



ESRC  
Transition  
Grant

Background  
Information



## Table of Contents

### Introduction

1. Research: Understanding a complex world .....	2
1.1 Overview .....	2
1.2 Research programmes .....	3
1.3 Research highlights .....	4
1.4 Awards and external financing .....	7
Awards received and prestigious invited lectures given .....	7
External funding received by the CFM and CFM members .....	8
1.5 Publications .....	10
Top-five publications.....	10
Other academic publications .....	12
1.6 Interaction with academic community .....	12
CFM visitors.....	12
.....	14
CFM conferences and workshops .....	14
2. Capacity Building: Educating the next generation .....	16
2.1 Overview .....	16
2.2 CFM-ESRC studentships .....	16
2.3 CFM-LSE Summer School .....	16
2.4 Mini courses .....	17
2.5 CFM Teaching material website.....	17
2.6 CFM-Sponsored Student Events .....	17
2.7 Other activities.....	18
2.8 Awards received by CFM students.....	20

2.9 PhD student placements .....	20
3. CFM and Policy Makers: Benefits of a two-way interaction .....	21
Advice to governments and professional bodies.....	22
4. Public Engagement: Giving a Balanced and Comprehensive View of Macroeconomics .....	24
4.1 Overview .....	24
4.2 CFM Survey .....	24
4.3 Macrodigest: Collecting the best from the blogging universe.....	25
4.4 CFM’s ‘External Speaker’ Public Lecture Series .....	26
4.5 CFM’s ‘Academic Insights on Topical Questions’ Lecture Series .....	26
4.6 Bringing academic research to the public: Popular writings .....	27
eBooks put together by CFM members to inform general public on topical questions .....	27
4.7 Use of modern media .....	28
4.8 CFM in the news.....	28
4.9 Other interactions.....	29
5. The road ahead: Plans and strategy moving forward .....	30
Appendices.....	31
Appendix 1: CFM Publications .....	31
Journal Articles (other than top-five publications) .....	31
CFM Discussion Papers .....	37
Appendix 2: External students visiting the CFM .....	50
Appendix 3: CFM survey topics.....	51
Appendix 4: A Selection of CFM Survey Press Mentions .....	54
Appendix 5: CFM Public Events.....	57
Appendix 6: Non-technical articles of CFM members .....	62

## Introduction

The centre for macroeconomics started in December 2012 with a generous five-year grant of the Economic Social Research Council. The CFM consists of five branches: Three universities, the University of Cambridge, the London School of Economics (LSE), University College London (UCL), a policy institution, the Bank of England, and a research institute focusing specifically on practical questions such as forecasting and the economic impact of economic policies, the National Institute of Economic and Social Research (NIESR). The University of Oxford joined the CFM in May 2017.

At the start of the CFM, the UK economy and economies around the world were still suffering from the financial crisis and the Eurozone crisis. Next year, in 2017, it will be ten years ago that the financial crisis started.<sup>1</sup> Unfortunately, economies across the world are still feeling the consequences. Many countries still suffer from low growth rates and high unemployment rates. Also, the sovereign debt crisis is – under the best scenario – expected to put a strain on government finances of periphery countries for many upcoming years. Even in countries like the UK and the US in which unemployment rates have come down and growth has picked up again, the situation remains fragile and central banks in these countries continue with accommodative monetary policy interventions that are unique in the history of central banking. Policy makers also face challenges in designing new tools and regulation to increase stability in the financial sector. On top of all this, new problems have come to our attention. In particular, even before the outbreak of the financial crisis, trend economic growth seems to have fallen substantially, a phenomenon referred to as secular stagnation. The outcome of the Brexit referendum also means that tough policy decisions will have to be made and most likely substantial changes in the European economic landscape.

To sum up, economic developments are uncertain and problematic in many dimensions and policy makers will face really difficult problems. A two-way interaction between policy makers and researchers are of the utmost importance. Academics have to learn from policy makers what their main concerns are and academics can keep policy makers informed of the latest findings of the academic community. The infrastructure of the CFM has made it possible for the CFM to establish such interactions and to make important contributions. The CFM's leadership role in this collaborative process between policy makers and researchers has been strengthened by the choice of several former policy makers to take up positions at the academic branches of the CFM. Lord Mervyn King, former governor of the Bank of England, and Sir Charles Bean have become professors at the LSE. Professor Martin Weale, former MPC member of the Bank of England will become a visiting fellow of the CFM in the autumn of 2016.

Excellent macroeconomic research is – of course – essential to deal with the tough challenges facing us. The CFM has many highly ranked academics that publish in the best journals and who are well connected within the international academic community. Since the outbreak of the financial crisis macroeconomics has seen some exciting changes: More emphasis on macroeconomic models with heterogeneous agents; development of business cycle models with frictions in goods, labour, and financial markets; incorporating financial intermediaries into macroeconomic models; study of unconventional monetary policy measures; models with self-fulfilling beliefs, use of rich empirical cross-sectional and panel data to test and estimate macroeconomic models, and several others. In this document, we review how CFM researchers have participated in this stimulating development.

---

<sup>1</sup> On August 9 2007, BNP Paribas, the largest bank in France, announced that it would halt the redemption on three of its investment funds. This is often used to indicate the beginning of the crisis.

The CFM is more than a group of researchers. As mentioned above, interaction with policy makers is key foundation of the CFM. Another cornerstone is capacity building, that is, a thorough training of our students and activities to spread knowledge to students and young academics outside of the CFM. We take this role very serious as it is still the case that US universities are still attracting many of our brightest young minds. The CFM has the advantage of having many senior researchers with excellent ties to academics across the world, including the US. This network allows us to expose all students in the greater London area to frontier research by academics across the world. The CFM organizes many activities to give meaning to our desire to education young people well. For example, the CFM organizes an annual summer school and invites famous professors to teach mini courses. The CFM also has a website on which we make teaching material and useful software available.<sup>2</sup>

Another building block of the CFM strategy is public engagement. Macroeconomic events and macroeconomic policies affect virtually everybody. It is, therefore, important that the public is well informed. We think that the CFM plays an important role over on above what the media provides. First, the CFM is less interested in making a story exciting and more interested in giving a balanced view founded on careful research. Numerous CFM members fulfil this role by writing articles that are understandable to those who do not have a formal economics training. Second, The CFM aims to give a voice to those macroeconomists who are not (frequently) heard in the press. We do this with the CFM survey, which asks UK-based macroeconomists their opinion about topical issues. We think that the survey has been a big success with frequent press coverage. Its success has motivated us to start a European version, together with the Centre for Economic Policy Research (CEPR).

In this document we give an overview of CFM activities since its start five years ago. In section 2, we present some research highlights. In section 3, we document that we take the teaching of our students very seriously and what we do to spread our knowledge to students and others outside the CFM. In section 3, we discuss the many ways in which the CFM establishes two-way interaction between policy makers and academic researchers. In section 4, we review our public engagement activities. The last section concludes. Detailed information is delegated to the appendices.

# 1. Research: Understanding a complex world

## 1.1 Overview

The Centre's research covers a wide range of topics and many researchers are involved in the Centre's research projects.<sup>3</sup> Several of our projects are related to the recent financial crisis or 'great recession', both in terms of understanding it *and* in terms of designing policies that will reduce the chance of future crises and if they occur their severity.

A key characteristic of the great recession has been that firms have been very hesitant to hire workers and make substantial new investments and that consumers are still hesitant to spend a lot. This was especially strange during the period when firm profits started to recover and firms accumulated large cash holdings. Several research projects of the Centre focus on the possibility that

---

<sup>2</sup> See [www.centreformacroeconomics.org](http://www.centreformacroeconomics.org).

<sup>3</sup> As of October 2017, the CFM had 172 members.

*fear* about future developments has devastating consequences for macroeconomic developments. The idea is that there are key frictions that prevent the illustrious invisible hand from generating a (rapid) recovery. Examples of such frictions are incomplete markets that prevent proper insurance against unemployment, information asymmetries that prevent lenders from fully understanding their investments, and the inability of firm owners to ensure that firm managers do what is best for the long-run wellbeing of the firm. A key aspect of several models developed by members of the Centre is the interaction between frictions in different markets.

Two other key elements are that government debt levels are high and nominal short-term interest rates are close to zero, that is, central banks have used their usual medicine for recessions, i.e., lowering interest rates, to the maximum extent possible. This means that fiscal and monetary policy is not 'business as usual'. In fact, fiscal policy and monetary policy have become more interrelated as actions by the central bank, such as buying long-term government debt, now have clear fiscal implications. If there are no frictions that hamper the functioning of markets, then the invisible hand would guide the economy towards greener pastures and we would not have to worry much about appropriate fiscal and monetary policy actions. But that is unlikely to be the case. Thus, the models that we consider that do incorporate frictions are an essential tool in the evaluation of alternative fiscal and monetary policies.

The Centre's research projects are not limited to studying the great recession and policies appropriate during crises periods. The research projects of the Centre also focus on policies to avoid future crises. Moreover, since the next major crisis may not be a financial crisis, it is important to consider a broad range of macroeconomic questions and to ensure that we will not underestimate *any* of potential macroeconomic risk factor.

## 1.2 Research programmes

The research of the centre is organized in five research programmes. Here we give a brief description of each of the five programmes.

*Programme 1: Developing new methodologies.* Programme 1 focuses on alternative approaches to study macroeconomic questions and on developing tools with which more complex models can be analysed. There are several research projects covering a wide range of theoretical and empirical topics. On the theory side, there are projects that focus on the role of expectations for business cycles, bounded rationality, nonlinearities and heterogeneous-agent models. On the empirical side, there are projects focusing on empirical techniques to deal with time-varying relationships, nonlinearities and the use of cross-sectional information to learn about macroeconomics.

*Programme 2: Consequences of fiscal austerity plans and high debt levels.* Programme 2 examines positive and normative aspects of fiscal policy. It studies the impact of high public debt on the economy, for example, through higher sovereign debt premiums; and the interaction between debt, fiscal policy and the financial sector.

*Programme 3: Interaction between financial markets, monetary policy, and the macro economy.* Programme 3 focuses on the interaction between financial markets and real activity and in particular what this interaction means for designing policies to prevent crises and policies to dampen the impact of a crisis.

*Programme 4: Shifts in the world economy and their consequences.* This programme's aim is to better understand differences across countries and to design macroeconomic policies that enhance growth and reduce global imbalances.

*Programme 5: Labour markets; unemployment levels after a severe crisis and long-term prospects.* Programme 5 examines labour markets during deep recessions, (lack of) mobility, and labour market trends. The key question of this research programme is how to avoid an increase in the incidence of long-term unemployment following a severe economic downturn.

## 1.3 Research highlights

With so many members working on really exciting research projects, it is impossible to give a fair representation of the work done at CFM without making this document way too long. But with the examples presented here we want to give you a flavour of the different types of research questions addressed and methodologies used by CFM researchers.

### **Fiscal policy and its impact on the economy**

**Karel Mertens (Cornell) and Morten Ravn (UCL)**

The first example is the paper 'The Dynamic Effects of Personal and Corporate Income Tax Changes in the United States,' by Karel Mertens and Morten Ravn published in the *American Economic Review*, a top five economic journal.<sup>4</sup> This paper deals with one of the key questions in macroeconomics, namely the impact of fiscal policy on the business cycle. It also deals with possibly the most challenging methodological problem in empirical macroeconomics, namely the endogeneity issue. The problem is the following. We would like to understand what the effect is of fiscal policy on economic activity. The problem is that fiscal policy responds to factors in the economy (for example, an oil crisis), which also has a direct effect on subsequent economic activity. To disentangle the direct effect from the effect due to fiscal policy, Karel Mertens and Morten Ravn use standard statistical techniques in combination with a narrative approach, which makes it possible to reveal which changes in fiscal policy were due to responses in macroeconomic circumstances and which were not. Joris de Wind from the Netherland Bureau of Economic Policy Analysis has already adopted this approach and extended it to allow for time-varying responses.<sup>5</sup>

### **Productivity Loss in the Great Stagnation**

**Rebecca Riley (NIESR), Chiara Rosazza Boundibene (NIESR) and Gary Young (Bank of England)**

Why financial crises lead to a permanent loss of output is not well understood. The paper 'Productivity Dynamics in the Great Stagnation: Evidence from British Businesses' by Rebecca Riley, Chiara Rosazza Boundibene, and Gary Young puts out the hypothesis that a banking crisis reduces the efficiency of resource allocation across businesses.<sup>6</sup> This hinders a key mechanism by which productivity growth arises. Yet despite the popularity of this explanation, there is little empirical evidence that these distortions add to the severity of recessions and weaken the productive potential of the economy. This paper investigates inefficiencies in resource allocation further to explain the weakness of productivity growth in the aftermath of the global financial crisis. In particular, it shows how the weakness of productivity growth in the UK following the financial crisis can be accounted for by shifts in the distribution of firm-level productivity and changes in the composition of the business population.

---

<sup>4</sup> Available at <https://www.aeaweb.org/articles.php?doi=10.1257/aer.103.4.1212>.

<sup>5</sup> See <http://dare.uva.nl/document/2/139898>.

<sup>6</sup> Available at <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/2014/CFMDP2014-07-Paper.pdf>.



## **A new approach to capture disequilibrium**

**Pascal Michaillat (LSE) and Emmanuel Saez (UC Berkeley)**

In the paper 'Aggregate Demand, Idle Time, and Unemployment, Pascal Michaillat, together with Emmanuel Saez, has developed a new framework to study business cycles.<sup>7</sup> The framework builds on ideas from disequilibrium models of the 70s in which disequilibrium in the goods market and disequilibrium in the labour market interacted in a way to generate a rich pattern of observations. The earlier framework was discarded because it was cumbersome and had some problematic assumptions. Nevertheless, with the disappearance of this framework from macroeconomic debates we lost some mechanisms that are not present in the set of models that it was replaced by. The framework of Pascal Michaillat and Emmanuel Saez overcome the problems of the earlier framework by using insights from modern matching theories without giving up the key interactions between the different markets. Moreover, their framework is remarkably simple and could very well become a key tool to teach business cycles to many generations of students at different levels. This paper is forthcoming in the *Quarterly Journal of Economics*, a top five economic journal.

## **Deflationary spirals**

**Wouter Den Haan (LSE), Pontus Rendahl (Cambridge), and Markus Riegler (Univ. of Bonn)**

A related contribution is a large computational project carried out by Wouter Den Haan, Pontus Rendahl, and Markus Riegler. The results are described in the paper 'Unemployment (fears) and Deflationary Spirals'.<sup>8</sup> These authors have developed a model with heterogeneous agents in which agents can only partially insure themselves against unemployment spells. Several computational challenges had to be met to get the framework running. Preliminary results indicate that frictions in the labour market combined frictions in financial markets and nominal sticky wages can substantially deepen recessions. Different from the Michaillat-Saez framework is that the DenHaan-Rendahl-Riegler approach not only introduces matching frictions, but also explicitly models the behaviour of *individual* agents in the economy. Frictions in financial markets limit the ability of agents to ensure themselves against bad outcomes. This induces an increase in precautionary savings (especially in liquid and non-risky form) during bad times. The increase in savings corresponds to a decrease in consumption (aggregate demand). The reduction in the demand for consumption leads to downward pressure on prices, which in the presence of sticky nominal wages leads to reduction in the real value of profits. This leads to a reduction in the demand for labour, which in turn generates a further increase in precautionary savings.

## **Housing market**

**Rachel Ngai (LSE) and Silvana Tenreyro (LSE)**

In the paper 'Hot and Cold Seasons in the Housing Market,' published in the *American Economic Review*, Rachel Ngai and Silvana Tenreyro show that the matching framework developed by CFM Chairman and Nobel Laureate Christopher Pissarides (together with Douglas Diamond and Dale Mortensen) can also be understood to understand why there are such large seasonal fluctuations in house prices.<sup>9</sup> If house prices are substantially more expensive during particular seasons and if this is fully predictable, then the question is why buyers do not buy during the season when prices are cheaper. The explanation brought forward by the authors is that during the 'high price' season buyers do get something in return for their higher price, namely typically a better match for their personal demands, since during the high price season the volume is higher, which makes it easier for the buyer to get the features it is looking for. So although the price may seem

---

<sup>7</sup> Available at <https://sites.google.com/site/pmichaillat/dynamic.pdf?attredirects=0>.

<sup>8</sup> Available at <http://www.wouterdenhaan.com/papers/precautionary.pdf>.

<sup>9</sup> Available at <https://www.aeaweb.org/articles.php?doi=10.1257/aer.104.12.3991>.



expensive taking into account objective features, the price does not look (too) high for a buyer who has found the house with the desired features.

## **Networks and macroeconomics**

### **David Baquee (LSE) and Vasco Carvalho (Cambridge)**

Trade is a central and vital element of any market economy. The simplest approach is to assume that there are no frictions and that transaction partners can find each other without incurring any costs. For example, to describe the market mechanism of competitive markets, economists use a fictitious agent, the Walrasian auctioneer, who collects information and then calculates the price at which demand equals supply. This approach is popular, even though Walrasian auctioneers do — of course — not exist. Behind this approach is faith in an ‘invisible hand’ which will ensure that actual market outcomes will correspond to the theoretical construction of frictionless markets. Other approaches, explicitly incorporate frictions that economic agents face in finding transaction partners. In fact, the last three research highlights are about models in which ‘matching’ frictions are present in at least one key market. But the matching frictions are captured in a reduced-form manner. Moreover, the matching market is still a theoretical construction, which ignores key aspects of reality such as supply chains, the economy’s input-output structure, and the geographical location of transaction partners. The idea of network theory is to incorporate into models the actual network through which individuals and firms do transactions. In such models, buyers (sellers) do not have free access to all sellers (buyers) in the economy, but rely on a select number of (nearby) trading partners.

CFM members David Baquee (LSE) and Vasco Carvalho (Cambridge) have incorporated network theory into macroeconomics models. In his paper ‘Labor Intensity in an Interconnected Economy, David Baquee constructs network-adjusted labour intensity to characterize how much labour an industry uses.<sup>10</sup> This measure does not only include the direct labour input of this sector, but also the labour inputs of the sectors that deliver to this sector. With this approach, it is possible to determine how fiscal stimulus directed at different sectors affect aggregate employment differently taking into account all the indirect effects that occur because of the trades that occur between sectors.

In the paper ‘Network Origins of Aggregate Fluctuations,’ published in *Econometrica*, Vasco Carvalho (joint with Daron Acemoglu, Asuman Ozdaglar, and Alireza Tahbaz-Salehi) develops a theoretical structure to address the question how shocks that hit individual sectors can affect the aggregate economy taking into account the economy’s network structure.<sup>11</sup> In the paper ‘From Micro to Macro via Production Networks,’ Vasco Carvalho describes in an intuitive manner the importance and potential of this new exciting research approach.<sup>12</sup>

## **Corporate Investment, Financing Constraints, and House Prices**

### **Saleem Bahaj (Bank of England), Angus Foulis (Bank of England), and Gabor Pinter (Bank of England)**

The recent financial crisis has underlined the importance of house price fluctuations and frictions in financial intermediation. The financial crisis started out with severe drops in house prices, but the turmoil spread to financial markets such as money markets and the commercial paper markets. If financial markets do not function well, then this will restrict the ability of firms to finance ongoing operations and new investment. Empirical studies using micro-level data are essential to understand these distortions in financial markets. In the paper ‘Collateral Channels,’ Saleem Bahaj, Angus Foulis, and Gabor Pinter study the importance of regional house prices on corporate investment for firms in that region. The paper relies on a unique combination of UK datasets

---

<sup>10</sup> Available at [http://scholar.harvard.edu/files/baquee/files/jmp\\_draft1.pdf](http://scholar.harvard.edu/files/baquee/files/jmp_draft1.pdf).

<sup>11</sup> Available at <http://onlinelibrary.wiley.com/doi/10.3982/ECTA9623/abstract>.

<sup>12</sup> Available at <https://www.aeaweb.org/articles.php?doi=10.1257/jep.28.4.23>.

including firm-level accounting data matched (covering virtually the UK corporate sector) with loan-level residential mortgage data and transaction-level house price data. They show that a £1 increase in house prices increases corporate investment with £0.04. This is a notable study for several reasons. First, it is remarkable that a link can be made between price developments in *residential* real estate and regional firm activities. Second, the detailed data set makes it possible to distinguish the different channels through which higher house prices can lead to more firm activity. The authors show that most of the effect is due to a direct collateral channel, that is changes in the value of residential affect lending because it affect the value of the collateral used to secure the loan.

## 1.4 Awards and external financing

Many members of the CFM have been recognized for their accomplishments within and outside the economics profession, both in terms of awards and in terms of successful grant proposals. The personal grants and the awards listed in this section should be seen as a recognition of the *personal* success of the recipient and not of the CFM. The CFM obviously prides itself in having such successful members and an important objective of the CFM is to nurture talent and to provide a platform for its members to successfully operate. The two tables of this section lists the awards received and successful funding applications of both CFM members and the CFM itself.

