Stanford | **Stanford Institute for Theoretical Economics**

Summer 2016

site.stanford.edu

The Macroeconomics of Uncertainty and Volatility

September 7th-9th, 2016
Landau Economics Building

Organized by: Nick Bloom (Stanford University), Steve Davis (University of Chicago), Jesus Fernandez-Villaverde (University of Pennsylvania)

Wednesday September 7, 2016

12:00-1:00pm Check-in and Participants Lunch

1:00-1:40 **Financial Volatility and Household Consumption**
Presented by: Rodney Ramcharan (USC Price School of Public Policy)
Co-Authors: Marco DiMaggio (Columbia Business School), Amir Kermani (UC Berkeley Haas), Edison Yu (Federal Reserve Bank of Philadelphia)

1:40-2:20 **The Tail that Wags the Economy: Belief-Driven Business Cycles and Persistent Stagnation**
Presented by: Venky Venkateswaran (NYU Stern)
Co-Authors: Laura Veldkamp (NYU Stern), Julian Kozlowski (New York University)

2:20-3:00 **Uncertainty Aversion and Heterogeneous Beliefs in Linear Models**
Presented by: Cosmin L. Ilut (Duke University)
Co-Authors: Pavel Krivenko and Martin Schneider (Stanford University)

3:00-3:30 Break

3:30-4:10 **Contractionary Volatility or Volatile Contractions?**
Presented by: David Berger and Ian Dew-Becker (Northwestern University), Stefano Giglio (University of Chicago)

4:10-4:50 **Uncertainty and Business Cycles: Exogenous Impulse or Endogenous Response?**
Presented by: Sydney Ludvigson (New York University)
Co-Authors: Sai Ma (New York University), Serena Ng (Columbia University)

4:50-5:30 **Inequality and Aggregate Demand**
Presented by: Adrien Auclert (Stanford University)
Co-Author: Matthew Rognlie (MIT)

6:00pm Dinner at Nick Bloom's home (by invitation only)

SITE is funded by grants from the National Science Foundation, the Stanford Institute for Economic Policy Research (SIEPR), and the Stanford School of Humanities & Sciences, Department of Economics.

Thursday, September 8, 2016

8:30-9:00am	Check-in, Coffee & Pastries
9:00-9:30	**A New Index of Uncertainty Based on Internet Searches: A Friend or Foe of Other Indicators?** Presented by: Maria Elena Bontempi or Roberto Golinelli (University of Bologna) Co-Author: Matteo Squadrani (University of Bologna)
9:30-10:00	**Measuring Geopolitical Risk** Presented by: Matteo Iacoviello or Dario Caldara (Federal Reserve Board)
10:00-10:30	**Identifying Ambiguity Shocks in Business Cycle Models using Survey Data** Presented by: Anmol Bhandari (University of Minnesota) Co-Authors: Jaroslav Borovicka (New York University), Paul Ho (Princeton University)
10:30-11:00	Break
11:00-11:30	**Policy Uncertainty and FDI: Evidence from the China-Japan Island Dispute** Presented by: Cheng Chen (University of Hong Kong) Co-Authors: Tatsuro Senga (Queen Mary University of London), Chang Sun (Princeton University), Hongyong Zhang (RIETI)
11:30-12:00pm	**Policy Uncertainty and Investment: Evidence from the English East India Company** Presented by: Dan Bogart (UC Irvine)
12:00-1:15	Lunch
1:15-1:45	**The Real and Financial Impact of Uncertainty Shocks** Presented by: Iván Alfaro (The Ohio State University), Nicholas Bloom (Stanford University), Xiaoji Lin (The Ohio State University)
1:45-2:15	**Uncertainty and International Capital Flows** Presented by: Francois Gourio (Federal Reserve Bank of Chicago), Michael Siemer (Federal Reserve Board), Adrien Verdelhan (MIT Sloan)
2:15-2:45	**Economic Policy Uncertainty and the Credit Channel: Aggregate and Bank Level U.S. Evidence over Several Decades** Presented by: John V. Duca (Federal Reserve Bank of Dallas) Co-Authors: Michael D. Bordo (Rutgers University), Christoffer Koch (Federal Reserve Bank of Dallas)
2:45-3:15	Break
3:15-3:45	**Interest Rate Uncertainty, Hedging, and Real Activity** Presented by: Andrea Vedolin (London School of Economics) Co-Authors: Lorenzo Bretscher (London School of Economics), Lukas Schmid (Duke University)
3:45-4:00	Break
4:00-5:00	**Keynote Address: Understanding the Decline in the Safe Real Interest Rate** Presented by: Bob Hall (Stanford University)
6:00pm	Dinner at MacArthur Park, downtown Palo Alto (by invitation only)

SITE is funded by grants from the National Science Foundation, the Stanford Institute for Economic Policy Research (SIEPR), and the Stanford School of Humanities & Sciences, Department of Economics.

Friday, September 9, 2016

8:00-8:30am	Check-in, Coffee & Pastries
8:30-9:10	**Testing For Policy Affected Uncertainty in Arma-Garch Model** Presented by: Svetlana Makarova (University College London) Co-Authors: Wojciech Charemza (University of Leicester), Christian Francq and Jean-Michel Zakoïan (CREST Paris)
9:10-9:50	**Measuring Global and Country-Specific Uncertainty** Presented by: Simon Sheng (American University) Co-Author: Ezgi O. Ozturk (International Monetary Fund)
9:50-10:30	**The Welfare and Distributional Effects of Fiscal Uncertainty: A Quantitative Evaluation** Presented by: Rudi Bachmann (University of Notre Dame) Co-Authors: Jinhui Bai (Washington State University), Minjoon Lee and Fudong Zhang (University of Michigan)
10:30-11:00	Break
11:00-11:40	**Fluctuations in Uncertainty, Efficient Borrowing Constraints and Firm Dynamics** Presented by: Sebastian Dyrda (University of Toronto)
11:40-12:20	**Aggregate Volatility and Current Account Dynamics: Credit Supply Matters** Presented by: Pedro Gete (Georgetown University) Co-Author: Givi Melkadze (Georgetown University)
12:20pm	Lunch & Adjourn

SITE is funded by grants from the National Science Foundation, the Stanford Institute for Economic Policy Research (SIEPR), and the Stanford School of Humanities & Sciences, Department of Economics.