkan, University of Toronto

Ambiguous Information, Permanent Income, and Consumption Fluctuations  
Presented by: Donghoon Yoo, University of Lausanne

Inflation Expectations and Consumption Expenditure  
Presented by: Michael Weber, University of Chicago

15:00-15:15 Coffee Break

Session 24: International Trade and Business Cycles  
November 7, 2015 15:15 to 17:15  
Goergen 109

Trade and Interdependence in International Networks  
Presented by: Francois de Soyres, Toulouse School of Economics

Capital Account Openness and Unemployment  
Presented by: Jun Nie, Federal Reserve Bank of Kansas City

Presented by: Terry Yip, McMaster University

Asymmetric Trade Liberalizations and Current Account Dynamics  
Presented by: Alessandro Barattieri, Collegio Carlo Alberto and ESG UQAM
Session 25: Uncertainty Shocks
November 7, 2015 15:15 to 17:15
Georgen 108
A New Approach to Identifying the Real Effects of Uncertainty Shocks
Presented by: Molin Zhong, Federal Reserve Board of Governors
Uncertainty Shocks and the Relative Price of Investment Goods
Presented by: Munechika Katayama, Kyoto University
Fluctuations in Uncertainty, Efficient Borrowing Constraints and Firm Dynamics
Presented by: Sebastian Dyrdal, University of Toronto
Residential construction lags across the US and their implications for housing supply
Presented by: Hyunseung Oh, Vanderbilt University

Session 26: Optimal Policy with Financial Frictions
November 7, 2015 15:15 to 17:15
Georgen 101
Optimal Monetary Policy at the Zero Lower Bound
Presented by: Aarti Singh, University of Sydney
Optimal Policy in Collateral Constrained Economies
Presented by: Nina Biljanovska, International Monetary Fund
Optimal Fiscal and Monetary Policy with Collateral Constraints
Presented by: Qingqing Cao, Michigan State University
Inflation Targeting with Incomplete Markets
Presented by: Jundong Zhang, Washington University in St. Louis

Session 27: Housing
November 7, 2015 15:15 to 17:15
Goergen 110
Presented by: Bulent Guler, Indiana University Bloomington
Housing and Tax-deferred Retirement Accounts
Presented by: Jie Zhou, Bank of Canada
Indebted Sellers, Housing Liquidity and Mortgage Standards
Presented by: Hongfei Sun, Queen's University
What does the house price-to-income ratio tell us about the housing market affordability: A theory and international evidence
Presented by: Charles K. Leung, City Univ. of Hong Kong
Session 28: Firm Dynamics
November 7, 2015 15:15 to 17:15
Wilmot 116

Profitability and the Lifecycle of Firms
Presented by: Missaka Warusawitharana, Board of Governors of the Federal Reserve

Dispersed information and plant dynamics in the manufacturing sector
Presented by: Jinhee Woo, University of Rochester

Firm financing mix and investment
Presented by: Patrick Macnamara, University of Manchester

Finance and Productivity Growth: Firm-level Evidence
Presented by: Oliver Levine, University of Wisconsin – Madison

Session 29: Plenary Session II: Mark Aguiar (Princeton) "Self-Fulfilling Debt Crises"
November 7, 2015 17:30 to 18:30
Goergen 101 (Auditorium)

19:00 – 21:00 BBQ Dinner at Goergen Hall
19:00-21:00 Continuous Shuttle to Strathallan Hotel or Hilton Garden Inn
Session 30: Information and Learning  
November 8, 2015 8:45 to 10:15  
Goergen 108

- The Tail that Wags the Economy: Belief-Driven Business Cycles and Persistent Stagnation  
  Presented by: Julian Kozlowski, New York University

- Monetary News Shocks  
  Presented by: Christopher Gunn, Carleton University

- Learning Efficiency Shocks, Knowledge Capital and the Business Cycle: A Bayesian Evaluation  
  Presented by: Muheullah Karimzada, McMaster University

Session 31: Default, Trade, and Labor Markets  
November 8, 2015 8:45 to 10:15  
Goergen 101

- Rebuilding Household Credit Histories: Slow Jobless Recovery from Mortgage Crises  
  Presented by: Guannan Luo, City University of Hong Kong

- The Impact of Trade on Labor Market Dynamics  
  Presented by: Maximiliano Dvorkin, Federal Reserve Bank of St Louis

- Fiscal rules and the sovereign default premium  
  Presented by: Juan Hatchondo, Indiana University

Session 32: Fertility and Inequality  
November 8, 2015 8:45 to 10:15  
Goergen 109

- Accounting for the International Quantity-Quality Trade-off  
  Presented by: Juan Cordoba, Iowa State University

- Fertility, Social Mobility, and Long Run Inequality  
  Presented by: Marla Ripoll, University of Pittsburgh