### Awards received and prestigious invited lectures given

2013		
Christopher Pissarides	2013	Knighted for his service to economics
Silvana Tenreyro	2013	Excellence in Refereeing Award for the American Economic Review 2013
2014		
Angus Armstrong	2014	Honorary Professor in the Stirling Management School, University of Stirling
Charles Bean	2014	Knighted for services to monetary policy
Tiago Cavalcanti	2014	Research Prize for the 2nd Best Article at the Brazilian Econometric Meeting 2014 for the talk; On the Determinants of Slum Formation
Giancarlo Corsetti	2014	2014 Alumni Award, University of Rome La Sapienza - Prof. Corsetti for Best in Class 1984
Rachel Ngai	2014	Review of Economic Studies, "Excellency in Refereeing Award" 2014
Ran Spiegler	2014	Michael Bruno memorial award, Mid-career award given annually to three academics affiliated with Israeli universities
2015		
Ricardo Reis	2015	Tinbergen Institute Lecture
David Baqaee	2015	BA/Leverhulme
2016		
Ricardo Reis	2016	John Fleming Memorial Lecture, Bank of England

## External funding received by the CFM and CFM members

Name	Date	PI	Funder	Amount
European Research Council Starting Grant – 208068	2008 – ‘13	Jan Eeckhout	European Research Council	€ 550,000
Identification, Estimation and Implementation of Structural Economic Models, (Identification)	2012 – ‘17	Dennis Kristensen	ERC Starting Grant	€1,067,000
Working towards a stable and sustainable growth path	2012 – ‘17	Francesco Caselli, Wouter Den Haan, Chris Pissarides, Morten Ravn, and Silvana Tenreyro	ESRC	£4,999,092
Spanish Grants for Fundamental Research	2013 – ‘15	Jan Eeckhout	MICCIN	€ 42,000
Currency and fiscal options for an independent Scotland	2013 – ‘15	Angus Armstrong	ESRC Senior Fellowship	£240,000
Macroeconomic Fluctuations and Inequality	2013 – ‘16	Pascal Michaillat	ESRC	£296,420
Conference: Advanced Numerical Methods	Jun. 2013	Wouter Den Haan	Banque de France and IMF	€20,000
Links between Macro and Micro Modelling of Economic Policy	2013 – ‘15	Morten Ravn	ESRC cross centre grant	£250,000
RES Visiting Lecturer Scheme	Oct. 2013 - Dec. ‘13	Wouter Den Haan	RES	£2,000
Conference: Macroeconomics: Understanding Low Growth	Dec. 2013	Wouter Den Haan and Morten Ravn	Bank of England	£20,000
RecerCaixa Research Grant	2014 – ‘16	Jan Eeckhout	RecerCaixa	€ 80,000
Savings and Risks Over the Lifecycle: Theory and Evidence	2014 – ‘18	Mariacristina de Nardi	ERC Consolidator Grant	€1,216,477
Macroeconomic Policy over the Business Cycle	2014 – ‘15	Pascal Michaillat	INET	\$200,000
Housing Market Dynamics	2014 – ‘15	Rachel Ngai	British Academy Mid-Career Fellowship	£133,789
Conference: Macroeconomic Stabilization and Economic Recovery after the Financial Crisis	May 2014	Giancarlo Corsetti	INET & EABCN	£20,016
Labor Market Risk and Skill Diversity	2014 – ‘19	Jan Eeckhout	ESRC	€ 2,200,000

Conference: Aggregate Demand, the Labor Market and Macroeconomic Policy	Sept. 2014	Giancarlo Corsetti	INET	£17,018
Conference: International Trade, Finance, and Macroeconomics: Research Frontiers and Challenges for Policy	Dec. 2014	Giancarlo Corsetti	Bank of England	£16,079
BA/Leverhulme Small Research Grant Award	2015 – '16	David Baqaee	British Academy	£9,500
The Twin Traps: Stagnation and Liquidity Trap	2015 – '16	Gianluca Benigno	British Academy Mid-Career Fellowship	£131,468
Conference: Financial crises: lessons from history	May 2015	Giancarlo Corsetti	INET	£900
A Dynamic Economic and Monetary Union (ADEMU) – Project involving 8 partners	2015 – '18	Morten Ravn	Horizon 2020	€2,499,999
EU Membership and free movement of labour	2015 – '16	Jonathan Portes	ESRC Senior Fellowship	£200,000
Conference: Persistent Output Gaps: Causes and policy remedies	Sep. '15	Giancarlo Corsetti	INET & EABCN	£19,333
Jobs and Development Research Grant	2015 – '16	Rachel Ngai & Christopher Pissarides	HKUST Institute for Emerging Market Studies	HK\$200,000
Redistributive Effects of Monetary Policy	2015 – '16	Silvana Tenreyro	BA/Leverhulme	£259,892
EU membership and the British Dilemma	2015 – '16	Angus Armstrong	ESRC senior fellowship	£200,000
Bayesian Networks and Non-Rational Expectations	2016	Rani Spiegler	ERC Advanced Investigator Grant	€1,380,000
Monetary Policy / Long-Term Investor Research	Jan. 2016	Ricardo Reis	Swiss Grant	£ 137,682
New perspectives on inflation (INFL)	2016 –'21	Ricardo Reis	ERC Consolidator Grant	€1,568,276

Bayesian Networks and Non-Rational Expectations (BAYNET)	2016 – '21	Ran Spiegler	ERC Consolidator Grant	€700,000
Policy analysis with beliefs about identifying restrictions (PABIR)	2016 – '21	Rafaella Giacomini	ERC Consolidator Grant	€1,090,686
MACROTRADE - Research on Macroeconomic Fluctuations and Trade	2016 – '21	Silvana Tenreyro	ERC Consolidator Grant	€1,257,243
Monetary Policy, Asset Prices and the Liquidity of the Financial Market	2016 – '17	Shengzing Zhang	BA/Leverhulme	£10,000

Notes: BA: British Academy; EABCN: Euro Area Business Cycle Network; ERC: Economic Research Council; ESRC: Economic and Social Research Council; INET: Institute for New Economic Thinking.

## 1.5 Publications

### Top-five publications

CFM members have been very successful publishing papers in prestigious journals. Since the start of the centre, twenty-two papers have been published in the top five; ten in the *American Economic Review*, two in *Econometrica*, two in the *Journal of Political Economy*, six in the *Review of Economic Studies*, and two in the Quarterly Journal of Economics.

#### 2013

- Carvalho V. and Gabaix X. (2013). The Great Diversification and its Undoing. *American Economic Review*, 103(5), pp. 1697-1727.
- V. Blundell, R., Kristensen, D. and Matzkin, R. (2013). Control Functions and Simultaneous Equations Methods. *American Economic Review*, 103(3), pp.563-569.
- Cloyne, J. (2013). Discretionary Tax Changes and the Macroeconomy: New Narrative Evidence from the United Kingdom. *American Economic Review*, 103(4), pp.1507-1528.
- Mertens, K. and Ravn, M. (2013). The Dynamic Effects of Personal and Corporate Income Tax Changes in the United States. *American Economic Review*, 103(4), pp.1212-1247.
- Moscarini, G. and Postel-Vinay, F. (2013). Stochastic Search Equilibrium. *The Review of Economic Studies*, 80(4), pp.1545-1581.
- Ramondo, N., Rappoport, V. and Ruhl, K. (2013). The Proximity-Concentration Tradeoff under Uncertainty. *The Review of Economic Studies*, 80(4), pp.1582-1621.
- Spiegler, R. (2013). Placebo Reforms. *American Economic Review*, 103(4), pp.1490-1506.

#### 2014

- Acconcia, A., Corsetti, G. and Simonelli, S. (2014). Mafia and Public Spending: Evidence on the Fiscal Multiplier from a Quasi-Experiment. *American Economic Review*, 104(7), pp.2185-2209.
- Bagger, J., Fontaine, F., Postel-Vinay, F. and Robin, J. (2014). Tenure, Experience, Human Capital, and Wages: A Tractable Equilibrium Search Model of Wage Dynamics. *American Economic Review*, 104(6), pp.1551-1596.
- Buhai, I. S., Portela, M. A., Teulings, C. N. and van Vuuren, A. (2014), Returns to Tenure or Seniority? *Econometrica*, 82: 705–730.

- Caselli, F., Morelli, M. and Rohner, D. (2014). The Geography of Interstate Resource Wars. *The Quarterly Journal of Economics*, 130(1), pp.267-315.
- Eeckhout, J., Pinheiro, R. and Schmidheiny, K. (2014). Spatial Sorting. *Journal of Political Economy*, 122(3), pp.554-620.
- Mertens, K. and Ravn, M. (2014). Fiscal Policy in an Expectations-Driven Liquidity Trap. *The Review of Economic Studies*, 81(4), pp.1637-1667.
- Ngai, L. and Tenreyro, S. (2014). Hot and Cold Seasons in the Housing Market. *American Economic Review*, 104(12), pp.3991-4026.
- Golosov, M., Hassler, J., Krusell, P., and Tsyvinski, A. (2014). Optimal Taxes on Fossil Fuel in General Equilibrium. *Econometrica*, 82(1), pp.41-88.
- Paravisini, D., Rappoport, V., Schnabl, P. and Wolfenzon, D. (2014). Dissecting the Effect of Credit Supply on Trade: Evidence from Matched Credit-Export Data. *The Review of Economic Studies*, 82(1), pp.333-359.

## 2015

- Caselli, F., Morelli, M. and Rohner, D. (2014). The Geography of Interstate Resource Wars. *The Quarterly Journal of Economics*, 130(1), pp.267-315.
- Coeurdacier, N., Guibaud, S. and Jin, K. (2015). Credit Constraints and Growth in a Global Economy. *American Economic Review*, 105(9), pp.2838-2881.
- Krusell, P. and Smith, A. (2015). Is Piketty's 'Second Law of Capitalism' Fundamental?. *Journal of Political Economy*, 123(4), pp.725-748.
- Kumhof, M., Rancière, R. and Winant, P. (2015). Inequality, Leverage, and Crises. *American Economic Review*, 105(3), pp.1217-1245.
- Michaillat, P. and Saez, E. (n.d.). Aggregate Demand, Idle Time, and Unemployment. *The Quarterly Journal of Economics* (2015) 130 (2): pp. 507-569.

## 2016

- Chade, H. Eeckhout, J. Smith, L. (forthcoming, 2016). Sorting Through Search and Matching Models in Economics. *Journal of Economic Literature*.
- De Nardi, M., French, E., Jones, J. (forthcoming). Medicaid Insurance in Old Age. *American Economic Review*.
- Reis, R., McKay, A. (2016). The Role of Automatic Stabilizers in the U.S. Business Cycle. *Econometrica*, Vol. 84(1), pp.141-194.
- Rendahl, P. (2016). Fiscal Policy in an Unemployment Crisis. *Review of Economic Studies*, vol. 83(3), pp. 1180-1224.
- Spiegler, R. Eliaz, K. (2016). Search Design and Broad Matching. *American Economic Review* 106, pp. 563-586.
- Spiegler, R. (2016). Bayesian Networks and Boundedly Rational Expectations. *Quarterly Journal of Economics*, 131(3), pp.1243-1290.
- Hansen, S., M. McMahon (2016), First Impressions Matter: Signalling as a Source of Policy Dynamics, *Review of Economic Studies*, 83(4), 1645-1672.

## 2017

- Del Negro, M., Eggertsson, G., Ferrero, A., and Kiyotaki, N. (2017). The Great Escape? A Quantitative Evaluation of the Fed's Liquidity Facilities. *American Economic Review*, 107(3), 824-857.
- Huber, K. (forthcoming). Disentangling the Effects of a Banking Crisis: Evidence from German Firms and Countries. *American Economic Review*.
- Hansen, S. M. McMahon, A. Prat (2017). Transparency and Deliberation within the FOMC: A Computational Linguistics Approach. *Quarterly Journal of Economics*.

- Beaudry, P., Galizia, D., Portier, F. (2017). Reconciling Hayek's and Keynes' View of Recessions. *Review of Economic Studies*.
- Spiegler, R. (2017). Data Monkeys: A Procedural Model of Extrapolation from Partial Statistics. *Review of Economic Studies*, 84, 1818-1841.
- Sedlacek, P., Sterk, S. (2017). The Growth Potential of Startups over the Business Cycle. *American Economic Review*, 107(10), 3182-3210.

## Other academic publications

In addition, CFM members have published numerous articles in other journals. These are listed in Appendix 1. The CFM started a Discussion paper series in 2013 and has so far had ninety-seven publications; seven in 2013, thirty in 2014, and thirty-seven in 2015 and twenty-three as of August 2016. CFM Discussion Papers are listed in Appendix 2. Discussion papers are becoming less relevant as researchers can promote their work on personal websites, and website such as RePEc collect and provide information of working papers written by a large set of authors. Nevertheless, having the CFM Discussion Paper series is useful in giving some of our more junior and less visible members more prominence in the profession.

## 1.6 Interaction with academic community

Interaction with the research community at large is key for a vibrant research centre. It is not only important for the dissemination of the work done by CFM members. Successful research is fostered by learning from the experience from others and being efficiently informed of the knowledge of others. The amount of information that is relevant for research projects and the set of possible tools are typically huge. Interaction with other researchers is key in being able to learn efficiently what is useful for carrying out research. Exposure to other researchers to see whether results obtained are clear and convincing.

There are several ways through which CFM members interact with the academic community. First, our funding has made it possible to invite a number of visitors for short or longer visits. Among those we invited are famous high-profile macroeconomists, but also young academics. Second, CFM members have also visited universities and research institutions. Third, the CFM has organized numerous conferences and all the CFM branches have a regular seminar series. There are too many of these interactions to report here. But in the next two subsections, we provide information on researchers that have visited the CFM and the conferences we have organized.

### CFM visitors

There are two types of academic visitors. We have several visitors that come to the CFM on a regular basis. Most of them are academics that live in the greater London area and work at a university that is not part of the CFM. There are also visitors that come for a prolonged time period on an irregular basis. Detailed information is given in the table below.

Name	Institution	Period Visited
Zsofia Barany	Sciences Po	Jan. 2016 - Aug. 2016
Joaquim Blaum	Brown University	May 2014
Nicolas Coeurdacier	Sciences Po	Regular



Kerem Cosar	University of Chicago Booth School of Business	Sep. 2014 - Dec. 2014
Alan Drazen	University of Maryland	Jun. 2014
Renato Faccini	Queen Mary	Regular
Guilio Fella	Queen Mary	Regular
Roger Farmer	University of California at Los Angeles	Jan. 2013 - Dec. 2013
Jesus Fernandez-Villaverde	University of Pennsylvania	Regular
Nicola Gennaioli	University of Bocconi	Jul. 2014
Mark Gertler	New York University	May 2014
Bernardo Guimares	Sao Paulo School of Economics	Regular
Lars-Peter Hansen	University of Chicago	Dec. 2014
Fadi Hassan	Trinity College, Dublin	Regular
Nobuhiro Kiyotaki	Princeton University	Sep. 2015 – Jul. 2016
Per Krusell	University of Stockholm	Regular
David Lagakos	University of California, San Diego	Feb. 2014
Ricardo Lagos	New York University	Sep. 2015 – Dec. 2015
Albert Marcet	Universitat Autònoma	Regular
Kiminori Matsuyama	Northwestern University	Jun. 2015 – Jul. 2015
Michael McMahon	University of Warwick	Regular
Espen Moen	Norwegian Business School	Feb. 2014
Elena Pastorini	Stanford University	Regular
Jose-Victor Rios-Rull	University of Pennsylvania	Regular
James Robinson	Harvard University	Oct. 2013
Filipa Sa	King's College London	Regular
Guido Sandleris	Columbia University	Jan. 2014 – Mar. 2014
Petr Sedlacek	Bonn University	May 2015
Kathrin Schlafmann	Stockholm University	Regular
Robert Shimer	University of Chicago	Sep. 2013 - Dec. 2013
Karolina Stadin	Uppsala University	Sep. 2015 - Dec. 2015
Paolo Surico	London Business School	Regular
Roman Sustek	Queen Mary	Regular
Giovanna Valanti	Università LUISS	Jun. 2014 – Aug. 2014
Thijs Van Rens	University of Warwick	Regular
Martin Weale	Kings College	Regular
Eran Yashiv	Tel Aviv University	Regular
Tony Yates	University of Birmingham	Regular



Professor Barro (Harvard) with participants at the CFM conference in his honour

### CFM conferences and workshops

2012	
28/11/12	<i>Greater London Area Macroeconomics Workshop, London UK</i>
2013	
25-26/04/13	<i>Frontier of Macroeconometrics, UCL, London UK</i>
19/04/13	<i>Greater London Area Macroeconomics Workshop, London UK</i>
20-21/06/13	<i>European Macroeconomics Workshop, London UK</i>
28/06/13	IMF Workshop <i>Advances in Solving Complex Macroeconomics Models</i> , joint with the International Monetary Fund (IMF) and the Paris School of Economics, Washington DC USA
24/09/13	<i>Greater London Area Macroeconomics Workshop, London UK</i>
9-10/12/13	CFM and Bank of England <i>Conference on Macroeconomics: Understanding Low Growth</i> , London UK
2014	
21/03/14	CFM and STICERD <i>Conference celebrating the contributions made to economics by Harvard Professor Robert Barro</i> , London UK

8-9/05/14	<i>Uncertainty and Economic Forecasting</i> , UCL, London UK.
06/05/14	<i>Greater London Area Macroeconomics Workshop</i> , London UK
9-10/05/14	CFM in collaboration with EABCN-INET and University of Cambridge conference <i>Macroeconomic Stabilization and Economic Recovery after the Financial Crisis</i> , Cambridge UK
15-16/05/14	CFM, ANR, Bank of France, ERC, and Sciences Po conference, <i>Paris Conference on Goods Markets, the Macroeconomy and Policy</i> , Paris France
13-14/06/14	Conference <i>Aggregate Fluctuations: Causes and Consequences</i> , Sicily Italy.
02/09/14	CFM UCL in association with CEMMAP <i>Frontiers of Macroeconomics and Macroeconometrics</i> , London UK
4-5/09/14	<i>Aggregate Demand, the Labor Market and Macroeconomic Policy</i> , Cambridge UK
12/09/14	CFM, ESRC, and NIESR Conference <i>The Future of Housing Finance</i> , London UK
16/12/14	<i>Greater London Area Macroeconomics Workshop</i> , Cambridge UK
18-19/12/14	CFM, Bank of England, and CEPR workshop <i>International Trade, Finance and Macroeconomics: Research Frontiers and Challenges for Policy</i> , London UK
<b>2015</b>	
31/03/15	<i>Royal Economic Society Conference 2015</i> , CFM UCL special sponsored session, Manchester UK
07/05/15	CFM Cambridge and INET Symposium <i>Financial crises: lessons from history</i> , Cambridge, UK
26-29/05/15	CEPR <i>European Summer Symposium in International Macroeconomics (ESSIM) 2015</i> .Tarragona, Spain
15-16/06/15	<i>Macroeconomics After the Great Recession</i> , Ischia Italy
3-4/09/15	CFM Cambridge, INET, and EABCN Conference <i>Persistent Output Gaps: Causes and policy remedies</i> , Cambridge UK
27-28/11/15	CEPR Macroeconomics and Growth Programme Meeting London UK
10-11/12/15	Bank of England, ECB, CEPR, and CFM <i>Conference Credit Dynamics and the Macroeconomy</i> , London UK
<b>2016</b>	
18/3/16	Bank of England, CFM, NIESR, SWIFT, and ESRC <i>Financial Regulation: Are we Reaching an Efficient Outcome?</i>
23/3/16	NIESR & CEPR, <i>The Economics of UK-EU Relations</i>
<b>2017</b>	
19/5/17	CFM, ADEMU, UCL, ERC, and London Business School: <i>The New Macroeconomics of Aggregate Fluctuations and Stabilization Policy</i>
14/9/17	CFM, ADEMU, UCL, ERC, and London Business School: <i>Housing, Housing Credit and the Macroeconomy</i>

## 2. Capacity Building: Educating the next generation

### 2.1 Overview

A key objective of the CFM is the training of young academics, both within and outside the CFM. US-based universities still play a dominant role in economics and it is important that there are UK institutions that foster the development of young talent in the UK. There are some large and numerous small initiatives that the CFM undertakes to establish this objective. Examples of the first type are the Summer School, CFM sponsored student events, and the newly setup website with teaching material. These will be discussed below. This section ends with a list of awards won by CFM students and the placements of our students.

### 2.2 CFM-ESRC studentships

Four studentships have been made possible by the ESRC grant to the CFM. These are listed in the following table.

Name	Area of Research	Date awarded	Duration
Luca Citino	How financial frictions affect the long-run productivity growth of firms and specifically how the exporting status of a firm might affect its access to credit and therefore its productivity.	02/10/14	4 Years
Weiham Ding	Economic growth	03/10/13	4 Years
Jan Liang	Economic growth and in particular the relationship between inequality, trade and growth	03/10/13	4 Years
Kieran Larkin	Credit conditions, consumer durables, and aggregate fluctuations	03/10/13	3 years

### 2.3 CFM-LSE Summer School

The CFM sponsors two one-week Macroeconomics Summer Courses taught at the LSE. The first week course is taught by CFM member professor Wouter Den Haan and Dr. Petr Sedlacek of the University of Bonn. The second week course is taught by CFM members Wouter Den Haan and Dr. Pontus Rendahl. These courses are taken by PhD students from across the world, researchers at policy institutions, and some university academics.

Students attend a three-hour lecture in the morning. In the afternoon, they work in groups to complete especially designed computer assignment that use the tools taught in the morning. The lecturers and a group of teaching assistants are available to help them with these assignments. These courses have been a big success and have filled up to full capacity of 60 students per course each year. Student evaluations are very favourable. For example, in 2014, all students gave an overall course ranking of very good or good. In 2015, these numbers were 98% and 97%.

The two courses differ in terms of difficulty level. The first course focuses on key numerical methods building blocks and estimation techniques and teaches the students how to use these tools to estimate, solve, and analyse dynamic stochastic macroeconomic models. The second course focuses on state-of-the-art techniques to deal with more advanced models. The content of this course has covered models with heterogeneous agents, bounded rationality, inequality constraints and advanced time-series techniques.





