

The 21st Annual Meeting of the  
CANADIAN MACROECONOMICS STUDY GROUP  
Nov 9 & 10, 2007  
Host: DEPARTMENT OF ECONOMICS, Carleton University

PROGRAM

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Friday, November 9

**8:00 - 8:30** Breakfast and Registration

**8:30 - 10:00**

Session 1: DYNAMIC CONTRACTS

Chair: Hashmat Khan (Carleton University)

**Fernando Martin** (Simon Fraser University), Alexander Karaivanov (Simon Fraser University)

**Dynamic optimal insurance and lack of commitment**

Discussant: Mike Golosov (MIT)

**Tim Worrall** (Keele University), Jonathan Thomas (University of Edinburgh)

**Dynamical Relational Contracts under Limited Liability**

Discussant: Francisco Gonzalez (University of Calgary)

**10:00 - 10:15** Break

**10:15 - 11:45**

Session 2: CREDIT MARKETS

Chair: Lilia Karnizova (University of Ottawa)

**Raoul Minetti** (Michigan State University), Leo Ferraris (Universidad Carlos III)

**Creditors' skills and the long run impact of financial liberalization**

Discussant: Amartya Lahiri (University of British Columbia)

**Yan Bai** (Arizona State University), Christina Arellano (University of Minnesota), Jing Zhang (University of Michigan)

**Capital structure and contract enforcement**

Discussant: Hongfei Sun (Queen's University)

**11:45 - 13:30** Lunch

**13:30-14:15**

CEA KEYNOTE ADDRESS

Chair: Huntley Schaller (Carleton University)

**Nobuhiro Kiyotaki** (Princeton University), Alex Michaelides (LSE), Kalin Nikolov (LSE)

**Winners and Losers in Housing Markets**

**14:15 - 14:30** Break

**14:30 - 16:00**

Session 3: ASSET PRICING

Chair: Makoto Nirei (Carleton University)

**Gian Luca Clementi** (New York University), Rui Castro (University of Montréal), Claudio Campanale (Universidad de Alicante)

**Asset pricing in a production economy with Chew-Dekel preferences**

Discussant: Dimitris Papanikolaou (MIT)

**Stanley Zin** (Carnegie Mellon University), Michael Gallmeyer (Texas A&M University), Burton Hollifield (Carnegie Mellon), Francisco Palomino (Carnegie Mellon)

**Arbitrage-free bond pricing with dynamic macroeconomic models**

Discussant: Harjoat Bhamra (UBC)

**16:00 - 16:15** Break

**16:15 - 17:45**

Session 4: BRUCE D. SMITH SESSION ON MONETARY THEORY

Chair: Beverly Lapham (Queen's University)

**Zhe Li** (University of Toronto), Miquel Faig (University of Toronto)

**The welfare costs of expected and unexpected inflation**

Discussant: Makoto Nirei (Carleton University)

**Jonathan Chiu** (Bank of Canada), Miguel Molico (Bank of Canada)

**Idiosyncratic uncertainty, inflation, and welfare**

Discussant: Gabriele Camera (Purdue University)

Saturday, November 10

**8:30 - 9:00** Breakfast

**9:00 - 10:30**

Session 5: INTERNATIONAL MACROECONOMICS

Chair: Ehsan Choudhri (Carleton University)

**Michael Devereux** (University of British Columbia), Shouyong Shi (University of Toronto)

**Vehicle Currency**

Discussant: Thomas Lubik (Federal Reserve Bank, Richmond)

**Chris Telmer** (Carnegie Mellon), Mario Crucini (Vanderbilt University)

**Microeconomic sources of real exchange rate variation**

Discussant: Etienne Gagnon (Federal Reserve Board)

**10:30 - 10:45** Break

**10:45 - 12:15**

Session 6: TECHNOLOGY SHOCKS

Chair: John Tsoukalas (Nottingham University)

**Michelle Alexopoulos** (University of Toronto), John Cohen (University of Toronto)

**Measuring Our Ignorance, One Book at a Time: New Indicators of Technological Change 1900-1949**

Discussant: Steve Ambler (UQAM)

**Yi Wen** (Federal Reserve Bank of St. Louis), Peng-fei Wang (Hong Kong University of Science and Technology)

**Understanding the puzzling effects of technology shocks**

Discussant: Neville Francis (University of North Carolina)

**12:15 - 14:00** Lunch

**14:00 - 16:15**

Session 7: SEARCH

Chair: Pat Coe (Carleton University)

**Shouyong Shi** (University of Toronto)

**Directed search for equilibrium wage-tenure contracts**

Discussant: Alok Kumar (University of Victoria)

**Randall Wright** (University of Pennsylvania), Alexander Berentsen (University of Basel), Guido Menzio (University of Pennsylvania)

**Inflation and unemployment: Lagos-Wright meets Mortensen-Pissarides**

Discussant: Allen Head (Queen's University)

**16:15 - 16:30** Break

**16:30 - 17:15**

Session 8: THE GREAT MODERATION

Chair: Alok Johri (McMaster University)

**James Bullard** (Federal Reserve Bank of St. Louis), Arti Singh (Washington University)

**Learning and the great moderation**

Discussant: Jean Boivin (HEC, Montréal)

**Time allocations:**

Presenter - 25 minutes

Discussant - 15 minutes

Questions/Comments - 5 minutes