



New Developments in Fiscal Policy Analysis

A CEPR/CREI Workshop

Barcelona, 20/21 May 2002

Final Programme

Monday 20 May

08:30 – 09:00

Coffee

Session A

Chair:

Albert Marcet (Universitat Pompeu Fabra, Barcelona and CEPR)

09:00 – 09:50

Optimal Fiscal and Monetary Policy Under Sticky Prices

Stephanie Schmitt-Grohé (Rutgers University and CEPR)

*Martin Uribe (University of Pennsylvania)

Discussant:

Andres Erosa (Universitat Autònoma de Barcelona)

09:50 – 10:40

Time Consistent Public Expenditures

Paul Klein (University of Western Ontario)

Per Krusell (Stockholm University, University of Rochester and CEPR)

*José-Victor Ríos-Rull (University of Pennsylvania and CEPR)

Discussant:

Albert Ritschl (Humboldt Universität and CEPR)

10:40 – 11:00

Coffee

11:00 – 11:50

Optimal Fiscal and Monetary Policy: Equivalence Results

*Isabel Horta Correia (Universidade Católica Portuguesa, Banco de Portugal and CEPR)

Juan Pablo Nicolini (Universidad Torcuato di Tella)

Pedro Teles (Federal Reserve Bank of Chicago, Banco de Portugal, UCP and CEPR)

Discussant:

Assaf Razin (Cornell University, Tel Aviv University and CEPR)



- 11:50 – 12:40 **Policy Interaction, Learning and the Fiscal Theory of Prices**
George W Evans (University of Oregon)
*Seppo Honkapohja (University of Helsinki and CEPR)
- Discussant: Stefania Albanesi (IGIER, Università Bocconi and CEPR)
- 13:00 – 14:30 Lunch
- Session B**
- Chair: José Garcia Montalvo (Universitat Pompeu Fabra, Barcelona)
- 14:40 – 15:30 **Incomplete Interregional Risk Sharing with Complete Markets**
Marco Celentani (Universidad Carlos III de Madrid)
J Ignacio Conde Ruíz (Universitat Pompeu Fabra, Barcelona)
*Klaus Desmet (Universidad Carlos III de Madrid and CEPR)
- Discussant: Antonio Fátas (INSEAD, Fontainebleau and CEPR)
- 15:30 – 16:20 **Redistributive Policies Through Taxation: Theory and Evidence**
Charles Grant (European University Institute)
Christos Koulovantianos (University of Cyprus)
*Alex Michaelides (London School of Economics and CEPR)
Mario Padula (CSEF, Università di Salerno)
- Discussant: Fabrizio Zilibotti (Institute for International Economic Studies, Stockholm University and CEPR)
- 16:20 – 16:40 Coffee
- 16:40 – 17:30 **On Debt Optimality Under Borrowing Constraints**
Paul Hiebert (European Central Bank)
*Javier J Pérez-García (Fundación Centro de Estudios Andaluces (centra), Universidad Pablo de Olavide, Sevilla)
Massimo Rostagno (European Central Bank)



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Discussant:

Stephanie Schmitt-Grohé (Rutgers University and CEPR) or Martin Uribe (University of Pennsylvania)

17:30 – 18:20

Business Cycles with Heterogeneous Agents

Roger E A Farmer (University of California, Los Angeles and CEPR)

Discussant:

Harald Uhlig (Humboldt Universität and CEPR)

21:00

Dinner

Tuesday 21 May

08:30 – 09:00

Coffee

Session C

Chairman:

Teresa Garcia-Milà (Universitat Pompeu Fabra, Barcelona)

09:00 – 09:50

The Case for Restricting Fiscal Policy Discretion

Antonio Fátas (INSEAD, Fontainebleau and CEPR)
*Ilian Mihov (INSEAD, Fontainebleau and CEPR)

Discussant:

Roberto Perotti (European University Institute, Florence and CEPR)

09:50 – 10:40

Public Saving and Policy Coordination in Aging Economies

Martin Flodén (Stockholm School of Economics and CEPR)

Discussant:

Michele Boldrin (University of Minnesota and CEPR)

10:40 – 11:00

Coffee

11:00 – 11:50

Optimal Progressive Capital Income Taxes in the Infinite Horizon Model

Emmanuel Saez (Harvard University, NBER and CEPR)

Discussant:

Juan Carlo Conesa (Universitat Barcelona)

11:50 – 12:40

On the Taxation of Human Capital

Larry E Jones (Kellogg School, Northwestern University)

*Rodolfo Manuelli (University of Wisconsin-Madison)



Discussant: J Ignacio Conde-Ruíz (Universitat Pompeu Fabra, Barcelona)

13:00 – 14:30 Lunch

Session D

Chair: Jordi Gali (CREI, Universitat Pompeu Fabra, Barcelona and CEPR)

14:40 – 15:30 **Nominal Debt as Burden on Monetary Policy**
*Javier Díaz-Giménez (Universidad Carlos III, Madrid)
Giorgia Giovannetti (European University Institute, Firenze)
Ramon Marimon (Ministerio de Ciencia y Tecnología, Universitat Pompeu Fabra and CEPR)
Pedro Teles (Federal Reserve Bank of Chicago, Banco de Portugal, UCP and CEPR)

Discussant: Tommaso Monacelli (Boston College and IGER, Università Bocconi)

15:30 – 16:50 **Maastricht's Fiscal Rules at Ten: An Assessment**
*Marco Buti (European Commission)
Gabriele Giudice (European Commission)

Discussant: Sylvester Eijffinger (Tilburg University and CEPR)

With the exception of the final paper by Marco Buti, Speakers have 25 minutes to present, discussants have 10 minutes and the remaining 15 minutes are open to the floor.

* Denotes presenter

Organizers: Albert Marcet (Universitat Pompeu Fabra, Barcelona and CEPR)