Professor Wouter Den Haan with participants of the CFM Summer School

## 2.4 Mini courses

The CFM often invites famous professors to visit. An important reason for such invitations is the interaction with our PhD students. Several times, our visitors have given mini courses of frontier research. Professor Robert Shimer of the University of Chicago gave a mini course on 'labour market matching models.' Professor Jesus Fernandez-Villaverde of the University of Pennsylvania gave a mini-course on 'the macroeconomics of uncertainty shocks'. Professor Nobuhiro Kiyotaki of Princeton University gave a lecture for MSc students with the title '*Managing Financial and Housing Cycles*.' Nobel Prize laureate professor Tom Sargent of the University of New York gave a mini-course on recursive economics.

## 2.5 CFM Teaching material website

Many professors develop marvellous teaching material. Often access is limited, because the material is posted on university systems to which outsiders have no access or because the availability and/or content of this material is unknown. The CFM has created a completely new website, <http://www.centreformacroeconomics.org>, to collect teaching material and software that is useful for students. At this point, the website only provides material for graduate-level courses, but we plan to collect material relevant for undergraduate students in the future.

## 2.6 CFM-Sponsored Student Events

At the three universities that are part of the CFM, there is a vibrant student body and its student societies organize events for their members and other students. At times these meetings are open to the public at large. CFM have helped organise such meetings and provided funding to cover costs. Some of these meetings are lectures by an outside guest and others are multiple day

conferences. Outside speakers have included a Nobel laureate, politicians, and policy makers. A list with such events is given in the table below.

Date	Title	Group
13/03/13	In Discourse with Prof. Dr. Numan Kurtulmus Vice-Chair in charge of Economic Affairs of the Turkey AK Party	CFM in collaboration with the Network of Students (NOS) and LSESU Turkish Society
28/02/14	Latvia's Road to the Eurozone by Governor of the Central Bank of Latvia, Mr. Ilmars Rimsevics	CFM in collaboration with LSE SU Baltic Society
12/03/14	Can we have Prosperity without Economic Growth?	CFM in collaboration with LSE SU Oikos
04/12/14	Public lecture 'The Consequences of Uncertainty' with 2013 Nobel Laureate Lars Hansen.	CFM in collaboration with LSE SU Economics Society and UCL Economics Society
26-27/02/15	LSE SU Emerging Markets Forum 2015	CFM in collaboration with LSESU Emerging Markets Society
4-5/03/16	LSE SU Emerging Markets Forum 2016	CFM in collaboration with LSESU Emerging Markets Society

## 2.7 Other activities

There is a wide range of other activities organized by the CFM and its members that go beyond the standard provision of teaching and supervising. These activities are undertaken to nurture the development of young academics. For example, Shengzing Zhang (LSE) has been organizing a weekly reading group in which PhD discuss new and classic papers. At UCL a similar reading group is held every week for PhD students and young faculty. The LSE branch also organizes informal meetings in which students and faculty discuss current events (such as the Eurozone crisis) and the different ways one can approach economic research questions. These debates have benefitted a lot from the presence of Lord Mervyn King, former governor of the Bank of England, and Sir Charles Bean, former deputy-governor of the Bank of England, who joined the LSE and the CFM when they left the Bank of England. All three universities have organized small scale conferences where we invite stars in the field to attend and ask our young faculty to present. One example is the 2014 CFM conference in honour of Robert Barro. Professor Barro was so impressed by the presentation of Pascal Michaillat that he asked Pascal to submit his paper to the Journal of Quarterly Economics, a top-5 economics journal.



Pascal Michailat presenting his paper at a CFM conference.

CFM PhD students also benefit from the participation of policy institutions within the CFM. For example, several CFM PhD students have had internships or worked part-time at the Bank of England and NIESR. The CFM has also organized workshops to foster interaction between the university branches of the CFM and the policy institutions. For example, a workshop has been organized to explain the way NIESR models the UK economy and makes forecasts. The Greater London Area Macroeconomics Workshops are also meant to foster collaboration and interactions of the different CFM branches. London Business School and Queen Mary also participate in these workshops.

Several external students have visited the CFM. Sometimes they come for just a few weeks and sometimes they come for several academic terms. A list is given in appendix 2. The CFM typically does not provide financial support, but provides them with a desk, a computer, and access to university facilities such as the library.

In 2013, the CFM hosted the annual European Macroeconomics Workshop, which give PhD students from across the world (but mainly Europe) a chance to present their work to experienced economists. This type of conference helps levelling of the playing field, since PhD students in the US are more often exposed to the top of our profession.



## 2.8 Awards received by CFM students

There are not many prizes that students can win. But there are some and several CFM PhD students have received such prizes. These are listed in the table below.

Name	Date of Award	Award
Réka Juhiász	2014	Winner of the FREIT-EIT Graduate Student Competition with the paper 'Temporary Protection and Technology Adoption: Evidence from the Napoleonic blockade'
Andrea Lanteri	2014	UniCredit & Universities Economics Job Market Best Paper Award, with the paper 'The Market for Used Capital Endogenous Irreversibility and Reallocation over the Business Cycle'
Enrico Malluci	2014	Young Economist Award at the 7th FIW Research Conference in Vienna with the paper 'Domestic Debt and Sovereign Defaults'
Réka Juhiász	2015	LSE John Hicks prize for outstanding doctoral dissertation: 'Temporary Protection, Technology Adoption and Economic Development: Data and Evidence from the Age of Revolution in France.'
Federico Rossi	2015	LABOUR Prize, awarded at the Sixth Italian Congress of Econometrics and Empirical Economics (Salerno, January 2015) for the best conference paper written by a young (no more than 4 years past the PhD defense) scientist in Theoretical or Applied Microeconometrics.
Sevim Kosem	2016	Systemic Risk Centre Studentship
Federico Rossi	2016	Third Prize in the Stiglitz Essay Prize competition, organized by the International Economic Association.

## 2.9 PhD student placements

In economics, PhD students are expected to leave the university where they receive their PhD and find their first job at another institution. The job market for rookies is an active time of the year, when universities are keen to compete with each other to find and attract the best candidates. Given the scrutiny of this process, it is a clear signal of quality if an institutions PhD students find job at top universities. CFM students have gone to excellent universities and policy institutions, including Columbia University, Duke University, and the Federal Reserve System. The complete list is given in the table below.

2017-18	Name	Placement
	Anil Ari	Economist, International Monetary Fund
	Neele Balke	Assistant Professor, University of Essex
	Alex Clymo	Assistant Professor, University of Essex
	Federico Rossi	Assistant Professor, John Hopkins SAIS
	Filip Rozsypal	Economist, Research Department, Central Bank of Denmark
	Similan Wattanapong	Assistant Professor, Aarhus University
	Jasmine Xiao	Assistant Professor, University of Notre Dame

2015-16	Name	Placement
	Mario Alloza	Researcher, Bank of Spain
	Sergio Ferra	Assistant Professor, University of Stockholm
	Pinto Pedro	Visiting Professor, Musashi University
	Alireza Sepahsalari	Assistant Professor, University of Bristol
2014-15	Name	Placement
	Shawn Chen	Assistant Professor, University of Western Australia
	Reka Juhasz	Assistant Professor, Columbia University; IES Fellowship, Princeton University (2015/16)
	Andrea Lanteri	Assistant Professor, Duke University
	Enrico Mallucci	Economist, Federal Reserve Board (International Finance Division)
	Luca Metelli	Economist, Bank of Italy
	Florian Oswald	Assistant Professor, Sciences Po.
	Markus Riegler	Assistant Professor, University of Bonn
	Fabian Winkler	Economist, Federal Reserve Board (Monetary Studies Section)
2013-14	Name	Placement
	Saleem Bahaj	Economist, Bank of England
	Johannes Boehm	Assistant Professor, Sciences Po
	Philippe Bracke	Economist, Bank of England
	Georg Graetz	Assistant Professor, University of Uppsala
	Alex Kolhas	Assistant Professor, IIES University of Stockholm
	Thibaut Lamadon	Assistant Professor, University of Chicago
	Daniel Osorio	Economist, Central Bank of Colombia
	Michele Piffer	Postdoctoral Researcher, DIW, Berlin
	Ricardo Trezzi	Economist, Federal Reserve Board (Research and statistics section)
2012-13	Name	Placement
	Nathan Converse	Economist, Federal Reserve Board (Global Financial Flows Section)
	Luca Fornaro	Researcher, Centre de Recerca en Economia Internacional (CREI) and Adjunct Professor at the Universitat Pompeu Fabra
	Fadi Hassan	Assistant Professor, Trinity College Dublin
	Christophe Ungerer	Economist, European Commission (Greek Economic Adjustment Programme)
	Daniel Vernazza	Associate Economist, CEE Region at Unicredit (London)

### 3. CFM and Policy Makers: Benefits of a two-way interaction

Important guideline for the CFM is to do policy relevant research. One such example is if the recent work of Giancarlo Corsetti and co-authors who developed a new richer framework for monetary analysis and design, encompassing the trade-offs between output gaps and misalignment

in asset prices and/or imbalances in saving and borrowing, also expressed in terms of possibly quantifiable gaps. They have already presented this work at several policy institutions such as the UK treasury and the European Central Bank.

To be able to do policy relevant research effectively, it is essential to have frequent interactions with policy makers. There are several ways through which we interact with policy makers. Here we list the most important ones.

1. *Previous policy makers joining the CFM.* The CFM has turned out to be an attractive place for former policy makers. Lord Mervin King (former governor of the Bank of England), Sir Charles Bean (former deputy-governor of the Bank of England), and Martin Weale (former MPC member of the Bank of England) are now members of the LSE branch of the CFM (either with a part-time appointment or as a regular visitor).
2. *Interaction within the CFM.* The CFM benefits, of course, by having a policy institution, the Bank of England, as one of its five members, as well as NIESR which excels in doing research with direct policy implications. Many CFM members interact through co-authorship, visiting each other's institutions, attending each other's seminars, attending the annual BoE-CFM conference, and attending the London Macroeconomic Workshop (in which non-CFM institutions also participate). Some CFM members have a more formal interaction. For example, Giancarlo Corsetti and Ricardo Reis are consultants at the Bank of England (and Wouter Den Haan was a consultant until recently). Also, every year there is a CFM/Bank of England conference.
3. *Joint conferences with non-CFM policy institutes.* Policy institutes that have hosted joint CFM conferences are the International Monetary Fund, the Euro Area Business Cycle Network (an organization funded by European Central Banks), and The European Central Bank.
4. *Policy lectures.* We have had several lectures given by policy makers at the CFM. Examples are the lecture 'Latvia's Road to the Eurozone' by Ilmars Rimsevics, governor of the Central Bank of Latvia, the lecture 'The State and Prospects of Russian Economy,' by Russian Minister for Economic Development Alexey Vlentimovich Ulyukayev, and the lecture 'Debt and Austerity: Post-crisis lessons from Ireland' by the former governor of the central bank of Ireland, Patrick Honohan.
5. *Internships.* Several of our PhD students have internships with policy institutions.
6. *PhD placement.* Several of the CFM PhD students have joined government institutions. For example, Angus Foulis and Philippe Bracke joined the Bank of England, Daniel Osorio became an economist at the Central Bank of Columbia, Nathan Converse, Enrico Malluci, and Fabian Winkler got appointments at the Board of Governors of the Federal Reserve System, Luca Metelli started work at the Central Bank of Belgium, and Christophe Ungerer joined the European Commission in the Greek Economic Adjustment Programme.
7. *Direct advice to policy makers.* Below, we give a detailed list.

### Advice to governments and professional bodies

- Sir Chris Pissarides is economic advisor of the president of Cyprus.
- Sir Charles Bean is a member of the Budget Responsibility Committee (as of January 2017).
- Sir Charles Bean has written a review of UK economic statistics for the Chancellor of the Exchequer.<sup>13</sup>
- Silvana Tenreyro has served as a member of the Monetary Policy Committee of Mauritius.
- Giancarlo Corsetti, Michael McMahon, and Ricardo Reis are consultants of the Bank of England. Wouter den Haan has been a consultant until recently.
- Ricardo Reis was a Senior George Fellow at the Bank of England in 2015-16.

---

<sup>13</sup> Available at

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/507081/2904936\\_Bean\\_Review\\_Web\\_Accessible.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/507081/2904936_Bean_Review_Web_Accessible.pdf)

- Wouter den Haan has served as a consultant of the Netherlands Bureau for Economic Policy Analysis.
- Wouter den Haan and Ricardo Reis participate in the 'regular visitor programme' of the European Central Bank.
- Morten O. Ravn is an occasional consultant of the Danish Central Bank.
- Morten O. Ravn as a research professor at the Bundesbank.
- Morten O. Ravn is Deputy Chairman of the Danish National Research Foundation.
- Giancarlo Corsetti and Ricardo Reis have frequent high-level meetings with policy makers. Recent examples are the ECB, the Board of Governors of the Federal Reserve System, Federal Reserve Bank of New York, the International Monetary Fund, the Bank of England, and the Treasury.
- Francesco Caselli has assisted the World Bank to deal with local governance policies and with their research on productivity growth.
- The economists at NIESR have frequent high-level meetings with policy makers. For example, Jonathan Portes, Angus Armstrong, and Simon Kirby have appeared before the Treasury Select Committee.
- Thijs van Rens visited the European Commission in the context of the Economist Visitors Programme.
- While a PhD student at the LSE, Gregory Thwaites also was a senior economist in the Structural Economic Analysis Division of the Monetary Analysis wing of the Bank of England and seconded on a part-time basis as an economist to the Parliamentary Commission on Banking Standards.
- Roman Sustek is an occasional consultant of the St' Louis Fed.
- Keyu Jin was a visiting fellow at the Einaudi Institute for Economics and Finance, which is associated with the Banca D'Italia, Italy's central bank. She is currently visiting the central bank of China.
- Keyu Jin was a visiting fellow at the Federal Reserve Bank of Minnesota.
- Gianluca Benigno gave training courses for staff at the Bank of Japan.
- Gianluca Benigno gave training courses at the Hungarian National Bank.
- Gianluca Benigno was a visiting economist at the European Central Bank.

## 4. Public Engagement: Giving a Balanced and Comprehensive View of Macroeconomics

### 4.1 Overview

There are several ways in which the CFM interacts with the public at large. One very visible and successful way is the CFM Survey of UK based macroeconomists. The CFM also has a very active public lecture series in which external speakers and CFM members discuss key economic lectures at a non-technical level. Another way we bridge the gap between the academic community and the public at large is writing of intuitive non-technical articles. By using modern media we inform the public of CFM events and macroeconomic writings that could be of interest to those with an interest in macroeconomics. In particular, the CFM sponsors Macrodigest, an initiative of LSE students, which efficiently collects macroeconomic blog posts. These initiatives are discussed in this section. The section ends with an overview of CFM press mentions.

### 4.2 CFM Survey

In April 2014, the Centre for Macroeconomics (CFM) launched a monthly survey of the views of a group of prominent UK-based economists on the important macroeconomic and policy issues of the day. The results are published on the survey's website: [www.cfmsurvey.org](http://www.cfmsurvey.org). The editorial team designs the questions and provides the experts with the relevant background information. Until the end of 2015, the editorial team consisted of Angus Armstrong (NIESR), Francesco Caselli (LSE), Jagjit Chadha (University of Kent) and Wouter Den Haan (LSE). Since January 2016, the editorial team consists of Wouter Den Haan (LSE), Martin Ellison (University of Oxford), Ethan Ilzetzki (LSE), Michael McMahon (University of Warwick), Ricardo Reis (LSE)

The CFM's monthly surveys aim to inform the public about the views held by UK-based economists on important macroeconomic and public policy questions. They can also shed light on the extent to which there is agreement or disagreement among these experts. An important motivation for the survey is to give a more comprehensive overview of the beliefs held by economists, and in particular to embrace the views of those economists whose opinions are not frequently heard in public debates. Questions mainly focus on macroeconomic and public policy topics. Although there are some questions that focus specifically on the UK economy, the setup of the survey is much broader and considers questions related to other countries/regions and also considers questions not tied to a specific economy.

The surveys have received quite a bit of media attention. This is discussed in detailed in the subsection 'CFM in the news.' Another way through which the results are disseminated is through the publication of non-technical articles that are published on Vox, CEPR's policy portal.<sup>14</sup>

Given the success of the survey, we have decided to also introduce a CFM survey for macroeconomists based in Europe (joint with the CEPR). We hope to do the first CFM-CEPR survey in the autumn of 2016.

---

<sup>14</sup> These columns are available at [www.voxeu.org](http://www.voxeu.org).

NATIONAL

Smith report

# Cameron backs Scots control of benefits

Most of welfare system apart from pensions could be devolved, says PM

BY NICK COOPER

Almost all benefit spending could be devolved to Scotland, David Cameron has suggested, as he told MPs he was highly likely to back the proposals made by Lord Smith in his report next week.

The prime minister was quoted on his show on Scottish television yesterday, just a week before the report is due to be published in the House of Commons.

Asked which parts of the welfare system should remain in the hands of the Scottish government, he said: "I think the Scottish government could end up getting everything from housing benefit to unemployment support."

Mr Cameron told MPs on the issue

as crucial to securing the two votes. "More than the parties have held discussions on what should be transferred, with Labour nervous of creating a 'two-tier' system in which Scottish MPs were excluded from social decisions."

Mr Cameron's comments suggest Lord Smith, who composed these recommendations, will recommend devolving aspects of benefit spending to Scotland. Two of the prime minister's colleagues have been part of the talks and have kept him informed of the progress.

People close to the commission told the FT they believed Labour had agreed to some significant points, including how much income tax should be devolved, but those pushing for powers for Scotland say they are concerned that internal Labour wrangling could scupper such a deal at the last moment.

The prime minister said he could "see no reason" for not accepting the recommendations in Lord Smith's report.

Mr Cameron also suggested handing English MPs a vote over English laws, saying for the first time that parliament should not be allowed to overrule the wishes of MPs whose constituents are affected by certain forms of legislation.

The so-called West Lothian question, which asks why Scottish MPs should vote on matters that do not apply to their own constituents, has remained unanswered since devolution began.

The so-called West Lothian question, which asks why Scottish MPs should vote on matters that do not apply to their own constituents, has remained unanswered since devolution began.

Andrew Tyrie, the Tory MP who has carried out his own study into how to answer the West Lothian question, said afterwards: "The prime minister is right. It is simply not enough."

Mr Cameron indicated his opposition to looking again at the controversial Barnett formula for allocating spending. The prime minister insisted that changing the formula, which the Institute for Fiscal Studies described last week as "flawed" for the way in which allocated so much money to Scotland, was "not very serious."

His position has angered many of his own MPs, nearly 100 of whom brought a new binding motion to the Commons yesterday to review the formula.

Speaking at the committee, Jacob Rees-Mogg, the Conservative MP, said the advantages bestowed by the formula were "purely an accident of geography, and that is why it seems so unfair."

Fiscal policy

# Economists raise doubts on tax levers for Holyrood

BY NICK COOPER

The majority of a panel of UK economists does not believe the benefits of devolving control over income tax to Scotland would outweigh the cost.

The views of the 24 economists from around the UK are likely to be weighed heavily by the Scottish government as it considers whether to proceed with the proposals.

Lord Smith's report is scheduled to be unveiled at the end of November. The panel of economists are scrambling to make good on pledges of rapid devolution that made before the 2014 independence referendum.

Lord Smith's package is expected to include proposals made by the Conservative and Liberal Democrats to give Edinburgh full control over income tax rates and bands, though with thresholds and deductions set in London.

However, the proposals are controversial within the Labour party, which has called for more limited devolution of income tax. Gordon Brown, the Labour former prime minister, has said transferring full control would be "anti-Scottish and anti-Scottish".

However, many others in Scotland say Labour is likely to drop its opposition, not least because a referendum on the National Party would be sure to secure the Westminster parties of falling much more than expected by pre-referendum promises.

Supporters of income tax devolution would allow Scottish governments to tailor fiscal policy to the country's needs, but experts pulled by the Economic and Social Research Council's Centre for Macroeconomics raised doubts about the proposals.

Only four out of 24 economists who responded agreed that the benefits of transferring full control over income tax would outweigh the costs for the UK as a whole, according to the poll, which will be published today.

More than 80 per cent of the economists either disagreed or strongly disagreed, citing a range of reasons, including increased risk that it would undermine the UK state, open the door to tax competition, create accounting difficulties and add to fiscal policy.

Full responsibility for Christopher Pissarides, professor at the London School of Economics, said the prospect that governments in London and Edinburgh would compete to attract taxpayers would be "a nightmare" for the UK.

He said the proposals are "a nightmare" for the UK.

Jonathan Portes, director of the National Institute of Economic and Social Research, said complete devolution of income tax would mean both parties would be "spending money on their own pockets" and "spending money on their own pockets".

It is difficult to see how income tax devolution could be a "win-win" for both sides.

The poll also found limited support for proposals from the Conservative party to restrict Scottish MPs voting rights on matters deemed relevant to England and Wales. Of the economists agreed that there was a "clear economic case" for "English votes for English laws" but half disagreed.

Supporters said England's much larger size and the highly integrated UK economy meant English lawmakers would often inevitably affect the other UK nations.

Employment

# Wales confounds pessimists with strong recovery

BY NICK COOPER

Wales has outperformed other regions in job creation and foreign investment, confounding expectations that it would collapse in the face of government spending cuts.

Over the last 18 months, Wales, with its coal mines and steel works, has seen changes that have helped it to recover from the recession. It was the only region to see a rise in its workforce, equivalent to 15,000 jobs, including 12,000 in manufacturing.

