Second Annual Conference on Macroeconomics of Global Interdependence

CEPR and IIIS (TCD)

Trinity College Dublin, 2 - 3 March 2007

Draft Programme

Friday 2 March

13.30 Welcome and Coffee

A. New Developments in Modelling the Global Economy

14.00 ***Financial Integration, Financial Deepness and Global Imbalances***

Enrique Mendoza (University of Maryland)
Vincenzo Quadrini (University of Southern California Business School and CEPR)
José-Victor Ríos-Rull (University of Pennsylvania and CEPR)

Discussant: Luca Dedola (European Central Bank, Banca d'Italia and CEPR)

15.00 ***International Capital Flows with Incomplete Markets***

*Cedric Tille (Federal Reserve Bank of New York)
Eric van Wincoop (University of Virginia)

Discussant: Michael B. Devereux (University of British Columbia and CEPR)

16.00 **Coffee Break**

16.15 ***Varieties and Imbalances: the Extensive Margin of Current Account Adjustment***

Giancarlo Corsetti (European University Institute and CEPR)
Philippe Martin (Université de Paris I and CEPR)
Paolo Pesenti (Federal Reserve Bank of New York and CEPR)

Discussant: Pierpaolo Benigno (New York University and CEPR)

17.15 **End of the first day**

19.00 **Dinner**

Saturday 3 March

08.45 **Tea and Coffee**

B. International Financial Integration

09.00 ***Financial Integration, Productivity and Capital Accumulation***

Alessandra Bonfiglioli (UAB)

Discussant: Gian Maria Milesi-Ferretti (International Monetary Fund and CEPR)

10.00 ***Trade Costs, Asset Market Frictions and Risk Sharing: A Joint Test***

Doireann Fitzgerald (Stanford University)

Discussant: Jaume Ventura (CREI – Universitat Pompeu Fabra and CEPR)

11.00 **Coffee Break**

11.15 ***Capital Flows to Developing Countries: the Allocation Puzzle***

Pierre-Olivier Gourinchas (University of California, Berkeley and CEPR)
Olivier Jeanne (International Monetary Fund and CEPR)

Discussant: Alberto Martin (CREI – Universitat Pompeu Fabra)

12.15 Lunch

C. Exchange Rates

13.30 ***Exchange Rate Models Are Not As Bad As You Think***

*Charles M. Engel (University of Wisconsin)
Nelson Mark (University of Notre Dame)
Kenneth D. West (University of Wisconsin)

Discussant: Paolo Pesenti (Federal Reserve Bank of New York and CEPR)

14.30 ***Incomplete Information Processing: A Solution to the Forward Discount Puzzle***

Philippe Bachetta (Study Center Gerzensee, Université de Lausanne and CEPR)
Eric van Wincoop (University of Virginia)

Discussant: Robert Kollmann (ECARES, Université Libre de Bruxelles, University of Paris XII and CEPR)

15.30 **Coffee Break**

15.45 ***Fiscal Policy, the Trade Balance, and the Real Exchange Rate: Implications for International Risk-Sharing***

Tommasso Monacelli (IGIER, Università Bocconi and CEPR)
Roberto Perotti (IGIER, Università Bocconi NBER and CEPR)

Discussant: Gernot Müller (University of Frankfurt)

16.45 **End**

Organizers:

Philip Lane (Trinity College, Dublin, IIIS and CEPR)
Jaume Ventura (CREI – Universitat Pompeu Fabra and CEPR)