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

PROGRAM

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