Many commentators expected the economy to be particularly affected by spending cuts enacted since 2010, because of its high levels of welfare dependency and reliance on public sector employment. "That hasn't proved the case, job creation has outperformed any other public sector employment," said Stephen Crabb, Welsh secretary, during an interview in his cramped office in Westminster.

Despite concerns that the Welsh private sector was "too thin on the ground", Mr Crabb said it had created 100,000 jobs since the coalition came to power in 2010 and 21,000 in the past year.

From July to September this year, unemployment in Wales was 6.4 per cent, against 7.2 in the north-east and 7.2 in the West Midlands and Yorkshire and the Humber. The national figure was 6.9 per cent. The two main government cuts have helped people look for work in Wales, even as an unemployment black spot.

Mr Crabb, appointed as a minister in July, told the Financial Times he believed the "very strong gains in net employment levels would suggest the welfare system policies are doing what people have said they would do."

His claim that cuts to state benefits have encouraged more people to look for work is supported by some business leaders. Gareth Jenkins, chairman of industrial F&E Tool & Die, said there were questions about the quality of some of the jobs created, but he added: "No party of authority, people realise they are going to have to take their own responsibility and take their own responsibility for the quality of the jobs they are creating."

Mark Woodfield, chief executive of Advanced Laundry, which has taken on 155 people in the past 18 months, said welfare reforms were



Bright outlook: Cardiff city centre. Stephen Crabb, below, says the private sector has created 100,000 jobs since the coalition came to power

"not aggressive enough" and that the job expectations of Welsh school leavers were "still too high."

Mr Crabb will highlight the progress on employment and attracting overseas businesses at an investment conference in Newport today, organised by UK Trade and Investment and the Welsh government. UKEI figures show the number of foreign investments grew at a faster pace in Wales than any other region in the year to April with 79 projects, the highest for 12 years.

The Welsh secretary says people do not realise that Wales is an attractive place to do business and that the Welsh government is "not a barrier" to business. Always maintenance centre near Cardiff, he says, its universities have created a life sciences hub underpinning state, cell and Alzheimer's research. "That's what the investment summit this week is all about, attracting (Wales) to business around the world," Mr Crabb said.

He is also anxious to highlight the economy in discussions with Welsh political parties ahead of new powers because "that's what people in Wales really care about," he says.

He acknowledges that he has changed his views on devolution, but says almost half the population voted against it in the referendum that set up the Welsh assembly in 1997. To make the economy "more competitive and more dynamic" the coalition is offering Cardiff some income tax varying powers as part of the devolution settlement.

Mr Crabb said there would also be new powers to borrow and "potentially to raise Welsh bonds to be used for infrastructure and other investments".

These initiatives mean the Tory party will go into the general election in May with "a more progressive" package on devolution than the Labour government, he says. The Tories are already enjoying "immense" support in Wales, and

he expects the party to match or even hold onto its majority in the election.

Labour remains the dominant party, polling about 30 per cent. However, its support has fallen, even as the Tory-Liberal coalition has improved.

Angus Swales, a professor of political science at Cardiff University, says Labour will not win the vote in Wales. He has expected in the general election, and he adds that the latest polling would give Labour 28 of the 40 Welsh seats, down from 30 in 2010.

The Conservative party is polling about 21 per cent, making the Tories the second largest party in Wales. It is projected to win eight seats in the 2015 general election.

In 2011 and 2012, the party had no Welsh MPs.

Mr Crabb says Margaret Thatcher was 14 years in 1981 but adds the challenge for the party is that many Welsh communities have "lost the memory of what it feels like to vote Conservative."

Revenue

# Spending watchdog lambasts state's failure to monitor soaring costs of business tax reliefs

BY NICK COOPER

A tax break for entrepreneurs selling their businesses cost £2bn more than expected last year, the government's spending watchdog said in a report that lambasted the failure to keep track of the costs and benefits of tax reliefs.

The National Audit Office said there had been "only limited analysis" of the rising cost of the capital gains tax relief for business owners, which has increased by more than 500 per cent in five years to £2.5bn in 2013-14.

The NAO said the lack of monitoring of tax reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

It added: "This also means that significant risks can go unrecognised that tax reliefs cost more than expected, that they are used in ways not intended by parliament, or that they are not being applied to the right people."

Margaret Hodge, who chairs the public accounts committee of MPs, said it was "unacceptable" that the tax authority had not put in place a framework or principles to guide its administration of reliefs.

"Despite writing our concerns this and again, we are deeply concerned that HMRC's failure to routinely monitor the costs and use of some tax reliefs means that abuse or fraud could go undetected."

State revenue is a constant target of tax avoidance, and the government has to ensure that its administration of tax reliefs is robust.

"We routinely monitor the implementation of reliefs, and identify and tackle abuse as a routine part of our capital gains work."

Andrew Brown, head of the NAO, said: "HM Treasury and HMRC do not keep track of tax reliefs intended to change behaviour, or adequately report to parliament on the public on whether tax reliefs are expensive or work as expected."

The NAO said the absence of a framework or principles to guide the administration of reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

work or principles to guide the administration of tax reliefs reflected the government view that tax reliefs did not have administrative implications that should be taken into account.

HM Revenue and Customs rejected the findings, saying: "It is not our responsibility to monitor the costs of tax reliefs, but we do monitor the costs of tax reliefs intended to change behaviour, or adequately report to parliament on the public on whether tax reliefs are expensive or work as expected."

The NAO said the absence of a framework or principles to guide the administration of reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

difficult to estimate from other parts of the tax system.

It said that costs and benefits were not monitored in a way that would allow government, parliament or the public to see what the costs and benefits of tax reliefs were.

HMRC said it was not responsible for monitoring the costs of tax reliefs, but it did monitor the costs of tax reliefs intended to change behaviour, or adequately report to parliament on the public on whether tax reliefs are expensive or work as expected."

In 2006-07, the Revenue detected large scale abuse of tax relief, which allowed a loss on disposal of shares to be used to offset a loss on disposal of shares, but it was not until 2009-10 that the Revenue detected large scale abuse of tax relief, which allowed a loss on disposal of shares to be used to offset a loss on disposal of shares.

HMRC said it was not responsible for monitoring the costs of tax reliefs, but it did monitor the costs of tax reliefs intended to change behaviour, or adequately report to parliament on the public on whether tax reliefs are expensive or work as expected."

**PASCO:**  
Richard Edward Paine CBE, 69, former chairman of the British Venture Capital Association, was named as the most powerful man in the country in the 2014 survey. He is a former chairman of the British Venture Capital Association, and a former chairman of the British Venture Capital Association.

**HM Revenue and Customs:** The NAO said the lack of monitoring of tax reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

**HM Revenue and Customs:** The NAO said the lack of monitoring of tax reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

**HM Revenue and Customs:** The NAO said the lack of monitoring of tax reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

**HM Revenue and Customs:** The NAO said the lack of monitoring of tax reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

**HM Revenue and Customs:** The NAO said the lack of monitoring of tax reliefs was costing the taxpayer and created a "significant gap in accountability requirements."

The CFM survey being referred to in the Financial Times

## 4.3 Macrodigest: Collecting the best from the blogging universe

There are many famous and not so famous macroeconomists that have their own blogs. It would be impossible to keep up with all of them. Fortunately, you don't have to. The CFM sponsors Macrodigest, an initiative of (mainly) LSE PhD students. Macrodigest collects information of different bloggers and organizes the content by topic. More specifically it identifies the topics that are 'hot' on a particular day and then selects the bloggers who are writing on those topics. Some of this process is automated, but it also (still) contains an important human component.



## 4.4 CFM's 'External Speaker' Public Lecture Series

The CFM frequently organizes public lectures given by a variety of speakers, including academic economists, policy makers, popular authors, and journalists. These lectures attract a wide range of attendees, including secondary school students, students from institutions that are part of the CFM as well as students from other universities, journalists, civil servants, and members of the general public. In terms of topics, these public lectures have covered many aspects of macroeconomics, including – the financial crisis, poverty and economic development, monetary policy, regulation of financial markets, and the morality of markets. A complete list of public events is given in appendix 5.

## 4.5 CFM's 'Academic Insights on Topical Questions' Lecture Series

Joint with the LSE department of economics, the CFM has hosted public events in which an academic talks on a topical question and gives an overview of the available knowledge in the profession about this particular topic. We think that this is important, because the public typically does not get such a balanced broad overview from commentators in the popular press. These lectures have been very popular, both in terms of attendance and in terms of the number of views of the videos that were made available on YouTube as shown in the following table.

Speaker	Title	# Views	Date & Link
Keyu Jin	China's Role in the Global Economy: myths and realities	50,144	29 Jan. 2014 <a href="https://www.youtube.com/watch?v=Pmfy56Fgl3s">https://www.youtube.com/watch?v=Pmfy56Fgl3s</a>
Ethan Ilzetzki	Fiscal Policy During Recessions and Recoveries	1,659	26 Feb. 2014 <a href="https://www.youtube.com/watch?v=vBjOjIGyoS4">https://www.youtube.com/watch?v=vBjOjIGyoS4</a>
Wouter Den Haan	Is Everything You Hear About Macroeconomics True?	8,785	19 Mar. 2014 <a href="https://www.youtube.com/watch?v=f7yogIDKwcl">https://www.youtube.com/watch?v=f7yogIDKwcl</a>
Kevin Sheedy	Unconventional Monetary Policy and the Financial Crisis	Not available for Podcast	30 Apr. 2014 <a href="http://www.lse.ac.uk/newsAndMedia/videoAndAudio/channels/publicLecturesAndEvents/player.aspx?id=2426">http://www.lse.ac.uk/newsAndMedia/videoAndAudio/channels/publicLecturesAndEvents/player.aspx?id=2426</a>
Gabriel Zucman	Inequality and Taxation in a Globalised World	2,516	20 Jan. 2015 <a href="https://www.youtube.com/watch?v=8_tk-ZoW_YQ&amp;feature=youtu.be">https://www.youtube.com/watch?v=8_tk-ZoW_YQ&amp;feature=youtu.be</a>
Camille Landais	Are Welfare Programmes Just Keeping People Out of Work? An Economist's Take on Benefits Street	950	17 Feb. 2015 <a href="https://www.youtube.com/watch?v=vQyytXd9uR0&amp;feature=youtu.be">https://www.youtube.com/watch?v=vQyytXd9uR0&amp;feature=youtu.be</a>
Francesco Caselli	Yes, it is a Curse: politics and the adverse impact of natural-resource riches	2,058	4 Mar. 2015 <a href="https://www.youtube.com/watch?v=3BZtuXB5L5k">https://www.youtube.com/watch?v=3BZtuXB5L5k</a>
Alan Manning	Economics of Migration	4,433	12 Jan. 2016 <a href="https://www.youtube.com/watch?v=MSenxnKTMdY">https://www.youtube.com/watch?v=MSenxnKTMdY</a>
Keyu Jin	Clear and Present Challenges to the Chinese Economy	17,599	9 Mar. 2016 <a href="https://www.youtube.com/watch?v=vllNvBarqMY">https://www.youtube.com/watch?v=vllNvBarqMY</a>

Number of views are as of August 2016. A list with all public lectures is given in appendix 5.





Professor Caselli's lecture on adverse consequences of natural-resource riches

## 4.6 Bringing academic research to the public: Popular writings

When writing academic papers, researchers have to be very careful in describing the questions addressed, the methodologies used, the results themselves, the robustness of the results and their weaknesses. This typically means that these types of paper are not very accessible to the general public. By writing non-technical intuitive articles, the CFM aims to bridge the gap between the scientific community and those who are interested in macroeconomics, but do not have a formal training in economics or not the time to deal with the nitty gritty of academic papers. An excellent outlet for publication of such articles is Vox, CEPR's policy portal that publishes '*research-based policy analysis and commentary from leading economists.*' Appendix 6 gives detailed information. There are also more involved projects. One example is the book '*The end of alchemy: Money, Banking and the future of the global economy*' written by Lord Mervyn King (LSE). Other examples are the eBooks that Giancarlo Corsetti (Cambridge) and Wouter Den Haan (LSE) have put together. These eBooks focus on topical questions and collect the views on them from experts. The eBooks and their online views are given in the following table.

### eBooks put together by CFM members to inform general public on topical questions

Author	Title	# Views	Date & Link
Wouter Den Haan	Forward Guidance: Perspectives from Central Bankers, Scholars and Market Participants	14,256	23 Oct. 2013 <a href="http://www.voxeu.org/content/forward-guidance-perspectives-central-bankers-scholars-and-market-participants">http://www.voxeu.org/content/forward-guidance-perspectives-central-bankers-scholars-and-market-participants</a>
Giancarlo Corsetti	A New Start for the Eurozone: Dealing with Debt	24,066	15 Apr. 2015 <a href="http://www.voxeu.org/content/new-start-eurozone-dealing-debt">http://www.voxeu.org/content/new-start-eurozone-dealing-debt</a>
Wouter Den Haan	Quantitative Easing Evolution of economic thinking as it happened on Vox	12,240	19 Jan. 2016 <a href="http://www.voxeu.org/content/quantitative-easing-evolution-economic-thinking-it-happened-vox">http://www.voxeu.org/content/quantitative-easing-evolution-economic-thinking-it-happened-vox</a>

Number of views are as of August 2016.

## 4.7 Use of modern media

CFM uses modern media in several ways. First, it has three websites. Our main website, [www.centreformacroeconomics.ac.uk](http://www.centreformacroeconomics.ac.uk), provides information on upcoming (and past) centre activities, research activities, centre members, and the organization of the centre. At [www.centreformacroeconomics.org](http://www.centreformacroeconomics.org), we provide teaching material for graduate-level courses and software useful for PhD students. The CFM survey has its own website, [www.cfmsurvey.org](http://www.cfmsurvey.org). The websites are linked so that visitors can easily go from one website to another. The Bank of England has its own blog and CFM members regularly write articles for it. Details are given in appendix 6. Two CFM members, Jonathan Portes and Tony Yates, have blogs.<sup>15</sup> The links to these three blogs are [www.bankunderground.co.uk](http://www.bankunderground.co.uk), [www.notthetresuryview.blogspot.co.uk](http://www.notthetresuryview.blogspot.co.uk) and [www.longandvariable.wordpress.com](http://www.longandvariable.wordpress.com). And as mentioned above, CFM sponsors Macrodigest, which collects information of popular bloggers and organizes the information by topic. Most CFM public events are recorded and the videos are posted online, so that anybody on the world can benefit. Finally, the CFM also has a twitter account with over 1,000 followers that we use to advertise upcoming activities.

## 4.8 CFM in the news

We do not systematically keep track of every media mention of the CFM or CFM members. Some CFM members appear in the spot light more often than others. Nobel prize laureate Christopher Pissarides is obviously much sought after by the media. Several CFM members of the NIESR branch also give frequent radio and TV interviews. Of the CFM activities, the CFM survey attracts a substantial amount of media attention. The survey's media mentions vary from very brief summaries to more in depth discussions. Wouter Den Haan (LSE) has also done several TV interviews with several news programs, including the BBC, following the publication of survey results. The CFM surveys that obtained the most attention were the June 2014 survey on the economic consequences of an independent Scotland and the March 2015 survey on the importance of elections for UK economic activity, which asked the panel of experts on the economic consequences of the austerity programs of the coalition government. With the survey on Scottish independence, we even made the front page of the Scotland Herald. Appendix 4 gives a selected list of the CFM survey mentions in the press that we found.

---

<sup>15</sup> Moreover, Jonathan has over 24,000 followers on twitter.

# The Herald

## TIME HOLYROOD GOT BACK TO WORK

The post-referendum period has felt like an overlong break

ALISON ROWAT - PAGE 15

## HERALD DRIVE

Get on the road with our experts PLUS online

INSIDE - TODAY



## A STRESS-FREE CHRISTMAS DINNER

Cook James Ramsden on how to be prepared and enjoy the big day

LIVING - PAGE 22

22ND YEAR NO. 258

FRIDAY NOVEMBER 21, 2014

PRICE £1.20 SUBSCRIPTION PRICE £5

# Experts unite to attack full devolution of income tax

Warnings as Smith Commission prepares to unveil deliberations

MICHAEL SETTLE  
UK POLITICAL EDITOR

MORE than 40 of Britain's top economic experts have come out against the full devolution of income tax to Scotland, warning such a move would undermine the UK state, according to a poll.

The survey found most of the 42 academics do not accept the economic case for establishing English votes for English laws with the same tax and spending powers as the Scottish Parliament.

Devolution of income tax to Holyrood is expected as the crucial issue in the cross-party deliberations of the Smith Commission, which is due to report next Thursday.

Handling all or almost all power over income tax to the Scottish Parliament has been backed by the SNP, the Scottish Conservatives and Liberal Democrats but not by Labour, Gordon Brown, the former Prime Minister, has warned handling over complete control would lead to a loss of Scottish MPs voting on Treasury matters at Westminster and result in the ultimate break-up of the UK.

The study, published today by the Centre for Macroeconomics, found 85 per cent of the experts disagreed with the notion that the economic benefits of devolving full income tax would outweigh the costs.

Professor Christopher Martin, from Bath University, said: "Devolution of power over income tax would undermine the nation state."

Professor Tim Bales of the London School of Economics said it was "best to keep income tax, VAT and corporate taxes in the hands of the national UK government".

Some experts felt devolving all income tax would require extensive borrowing powers, which raised the question of what would happen in a crisis. Professor Michael Wickham from York University warned the build-up of debt might be such that Scotland may well be forced to seek a bailout from the rest of the UK.

Of the few respondents who believed the benefits of full devolution of income tax outweighed the costs, Professor

Andrew Mountford, from Royal Holloway, London University, nonetheless made clear there would need to be safeguards to prevent a "race to the bottom competition, which will leave each country worse off".

On English votes for English laws, known as EVEL, half of the experts polled disagreed there was a clear economic case for it, while 50 per cent agreed.

Dr Angus Armstrong from the National Institute for Economic and Social Research asked that if the same powers were devolved to an English chamber as those proposed for Scotland, then the "UK Government would have control over one-third of its tax base", which, he warned, would "diminish the value of the claim of gift holders".

The poll of expert views comes after Prime Minister David Cameron made clear to MPs the Government would meet the terms of the vote on more powers for Scotland "in half", stressing "I'm very confident of that".

Mr Cameron said he hoped and expected the Commission proposals on extensive new powers would form the basis of the draft legislation due in January.

On EVEL, Mr Cameron yesterday told the Commons Liaison Committee, made up of senior MPs, that while he would progress on English devolution, it was a "smaller timescale" to that on Scottish devolution, one was not dependent on the other. He said he would set out a "clear plan" early next year.

There was some confusion after the evidence session because the PM appeared to agree with the contention that English MPs should have the final say on England-only legislation, in Scots MPs should not have a vote.

That "the effect was to achieve", declared Mr Cameron.

It later emerged he actually favoured "McKay Plus", whereby English MPs have part of the vote at the very last stage of a bill. Report Stage, but that all UK MPs would vote at the very last stage, Third Reading. Yet this would still, theoretically, enable Scots MPs to help

Continued on Page 6

## Sturgeon wins Politician of the Year

Richard Gordon-Tait



SUCCESS: Nicola Sturgeon won the top accolade at The Herald Scottish Politician of the Year Awards. Full story: Page 7

## Whyte faces jail as second warrant for his arrest is issued

MARTIN WILLIAMS

FORMER Bursar over Craig Whyte faces the prospect of prison after a second arrest warrant was issued against him over his latest failure to appear at a court hearing.

Whyte's representative indicated earlier this week that he planned to return to Scotland to help police with their inquiries in connection with his alleged fraudulent 2011 takeover of the club.

He had been due to appear at the Royal Courts of Justice in London over his separate involvement in a legal dispute with Ticketus, which unsuccessfully took action against Whyte.

Whyte was threatened with up to 28 days in jail for failing to attend a court date on September 20, after failing to show for hearings in May and July. At that point an order was made to establish contact "first, care of his father, secondly, at his address for service on the court file, which is an address in Moscow, and thirdly, by text message to his mobile telephone number".

Whyte has now failed to appear at hearings related to the Ticketus case on four occasions.

An arrest warrant was issued by the Scottish authorities for Whyte last Friday, the same day four men were detained in raids over his purchase of the club from Sir David Murray in 2011.

They appeared at Glasgow Sheriff Court on Monday.

Mr Justice Arnold said in a ruling last month that Whyte's "track record clearly indicates that he will evade any attempt at personal service".

Ticketus handed Whyte £1.7 million as part of a season ticket purchase agreement struck in May 2011 and it was subsequently used in the Murray will-born businessman deal to buy the Rangers club.

The firm and Whyte fraudulently or negligently made representations that induced it to enter into agreements related to the sale or purchase of Rangers season tickets, and successfully claimed damages.

It said it would never have entered into the deal with Mr Whyte had it known he had been previously found as a director.

Sport: Page 1

## Killers seek visiting rights

TWO paedophiles who murdered a woman have launched a human rights challenge to a bid to send them to prison as they serve their life sentences.

Charles O'Neill and William Lauchlan claim the Scottish Government has failed to respect their rights under the European Convention of Human Rights (ECHR) and they have been discriminated against on the basis of their sexual orientation.

They maintain that they were in a "long-standing intimate and sexual relationship with each other" prior to being jailed for life after they were convicted of murdering Alison McGarrigle in 2010.

O'Neill, 46, and Lauchlan, 37, whom in different prisons, have not been granted permission to see each other and claim this breaches their rights under Article 8 of the ECHR.

They are also seeking damages of £10,000 each, claiming they are entitled for "hurt feelings" among other things. It is claimed their relationship has suffered as a consequence of their treatment.

