

2007 Philadelphia Workshop on Monetary and Macroeconomics

Sponsored by:

*Research Department, FRB Philadelphia  
Penn Institute of Economic Research, and  
International Economic Review*

**Friday, 30 March**

*Jon M Huntsman Hall (Wharton School)*

*Room 345 and 350*

*3720 Walnut Street*

*Philadelphia, 19104*

2:00 PM – 6:15 PM

2:00 Welcoming Remarks and Logistics

Session Chair: Mike Dotsey (FRB Philadelphia)

2:15 - 3:00 Yongsung Chang (SNU) and Andreas Hornstein (FRB Richmond) *Capital-Skill Complementarity and Economic Development*

3:00 – 3:15 Discussant: Gianluca Violante (New York University)

15 min Open Discussion

3:30 – 4: 15 Boragan Aruoba (Maryland) Sanjay Chugh (Board of Governors), *Optimal Fiscal and Monetary Policy when Money is Essential*

4:15 – 4:30 Discussant: Stephanie Albanesi (Columbia University)

15 min Open Discussion

Coffee Break 4:45 – 5:00

Session Chair: Irina Telyukova (UCSD)

5:00 – 5:45 Aleksander Berentsen (University of Basel), Guido Menzio and Randall Wright (U Penn) *Inflation and Unemployment: Lagos-Wright Meets Mortensen-Pissarides*

5:45 – 6:00 Discussant: Dale Mortensen (Northwestern University)

15 Open Discussion

Adjourn at 6:15

**Saturday, March 31**

*Jon M Huntsman Hall (Wharton School)*

*Room 345 and 350*

*3720 Walnut Street*

*Philadelphia, 19104*

10:00 AM – 6: 30 PM

Coffee/Fruits/Muffins: 10:00– 10:30

Session Chair: Kei-Mu Yi (FRB Philadelphia)

10:30 – 11:15 Chad Jones (UC Berkeley) *Weak Link Theory of Economic Development*

11:15 – 11:30 Discussant: Richard Rogerson (Arizona State University)

15 min Open Discussion

11:45 – 12:30 Stephen Parente (University of Illinois) and Klaus Desmet (Universidad Carlos III) *Bigger is Better: Market Size, Demand Elasticity and Resistance to Technology Adoption*

12:30 – 12:45 Discussant: Matt Mitchell (University of Iowa)

15 Open Discussion

Lunch 1:00 – 2:30

Session Chair: Ricardo Lagos (NYU)

2:30 – 3:15 Aubhik Khan and Julia Thomas (FRB Philadelphia), *Inflation and Interest Rates with Endogenous Market Segmentation*

3:15 – 3:30 Discussant: Dean Corbae (University of Texas-Austin)

15 min Open Discussion

3:45 – 4:30 Jonathan Chiu and Miguel Molico (Bank of Canada) *Liquidity, Redistribution and the Welfare Cost of Inflation*

4:30 – 4:45 Discussant: Per Krusell (Princeton)

15 min Open Discussion

Coffee Break: 5:00 – 5:15

Session Chair: George Alessandria (FRB Philadelphia)

5:15 – 6:00 Guido Lorenzoni (MIT), Veronica Guerreri (Chicago GSB), *Liquidity and Spending Dynamics*

6:00 - 6:15 Discussant: Chris Edmond (NYU Stern)

15 min Open Discussion

Adjourn 6:30 PM

Conference Dinner (For Presenters, Discussants and Out-of-Town Participants only)

7:30 PM @ L2, 2201 South Street, Philadelphia. Tel: 215-732-7878

The Contractions (All Invited!)

9:30 PM @ L2, 2201 South Street, Philadelphia. Tel: 215-732-7878