

**1st Workshop
Priority Program 1578
„Financial Market Imperfections and Macroeconomic Performance”**

Mannheim, 15 – 16 June 2012

Friday, 15 June 2012

13:00-14:00

Meeting of Priority Program Participants

14:15-16:00

Asset Prices and Returns

1. Zeno Enders and Hendrik Hakenes “On the Existence and Prevention of Speculative Bubbles”
2. Burkhard Herr and Alfred Maußner* “Asset Returns, the Business Cycle, and the Labor Market”
3. Felix Kubler* and Piero Gottardi “Dynamic Competitive Equilibrium with Collateral Constraints”

16:00-16:30

Coffee Break

16:30-18:15

Limited Commitment and Default

1. Igor Livshits, James MacGee, and Michèle Tertilt* “Costly Contracts and Consumer Credit”
2. Tom Krebs, Moritz Kuhn, and Mark Wright* “Human Capital Risk, Contract Enforcement, and the Macroeconomy”
3. Dirk Krueger* and Harald Uhlig “Competitive Risk Sharing Contracts with One-Sided Limited Commitment in General Equilibrium”

20:00

Dinner

Saturday, 16 June 2012

09:00-10:45

Financial Intermediation I

1. Jannis Bischof and Holger Daske* “Can Supervisory Disclosure Mitigate Bank Opacity and Reduce Uncertainties during a Financial Crisis? Evidence from the EU-wide Stress-testing Exercise”
2. Tobias Koerner and Isabel Schnabel* “Abolishing Public Guarantee in the Absence of Market Discipline”
3. Mathias Hoffmann* and T. Okubo “By a Silken Thread: Regional Banking Integration and Pathways to Financial Development in Japan’s Great Recession”

10:45-11:00

Coffee Break

11:00-12:45

Financial Intermediation II

1. Marcel Bluhm, Ester Faia* and Jan Pieter Krahen “Endogenous Banks’ Networks, Cascades and Systemic Risk”
2. Franziska Bremus, Claudia Buch, and Monika Schnitzer “Financial Integration and Macroeconomic Stability: What Role for Large Banks?”
3. Jin Cao and Gerhard Illing* “Interest Rate Trap, or: Why Does the Central Bank Keep the Policy Rate too low for too long?”

13:00-14:00

Lunch

14:00-16:20

Fiscal Policy and Sovereign Default

1. Fabian Fink and Almuth Scholl* “A Quantitative Model of Sovereign Debt, Bailouts and Conditionality”
2. Falko Juessen and Andreas Schabert* “Fiscal Policy, Sovereign Default and Bailouts”
3. Giancarlo Corsetti, Keith Kuester, Andre Meier and Gernot J. Mueller* “Sovereign Risk, Fiscal Policy, and Macroeconomic Stability”
4. Robert Kollmann*, Marco Ratto, Werner Roeger and Jan in’t Veld “Banks, Fiscal Policy and the Financial Crisis”

16:20- 16:50

Coffee Break

16:50-18:00

Incomplete Markets

1. Christiane Clemens and Maik Heinemann “Endogenous Growth, the Distribution of Wealth, and Optimal Policy under Incomplete Markets and Idiosyncratic Risk”
2. Daniel Harenberg and Alex Ludwig* “The Welfare Effects of Social Security in a Model with Aggregate and Idiosyncratic Risk”

19:30

Dinner