Scottish Ministers are considering the action.

## Women help keep fishing dialect alive

WOMEN may hold the key to preserving dialects spoken in Scotland's fishing communities, according to new research.

Linguistic experts from Aberdeen University found women had a better understanding of the traditional vocabulary of their local area, with many of the words that have survived linked to roles they would have performed in the past, including the selling of fish.

Scottish Ministers are considering the action.

Full story: Page 3

## A dram fine salvage auction

TWO 19th-century bottles of whisky rescued from a ship that was wrecked off the Scottish coast could fetch £1,000 at auction despite spending 75 years on the seabed.

The Forth of Cramond set sail from Glasgow on August 26, 1839, carrying 2,200 items of whisky, beer, iron, crockery and clothes, bound for Sydney.

It was only a day out when a strong wind smashed it against rocks at Cramond Point, at the top of the Rhinns of Galloway.

Two bottles salvaged in 1974 will be among the highlights of

## Inside

FBS fined £56m for IT crash

Stirling University graduations

Superleague losses hit £6.8m

Page 20

**CHRISTMAS AT CARDWELL... YULE LOVE IT!**

SANTA VISIT £6.99 (including a glass of mulled wine)

**CARDWELL GARDEN CENTRE**

Full festive details are available on our website: [www.cardwellscentre.co.uk](http://www.cardwellscentre.co.uk)

Alternatively call us on: **01475 521 536**

The CFM survey making the front page of The Herald

## 4.9 Other interactions

There are numerous other interactions that do not fit into any of the categories mentioned above. Here are a few.

- Francesco Caselli was a member of the LSE growth commission, which published its report and engaged in a number of follow-up public presentations and discussions during 2013.
- Wouter den Haan is a member of the panel of experts of MeJudice that is polled about key economic questions concerning the Dutch economy on a monthly basis.
- Outlets for non-technical works other than the ones mentioned above are also explored. For example, Chrissi Giannitsarou and Martin Ellison wrote "Too Many Dragons in the Dragons"

Den", which will appear in "Macroeconomics at the Service of Public Policy", edited by Thomas J. Sargent and Jouko Vilmunen.

- Ricardo Reis writes a weekly opinion column in one of the leading-circulation newspapers in Portugal. He is also on the board of two think tanks and in the jury of a main prize in Portugal.
- Ricardo Reis gave widely-attended public talks on the Euro crisis in Athens, Brussels and Lisbon.

## 5. The road ahead: Plans and strategy moving forward

The great recession damaged the reputation of macroeconomists. Just before the crisis erupted, Olivier Blanchard, currently chief economist of the IMF, wrote '*the state of macro is good*'. Although numerous macroeconomists, including members of the Centre, focused on economic crises, it is fair to say that the macroeconomics profession as a whole underestimated the risks that were building up and that many models were not useful to understand when economic systems become more fragile and were not useful in thinking about the right policies during severe financial crises.

During the last decade, the macroeconomic academic community has refocused their attention to different kinds of models to deal better with the complexity of modern economies and the financial sector in particular. There is clearly still a lot of work to be done. We think that the Centre is in a strong position to lead the UK macroeconomic community in these efforts to improve macroeconomic research and macroeconomic teaching for several reasons. First, it has excellent connections with policy makers. Second, several of its members have a long experience of working on rich and complex models. Third, we are well connected with academics across the world. Fourth, the universities that are part of the CFM attract the very best students. And with Oxford joining the CFM, we stand even stronger.



# Appendices

## Appendix 1: CFM Publications

### Journal Articles (other than top-five publications)

#### 2013

Albrecht, J. Postel-Vinay, F. and Vroman, S. (2013). An Equilibrium Search Model of Synchronized Sales. *International Economic Review*, 54(2), pp.473-4.

Antunes, A. and Cavalcanti, T. (2013). The Welfare Gains of Financial Liberalization: Capital Accumulation and Heterogeneity. *Journal of the European Economic Association*, 11(6), pp.1348-1381.

Balleer, A. and van Rens, T. (2013). Skill-Biased Technological Change and the Business Cycle. *Review of Economics and Statistics*, 95(4), pp.1222-1237.

Bassetto, M. and Messer, T. (2013). Fiscal Consequences of Paying Interest on Reserves. *Fiscal Studies*, 34(4), pp.413-436.

Benigno, G., Benigno, P. and Nisticò, S. (2013). Second-order approximation of dynamic models with time-varying risk. *Journal of Economic Dynamics and Control*, 37(7), pp.1231-1247.

Benigno, G., Chen, H., Otrok, C., Rebucci, A. and Young, E. (2013). Financial crises and macro-prudential policies. *Journal of International Economics*, 89(2), pp.453-470.

Besley, T. Ilzetzki, E. Persson, T. (2013) Weak States and Steady States: The Dynamics of Fiscal Capacity. *American Economic Journal: Macroeconomics* 5:4, pp.205-32.

Borowczyk-Martins, D. Jolivet, G. Postel-Vinay, F. (2013). Accounting for Endogeneity in Matching Function Estimation. *Review of Economic Dynamics*, 16, pp.440–451.

Caselli, F. and Ciccone, A. (2013). The contribution of schooling in development accounting: Results from a nonparametric upper bound. *Journal of Development Economics*, 104, pp.199-211.

Cloyne, J. (2013). Discretionary Tax Changes and the Macroeconomy: New Narrative Evidence from the United Kingdom. *American Economic Review*, 103(4), pp.1507-1528.

Corsetti, G., Kuester, K., Meier, A. and Mueller, G. (2013). Sovereign Risk, Fiscal Policy, and Macroeconomic Stability. *Econ J*, 123(566), pp.F99-F132.

Corsetti, G., Martin, P. and Pesenti, P. (2013). Varieties and the transfer problem. *Journal of International Economics*, 89(1), pp.1-12.

Eklund, J., Kapetanios, G. and Price, S. (2013). Robust Forecast Methods and Monitoring during Structural Change. *The Manchester School*, 81, pp.3-27.

Faccini, Renato, Stephen Millard, and Francesco Zanetti. "Wage rigidities in an estimated dynamic, stochastic, general equilibrium model of the UK labour market." *The Manchester School* 81.S1 (2013): 66-99.

Furlanetto, F. and Seneca, M. (2013). New Perspectives on Depreciation shocks as a source of business cycle fluctuations. *Macroecon. Dynam.*, 18(06), pp.1209-1233.

Giraitis, L., Kapetanios, G. and Price, S. (2013). Adaptive forecasting in the presence of recent and ongoing structural change. *Journal of Econometrics*, 177(2), pp.153-170.

Haefke, C., Sonntag, M. and van Rens, T. (2013). Wage rigidity and job creation. *Journal of Monetary Economics*, 60(8), pp.887-899.

Henriksen, E., Kydland, F. and Åustek, R. (2013). Globally correlated nominal fluctuations. *Journal of Monetary Economics*, 60(6), pp.613-631.

Ilzetzki, E. Mendoza, E. G. Vegh, C. A. (2013) How Big (Small?) are Fiscal Multipliers? *Journal of Monetary Economics* 60:2, pp.239-254.

Kumhof, M. and Laxton, D. (2013). Fiscal deficits and current account deficits. *Journal of Economic Dynamics and Control*, 37(10), pp.2062-2082.

Kumhof, M. and Laxton, D. (2013). Simple fiscal policy rules for small open economies. *Journal of International Economics*, 91(1), pp.113-127.

Kumhof, M. and Muir, D. (2013). Oil and the world economy: some possible futures. *Philosophical Transactions of the Royal Society A: Mathematical, Physical and Engineering Sciences*, 372(2006), pp.20120327-20120327.

Mertens, K. and Ravn, M. (2013). The Dynamic Effects of Personal and Corporate Income Tax Changes in the United States. *American Economic Review*, 103(4), pp.1212-1247.

Pissarides, C. (2013). Unemployment in the Great Recession. *Economica*, 80(319), pp.385-403.

Willems, T. (2013). Analyzing the effects of US monetary policy shocks in dollarized countries. *European Economic Review*, 61, pp.101-115.

## **2014**

Acconcia, A., Corsetti, G. and Simonelli, S. (2014). Mafia and Public Spending: Evidence on the Fiscal Multiplier from a Quasi-Experiment †. *American Economic Review*, 104(7), pp.2185-2209.

Aikman, D., Haldane, A. and Nelson, B. (2014). Curbing the Credit Cycle. *Econ J*, 125(585), pp.1072-1109.

Algan, Y., O. Allais, W.J. Den Haan, and P. Rendahl, *forthcoming*, Solving and Simulating Models with Heterogeneous Agents and Aggregate Uncertainty. *Handbook of Computational Economics* vol. 3, K. Schmedders and K.L. Judd (eds.).

Antunes, A., Cavalcanti, T. and Villamil, A. (2014). The effects of credit subsidies on development. *Econ Theory*, 58(1), pp.1-30.

Ardagna, S. and Caselli, F. (2014). The Political Economy of the Greek Debt Crisis: A Tale of Two Bailouts. *American Economic Journal: Macroeconomics*, 6(4), pp.291-323.

Armstrong, A. and Ebell, M. (2014). Assets and liabilities and Scottish independence. *Oxford Review of Economic Policy*, 30(2), pp.297-309.

Armstrong, A. and Ebell, M. (2014). Monetary Unions and Fiscal Constraints. *National Institute Economic Review*, 228(1), pp.F4-F11.

Armstrong, A. and Ebell, M. (2014). Scotland: Currency Options and Public Debt. *National Institute Economic Review*, 227(1), pp.R14-R20.

Benigno, G. (2014). The Never-Ending Debate on Capital Flows. *International Finance*, 17(1), pp.121-134.

Caselli, F., Cunningham, T., Morelli, M. and de Barreda, I. (2013). The Incumbency Effects of Signalling. *Economica*, 81(323), pp.397-418.

Challe, E. and Giannitsarou, C. (2014). Stock prices and monetary policy shocks: A general equilibrium approach. *Journal of Economic Dynamics and Control*, 40, pp.46-66.

Corsetti, G., Dedola, L. and Leduc, S. (2014). The International Dimension of Productivity and Demand Shocks in the US Economy. *Journal of the European Economic Association*, 12(1), pp.153-176.

De V. Cavalcanti, T., Mohaddes, K. and Raissi, M. (2014). Commodity Price Volatility and the Sources of Growth. *J. Appl. Econ.*, 30(6), pp.857-873.

Den Haan, W. and Sedlacek, P. (2014). Inefficient continuation decisions, job creation costs, and the cost of business cycles. *Quantitative Economics*, 5(2), pp.297-349.

De Nardi, M. and Yang, F. (2014). Bequests and heterogeneity in retirement wealth. *European Economic Review*, 72, pp.182-196

Dickson, M. Postel-Vinay, F. Turon, H. (2014). The Lifetime Earnings Premium in the Public Sector: The View from Europe. *Labour Economics* 31, pp.141-161.

J. Eeckhout, J., Pinheiro, R. (2014). Diverse Organizations and the Competition for Talent. *International Economic Review*, 55(3), pp. 625-664.

Fella, G. and Gallipoli, G. (2014). Education and Crime over the Life Cycle. *The Review of Economic Studies*, 81(4), pp.1484-1517.

Fella, G. (2014). A generalized endogenous grid method for non-smooth and non-concave problems. *Review of Economic Dynamics*, 17(2), pp.329-344.

Furlanetto, F. and Seneca, M. (2014). Investment shocks and consumption. *European Economic Review*, 66, pp.111-126.

Guimaraes, B. and Iazdi, O. (2014). IMF conditionalities, liquidity provision, and incentives for fiscal adjustment. *International Tax and Public Finance*, 22(5), pp.705-722.

Kumhof, M., Laxton, D. and Leigh, D. (2014). To starve or not to starve the beast?. *Journal of Macroeconomics*, 39, pp.1-23.

Mertens, K. and Ravn, M. (2014). A reconciliation of SVAR and narrative estimates of tax multipliers. *Journal of Monetary Economics*, 68, pp.S1-S19.



Mertens, K. and Ravn, M. (2014). Fiscal Policy in an Expectations-Driven Liquidity Trap. *The Review of Economic Studies*, 81(4), pp.1637-1667.

Lee, R., Mason, A., Lee, R., Mason, A., Amporfu, E., An, C., Bixby, L., Bravo, J., Bucheli, M., Chen, Q., Comelatto, P., Coy, D., d'Albis, H., Donehower, G., Dramani, L., Furnkranz-Prskawetz, A., Gal, R., Holz, M., Huang, N., Kluge, F., Ladusingh, L., Lee, S., Lindh, T., Ling, L., Long, G., Maliki, Matsukura, D., McCarthy, D., Mejia-Guevara, I., Mergo, T., Miller, T., Mwabu, G., Narayana, M., Nor, V., Norte, G., Ogawa, N., Olaniyan, O., Olivera, J., Oosthuizen, M., Phananimamai, M., Queiroz, B., Racelis, R., Renteria, E., Rice, J., Sambt, J., Seckin, A., Sefton, J., Soyibo, A., Tovar, J., Tung, A., Turra, C., Urdinola, B., Vaittinen, R., Vanne, R., Zannella, M. and Zhang, Q. (2014). Is low fertility really a problem? Population aging, dependency, and consumption. *Science*, 346(6206), pp.229-234.

Lisenkova, K. and Merette, M. (2014). Can an Ageing Scotland Afford Independence?. *National Institute Economic Review*, 227(1), pp.R32-R39.

Lisenkova, K. and Merette, M. (2014). Can an Ageing Scotland Afford Independence?. *National Institute Economic Review*, 227(1), pp.R32-R39.

Lisenkova, K., Merette, M. and Sanchez-Martinez, M. (2014). The Long-Term Economic Impact of Reducing Migration in the UK. *National Institute Economic Review*, 229(1), pp.R22-R30.

Mertens, K. and Ravn, M. (2014). A reconciliation of SVAR and narrative estimates of tax multipliers. *Journal of Monetary Economics*, 68, pp.S1-S19.

Michaillat, P. (2014). A Theory of Countercyclical Government Multiplier <sup>†</sup>. *American Economic Journal: Macroeconomics*, 6(1), pp.190-217.

Postel-Vinay, F. Turon, H. (2014). The Impact of Firing Restrictions on Labor Market Equilibrium in the Presence of On-the-job Search. *Economic Journal*, 124, pp.31-61.

Riley, R., Rosazza-Bondibene, C. and Young, G. (2014). The Financial Crisis, Bank Lending and UK Productivity: Sectoral and Firm-Level Evidence. *National Institute Economic Review*, 228(1), pp.R17-R34.

Sa, F. (2014). Immigration and House Prices in the UK. *Econ J*, 125(587), pp.1393-1424.

Santos Silva, J., Tenreyro, S. and Wei, K. (2014). Estimating the extensive margin of trade. *Journal of International Economics*, 93(1), pp.67-75.

Santos Silva, J., Tenreyro, S. and Wei, K. (2014). Estimating the extensive margin of trade. *Journal of International Economics*, 93(1), pp.67-75.

Sheedy, K. (2014). Debt and Incomplete Financial Markets: A Case for Nominal GDP Targeting. *Brookings Papers on Economic Activity*, 2014(1), pp.301-373.

Teulings, C. (2014). Unemployment and house price crises: Lessons for Fiscal Policy from the Dutch Recession. *IZA Journal of European Labor Studies*, 3(1), p.20.

## 2015

- Aikman, D., Nelson, B. and Tanaka, M. (2015). Reputation, risk-taking, and macroprudential policy. *Journal of Banking & Finance*, 50, pp.428-439.
- Alessandri, P. and Nelson, B. (2015). Simple Banking: Profitability and the Yield Curve. *Journal of Money, Credit and Banking*, 47(1), pp.143-175.
- Antolin-Diaz, Juan, Thomas Drechsel, and Ivan Petrella. "Tracking GDP when long-run growth is uncertain."
- Araujo, Luis, and Bernardo Guimaraes. "Intertemporal coordination with delay options." *Journal of Economic Theory* 157 (2015): 793-810.
- Bassetto, M. and Phelan, C. (2015). Speculative runs on interest rate pegs. *Journal of Monetary Economics*, 73, pp.99-114.
- Bean, Charles. "Discussion of "Applying an Inflation Targeting Lens to Macroprudential Policy 'Institutions'". " *International Journal of Central Banking* (2015).
- Bean, C., Broda, C., Ito, T. and Kroszner, R. (2015). Low for Long? Causes and Consequences of Persistently Low Interest Rates. *Geneva Reports on the World Economy*, (17).
- Benes, J. and Kumhof, M. (2015). Risky bank lending and countercyclical capital buffers. *Journal of Economic Dynamics and Control*, 58, pp.58-80.
- Benes, J., Chauvet, M., Kamenik, O., Kumhof, M., Laxton, D., Mursula, S. and Selody, J. (2015). The future of oil: Geology versus technology. *International Journal of Forecasting*, 31(1), pp.207-221.
- Boldrin, M., De Nardi, M. and Jones, L. (2015). Fertility and Social Security. *J. Dem. Econ.*, 81(03), pp.261-299.
- Carter, P. Postel-Vinay, F. Temple, J. R. W. (2015). Dynamic Aid Allocation. *Journal of International Economics* 95, pp.291-304.
- Cloyne, J., Thomas, R., Tuckett, A. and Wills, S. (2015). An Empirical Sectoral Model of Unconventional Monetary Policy: The Impact of QE\*. *The Manchester School*, 83, pp.51-82.
- Eeckhout, J., Weng, X. (2015). Common Value Experimentation. *Journal of Economic Theory* 160, pp. 317-339.
- Eliaz, Kfir, and Ran Spiegler. "Beyond" Ellison's Matrix": New Directions in Behavioral Industrial Organization." *Review of Industrial Organization*, forthcoming (2015).
- Eliaz, K. and Spiegler, R. (2015). X-games. *Games and Economic Behavior*, 89, pp.93-100.
- Giacomini, R. (2015). Economic theory and forecasting: lessons from the literature. *The Econometrics Journal*, 18(2), pp.C22-C41.
- Giacomini, Raffaella, and Barbara Rossi. "Forecasting in nonstationary environments: What works and what doesn't in reduced-form and structural models." (2014).

Gonsalves, C. and Guimaraes, B. (2015). Sovereign default risk and commitment for fiscal adjustment. *Journal of International Economics*, 95(1), pp.68-82.

Harrison, R. (2015). Estimating the effects of forward guidance in rational expectations models. *European Economic Review*, 79, pp.196-213.

Kumhof, Michael, Romain Rancière, and Pablo Winant. "Inequality, Leverage, and Crises." *The American Economic Review*, 105.3 (2015): 1217-1245.

Reis, R. (2015). Looking for a Success in the Euro Crisis Adjustment Programs. *Brookings Papers on Economic Activity*, pp. 433-447.

Reis, R. (2015). Different Types of Central Bank Insolvency and the Central Role of Seignorage. *Journal of Monetary Economics*, 73, pp.20-25.

Sa, F. and Wieladek, T. (2015). Capital Inflows and the U.S. Housing Boom. *Journal of Money, Credit and Banking*, 47(S1), pp.221-256.

Sa, F., Towbin, P. and Wieladek, T. (2013). Capital Inflows, Financial Structure and Housing Booms. *Journal of the European Economic Association*, 12(2), pp.522-546.

Spiegler, R. (2015). Agility in repeated games: An example. *Economics Letters*, 131, pp.47-49.

Sterk, V. (2015). Home equity, mobility, and macroeconomic fluctuations. *Journal of Monetary Economics*, 74, pp.16-32.

Yashiv, E. (2015). Capital values and job values. *Review of Economic Dynamics*, 19, pp. 190-209.

## **2016**

Bean, C. (2016) Living with Low for Long. *Economic Journal*. 126(592), pp. 507-522.

Bradley, J. Postel-Vinay, F. Turon, H. *forthoming*. Public Sector Wage Policy and Labor Market Equilibrium: A Structural Model. *Journal of the European Economic Association*.

Cai, X., W.J. Den Haan, and J. Pinder, (2016) Predictable Recoveries. *Economica*, 83(330), pp. 307-337.

Cui, W., Radde, S. (2016) "Money and Asset Liquidity in Frictional Capital Markets" *American Economics Review (Papers and Proceedings)*, Vol 106(5), pp. 496-502.

Cui, W. (2016) "Monetary-fiscal Interactions with Endogenous Liquidity Frictions" *European Economic Review*, (lead article), Vol 87, pp. 1-25.

De Nardi, M., Yang, F. (2016). Wealth Inequality, Family Background, and Estate Taxation. *Journal of Monetary Economy*, Carnegie Rochester Special Issue on Inequality, Institutions, and Redistribution, vol. 77, pp. 130-15.

De Nardi, M., Fella, G., Yang, F. *forthcoming*. Piketty's Book and Macro Models of Wealth Inequality. *The Global Ramifications of Thomas Piketty's Capital in the 21st Century*, Harvard University Press.

De Nardi, M., French, E., Jones, J. *forthcoming*. Savings After Retirement: A Survey. *The Annual Review of Economics*.

De Nardi, M., French, E., Jones, J. McCauley, J. *forthcoming*. Medical Spending of the U.S. Elderly. *Medical Expenditures Around the World*, Institute of Fiscal Studies.

Jolivet, G. Jullien, B. Postel-Vinay, F. (2016). Reputation and Prices on the e-Market: Evidence from a Major French Platform. *International Journal of Industrial Organization* 45, pp.59-75.

Moscarini, G. Postel-Vinay, F. (2016). Did the Job Ladder Fail After the Great Recession?. *Journal of Labor Economics* 34(S1, Part 2), S55-93.