- Explaining Income Inequality and Social Mobility: The Role of Fertility and Family Transfers  
  Presented by: Diego Daruich, New York University

Session 33: Political Economy, Voting, and Budget Crisis  
November 8, 2015 8:45 to 10:15  
Goergen 110

- Macroeconomicities and the U.S. Sequestration Budget Cuts  
  Presented by: Carlos Zarazaga, Federal Reserve Bank of Dallas

- Registration Costs and Voter Turnout: Evidence from a Natural Experiment  
  Presented by: Evgenia Dechter, University of New South Wales

- Majority Voting: A Quantitative Investigation  
  Presented by: Daniel Carroll, Federal Reserve Bank of Cleveland
10:15-10:30 Coffee Break

Session 34: International Transmission and Credit
November 8, 2015 10:30 to 12:30
Goergen 101

International Transmission of Credit Shocks in an Equilibrium Model with Production Heterogeneity
   Presented by: Yuko Imura, Bank of Canada
Bond Finance, Bank Credit, and Aggregate Fluctuations in an Open Economy
   Presented by: Andres Fernandez, Inter American Development Bank
Foreign Asset Accumulation, World Interest Rates and Financial Crisis
   Presented by: Hewei Shen, Indiana University Bloomington
A Tale of Two Countries: Sovereign Default, Trade, and Terms of Trade
   Presented by: WEISHI GU, UC Santa Cruz

Session 35: Fiscal Policy
November 8, 2015 10:30 to 12:30
Goergen 109

Fiscal Policy and Durable Goods
   Presented by: Christoph Boehm, University of Michigan
The Government Spending Multiplier in a Model with the Cost Channel
   Presented by: Salem Abo-Zaid, Texas Tech University
Do Fiscal Multipliers Depend on Fiscal Positions?
   Presented by: Raju Huidrom, World Bank
Health Care Reform or Labor Market Reform? A Quantitative Analysis of the Affordable Care Act
   Presented by: Makoto Nakajima, Federal Reserve Bank of Philadelphia
Session 36: Matching, Search, and Unemployment  
November 8, 2015 10:30 to 12:30  
Goergen 108

A Stock-Flow Theory of Unemployment with Endogenous Match Formation  
Presented by: William Hawkins, Yeshiva University

Heterogeneity and Unemployment Dynamics  
Presented by: Hie Joo Ahn, Federal Reserve Board

Do High-Wage Jobs Attract more Applicants? Directed Search Evidence from the Online Labor Market  
Presented by: Benjamin Villena-Roldan, University of Chile

Estimating Matching Efficiency with Variable Search Effort  
Presented by: Marianna Kudlyak, Federal Reserve Bank of Richmond

Session 37: Estimating Propagation Factors  
November 8, 2015 10:30 to 12:30  
Goergen 110

Identification and estimation of heterogeneous agent models: A likelihood approach  
Presented by: Juan Carlos Parra Alvarez, University of Aarhus

Price-Cost Markup Cyclicality: New Evidence and Implication  
Presented by: Ryan Kim, Columbia University

Goods Market Frictions and the Labor Wedge  
Presented by: Jan Duras, Texas Tech University

The Endogenous Relative Price of Investment  
Presented by: Joel Wagner,

ADJOURN

12:30 Shuttle Bus from Goergen Hall to Airport
Midwest Macroeconomics Conference
Transportation Schedule
Friday, November 6, 2015 – Sunday, November 8, 2015

Friday, November 6th – UR # 2658
- 11:00 am- Guests at the Strathallan Hotel will take hotel provided transportation to Goergen Hall
- **6:30 pm – 2 shuttles (1st shuttle)** Pick up at Goergen Hall – Intercampus Dr. and drop off at Max’s – 25 Gibbs St. **(2nd shuttle)** Pick up at Goergen Hall- Intercampus drive and drop off at Strathallan Hotel- 550 East Avenue. **BOTH shuttles** Return to Goergen Hall and bring remaining guests to Max’s – 25 Gibbs Street
- **9:00 pm** – Pick up at Max’s – 25 Gibbs St. and drop off at Strathallan – 550 East Ave. and Hilton Garden Inn – Celebration Dr.

Saturday, November 7th – UR # 2659
- **8:00am**- Guests at the Strathallan Hotel will take hotel provided transportation to Goergen Hall
- **7:00 pm – 9:00 pm** – Continuous shuttle from Goergen Hall – Intercampus Dr. to Strathallan Hotel – 550 East Ave. and Hilton Garden Inn – Celebration Dr.

Sunday, November 8th – UR # 2660
- **8:00am**- Guests at the Strathallan Hotel will take hotel provided transportation to Goergen Hall
- **12:30 pm** – Pick up at Goergen Hall – Intercampus Dr. and drop off at the Airport – Brooks Ave.

Gray: Transportation Provided by Strathallan Hotel
Black: Transportation provided by the University of Rochester