

# Stabilization policies: Lessons from the COVID-19 crisis and prospects for future policy strategies

8<sup>th</sup> Conference on New Developments in Business Cycle Analysis  
Virtual Conference hosted by Deutsche Bundesbank

**13 – 14 December 2021**

(All times are CET)

## Day 1: Monday, December 13

12:30 – 12:45 **Webex opens,**  
opportunity for technical checks

12:45 – 13:00 **Welcome address**  
by **Christian Schumacher** (Deutsche Bundesbank)

13:00 – 14:15 **Parallel Session 1A on financial markets**

Chair: Cristina Manea (Deutsche Bundesbank)

**“Outlasting the Pandemic: Corporate Payout and  
Financing Decisions During Covid-19”**

by **Allan Timmermann** (University of California San Diego) with  
Davide Pettenuzzo (Brandeis University), Riccardo Sabbatucci (Department  
of Finance, Stockholm School of Economics and Swedish House of Finance)

**“Credit and Liquidity Policies during Large Crises”**

by **Miguel Faria-e-Castro** (Federal Reserve Bank of St. Louis) with  
Mahdi Ebsim (New York University), Julian Kozlowski (Federal Reserve  
Bank of St. Louis)

**“Monetary Policy and Endogenous Financial Crises”**

by **Frederic Boissay** (Bank for International Settlement) with  
Fabrice Collard (Toulouse School of Economics), Jordi Galí (CREI, Universitat  
Pompeu Fabra and Barcelona GSE), Cristina Manea (Deutsche Bundesbank)

13:00 – 14:15 **Parallel Session 1B on fiscal issues**

Chair: Natascha Hinterlang (Deutsche Bundesbank)

**“Gauging the Effects of the German COVID-19 Fiscal Stimulus Package”**

by **Natascha Hinterlang (Deutsche Bundesbank)** with  
Stéphane Moyen (Deutsche Bundesbank), Oke Röhe (Deutsche Bundesbank),  
Nikolai Stähler (Deutsche Bundesbank)

**“The Macroeconomic Effects of Corporate Tax Reforms”**

by **Blanco Julio Andrés (University of Michigan)** with  
Isaac Baley (UPF, CREI, BSE, CEPR)

**“The Effects of Government Spending in the Eurozone”**

by **Pessoa Ana Sofia (University of Bonn)** with Ricardo Duque Gabriel  
(University of Bonn), Mathias Klein (Sveriges Riksbank)

14:15 – 14:25 Breakout Sessions (one per Paper)

14:25 – 15:40 **Parallel Session 2A on macroeconomic transmission**

Chair: Mathias Hoffmann (Deutsche Bundesbank)

**“The Transmission of Keynesian Supply Shocks”**

by **Ambrogio Cesa-Bianchi (Bank of England)** with  
Andrea Ferrero (University of Oxford, CEPR and CfM)

**“The Death and the Resurrection of the Phillips Curve”**

by Francesco Furlanetto (Norges Bank) with **Drago Bergholt (Norges Bank)**,  
Etienne Vaccaro Grange (NYU Abu Dhabi)

**“What Can Stockouts Tell Us About Inflation?**

**Evidence from Online Micro Data”**

by **Oleksiy Kryvtsov (Bank of Canada)** with  
Alberto Cavallo (Harvard Business School)

14:25 – 15:40 **Parallel Session 2B on macroeconomic consequences**

Chair: Pernille Valentin Borgensgaard (Danmarks Nationalbank)

**“Macroeconomic Consequences of Stay-At-Home Policies During  
the COVID-19 Pandemic”**

by **Neha Bairoliya (University of Southern California)** with  
Ayşe İmrohoroğlu (University of Southern California)

**“Can the cure kill the patient? Corporate credit interventions and  
debt overhang”**

by **Fabrice Tourre (Copenhagen Business School)** with  
Nicolas Crouzet (Northwestern University)

**“Job Retention During the COVID-19 Pandemic”**

by **Pernille Valentin Borgensgaard (Danmarks Nationalbank)**

- 15:40 – 15:50 Breakout Sessions (one per Paper)
- 15:50 – 16:05 Break
- 16:05 – 17:05 Keynote by Veronica Guerrieri (University of Chicago)
- 17:05 – 17:55 **Parallel Session 3A on financial markets**

Chair: Johannes Poeschl (Danmarks Nationalbank)

**“Aggregate Risk in the Term Structure of Corporate Credit”**  
by **Johannes Poeschl (Danmarks Nationalbank)** with Ram Yamarthy  
(Office of Financial Research within the U.S. Department of the Treasury)

**“Turbulence Business Cycles”**  
by Zheng Liu (Federal Reserve Bank of San Francisco) with  
Pengfei Wang (HSBC School of Business, Peking University), and  
**Ding Dong (Hong Kong University of Science and Technology)**

- 17:05 – 17:55 **Parallel Session 3B on fiscal policy**

Chair: Olga Goldfayn-Frank (Deutsche Bundesbank)

**“A Temporary VAT Cut as Unconventional Fiscal Policy”**  
by **Olga Goldfayn-Frank (Deutsche Bundesbank)** with  
Rüdiger Bachmann (University of Notre Dame, CEPR, CESifo, and ifo Institute),  
Benjamin Born (Frankfurt School of Finance & Management, CEPR,  
CESifo, and ifo Institute), Georgi Kocharkov (Deutsche Bundesbank),  
Ralph Luetticke (University College London, CEPR and CFM),  
Michael Weber (University of Chicago, NBER and CEPR)