Moscarini, G. Postel-Vinay, F. (2016). Wage Posting and Business Cycles. *American Economic Review Papers and Proceedings*, 106(5), pp.208-213.

Moscarini, G. Postel-Vinay, F. (2016). Wage Posting and Business Cycles: A Quantitative Exploration. *Review of Economic Dynamics* 19 (special issue in the memory of Dale Mortensen), pp.135-160.

Reis, R., Corsetti, G., Feld, L. P., Koijen, R., Reichlin, L., Helene Rey, H., Weder di Mauro, B. (2016). Reinforcing the Eurozone and Protecting an Open Society. *Monitoring the Eurozone 2*, CEPR Press.

Reis, R. (2016). Comment on: External and Public Debt Crises. *NBER Macroeconomics Annual 2015*, 30, pp.245-256.

Reis, R. *forthcoming*. Comment on: Learning from Potentially-Biased Statistics: Household Inflation Perceptions and Expectations in Argentina. *Brookings Papers on Economic Activity*.

Reis, R. *forthcoming*. Comment on: Jump-Starting the Euro Area Recovery: Would a Rise in Core Fiscal Spending Help the Periphery. *NBER Macroeconomics Annual 2016*.

## CFM Discussion Papers

### 2013

Tenreyro, S. Thwaites, G. (2013). Pushing on a string: US monetary policy is less powerful in recessions Discussion Paper CFM-DP2013-1. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Armstrong, A. Ebell, M. (2013). Scotland's Currency Options. Discussion Paper CFM-DP2013-2. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Landais, C. Michaillat, P. Saez, E. Optimal Unemployment Insurance over the Business Cycle Discussion Paper CFM-DP2013-3. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Moscarini, G. Postel-Vinay, F. Did the Job Ladder Fail After the Great Recession? Paper CFM-DP2013-4. Retrieved from Centre for Macroeconomics website

<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Sterk,V. Tenreyro, S. The Transmission of Monetary Policy Operations through Redistributions and Durable Purchases. Discussion Paper CFM-DP2013-5. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Garriga,C. Kydland,F.E. Šustek,R. Mortgages and Monetary Policy. Discussion Paper CFM-DP2013-5. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Oulton,N. Medium and long run prospects for UK growth in the aftermath of the financial crisis. Discussion Paper CFM-DP2013-5. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

## **2014**

King,P. Millard,S. (2014). Modelling the Service Sector. Discussion Paper CFM-DP2014-1. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Den Haan,W. (2013). Inventories and the Role of Goods-Market Frictions for Business Cycles. Discussion Paper CFM-DP2014-2. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Sedlacek,P. Sterk,V. (2014). The Growth Potential of Startups over the Business Cycle. Discussion Paper CFM-DP2014-3. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Ngai,L. Petrongolo,B. (2014). Gender Gaps and the Rise of the Service Economy. Discussion Paper CFM-DP2014-4. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Rendahl,P. (2014). Fiscal Policy in an Unemployment Crisis. Discussion Paper CFM-DP2014-5. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Bahaj,S. (2014). Systemic Sovereign Risk: Macroeconomic Implications in the Euro Area. Discussion Paper CFM-DP2014-6. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Riley,R. Rosazza Bondibene,C. Young,G. (2014). Productivity Dynamics in the Great Stagnation: Evidence from British businesses. Discussion Paper CFM-DP2014-7. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Wills,S. (2014). Optimal Monetary Responses to Oil Discoveries. Discussion Paper CFM-DP2014-8. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Barrdear,J. (2014). Peering into the Mist: social learning over an opaque observation network. Discussion Paper CFM-DP2014-9. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Haberis,A. Sokol,A. (2014). A Procedure for Combining Zero and Sign Restrictions in a VAR-identification Scheme. Discussion Paper CFM-DP2014-10. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Hansen,S. McMahon,M. Prat,A. (2014). Transparency and Deliberation within the FOMC: a Computational Linguistics Approach. Discussion Paper CFM-DP2014-11. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Portes,J. Wren-Lewis,S. (2014). Issues in the Design of Fiscal Policy Rules. Discussion Paper CFM-DP2014-12. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cloyne,J. (2014). Government Spending Shocks, Wealth Effects and Distortionary Taxes. Discussion Paper CFM-DP2014-13. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Eliaz,K. Spiegler,R. (2014). Managing Intrinsic Motivation in a Long-Run Relationship. Discussion Paper CFM-DP2014-14. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Laureys,L. (2014). Optimal Monetary Policy in the Presence of Human Capital Depreciation during Unemployment. Discussion Paper CFM-DP2014-15. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Giannone,D. Monti,F. Reichlin,L. (2014). Exploiting the Monthly Data-flow in Structural Forecasting. Discussion Paper CFM-DP2014-16. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Spiegler,R. (2014). Bayesian Networks and Boundedly Rational Expectations. Discussion Paper CFM-DP2014-17. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Porcelli,F. Trezzi,R. (2014). Shake Me the Money!. Discussion Paper CFM-DP2014-18. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

- Michaillat,P. Saez,E. (2014). Aggregate Demand, Idle Time, and Unemployment. Discussion Paper CFM-DP2014-19. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Laureys,L. (2014). The Cost of Human Capital Depreciation during Unemployment. Discussion Paper CFM-DP2014-20. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Caselli,F. (2014). The Latin American Efficiency Gap. Discussion Paper CFM-DP2014-21. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Haberis,R. Harrison,R. Waldron,M. (2014). Transitory Interest-rate Pegs under Imperfect Credibility. Discussion Paper CFM-DP2014-22. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Kydland,F. Rupert,P. Sustek,R. (2014). Housing Dynamics over the Business Cycle. Discussion Paper CFM-DP2014-23. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Corsetti,G. Dedola,L. (2014). The "Mystery of the Printing Press" Monetary Policy and Self-fulfilling Debt Crises. Discussion Paper CFM-DP2014-24. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Michaillat,P. Saez,E. (2014). An Economical Business-Cycle Model. Discussion Paper CFM-DP2014-25. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Guimaraes,B. Machado,C. Ribeiro,M. (2014). A Model of the Confidence Channel of Fiscal Policy. Discussion Paper CFM-DP2014-26. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Diniz,A. Guimaraes,B. (2014). Financial Disruption as a Cost of Sovereign Default: a quantitative assessment. Discussion Paper CFM-DP2014-27. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Thwaites,G. (2014). Why are Real Interest Rates so Low? Secular stagnation and the relative price of investment goods. Discussion Paper CFM-DP2014-28. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Harrison,R. (2014). Estimating the Effects of Forward Guidance in Rational Expectations models. Discussion Paper CFM-DP2014-29. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>
- Eyster,E. Madarasz,K. Michaillat,P. (2014). The Curse of Inflation. Discussion Paper CFM-DP2014-30. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>



## 2015

Ravn,M.O. Sterk,V. (2015). Job Uncertainty and Deep Recessions. Discussion Paper CFM-DP2015-1. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Yashiv,E. (2015). Capital Values and Job Values. Discussion Paper CFM-DP2015-2. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Guimaraes,B. Machado,C. (2015). Demand Expectations and the Timing of Stimulus Policies. Discussion Paper CFM-DP2015-3. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Feltrin,C. Guimaraes,B. (2015). Time-dependent or State-dependent Pricing? Evidence from a Large Devaluation Episode. Discussion Paper CFM-DP2015-4. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Monti,F. (2015). Can a Data-rich Environment Help Identify the Sources of Model Misspecification? Discussion Paper CFM-DP2015-5. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Masolo,R.M. Monti,F. (2015). Monetary Policy with Ambiguity Averse Agents. Discussion Paper CFM-DP2015-6. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Pinter,G. (2015). House Price and Job Losses. Discussion Paper CFM-DP2015-7. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Laczó,S. Rossi,R. (2015). Time-Consistent Consumption Taxation. Discussion Paper CFM-DP2015-8. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Barrdear,J. (2015). Towards a New Keynesian Theory of the Price Level. Discussion Paper CFM-DP2015-9. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Masolo,R.M. Paccagnini,A. (2015). Identifying Noise Shocks: a VAR with Data Revisions. Discussion Paper CFM-DP2015-10. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Benigno,G. Converse,N. Fornaro,L. (2015). Large Capital Inflows, Sectoral Allocation, and Economic Performance. Discussion Paper CFM-DP2015-11. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Benigno,G. Chen,H. Otrok,C. Reducci,A. Young,E. (2015). Optimal Capital Controls and Real Exchange Rate Policies: A Pecuniary Externality Perspective. Discussion Paper CFM-DP2015-12. Retrieved from

Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Gottlieb,J. Grobovšek,J. (2015). Communal Land and Agricultural Productivity. Discussion Paper CFM-DP2015-13. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cenedese,G. Mallucci,E. (2015). What Moves International Stock and Bond Markets? Discussion Paper CFM-DP2015-14. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Michaillat,P. Saez,E. (2015). The Optimal Use of Government Purchases for Macroeconomic Stabilization. Discussion Paper CFM-DP2015-15. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Bergin,P. Corsetti,G. (2015). Beyond Competitive Devaluations: The Monetary Dimensions of Comparative Advantage. Discussion Paper CFM-DP2015-16. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Caselli,F. (2015). Experience-biased Technical Change. Discussion Paper CFM-DP2015-17. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Caselli,F. Koren,M. Lisicky,M. Tenreyro,S. (2015). Diversification through Trade. Discussion Paper CFM-DP2015-18. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Matsuyama,K. (2015). The Home Market Effect and Patterns of Trade between Rich and Poor Countries. Discussion Paper CFM-DP2015-19. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cai,X. Den Haan,W. Pinder,J. (2015). Predictable Recoveries. Discussion Paper CFM-DP2015-20. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Den Haan,W. Rendahl,P. Spiegel,M. (2015). Unemployment (Fears) and Deflationary Spirals. Discussion Paper CFM-DP2015-21. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Perets,G.S. Yashiv,E. (2015). The Fundamental Nature of HARA Utility. Discussion Paper CFM-DP2015-22. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Butt,N. Churm,R. McMahon,M. Morotz,A. Schanz,J. (2015). QE and the Bank Lending Channel in the United Kingdom. Discussion Paper CFM-DP2015-23. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Oulton, N. (2015). Space-Time (In)Consistency in the National Accounts: Causes and Cures. Discussion Paper CFM-DP2015-24. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Franklin, J. Rostom, M. Thwaites, G. (2015). The Banks that Said No: Banking Relationships, Credit Supply and Productivity in the UK. Discussion Paper CFM-DP2015-25. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Ilzetzki, E. (2015). A Positive Theory of Tax Reform. Discussion Paper CFM-DP2015-26. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Matsuyama, K. Sushko, I. Gardini, L. (2015). Globalization and Synchronization of Innovation Cycles. Discussion Paper CFM-DP2015-27. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Boehm, J. (2015). The Impact of Contract Enforcement Costs on Outsourcing and Aggregate Productivity. Discussion Paper CFM-DP2015-28. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Hassler, J. Krusell, P. Olovsson, C. (2015). Energy-Saving Technical Change. Discussion Paper CFM-DP2015-29. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Krusell, P. Mukoyama, T. Rogerson, R. Şahin, A. (2015). Gross Worker Flows over the Business Cycle. Discussion Paper CFM-DP2015-30. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Rudanko, L. Krusell, P. (2015). Unions in a Frictional Labor Market. Discussion Paper CFM-DP2015-31. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Huber, K. (2015). The Persistence of a Banking Crisis. Discussion Paper CFM-DP2015-32. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Armstrong, A. Davis, P. Ebell, M. (2015). An Economic Analysis of Pension Tax Proposals. Discussion Paper CFM-DP2015-33. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Chang, B. Zhang, S. (2015). Endogenous Market Making and Network Formation. Discussion Paper CFM-DP2015-34. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Reis, R. (2015). Looking for a success in the euro crisis adjustment programs: the case of Portugal. Discussion Paper CFM-DP2015-35. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

De Haan, W. Kobielarz, M. Rendahl, P. (2015) Exact Present Solution with Consistent Future Approximation: a gridless algorithm to stochastic dynamic models. Discussion Paper CFM-DP2015-36. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Hansen, S. McMahon, M. (2015) Shocking Language: Understanding the macroeconomic effects of central bank communication. Discussion Paper CFM-DP2015-37. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

## **2016**

Baqae, D. (2016) Asymmetric Inflation Expectations, Downward Rigidity of Wages and Asymmetric Business Cycles. Discussion Paper CFM-DP2016-01. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Giacomini, R. Skreta, V. Turen, J. (2016) Models, Inattention and Expectation Updates. Discussion Paper CFM-DP2016-02. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Sterk, V. (2016) The Dark Corners of the Labor Market. Discussion Paper CFM-DP2016-03. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Antolin-Diaz, J. Drechsel, T. Petrella, I. (2016) Tracking the Slowdown in Long-Run GDP Growth. Discussion Paper CFM-DP2016-04. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Rachel, L. Smith, T. D. (2016) Secular Drivers of the Global Real Interest Rate. Discussion Paper CFM-DP2016-05. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Benigno, G. Fornaro, L. (2016) Stagnation Traps. Discussion Paper CFM-DP2016-06. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Bahaj, S. Foulis, A. Pinter, G. (2016) The Residential Collateral Channel. Discussion Paper CFM-DP2016-07. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Rupert, P. Sustek, R. (2016) On the Mechanics of New Keynesian Models. Discussion Paper CFM-DP2016-08. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Chiu, C. Mumtaz, H. Pinter, G. (2016) VAR Models with Non-Gaussian Shocks. Discussion Paper CFM-DP2016-09. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Melcangi, D. (2016) Firms' Precautionary Savings and Employment During a Credit Crisis. Discussion Paper CFM-DP2016-10. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Farmer, R., Zabczyk, P. (2016) The Theory of Unconventional Monetary Policy. Discussion Paper CFM-DP2016-11. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cesa-Bianchi, A. Thwaites, G. Viccondoa, A. (2016) Monetary Policy Transmission in an Open Economy: New Data and Evidence from the United Kingdom. Discussion Paper CFM-DP2016-12. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Miranda-Agrippino, S. (2016) Unsurprising Shocks: Information, Premia, and the Monetary Transmission. Discussion Paper CFM-DP2016-13. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

De Philippis, M. Rossi, F. (2016) Parents, Schools and Human Capital Differences across Countries. Discussion Paper CFM-DP2016-14. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Fella, G. Cozzi, M. (2016) Job Displacement Risk and Severance Pay. Discussion Paper CFM-DP2016-15. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Moen, E. R. Yashiv, E. (2016) Matching Workers. Discussion Paper CFM-DP2016-16. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Brunnermeier, M. K. Garicano, L. Lane, P. R. Pagano, M. Reis, R. Santos, T. Thesmar, D. Van Nieuwerburgh, S. Vayanosy, D. (2016) The Sovereign-Bank Diabolic Loop and ESBies. Discussion Paper CFM-DP2016-17. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

McKay, A. Reis, R. (2016) Optimal Automatic Stabilizers. Discussion Paper CFM-DP2016-18. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Spiegler, R. (2016) Can Agents with Causal Misperceptions be Systemically Fooled? Discussion Paper CFM-DP2016-19. Retrieved from Centre for Macroeconomics website  
<http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Reis, R. (2016) QE in the Future: the central bank's balance sheet in a financial crisis. Discussion Paper CFM-DP2016-20. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Ngai, L. R. Sheedy, K. (2016) The Decision to Move House and Aggregate Housing-Market Dynamics. Discussion Paper CFM-DP2016-21. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cesa-Bianchi, A. Imbs, J. Saleheen, J. (2016) Finance and Synchronization. Discussion Paper CFM-DP2016-22. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Pinter, G. (2016) The Macroeconomic Shock with the Highest Price of Risk. Discussion Paper CFM-DP2016-23. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Sepahsafari, A. (2016) Financial Market Imperfections and Labour Market Outcomes. Discussion Paper CFM-DP2016-24. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Garriga, C. Kydland, F. E. Sustek, R. (2016) Nominal Rigidities in debt and Product Markets. Discussion Paper CFM-DP2016-25. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Reis, R. (2016) Funding Quantitative Easing to Target Inflation. Discussion Paper CFM-DP2016-26. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Brunnermeier, M. Langfield, S. Pagano, M. Reis, R. Van Nieuwerburgh, S. Vayanos, D. (2016) ESBies: Safety in the tranches. Discussion Paper CFM-DP2016-27. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Teulings, C. (2016) Secular Stagnation, Rational Bubbles, and Fiscal Policy. Discussion Paper CFM-DP2016-28. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Gottfries, A. Teulings, C. (2016) Returns to On-the-Job Search and the Dispersion of Wages. (2016) Discussion Paper CFM-DP2016-29. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

De Ridder, M. (2016) Investment in Productivity and the Long-Run Effect of Financial Crises on Output. Discussion Paper CFM-DP2016-30. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>



Alloza, M. (2016) Is Fiscal Policy More Effective in Uncertain Times or During Recessions. Discussion Paper CFM-DP2016-31. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Alloza, M. (2016) The Impact of Taxes on Income Mobility. Discussion Paper CFM-DP2016-32. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Ravn, M. O. Sterk, V. (2016) Macroeconomic Fluctuations with HANK & SAM: An analytical approach. Discussion Paper CFM-DP2016-33. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Hall, R. E. Reis, R. (2016) Achieving Price Stability by Manipulating the Central Bank's Payment on Reserves. Discussion Paper CFM-DP2016-34. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Bracke, P. Tenreyro, S. (2016) History Dependence in the Housing Market. Discussion Paper CFM-DP2016-35. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Yashiv, E. (2016) Aggregate Hiring and the Value of Jobs Along the Business Cycle. Discussion Paper CFM-DP2016-37. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Balke, N. Ravn, M. (2016) Time-Consistent Fiscal Policy in a Debt Crisis. Discussion Paper CFM-DP2016-38. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Sa, F. (2016) The Effect of Foreign Investors on Local Housing Markets: Evidence from the UK. Discussion Paper CFM-DP2016-39. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

## **2017**

Reis, R. (2016) Can the Central Bank Alleviate Fiscal Burdens? Discussion Paper CFM-DP2017-01. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Carvalho, A. Guimaraes, B. (2017) State-Controlled Companies and Political Risk: Evidence from the 2014 Brazilian Election. Discussion Paper CFM-DP2017-02. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Guimaraes, B. Ladeira, C. E. (2017) The Determinants of IMF Fiscal Conditionalities: Economics or politics? Discussion Paper CFM-DP2017-03. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cerina, F. Moro, A. Rendall M. P. (2017) The Role of Gender in Employment Polarization. Discussion Paper CFM-DP2017-04. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Diniz, A. Guimaraes, B. (2017) How Diabolic is the Sovereign-Bank Loop? The Effects of Post-Default Fiscal Policies. Discussion Paper CFM-DP2017-05. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Oulton, N. (2017) The Mystery of TFP. Discussion Paper CFM-DP2017-06. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Fieldhouse, A. Mertens, K. Ravn, M. O. (2017) The Macroeconomic Effects of Government Asset Purchases: Evidence from postwar US housing credit policy. Discussion Paper CFM-DP2017-07. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cesa-Bianchi, A. Martin. F. E. Thwaites, G. (2017) Foreign Booms, Domestic Busts: The global dimension of banking crises. Discussion Paper CFM-DP2017-08. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Masolo, R. Monti, F. (2017) Ambiguity, Monetary Policy and Trend Inflation. Discussion Paper CFM-DP2017-09. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Guimaraes, B. Sheedy, K. (2017) Political Specialization. Discussion Paper CFM-DP2017-10. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Miranda-Agrippino, S. Ricco, G. (2017) The Transmission of Monetary Policy Shocks. Discussion Paper CFM-DP2017-11. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Kehoe, P. J. Pastorino, E. (2017) Fiscal Unions Redux . Discussion Paper CFM-DP2017-12. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Reis, R. (2017) Is Something Really Wrong with Macroeconomics? Discussion Paper CFM-DP2017-13. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Leon-Ledesma, M. Moro, A. (2017) The Rise of Services and Balanced Growth in Theory and Data. Discussion Paper CFM-DP2017-14. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Bassetto, M. Galli, C. (2017) Is Inflation Default? The Role of Information in Debt Crisis. Discussion Paper CFM-DP2017-15. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cui, W. Kaas, L. (2017) Default Cycles. Discussion Paper CFM-DP2017-16. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

De Silva, T. Tenreyro, S. (2017) Population Control Policies and Fertility Convergence. Discussion Paper CFM-DP2017-17. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

De Silva, T. Tenreyro, S. (2017) The Large Fall in Global Fertility: A quantitative model. Discussion Paper CFM-DP2017-18. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Cui, W. (2017) Macroeconomic Effects of Delayed Capital Liquidation. Discussion Paper CFM-DP2017-19. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Corsetti, G. Erce, A. Uy, T. (2017) Official Sector Lending Strategies During the Euro Area Crisis. Discussion Paper CFM-DP2017-20. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Corsetti, G. Kuester, K. Muller, G. J. (2017) Fixed on Flexible Rethinking Exchange Rate Regimes after the Great Recession. Discussion Paper CFM-DP2017-21. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Corsetti, G. Mavroeidi, E. Thwaites, G. Wolf, M. (2017) Step Away from the Zero Lower Bound: Small open economies in a world of secular stagnation. Discussion Paper CFM-DP2017-22. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Drechsel, T. Tenreyro, S. (2017) Commodity Booms and Busts in Emerging Economies. Discussion Paper CFM-DP2017-23. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Bahaj, S. Foulis, A. Pinter, G. (2017) Home Values and Firm Behaviour. Discussion Paper CFM-DP2017-24. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Ilzetzki, E. Saverio, S. (2017) Measuring Productivity Dispersion: Lessons from counting one-hundred million ballots. Discussion Paper CFM-DP2017-25. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Guimaraes, B. Machado, C. Pereira, A. E. (2017) Dynamic Coordination with Timing Frictions: Theory and applications. Discussion Paper CFM-DP2017-26. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Ellison, M. Scott, A. (2017) Managing the UK National Debt 1964-2017. Discussion Paper CFM-DP2017-27. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Sevinc, O. (2017) Skill-Based Technical Change and Labor Market Polarization: The role of skill heterogeneity within occupations. Discussion Paper CFM-DP2017-28. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Guimaraes, B. Salama, B. M. (2017) Contingent Judicial Deference: Theory and application to usury laws. Discussion Paper CFM-DP2017-29. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Gambetti, L. Korobilis, D. Tsoukalas, J. D. Zanetti, F. (2017) The Effect of News Shocks and Monetary Policy. Discussion Paper CFM-DP2017-30. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

