Melbourne Institute Macroeconomic Policy Meetings

2nd Edition, October 5-6, 2016

Venue: Room 605, Melbourne Institute, 111 Barry Street, FBE Building - Level 6.

Aim: The **Melbourne Institute Macroeconomic Policy Meetings** aim to foster discussion on "hot issues" in macroeconomic policy by involving leading scholars conducting research with state-of-the-art theoretical and/or empirical tools. This year's theme is **"The Macroeconomics of Uncertainty and Volatility"**.

Main sponsors: Australian Treasury, Reserve Bank of Australia, and Reserve Bank of New Zealand.

Day 1: October 5, 2016

09:00-09:20 Welcome Address
Abigail Payne (Director, Melbourne Institute)

09:20-11:00: Session 1
Chair: **Chris Edmond** (University of Melbourne)

Scott R. Baker (Northwestern University): ***"Does Uncertainty Reduce Growth? Using Disasters as Natural Experiments"***, with Nicholas Bloom (Stanford University) and Stephen Terry (Boston University)

Piergiorgio Alessandri (Bank of Italy): ***"Bank Lending in Uncertain Times"***, with Margherita Bottero (Bank of Italy)

11:00-11:30: Coffee break

11:30-12:45: Keynote Speech
Chair: **Efrem Castelnuovo** (Melbourne Institute and Dept. of Economics, University of Melbourne)

Nicholas Bloom (Stanford University): ***"The Finance-Uncertainty Multiplier"***, with Ivan Alfaro (Ohio State University) and Xiaoji Lin (Ohio State University)

12:45-14:00: Lunch

14:00-16:00: Session 2
Chair: **Mariano Kulish** (University of New South Wales)

Bruce Preston (University of Melbourne): ***"Fiscal Foundations of Inflation: Imperfect Knowledge"***, with Stefano Eusepi (Federal Reserve Bank of New York)

Yi Huang (Graduate Institute, Geneva): ***"Aggregate Uncertainty and Sectoral Productivity Growth: The Role of Credit Constraints"***, with Sangyup Choi (International Monetary Fund), Davide Furceri (International Monetary Fund) and Prakash Loungani (International Monetary Fund)

Angeliki Theophilopoulouz (University of Westminster): ***"The State Level Impact of Uncertainty Shocks"***, with Haroon Mumtaz (Queen Mary University) and Laura Sunder-Plassmanny (University of Copenhagen)

16:00-16:30: Coffee break

16:30-18:00: Panel Discussion on "Uncertainty: Macroeconomic Effects and Policy Reactions"
Chair: **Efrem Castelnuovo** (Melbourne Institute and Dept. of Economics, University of Melbourne)

Nicholas Bloom (Stanford University)
Girol Karacaoglu (New Zealand Treasury)
Christopher Kent (Reserve Bank of Australia)
John McDermott (Reserve Bank of New Zealand)
John Swieringa (Australian Treasury)

18:30: Dinner at the University House (Professors Road)

Day 2: October 6, 2016

09:00-10:40: Session 3
Chair: **Martin Berka** (University of Auckland)

Michael Siemer (Federal Reserve Board): ***"Uncertainty and International Capital Flows"***, with François Gourio (Federal Reserve Bank of Chicago) and Adrien Verdelhan (MIT Sloan School)

Sarah Mouabbi (Banque de France): ***"The Joint Dynamics of the U.S. and Euro-area Inflation: Expectations and Time-varying Uncertainty"***, with Olesya Grishchenko (Federal Reserve Board) and Jean-Paul Renne (HEC Lausanne)

10:40-11:10: Coffee break

11:10-13:10: Session 4
Chair: **Benjamin Wong** (Reserve Bank of New Zealand)

Gabriela Nodari (Reserve Bank of Australia), ***"Monetary Policy Forecast Disagreement"***, with James Morley (University of New South Wales)

Klodiana Istrefi (Banque de France): ***"Subjective Interest Rate Uncertainty and the Macroeconomy: An International Panel Approach"***, with Sarah Mouabbi (Banque de France)

Giovanni Caggiano (University of Padova and Monash University), ***"Estimating the Real Effects of Uncertainty Shocks at the Zero Lower Bound"***, with Efrem Castelnuovo (Melbourne Institute and Dept. of Economics, University of Melbourne) and Giovanni Pellegrino (Melbourne Institute, University of Melbourne)

13:10-14:30: Lunch

14:30-16:30: Session 5
Chair: **Giovanni Pellegrino** (Melbourne Institute, University of Melbourne)

Arpita Chatterjee (University of New South Wales): ***"International Spillovers of US Uncertainty"***, with Saroj Bhattarai (University of Texas at Austin) and Woong Yong Park (Seoul National University)

Tugrul Vehbi (Reserve Bank of New Zealand): ***"International Spillovers of Uncertainty Shocks: Evidence from a FAVAR"***, with Gunes Kamber (Bank for International Settlements, Hong Kong), Ozer Karagedikli (Reserve Bank of New Zealand) and Michael Ryan (Sapere Research Group)

Dun Jia (Renmin University of China): ***"Uncertainty, Disagreement and Business Cycles: Macro and Micro Evidence"***

16:30: Closing remarks

Guay Lim (Head of the Macroeconomic Unit, Melbourne Institute)