**“Fiscal Multipliers in the COVID-19 Recession”**  
by **Alan Auerbach (University of California-Berkeley and NBER)** with  
Yuriy Gorodnichenko (UC Berkeley and NBER), Peter B. McCrory  
(J.P. Morgan Chase), Daniel Murphy (University of Virginia)

- 17:55 – 18:05 Breakout Sessions (one per Paper)
- 18:05 End of Day 1

## Day 2: Tuesday, December 14

12:45 – 13:00 **Webex opens,**  
Opportunity for technical checks

### 13:00 – 14:15 **Parallel Session 4A on financial markets**

Chair: Nicolò Maffei-Faccioli (Norges Bank)

#### **“Corporate debt maturity matters for monetary policy”**

by **Joachim Jungherr (University of Bonn)** with Matthias Meier (University of Mannheim), Timo Reinelt (University of Mannheim), Immo Schott (Université de Montréal and CIREQ)

#### **“Racial Disparities in Access to Small Business Credit: Evidence from the Paycheck Protection Program”**

by **Johannes Stroebel (New York University)** with Sabrina T. Howell (NYU Stern & NBER), Theresa Kuchler (NYU Stern & NBER), David Snitkof (Oculus), Jun Wong (University of Chicago)

#### **“Nonlinear Transmission of Financial Shocks: Some new evidence”**

by **Nicolò Maffei-Faccioli (Norges Bank)** with Mario Forni (Università di Modena e Reggio Emilia), Luca Gambetti (Barcelona School of Economics), Luca Sala (Barcelona School of Economics)

### 13:00 – 14:15 **Parallel Session 4B on pandemics and the macroeconomy**

Chair: Matthias Rottner (Deutsche Bundesbank)

#### **“Pandemic Recessions and Contact Tracing”**

by **Matthias Rottner (Deutsche Bundesbank)** with Leonardo Melosi (Federal Reserve Bank of Chicago and CEPR)

#### **“Maximum Employment and the Participation Cycle”**

by **Bart Hobijn (W.P. Carey School of Business, Arizona State University)** with Ayşegül Şahin (University of Texas, NBER)

#### **“Stuck at Home: A Structural Model of Housing Demand During the COVID-19 Pandemic”**

by **James Graham (University of Sydney)** with William Gamber (Federal Reserve Board of Governors), Anirudh Yadav (Reserve Bank of Australia)

14:15 – 14:25 Breakout Sessions (one per Paper)

14:25 – 15:25 Keynote by Jennifer La’O (Columbia University)

15:25 – 15:40 Break

15:40 – 16:55 **Parallel Session 5A on monetary policy and inequalities**

Chair: Eleonora Granziera (Norges Bank)

**“Redistribution and the Monetary-Fiscal Policy Mix”**

by **Saroj Bhattarai (University of Texas-Austin)** with  
Jae Won Lee (University of Virginia), Choongryol Yang (Federal Reserve Board)

**“Monetary Policy and Inequality”**

by **Mia Jørgensen (Danmarks Nationalbank)** with Asger Andersen (University of Copenhagen, CEBI and DFI), Niels Johannesen (University of Copenhagen, CEBI, DFI and CEPR), José-Luis Peydró (Imperial College, UPF-CREI-ICREA and CEPR)

**“Nowcasting Norwegian household consumption with debit card transaction data”**

by **Eleonora Granziera (Norges Bank)** with Knut Are Aastveit (Norges Bank), Tuva M. Fastbø (Norges Bank), Kenneth S. Paulsen (Norges Bank), Kjersti N. Torstensen (Norges Bank)

15:40 – 16:55 **Parallel Session 5B on monetary and fiscal policy interactions**

Chair: Stéphane Moyen (Deutsche Bundesbank)

**“Monetary Policy and the Maturity Structure of Public Debt”**

by **Michele Andreolli (London Business School)**

**“Can Monetary Policy Create Fiscal Capacity?”**

by **Vadim Elenev (Johns Hopkins Carey Business School)** with  
Tim Landvoigt (Wharton, NBER, CEPR), Patrick Schultz (Wharton),  
Stijn Van Nieuwerburgh (Columbia GSB, NBER, CEPR, ABFER)

**“Who is afraid of Eurobonds?”**

by **Anna Rogantini Picco (Sveriges Riksbank)** with  
Francesco Bianchi (Johns Hopkins University, Duke University, CEPR and NBER),  
Leonardo Melosi (Federal Reserve Bank of Chicago and CEPR)

16:55 – 17:05 Breakout Sessions (one per Paper)

17:05 – 17:20 Concluding Remarks by **Federico Ravenna (Danmarks Nationalbank)**

17:20 End of the Conference

Organisers:

Francesco Furlanetto (Norges Bank),  
Mathias Hoffmann (Deutsche Bundesbank),  
Cristina Manea (Deutsche Bundesbank),  
Stéphane Moyen (Deutsche Bundesbank),  
Federico Ravenna (Danmarks Nationalbank),  
Tobias Renkin (Danmarks Nationalbank)