Bassetto, M. Cui, W. (2017) The Fiscal Theory of the Price Level in a World of Low Interest Rates. Discussion Paper CFM-DP2017-31. Retrieved from Centre for Macroeconomics website <http://www.centreformacroeconomics.ac.uk/Discussion-Papers/home.aspx>

## Appendix 2: External students visiting the CFM

Surname	Institution	Period Visited
Dario Bonciani	European University Institute	2015 - 2016
Piotr Denderski	University of Amsterdam	Mar. 2013 - May 2015
Benjamin Freyd	Paris School of Economics	Nov. 2012 – Jul. 2013
Benjamin Hartung	Bonn Graduate School of Economics	Sep. 2015 - Dec. 2015
Simon Lloyd	University of Cambridge	Sep. 2015 - Present
Kolb Bendict	European University Institute	Apr. 2015 – Jun. 2015
Zuzana Molnorova	Vienna Graduate School of Economics	Oct. 2015 - Dec. 2015
Marcel Ribeiro	Sao Paulo School of Economics	Sep. 2015 - Dec. 2015
Akshay Shanker	Australian National University	Sep. 2015 - Dec. 2015
Michele Valsecchi	University of Gothenburg	Jan. 2016 – Jun. 2016
Christiaan van der Kwaak	Tinbergen Institute, University of Amsterdam	Jun. 2014 – Jul. 2014
Tim Willems	Tinbergen Institute, University of Amsterdam	Feb. 2013 - Aug. 2014
Samuel Willis	University of Oxford	Apr. 2013 - Aug. 2014
Martin Wolf	University of Bonn	Sep. 2014 – Aug. 2015

### Appendix 3: CFM survey topics

Date	Title	VoxEu columns	# Views	URL
07/04/14	Prospects for Economic Growth in the UK April 2014	UK macroeconomists see potential for higher growth: results of the first Centre for Macroeconomics survey	12,043	<a href="http://www.voxeu.org/article/uk-growth-new-survey-macroeconomists">http://www.voxeu.org/article/uk-growth-new-survey-macroeconomists</a>
12/05/14	Euro Area Deflation and Risk for UK Economy May 2014	Eurozone deflation could derail UK recovery: Results of the second Centre for Macroeconomics survey	12,644	<a href="http://www.voxeu.org/article/eurozone-deflation-survey-uk-based-macroeconomists">http://www.voxeu.org/article/eurozone-deflation-survey-uk-based-macroeconomists</a>
07/06/14	Economic Consequences of an Independent Scotland June 2014	Scotland would not be better off as an independent nation: results from the Centre for Macroeconomics June Survey	16,709	<a href="http://www.voxeu.org/article/scottish-independence-survey-uk-based-macroeconomists">http://www.voxeu.org/article/scottish-independence-survey-uk-based-macroeconomists</a>
30/06/14	UK House Prices and Macro-Prudential Policy July 2014	It's time to deploy macroprudential policy: results from the Centre for Macroeconomics July Survey	13,913	<a href="http://www.voxeu.org/article/macprudential-policy-survey-uk-based-macroeconomists">http://www.voxeu.org/article/macprudential-policy-survey-uk-based-macroeconomists</a>
02/10/14	Migration and the UK Economy August 2014	Economists negative about UK migration policies: results from the Centre for Macroeconomics August survey	11,764	<a href="http://www.voxeu.org/article/migration-policy-survey-uk-based-macroeconomists">http://www.voxeu.org/article/migration-policy-survey-uk-based-macroeconomists</a>
03/11/14	Secular Stagnation	Has the West entered secular stagnation? Results from the Centre for Macroeconomics October survey	8,195	<a href="http://www.voxeu.org/article/secular-stagnation-survey-uk-based-macroeconomists">http://www.voxeu.org/article/secular-stagnation-survey-uk-based-macroeconomists</a>
19/11/14	Devolving Income Tax Powers within the UK	Devolving full income tax powers to Scotland would	6,742	<a href="http://www.voxeu.org/article/smith-commission-scottish-devolution-survey-uk-based-macroeconomists">http://www.voxeu.org/article/smith-commission-scottish-devolution-survey-uk-based-macroeconomists</a>

		be counterproductive: Results from the Centre for Macroeconomics November survey		
04/12/14	2014 Autumn Statement	n/a	n/a	n/a
18/01/15	Greece's elections and the future of the Eurozone	n/a	n/a	n/a
07/03/15	Transparency and the Effectiveness of Monetary Policy following the Warsh Review at the Bank of England	Transparency and the Effectiveness of Monetary Policy after the Warsh Review at the Bank of England	8,176	<a href="http://www.voxeu.org/article/transparency-and-effectiveness-monetary-policy">http://www.voxeu.org/article/transparency-and-effectiveness-monetary-policy</a>
28/03/15	The Importance of Elections for UK Economic Activity	n/a	n/a	n/a
22/06/15	Monetary policy and the zero lower bound (ZLB)	Monetary policy at the zero lower bound	14,459	<a href="http://www.voxeu.org/article/monetary-policy-zero-lower-bound">http://www.voxeu.org/article/monetary-policy-zero-lower-bound</a>
25/06/15	Deal or no deal: The Greece standoff	n/a	n/a	n/a
02/10/15	ECB's quantitative easing	Risk-sharing and the effectiveness of the ECB's quantitative easing programme	6,859	<a href="http://www.voxeu.org/article/ecb-s-quantitative-easing-programme">http://www.voxeu.org/article/ecb-s-quantitative-easing-programme</a>
16/11/15	China's growth slowdown: likely persistence and effects	China's growth slowdown: Likely persistence and effects	5,057	<a href="http://www.voxeu.org/article/cfm-monthly-survey-china-s-growth-slowdown">http://www.voxeu.org/article/cfm-monthly-survey-china-s-growth-slowdown</a>
16/12/15	Autumn Statement & Charter for Budgetary Responsibility	The Autumn Statement and the Charter for Budgetary Responsibility	3,492	<a href="http://www.voxeu.org/article/autumn-statement-and-charter-budgetary-responsibility">http://www.voxeu.org/article/autumn-statement-and-charter-budgetary-responsibility</a>
25/01/16	Market Turbulence and Growth Prospects	Market volatility: More likely 'noise' than reason for concern	3,636	<a href="http://www.voxeu.org/article/cfm-survey-january-2016-market-volatility-noise">http://www.voxeu.org/article/cfm-survey-january-2016-market-volatility-noise</a>
25/02/16	Brexit and financial market volatility	The Brexit question will increase financial market volatility	6,404	<a href="http://www.voxeu.org/article/cfm-survey-february-2016-brexit-and-market-volatility">http://www.voxeu.org/article/cfm-survey-february-2016-brexit-and-market-volatility</a>
31/03/16	National Living Wage and the UK economy	The UK's new National Living Wage: Likely impact on employment, wages, and prices	6,074	<a href="http://www.voxeu.org/article/cfm-survey-march-2016-uk-s-national-living-wage">http://www.voxeu.org/article/cfm-survey-march-2016-uk-s-national-living-wage</a>



17/05/16	The future role of (un)conventional monetary policy	The future role of unconventional monetary policy: CFM Survey results	4,751	<a href="http://voxeu.org/article/unconventional-monetary-policy-results-cfm-survey">http://voxeu.org/article/unconventional-monetary-policy-results-cfm-survey</a>
07/06/16	Brexit: the potential of a financial catastrophe and long-term consequences for the UK financial sector	Brexit: The potential for a financial catastrophe and long-term consequences for the UK financial sector	4,027	<a href="http://voxeu.org/article/cfm-survey-june-2016-brexit-and-city">http://voxeu.org/article/cfm-survey-june-2016-brexit-and-city</a>
25/07/16	Are academic economists 'in touch' with voters and politicians?	Brexit and the economics profession: Are academic economists out of touch with voters and politicians?	4,286	<a href="http://voxeu.org/article/cfm-survey-july-2016-brexit-and-economics-profession">http://voxeu.org/article/cfm-survey-july-2016-brexit-and-economics-profession</a>
12/10/16	German Current Account Surpluses	The danger of Germany's current account surpluses: Results of the CFM and CEPR Survey	20,548	<a href="http://voxeu.org/article/danger-germanys-current-account-surpluses-results-cfm-and-cepr-survey">http://voxeu.org/article/danger-germanys-current-account-surpluses-results-cfm-and-cepr-survey</a>
07/11/16	German Council of Economic Experts' view of ECB policy	German Council of Economic Experts' view of ECB policy: Results of the CFM–CEPR Survey	5,834	<a href="http://voxeu.org/article/german-council-economic-experts-view-ecb-policy-results-cfm-cepr-survey">http://voxeu.org/article/german-council-economic-experts-view-ecb-policy-results-cfm-cepr-survey</a>
20/12/16	The Future of Central Bank Independence	The future of central bank independence: Results of the CFM–CEPR Survey	12,090	<a href="http://voxeu.org/article/future-central-bank-independence">http://voxeu.org/article/future-central-bank-independence</a>
09/02/17	A “new” industrial strategy for the UK?	UK industrial strategy: Views of economists on its desirability and prospects for success	14,720	<a href="http://voxeu.org/article/views-industrial-strategy-economists">http://voxeu.org/article/views-industrial-strategy-economists</a>
23/03/17	Happiness and well-being as objectives of macro policy	Happiness and wellbeing as objectives of macroeconomic policy: Views of economists	8,605	<a href="http://voxeu.org/article/views-happiness-and-wellbeing-objectives-macroeconomic-policy">http://voxeu.org/article/views-happiness-and-wellbeing-objectives-macroeconomic-policy</a>
15/05/17	Wages and economic recoveries	Flexible labour markets, real wages, and economic recoveries: Views of economists	7,627	<a href="http://voxeu.org/article/flexible-labour-markets-real-wages-and-economic-recoveries">http://voxeu.org/article/flexible-labour-markets-real-wages-and-economic-recoveries</a>

18/09/17	Juncker's State of the Union Address	The Eurozone: Economists respond to Juncker's State of the Union speech	4,568	<a href="http://voxeu.org/article/economists-respond-juncker-s-state-union-speech">voxeu.org/article/economists-respond-juncker-s-state-union-speech</a>
12/10/17	Rising Risk of Debt-Driven Global Financial Crisis	Global risks from rising debt and asset prices: Views of leading economists	5,953	<a href="http://voxeu.org/article/global-risks-rising-debt-and-asset-prices">http://voxeu.org/article/global-risks-rising-debt-and-asset-prices</a>

## Appendix 4: A Selection of CFM Survey Press Mentions

Date	Publisher	Author	Link
19/06/17	The Telegraph	Tim Wallace	<a href="http://www.telegraph.co.uk/business/2017/06/19/economics-professor-silvana-tenreyro-appointed-bank-england/">http://www.telegraph.co.uk/business/2017/06/19/economics-professor-silvana-tenreyro-appointed-bank-england/</a>
19/06/17	The Guardian	Graeme Weardon	<a href="https://www.theguardian.com/business/live/2017/jun/19/european-markets-rise-ftse-euro-macron-majority-brexite-talks-business-live">https://www.theguardian.com/business/live/2017/jun/19/european-markets-rise-ftse-euro-macron-majority-brexite-talks-business-live</a>
19/06/17	The Independent	Ben Chu	<a href="http://www.independent.co.uk/news/business/news/silvana-tenreyro-bank-of-england-monetary-policy-committee-a7797311.html">http://www.independent.co.uk/news/business/news/silvana-tenreyro-bank-of-england-monetary-policy-committee-a7797311.html</a>
24/02/17	City AM	Jasper Jolly	<a href="http://www.cityam.com/259792/economists-want-industrial-strategy-government-but-solve">http://www.cityam.com/259792/economists-want-industrial-strategy-government-but-solve</a>
09/01/17	City AM	Jasper Jolly	<a href="http://www.cityam.com/256670/experts-say-experts-under-threat-third-economists-think">http://www.cityam.com/256670/experts-say-experts-under-threat-third-economists-think</a>
07/11/16	Bloomberg	Jeff Black	<a href="http://www.bloomberg.com/news/articles/2016-11-07/economists-to-german-qe-critics-you-re-wrong">http://www.bloomberg.com/news/articles/2016-11-07/economists-to-german-qe-critics-you-re-wrong</a>
06/08/16	Times Higher Education	John Morgan	<a href="https://www.timeshighereducation.com/news/brexit-vote-may-show-economists-not-touch-public">https://www.timeshighereducation.com/news/brexit-vote-may-show-economists-not-touch-public</a>
06/07/16	Financial Times	Tim Harford	<a href="https://next.ft.com/content/95e426ee-4304-11e6-9b66-0712b3873ae1">https://next.ft.com/content/95e426ee-4304-11e6-9b66-0712b3873ae1</a>
25/06/16	The Guardian	Jamie Doward	<a href="http://www.theguardian.com/politics/2016/jun/25/london-city-eu-passport-brexit">http://www.theguardian.com/politics/2016/jun/25/london-city-eu-passport-brexit</a>
04/04/16	Financial Times	Martin Sandbu	<a href="https://next.ft.com/content/2cf33442-f811-11e5-803c-d27c7117d132#axzz44nR0GhDL">https://next.ft.com/content/2cf33442-f811-11e5-803c-d27c7117d132#axzz44nR0GhDL</a>
01/04/16	Reuters	Kate Holton	<a href="http://uk.reuters.com/article/uk-britain-wages-idUKKCNOY47F">http://uk.reuters.com/article/uk-britain-wages-idUKKCNOY47F</a>

26/02/16	Financial Times	Chris Giles, Patti Waldmeir	<a href="http://www.ft.com/cms/s/0/7e329ce0-dbcd-11e5-a72f-1e7744c66818.html#axzz41GskMwgJ">http://www.ft.com/cms/s/0/7e329ce0-dbcd-11e5-a72f-1e7744c66818.html#axzz41GskMwgJ</a>
26/02/16	The Independent	Chris Green	<a href="http://www.independent.co.uk/news/uk/politics/eu-referendum-nine-out-of-ten-economists-say-brexit-will-damage-economy-a6898886.html">http://www.independent.co.uk/news/uk/politics/eu-referendum-nine-out-of-ten-economists-say-brexit-will-damage-economy-a6898886.html</a>
28/01/16	Wall Street Journal	Jon Sindreu, Jason Douglas	<a href="http://www.wsj.com/articles/uk-economy-grew-0-5-in-final-quarter-of-2015-1453975335">http://www.wsj.com/articles/uk-economy-grew-0-5-in-final-quarter-of-2015-1453975335</a>
24/01/16	The Guardian	Jamie Doward, Larry Elliott, Rod Ardehali, Terry Macalister	<a href="https://www.theguardian.com/business/2016/jan/24/stock-markets-world-financial-crisis-oil-china">https://www.theguardian.com/business/2016/jan/24/stock-markets-world-financial-crisis-oil-china</a>
19/01/16	The Economist	Buttonwood	<a href="http://www.economist.com/blogs/buttonwood/2016/01/great-divide-0">http://www.economist.com/blogs/buttonwood/2016/01/great-divide-0</a>
18/12/15	Reuters	Ana Nicolaci da Costa	Most UK-based economists disagree with Osborne's fiscal plans - survey
06/07/15	The Independent	Jon Stone	German conservatives are destroying Europe with austerity, says economist Thomas Piketty
25/06/15	Financial Times	John Aglionby, Ferdinando Giugliano, Mark Odell	Live – Greece crisis negotiations
26/05/15	Financial Times	Chris Giles	Bank of England shake-up aims to boost transparency
19/05/15	Project Syndicate	Robert Skidelsky	No Pain, No Gain for Britain
29/04/15	The Guardian	Paul Krugman	The case for cuts was a lie. Why does Britain still believe it?
28/04/15	New York Times	Paul Krugman	VSPs versus MSEs
16/04/15	Russia Today	Anon.	Poll: Economists think Tory deficit strategy had little positive impact
11/04/15	Sunday Times	David Smith	Economic Outlook: Austerity brings out the worst in economists
06/04/15	The Independent	David Blanchflower	Labour is being far too reticent: it didn't cause the global financial crisis and Coalition austerity policies have stalled the recovery
05/04/15	The Scotsman	Cat Boyd	Cat Boyd: Osborne's 'superb economic story' is a fairy tale
05/04/15	Herald Scotland	Ian Bell	What do low-paying tycoons know about how to run a country?
04/04/15	Washington Post	Griff Witte	Britons issue a verdict on austerity: Please, sir, can we have some more?
02/04/15	The Guardian	Seumas Milne	David Cameron's corporate champions fear progressive Britain. But voters don't

01/04/15	The Independent	Ben Chu	Two thirds of economists say Coalition austerity harmed the economy
01/04/15	BBC	Robert Peston	Who to trust - business leaders or economists?
01/04/15	The Guardian	Larry Elliot	UK productivity growth is weakest since second world war, says ONS
01/04/15	The Telegraph	Jeremy Warner	If voters don't believe that 'it's the economy, stupid', we're all doomed
17/03/15	Wall Street Journal	Jason Douglas	Economists Welcome New BOE Decision-Making Procedures
01/01/15	Share Radio	Ed Mitchell	Francesco Caselli @cep_lse talks about possible effects of a Grexit
09/12/14	The Economist	Michael McMahon	Dodging the debate
07/12/14	The Observer	Angela Monaghan	Five things the autumn statement taught us about the British economy
05/12/14	Pieria	Francis Coppolla	The Chancellor's incredible spending cuts
05/12/14	The Daily Mail	Hugo Duncan	British winner of Nobel Prize for economics warns George Osborne's plans to shrink State to smallest in 80 years not credible
05/12/14	Financial Times	Jim Pickard	How Osborne's giveaways were overshadowed by gruesome borrowing figures
24/11/14	The Scotsman	Peter Jones	Peter Jones: Smith risks weakening the Union
21/11/14	Herald Scotland	Michael Settle	Experts unite to attack full devolution of income tax
20/11/14	Financial Times	Mure Dickie	Economists raise doubts on tax levers for Holyrood
07/10/14	The Guardian	Larry Elliot	IMF goes back to the future with gloomy talk of secular stagnation
09/08/14	Bloomberg	Jillian Ward	U.K. Government's Migration Policy Damaging Economy, Report Says
08/08/14	WirtschaftsBlatt	Wolfgang Tucek	Schottland. Bei Unabhängigkeit blüht EU-Ausstieg und Verlust der Währung [Scotland. At independence blooms EU withdrawal and loss of currency]
16/07/14	The Conversation	Jagjit Chadha	As house prices surge, can the Bank of England help the financial sector absorb the risks?
08/07/14	City AM	Michael Bird	Carney's tools get backing in economist poll
08/07/14	Pieria	Francis Coppolla	Housing Market Risks to the UK Economy: Time to deploy macroprudential policy
08/07/14	Wall Street Journal	Ilona Billington	UK Economists Back Action on House Prices Risks

09/06/14	The Scotsman	Peter Jones	Peter Jones: Wealth is key to independence choice
07/06/14	The Independent	Serina Sandhu	Scottish independence: Alex Salmond claims Britain is 'one of the most unequal countries in the developed world'
07/06/14	The Scotsman	Anon.	Yes backers question survey on Scotland's economy
07/06/14	Herald Scotland	Michael Settle	Poll of experts says independent Scotland would not be richer
06/06/14	Pieria	Francis Coppolla	Would Scotland be better off as a independent nation?

