

# **9-th Hydra Workshop on Dynamic Macroeconomics**

## **September 30 – October 1, 2011**

### **Alghero, Sardegna, Italy**

Venue: Porto Conte ricerche <http://www.portocontericerche.it/foresteria.htm>

## **Preliminary Program**

### **Day 1 (Thursday, September 29)**

20:00 Reception - Light dinner

### **Day 2 (Friday, September 30)**

Chair: TBA

09:30-10:30 The dynamics of sovereign debt crises in a monetary union  
Harald Uhlig (University of Chicago, CentER, NBER and CEPR)

Discussant: Antti Ripatti (Bank of Finland)

10:30-10:40 Coffee break

10:40-11:40 Optimal regulation when the government cannot commit to bailing out banks  
Patrick Kehoe (Princeton University)

Discussant: Oreste Tristani (ECB)

11:40-11:50 Coffee break

11:50-12:50 Dynamic Adverse Selection: A Theory of Illiquidity, Fire Sales, and Flight to Quality  
Robert Shimer (University of Chicago)

Discussant: Nicolas Trachter (EIEF)

13:00-14:00 Lunch

Chair: TBA

14:00-15:00 Idea Flows, Economic Growth, and Trade  
Fernando Alvarez (University of Chicago)

Discussant: John Leahy (NYU)

- 15:00-15:10 Coffee break
- 15:10-16:10 The Optimum Quantity of Money with Borrowing Constraints  
Francesco Lippi (EIEF)
- Discussant: Pedro Teles (Bank of Portugal)

### **Day 3 (Saturday, October 1)**

Chair: TBA

- 09:30-10:30 Fiscal Multipliers in Recessions,  
Behzad Diba (Georgetown University)
- Discussant: Harald Uhlig (University of Chicago)
- 10:30-10:40 Coffee break
- 10:40-11:40 Sentiments: A Treatise on the Origins of Fluctuations  
George-Marios Angeletos, (MIT)
- Discussant: Dirk Krueger (University of Pennsylvania)
- 11:40-11:50 Coffee break
- 11:50-12:50 Incomplete Information and Nominal Rigidities in a Price-Setting Model  
Christian Hellwig (Toulouse University)
- Discussant: Luigi Paciello (EIEF)
- 13:00-14:00 Lunch
- Chair: TBA
- 14:00-15:00 The Real Exchange Rate, Real Interest Rates, and the Risk Premium  
Charles Engel (University of Wisconsin)
- Discussant: Benoit Mojon (Bank of France)

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**Organizer:** Harris Dellas (University of Bern)

**Hosts:** DEIR (University of Sassari), CRENOS(University of Sassari/University of Cagliari)

**Sponsors:** CRENOS, DEIR, EIEF, European Central Bank, Swiss National Bank, University of Bern