

Workshop on Deflation – Causes, Consequences and Policies

June 12 – 13, 2015
Sveriges Riksbank, Stockholm

Thursday June 11th

18:00 – 20:00 Welcome dinner at Sveriges Riksbank

Friday June 12th

9:00 – 9:20 Coffee and registration

9:20 – 9:30 Opening remarks by First Deputy Governor Kerstin af Jochnick

Session I

Chair: Jesper Lindé

9:30 – 10:30 “The Limits to Monetary Policy with Long-term Drift in Expectations”
Stefano Eusepi, Marc Giannoni and *Bruce Preston*
Discussant: *Leonardo Melosi*

10:30 – 11:30 “Is Inflation Targeting Best Practice Monetary Policy? An Update”
Jon Faust
Discussant: *Frank Smets*

11:30 – 12:00 Coffee break

12:00 – 13:00 “Targeting Prices or Nominal GDP: Forward Guidance and Expectation Dynamics”
Seppo Honkapohja and Kaushik Mitra
Discussant: *Saroj Bhattarai*

13:00 – 14:00 Lunch

Session II

Chair: Andreas Westermark

- 14:00 – 15:00 “Scarcity of Safe Assets, Inflation, and the Policy Trap”
David Andolfatto and *Stephen Williamson*
Discussant: *Ed Nosal*
- 15:00 – 16:00 “Are Low Interest Rates Deflationary? A Paradox of Perfect-
Foresight Analysis”
Mariana Garcia Schmidt and *Michael Woodford*
Discussant: *Lars E.O. Svensson*
- 16:00 – 16:30 Coffee break
- 16:30 – 17:00* “Unconventional Monetary Policy and International Risk Premia”
John Rogers, Chiara Scotti, Jonathan H. Wright
- 17:00 – 17:30* “Inflation, financial conditions and non-standard monetary
policy in a monetary union. A model-based evaluation”
*Lorenzo Burlon, Andrea Gerali, Alessandro Notarpietro and
Massimiliano Pisani*
- 19:00 - Dinner at Sjöfartshuset

Saturday June 13th

8:30 – 9:00 Coffee

Session III

Chair: Karl Walentin

- 9:00 – 10:00 “Hysteresis and the European Unemployment Problem
Revisited”
Jordi Galí
Discussant: *Gernot Mueller*
- 10:00 – 11:00 “Threshold-Based Forward Guidance: Hedging the Zero Bound”
Richard Harrison, Lena Körber and *Matt Waldron*
Discussant: *Taisuke Nakata*
- 11:00 – 11:30 Coffee break

Session IV

Chair: Ferre de Graeve

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| 11:30 – 12:00* | "Stagnation Traps"
Gianluca Benigno and <i>Luca Fornaro</i> |
| 12:00 – 12:30* | "Why Are Real Interest Rates So Low? Secular Stagnation and the Relative Price of Investment Goods"
<i>Gregory Thwaites</i> |
| 12:30 – 13:30 | "Inflation Through the Lens of Fiscal Theory"
<i>Eric Leeper</i> and <i>Campbell Leith</i>
Discussant: <i>Marco Del Negro</i> |
| 13:30 – 14:30 | Lunch and adjourn |

Time allocation

Presentation: 30 minutes

Discussion: 20 minutes

Floor: 10 minutes

(Except for sessions marked with a "*" where presentations are 25 minutes and the floor discussion 5 minutes)

Organizing committee

Ferre De Graeve

Jesper Lindé

Karl Walentin

Andreas Westermarck

Local organization: Lena Löfgren