## Appendix 5: CFM Public Events

Saturday 11 November 2017

**A World of Three Zeros: the new economics of zero poverty, zero unemployment, and zero carbon emissions**

Mohammad Yunus, Yunus Centre

Friday 27 October 2017

**Assessing Global Finance Stability: where do we stand?**

Tobias Adrian, International Monetary Fund

Tuesday 17 October 2017

**Economics for the Common Good**

Jean Tirole, Toulouse School of Economics

Monday 12 June 2017

**The End of Globalisation, the Return of History**

Stephen D. King, HSBC

Monday 24 April 2017

**The Facts Matter: from policy to politics**

Jean-Yves Duclos, Canadian Minister of Families, Children and Social Development

Wednesday 22 March 2017

**The Forces Shaping the World Economy**

Olivier Blanchard, Peterson Institute

Monday 20 March 2017

**The Productivity Puzzle**

Andrew Haldane, Bank of England

Wednesday 08 February 2017

**The Production of Money: how to break the power of the bankers**

Ann Pettifor, Policy Research in Macroeconomics

Wednesday 08 February 2017

**Politics after Brexit and Trump: Rick Pildes in conversation with Mervyn King**

Rick Pildes, New York University, and Mervyn King, London School of Economics

Monday 16 January 2017

**Policy Issues Affecting the Bank of England**

Mark Carney, Bank of England, and Amartya Sen, Harvard University

Wednesday 23 November 2016

**The Curse of Cash**

Kenneth Rogoff, Harvard University

Tuesday 15 November 2016

**Investing in Inclusive Growth**

Bill Morneau, Canadian Finance Minister

Wednesday 19 October 2016

**The Euro and the Battle of Ideas**

Markus Brunnermeier, Stanford University, Harold James, Princeton University, and Jean-Pierre Landau, Sciences Po

Monday 26 September 2016

**The Wealth of Humans: work, power, and status in the twenty-first century**

Ryan Avent, The Economist

Thursday 30 June 2016

**The Hidden Wealth of Nations**

Gabriel Zucman, London School of Economics

Wednesday 11 May 2016

**The Rise and Fall of American Growth**

Robert Gordon, Northwestern University

Wednesday 9 March 2016

**Clear and Present Challenges to the Chinese Economy**

Keyu Jin, London School of Economics

Wednesday 2 March 2016

**Central Banks and Digital Currencies**

Ben Broadbent

Tuesday 1 March 2016

**The End of Alchemy**

Mervyn King

Tuesday 12 January 2016

**Economics of Migration**

Alan Manning, London School of Economics

Tuesday 17 November 2015

**Debt and austerity: post-crisis lessons from Ireland**

Patrick Honohan, Bank of Ireland



Monday 16 November 2015

**GDP: a brief but affectionate history**

Diane Coyle, Manchester University

Wednesday 11 November 2015

**Phishing for Phools**

Robert Shiller, Yale University

Wednesday 28 October 2015

**A Conversation with Ben Bernanke**

Ben Bernanke, Brookings Institute

Tuesday 20 October 2015

**Other People's Money**

John Kay, Oxford University

Wednesday 7 October 2015

**Economics Rules: the rights and wrongs of the dismal science**

Dani Rodrik, Harvard University

Wednesday 17 June 2015

**When, Why, and What's Next for Low Inflation? No Magic Slippers Needed**

Kristin Forbes, Bank of England

Wednesday 27 May 2015

**When to Rob a Bank: a rogue economist's guide to the world**

Stephen Dubner

Wednesday 27 May 2015

**Hubris: why economists failed to predict the crisis and how to avoid the next one**

Lord Meghnad Desai

Wednesday 4 March 2015

**Yes, it is a Curse: politics and the adverse impact of natural-resource riches**

Francesco Caselli, London School of Economics

Tuesday 17 February 2015

**Are Welfare Programmes Just Keeping People Out of Work? An Economist's Take on Benefits Street**

Camille Landias, London School of Economics

Thursday 5 February 2015

**How to See Into the Future**

Tim Harford

Wednesday 21 January 2015

**Hall of Mirrors**

Barry Eichengreen, University of California, Berkeley

Tuesday 20 January 2015

**In Conversation with Professor Lawrence H. Summers**

Lawrence Summers, Harvard University

Tuesday 20 January 2015

**Inequality and Taxation in a Globalised World**

Gabriel Zucman, London School of Economics

Wednesday 14 January 2015

**Should Markets be Moral?**

Lord Skidelski

Monday 8 December 2014

**The Tyranny of Experts**

William Easterly, New York University

Monday 27 October 2014

**Making Markets Fair and Effective**

Minouche Shafik, Bank of England

Tuesday 30 September 2014

**Giving Guidance on Future Monetary Policy**

David Miles, Bank of England Monetary Policy Committee

Tuesday 23 September 2014

**A Culture of Growth**

Joel Mokyr, Northwestern University

Tuesday 16 September 2014

**The Shifts and the Shocks**

Martin Wolf, Financial Times

Monday 7 July 2014

**The Future of Argentina: a conversation with Laura Alonso and Martin Lousteau**

Laura Alonso, National Representative for the City of Buenos Aires, and Martin Lousteau, Argentine Ambassador to the United States

Wednesday 4 June 2014

**The Bank of England FPC, an Experiment in Macro-Prudential Management and Work in Progress: an external member's view**

Richard Sharp, Bank of England

Wednesday 30 April 2014

**Unconventional Monetary Policy and the Finance Crisis**

Kevin Sheedy, London School of Economics

Wednesday 19 March 2014

**Is Everything You Hear About Macroeconomics True?**

Wouter Den Haan, London School of Economics

Friday 28 February 2014

**Latvia's Road to the Eurozone**

Ilmars Remsevics, Bank of Latvia

Wednesday 26 February 2014

**Fiscal Policy During Recessions and Recoveries**

Ethan Ilzetzki, London School of Economics

Wednesday 29 January 2014

**China's Role in the Global Economy**

Keyu Jin, London School of Economics

Friday 17 January 2014

**The Balance of Growth**

Ben Broadbent, Bank of England

Wednesday 11 December 2013

**The State and Prospects of Russian Economy**

Alexey Wlentinovich Uluykaev, Minister of Economic Development of the Russian Federation

Wednesday 27 November 2013

**The Body Economic: why austerity kills**

David Stuckler, Oxford University

Thursday 7 November 2013

**Can and Should the Eurozone Survive?**

Lionel Barber, Financial Times

Thursday 3 October 2013

**The Financial Crisis: a Canadian perspective on lessons learned and avoiding the next crisis**

Richard Nesbitt, University of Toronto

Tuesday 1 October 2013

**The Undercover Economist Strikes Back**

Tim Harford, Financial Times

Wednesday 14 August 2013

**Summer School Lecture. Macroeconomics after the Crisis**

Charles Bean, Bank of England

Friday 19 July 2013

**Summer School Lecture. The Great Stagnation: What Can Policy Makers Do?**

David Webb, London School of Economics, and Sushil Wadhvani, Wadhvani Asset Management

Wednesday 19 June 2013

**When the Money Runs Out: the end of western affluence**

Stephen King, HSBC

Wednesday 29, Thursday 30 May 2013

## Home Bias and International Risk-Sharing in Open Economy Financial Macroeconomics

Nicolas Courdacier, Sciences Po

Monday 4, Wednesday 6, Friday 8 March 2013

## Macroeconomics from a Historical Perspective

Jesús Fernández-Villaverde, University of Pennsylvania

Wednesday 23 January 2013

## Eurozone Deadlock – Finding a Path Out of the Crisis

Luis Garicano, London School of Economics

## Appendix 6: Non-technical articles of CFM members

The following table contains a list of the non-technical intuitive columns written by CFM members (excluding the Vox columns that describe the results of the CFM surveys).

Author	Title	Date	Views	Link
Dawn Holland and Jonathan Portes	Self-defeating austerity?	01/11/12	36,876	<a href="http://www.voxeu.org/article/self-defeating-austerity">http://www.voxeu.org/article/self-defeating-austerity</a>
Wouter Den Haan	Banking reform: Do we know what has to be done?	30/11/12	23,268	<a href="http://www.voxeu.org/article/banking-reform-do-we-know-what-has-be-done">http://www.voxeu.org/article/banking-reform-do-we-know-what-has-be-done</a>
Giancarlo Corsetti	Current-account rebalancing and international transfers (immaculate or not)	31/01/13	15,916	<a href="http://www.voxeu.org/article/current-account-rebalancing-and-international-transfers-immaculate-or-not">http://www.voxeu.org/article/current-account-rebalancing-and-international-transfers-immaculate-or-not</a>
Giancarlo Corsetti	Is the euro a foreign currency to member states?	05/06/13	24,857	<a href="http://www.voxeu.org/article/euro-foreign-currency-member-states">http://www.voxeu.org/article/euro-foreign-currency-member-states</a>
Wouter Den Haan	Forward Guidance: A new Vox eBook	23/10/13	20,071	<a href="http://www.voxeu.org/article/forward-guidance-new-vox-ebook">http://www.voxeu.org/article/forward-guidance-new-vox-ebook</a>
Angus Armstrong, Monique Ebell	The Scottish question	26/10/13	13,368	<a href="http://www.voxeu.org/article/debt-implications-scottish-independence">http://www.voxeu.org/article/debt-implications-scottish-independence</a>
Wouter Den Haan	How macroeconomics has changed since the crisis	23/12/14	14,040	<a href="http://www.voxeu.org/vox-talks/how-macroeconomics-has-changed-crisis">http://www.voxeu.org/vox-talks/how-macroeconomics-has-changed-crisis</a>
Giancarlo Corsetti and Ricardo Reis	A new CEPR Report: A New Start for the Eurozone: Dealing with Debt	15/04/15	13,389	<a href="http://www.voxeu.org/article/new-cepr-report-new-start-eurozone-dealing-debt">http://www.voxeu.org/article/new-cepr-report-new-start-eurozone-dealing-debt</a>
Fabien Postel-Vinay	Does It Pay To Be a Public-Sector Employee?	06/15	n/a	<a href="http://wol.iza.org/articles/does-it-pay-to-be-public-sector-employee.pdf">http://wol.iza.org/articles/does-it-pay-to-be-public-sector-employee.pdf</a>
Alex Haberis	How does the scope for policy loosening affect the risk of deflation?	19/06/15	n/a	<a href="https://bankunderground.co.uk/2015/06/19/how-does-the-scope-for-policy-loosening-affect-the-risk-of-deflation/">https://bankunderground.co.uk/2015/06/19/how-does-the-scope-for-policy-loosening-affect-the-risk-of-deflation/</a>
Riccardo Masolo	How does the scope for policy loosening affect the risk of deflation?	19/06/15	n/a	<a href="https://bankunderground.co.uk/2015/06/19/how-does-the-scope-for-policy-loosening-affect-the-risk-of-deflation/">https://bankunderground.co.uk/2015/06/19/how-does-the-scope-for-policy-loosening-affect-the-risk-of-deflation/</a>
Michael Kumhof	Banks are not intermediaries of loanable funds – and why this matters	30/06/15	n/a	<a href="https://bankunderground.co.uk/2015/06/30/banks-are-not-intermediaries-of-loanable-funds-and-why-this-matters/">https://bankunderground.co.uk/2015/06/30/banks-are-not-intermediaries-of-loanable-funds-and-why-this-matters/</a>

Mariacristina De Nardi	Savings after retirement: A survey	05/07/15	5,927	<a href="http://voxeu.org/article/savings-after-retirement-survey">http://voxeu.org/article/savings-after-retirement-survey</a>
Wouter Den Haan	LSE letter on Greece crisis	09/07/15	14,202	<a href="http://www.voxeu.org/article/lse-letter-greece-crisis">http://www.voxeu.org/article/lse-letter-greece-crisis</a>
Mariacristina De Nardi	Quantitative macro models of wealth inequality: A survey	11/07/15	11,807	<a href="http://voxeu.org/article/quantitative-macro-models-wealth-inequality-survey">http://voxeu.org/article/quantitative-macro-models-wealth-inequality-survey</a>
John Barrdear	Seeking feedback: Towards a New Keynesian Theory of the Price Level	13/07/15	n/a	<a href="https://bankunderground.co.uk/2015/07/13/seeking-feedback-towards-a-new-keynesian-theory-of-the-price-level/">https://bankunderground.co.uk/2015/07/13/seeking-feedback-towards-a-new-keynesian-theory-of-the-price-level/</a>
Ambrogio Cesa-Bianchi	Will a Fed rate hike affect house prices in emerging markets?	15/07/15	n/a	<a href="https://bankunderground.co.uk/2015/07/15/will-a-fed-rate-hike-affect-house-prices-in-emerging-markets/">https://bankunderground.co.uk/2015/07/15/will-a-fed-rate-hike-affect-house-prices-in-emerging-markets/</a>
Lien Laureys	Human capital depreciation during unemployment – does it matter for monetary policy?	23/07/15	n/a	<a href="https://bankunderground.co.uk/2015/07/23/human-capital-depreciation-during-unemployment-does-it-matter-for-monetary-policy/">https://bankunderground.co.uk/2015/07/23/human-capital-depreciation-during-unemployment-does-it-matter-for-monetary-policy/</a>
Giancarlo Corsetti	Lessons from Cyprus that did not make it to Greece	10/08/15	8,797	<a href="http://www.voxeu.org/article/lessons-cyprus-did-not-make-it-greece">http://www.voxeu.org/article/lessons-cyprus-did-not-make-it-greece</a>
Lien Laureys	An estimate of the UK's natural rate of interest	11/08/15	n/a	<a href="https://bankunderground.co.uk/2015/08/11/an-estimate-of-the-uks-natural-rate-of-interest/">https://bankunderground.co.uk/2015/08/11/an-estimate-of-the-uks-natural-rate-of-interest/</a>
Giancarlo Corsetti	Consumption responds to liquidity-enhancing transfers: Micro evidence from Italian earthquakes	14/08/15	11,007	<a href="http://www.voxeu.org/article/consumption-and-transfers-evidence-italian-earthquakes">http://www.voxeu.org/article/consumption-and-transfers-evidence-italian-earthquakes</a>
Simon Price	Forecasting GDP in the presence of breaks: when is the past a good guide to the future?	20/08/15	n/a	<a href="https://bankunderground.co.uk/2015/08/20/forecasting-gdp-in-the-presence-of-breaks-when-is-the-past-is-a-good-guide-to-the-future/">https://bankunderground.co.uk/2015/08/20/forecasting-gdp-in-the-presence-of-breaks-when-is-the-past-is-a-good-guide-to-the-future/</a>
Giancarlo Corsetti	Roots of the EZ crisis: Incomplete development and imperfect credibility of institutions	07/09/15	952	<a href="http://www.voxeu.org/article/roots-ez-crisis">http://www.voxeu.org/article/roots-ez-crisis</a>
May Rostom	A lifecycle story of housing debt in Blighty	18/09/15	n/a	<a href="https://bankunderground.co.uk/2015/09/18/a-lifecycle-story-of-housing-debt-in-blighty/">https://bankunderground.co.uk/2015/09/18/a-lifecycle-story-of-housing-debt-in-blighty/</a>
Riccardo Masolo	On the benefits of reducing uncertainty about policy	25/09/15	n/a	<a href="https://bankunderground.co.uk/2015/09/25/on-the-benefits-of-reducing-uncertainty-about-policy/">https://bankunderground.co.uk/2015/09/25/on-the-benefits-of-reducing-uncertainty-about-policy/</a>
Francesca Monti	On the benefits of reducing uncertainty about policy	25/09/15	n/a	<a href="https://bankunderground.co.uk/2015/09/25/on-the-benefits-of-reducing-uncertainty-about-policy/">https://bankunderground.co.uk/2015/09/25/on-the-benefits-of-reducing-uncertainty-about-policy/</a>
Charles Bean	Causes and consequences of persistently low interest rates	23/10/15	23,837	<a href="http://voxeu.org/article/causes-and-consequences-persistently-low-interest-rates">http://voxeu.org/article/causes-and-consequences-persistently-low-interest-rates</a>
Nicholas Fawcett	How did the Bank's forecasts perform before, during and after the crisis?	20/11/15	n/a	<a href="https://bankunderground.co.uk/2015/11/20/how-did-the-banks-forecasts-perform-before-during-and-after-the-crisis/">https://bankunderground.co.uk/2015/11/20/how-did-the-banks-forecasts-perform-before-during-and-after-the-crisis/</a>
Riccardo Masolo	How did the Bank's forecasts perform before, during and after the crisis?	20/11/15	n/a	<a href="https://bankunderground.co.uk/2015/11/20/how-did-the-banks-forecasts-perform-before-during-and-after-the-crisis/">https://bankunderground.co.uk/2015/11/20/how-did-the-banks-forecasts-perform-before-during-and-after-the-crisis/</a>
Richard Harrison	Hedging the zero bound with threshold-based forward guidance	27/11/15	n/a	<a href="https://bankunderground.co.uk/2015/11/27/hedging-the-zero-bound-with-threshold-based-forward-guidance/">https://bankunderground.co.uk/2015/11/27/hedging-the-zero-bound-with-threshold-based-forward-guidance/</a>

Gabor Pinter	House Prices and Job Losses	11/12/15	n/a	<a href="https://bankunderground.co.uk/2015/12/11/house-prices-and-job-losses/">https://bankunderground.co.uk/2015/12/11/house-prices-and-job-losses/</a>
John Lewis	Bouncebackability of exports after the Great Trade Collapse of 2008/9	15/12/15	n/a	<a href="https://bankunderground.co.uk/2015/12/15/bouncebackability-of-exports-after-the-great-trade-collapse-of-20089/">https://bankunderground.co.uk/2015/12/15/bouncebackability-of-exports-after-the-great-trade-collapse-of-20089/</a>
Charles Bean	The challenge of maintaining high quality and relevant economic statistics	22/12/15	14,607	<a href="http://voxeu.org/article/economic-statistics-bean-report">http://voxeu.org/article/economic-statistics-bean-report</a>
Mariacristina De Nardi	Piketty's book and macro models of wealth inequality	22/12/15	10,055	<a href="http://voxeu.org/article/pikettys-book-and-macro-models">http://voxeu.org/article/pikettys-book-and-macro-models</a>
Giancarlo Corsetti	Beyond competitive devaluations: The monetary dimensions of comparative advantage	11/01/16	3,281	<a href="http://www.voxeu.org/article/monetary-dimensions-comparative-advantage">http://www.voxeu.org/article/monetary-dimensions-comparative-advantage</a>
Stephen Millard	Potential supply, the output gap and inflation	25/01/16	n/a	<a href="https://bankunderground.co.uk/2016/01/25/potential-supply-the-output-gap-and-inflation/">https://bankunderground.co.uk/2016/01/25/potential-supply-the-output-gap-and-inflation/</a>
May Rostom	When banks say 'No': how the credit crunch lowered UK productivity	16/02/16	n/a	<a href="https://bankunderground.co.uk/2016/02/16/when-banks-say-no/">https://bankunderground.co.uk/2016/02/16/when-banks-say-no/</a>
Gregory Thwaites	When banks say 'No': how the credit crunch lowered UK productivity	16/02/16	n/a	<a href="https://bankunderground.co.uk/2016/02/16/when-banks-say-no/">https://bankunderground.co.uk/2016/02/16/when-banks-say-no/</a>
Charles Bean	Time to rethink the way we measure economic activity	31/03/16	15,857	<a href="http://voxeu.org/article/rethinking-measurement-economic-activity">http://voxeu.org/article/rethinking-measurement-economic-activity</a>
James Cloyne	Modelling banking sector shocks and unconventional policy: new wine in old bottles?	31/03/16	n/a	<a href="https://bankunderground.co.uk/2016/03/31/modelling-banking-sector-shocks-and-unconventional-policy-new-wine-in-old-bottles/">https://bankunderground.co.uk/2016/03/31/modelling-banking-sector-shocks-and-unconventional-policy-new-wine-in-old-bottles/</a>
Alexander Tuckett	Modelling banking sector shocks and unconventional policy: new wine in old bottles?	31/03/16	n/a	<a href="https://bankunderground.co.uk/2016/03/31/modelling-banking-sector-shocks-and-unconventional-policy-new-wine-in-old-bottles/">https://bankunderground.co.uk/2016/03/31/modelling-banking-sector-shocks-and-unconventional-policy-new-wine-in-old-bottles/</a>
Ambrogio Cesa-Bianchi	International business cycle synchronization: what is the role of financial linkages?	06/04/16	n/a	<a href="https://bankunderground.co.uk/2016/04/06/international-business-cycle-synchronization-what-is-the-role-of-financial-linkages/">https://bankunderground.co.uk/2016/04/06/international-business-cycle-synchronization-what-is-the-role-of-financial-linkages/</a>
Jumana Saleheen	International business cycle synchronization: what is the role of financial linkages?	06/04/16	n/a	<a href="https://bankunderground.co.uk/2016/04/06/international-business-cycle-synchronization-what-is-the-role-of-financial-linkages/">https://bankunderground.co.uk/2016/04/06/international-business-cycle-synchronization-what-is-the-role-of-financial-linkages/</a>
Ricardo Reis	Reinforcing the Eurozone and protecting an open society: Refugee bonds	27/05/16	7,054	<a href="http://voxeu.org/article/eu-refugee-bonds">http://voxeu.org/article/eu-refugee-bonds</a>
Ricardo Reis	Reinforcing the Eurozone and protecting an open society	27/05/16	28,151	<a href="http://voxeu.org/article/reinforcing-eurozone-and-protecting-open-society">http://voxeu.org/article/reinforcing-eurozone-and-protecting-open-society</a>
Ricardo Reis	Designing effective automatic stabilisers of the business cycle	14/07/16	5,913	<a href="http://voxeu.org/article/designing-effective-automatic-stabilisers-business-cycle">http://voxeu.org/article/designing-effective-automatic-stabilisers-business-cycle</a>
Jumana Saleheen	Is finance a powerful driver of growth?	20/07/16	n/a	<a href="https://bankunderground.co.uk/2016/07/20/is-finance-a-powerful-driver-of-growth/">https://bankunderground.co.uk/2016/07/20/is-finance-a-powerful-driver-of-growth/</a>

Tomasz Wieladek	Transmitting liquidity shocks across borders: evidence from UK banks	09/08/16	n/a	<a href="https://bankunderground.co.uk/2016/08/09/transmitting-liquidity-shocks-across-borders-evidence-from-uk-banks/">https://bankunderground.co.uk/2016/08/09/transmitting-liquidity-shocks-across-borders-evidence-from-uk-banks/</a>
Morten Ravn	New models for macroeconomic policy	11/01/17	15,490	<a href="http://voxeu.org/article/new-models-macroeconomic-policy">http://voxeu.org/article/new-models-macroeconomic-policy</a>
Morten Ravn	US housing credit policies and their macroeconomic effects	02/05/17	6,523	<a href="http://voxeu.org/article/us-housing-credit-policies-and-their-effects">http://voxeu.org/article/us-housing-credit-policies-and-their-effects</a>