

# III WORKSHOP ON MACROECONOMIC DYNAMICS: Theory and Applications

*Milan, December 17<sup>th</sup>, 2004*

Istituto di Economia Politica "E. Bocconi"  
Università Commerciale "L. Bocconi"  
Via Sarfatti, 25  
20136 Milano

## PROGRAMME

**09.15-09.30 Welcome (Aula N03, Via Sarfatti 25, "Velodromo")**

**Plenary Session I: Dynamic models for macroeconomic analysis (Aula N03)**

**09.30-10.15 Optimal welfare to work programs**

Nicola Pavoni (University College London), joint with Gianluca Violante  
*Discussant: Tito Boeri (Bocconi University and IGER)*

**10.15-11.00 Resistance to reforms, inequality and development**

Piergiuseppe Fortunato (Università di Bologna), joint with Matteo Cervellati  
*Discussant: Francesco Daveri (University of Parma and IGER)*

**11.00-11.45 Learning to set policy optimally**

Federico Ravenna (University of California - Santa Cruz), joint with Richard Dennis  
*Discussant: Ulf Söderström (Bocconi University and IGER)*

**11.45-12.30 Intellectual property and the scale of the market**

Michele Boldrin (University of Minnesota), joint with David Levine  
*Discussant: Vincenzo Denicolò (University of Bologna)*

**12.30-13.15 Was there a Nasdaq Bubble in the late 1990's?**

Pietro Veronesi (University of Chicago), joint with Luboš Pástor  
*Discussant: Guido Lorenzoni (MIT)*

**13.15-14.15 Buffet lunch**

**14.15-16.30 Parallel Sessions. Session II: Monetary Economics (Aula N10)**

**16.30-17.00 Coffee break**

**17.00-18.30 Parallel Sessions. Session III: Financial Markets; Session IV: Indeterminacy (Aula N11)**

**18.30 Workshop ends**

**14.15-18.30 Parallel Sessions (Aula N10, N11)**

**14.15-16.30 Session II: Monetary Economics (N10)**

**14.15-15.00 The Great inflation, limited asset market participation and aggregate demand**

Florin Bilbiie (Nuffield College, Oxford, and CEP)

*Discussant: Massimiliano Marzo (University of Bologna)*

**15.00-15.45 Heterogeneity and misspecifications in expectations formation**

Michele Berardi (Sant'Anna School of Advanced Economics, Pisa)

*Discussant: Domenico Delli Gatti (Catholic University, Milan)*

**15.45-16.30 Calvo pricing and imperfect common knowledge**

Kristoffer Nimark (European University Institute)

*Discussant: Andrea Carriero (Bocconi University)*

**16.30-17.00 Coffee break**

**17.00-18.30 Session II: Monetary Economics (N10)**

**17.00-17.45 Fiscal and monetary rules for a currency union**

Andrea Ferrero (New York University)

*Discussant: Alessandro Piergallini (University of Rome, Tor Vergata)*

**17.45-18.30 Credit frictions, housing prices and optimal monetary policy rules**

Andrea Pescatori (Universitat Pompeu Fabra), joint with Caterina Mendicino

*Discussant: Tommaso Monacelli (Bocconi University and IGIER)*

**14.15-16.30 Session III: Financial Markets (Aula N11)**

**14.15-15.00 Herd behavior in a laboratory financial market**

Marco Cipriani (George Washington University), joint with Antonio Guarino

*Discussant: Andrea Beltratti (Bocconi University)*

**15.00-15.45 Efficient monetary allocations and the illiquidity of bonds**

Paola Boel (Purdue University), joint with Gabriele Camera

*Discussant: Pietro Reichlin (University of Rome, La Sapienza)*

**15.45-16.30 Firm Dynamics and Aggregate Volatility with Endogenously Segmented Credit Markets**

Antonio Falato (University of Montréal)

*Discussant: Giuseppe Ferrero (Bank of Italy)*

**16.30-17.00 Coffee break**

**17.00-18.30 Session IV: Indeterminacy (Aula N11)**

**17.00-17.45 National labor markets, international factor mobility and macroeconomic instability**

Marta Aloi (University of Nottingham), joint with Teresa Lloyd-Braga

*Discussant: Matteo Cervellati (University of Bologna)*

### **17.45-18.30 Indeterminacy, underground activities, and tax evasion**

Francesco Busato (University of Aarhus), joint with Bruno Chiarini and Enrico Marchetti

*Discussant: Luca Stanca (University of Milan, Bicocca)*

**Organizers:** Guido Ascari (University of Pavia)  
Giorgio Bellettini (University of Bologna)  
Gianluca Femminis (Catholic University of Milan)  
Francesco Lippi (Bank of Italy)  
Marco Maffezzoli (Bocconi University and IGIER)  
Alessandro Missale (University of Milan)  
Tommaso Monacelli (Bocconi University and IGIER)  
Michele Santoni (University of Milan)

**We gratefully acknowledge the Istituto di Economia Politica “E. Bocconi,” Università Commerciale “L. Bocconi,” for sponsoring the workshop.**

**Please note that all papers can be downloaded from the Workshop’s [web page](#).**

#### **WORKSHOP VENUE**

Lecture Rooms N03, N10, and N11 in Bocconi's new building, better known as the “Velodromo,” Piazza Angelo Sraffa 15, 20136 Milan - Tel. 0258361 (for a virtual tour of Bocconi's Campus, click [here](#): the “Velodromo” is building #5).

#### **How to reach the workshop venue**

- **Arriving from Linate Airport**

Take bus 73 or 65 to Piazza 5 Giornate, then take tram 9 or 30, get off at Via Bocconi/Viale Bligny

- **Arriving from Malpensa 2000 Airport**

Take the Malpensa Shuttle (timetable [here](#)) to Stazione Centrale, then Underground line 3 (yellow) direction S. Donato, get off at Porta Romana, then take tram 9 or 30

Take the Malpensa Express (timetable [here](#)) to Stazione Cadorna, then Underground line 2 (green) direction Famagosta, get off at Porta Genova, and take tram 29

- **Arriving from Orio al Serio Airport (Bergamo)**

Take the coach to Milano, Stazione Centrale. A timetable of the coaches and further information can be viewed [here](#).

- **Arriving from Stazione Centrale (Central Milan Train Station)**

Take Underground line 3 (yellow) to S. Donato, get off at Porta Romana, then take tram 9 or 30

- **Arriving by car**

Tangenziale Ovest Milan exit Viale Liguria

