

5th Behavioral Macroeconomics Workshop

Heterogeneity and Expectations in Macroeconomics and Finance

University of Bamberg, June 29th-July 1st, 2023

Venue:

University of Bamberg
An der Universität 7, 96047 Bamberg



Scientific Committee

Christian R. Proaño
Joep Lustenhouwer
Emanuel Gasteiger
Tomasz Makarewicz
Sven Schreiber
Frank Westerhoff

Local Organizing Committee

Naira Kotb
Armin Arminian
Rafael Kothe
Leonhard Ipsen
Lisa Heidelmeier
Truc Nguyen
Christina Summerer
Maybrit Wächter
Amalia Salas Eßer

Conference Program

Thursday, June 29

16:00 – 17:30	Guided City Tour (Meeting Point: Am Kranen 11, 96047 Bamberg)
17:45 – 21:30	Informal Welcome Reception at Boothaus im Hain (Mühlwörth 18A, 96047 Bamberg)

Friday, June 30

08:00 – 08:55	Registration and Coffee	U7/01.05
08:55 – 09:00	Introductory Remarks by Christian Proaño (University of Bamberg)	
09:00 – 10:15	Keynote Lecture: Doyne Farmer (University of Oxford/ INET)	U7/01.05
10:25 – 12:10	Session A.1: Policy Uncertainty and Behavioral Expectations (In-Person)	U7/01.05
	Session A.2: Empirical Macroeconomics (Virtual Only)	
12:10 – 12:55	Lunch Break	U7/01.05
12:55 – 14:40	Session B.1: Perceptions and Expectations Formation (In-Person)	U7/01.05
	Session B.2: Expectations and Household Decisions (Virtual Only)	
14:50 – 16:35	Session C.1: Macroeconomic Models with Bounded Rationality I (In-Person)	U7/01.05
	Session C.2: Laboratory Experiments (Virtual Only)	
16:35 – 17:00	Coffee Break	
17:00 – 18:15	Keynote lecture: Cars Hommes (University of Amsterdam/ Bank of Canada)	U7/01.05
21:00 –	Conference Dinner at HENRII (Untere Mühlbrücke 5, 96047 Bamberg)	

Saturday, July 1

08:30 – 09:00	Coffee	U7/01.05
09:00 – 10:45	Session D.1: Learning from Experience (In-Person)	U7/01.05
	Session D.2: ABMS and Experiments on Housing Markets (Virtual Only)	
10:55 – 12:40	Session E.1: ABMs and Economic Dynamics (In-Person)	U7/01.05
	Session E.2: Applied Macroeconomics and Finance (Virtual Only)	
12:40 – 13:25	Lunch Break	U7/01.05
13:25 – 15:10	Session F.1: Inequality and Social Norms (In-Person)	U7/01.05
	Session F.2: Macroeconomic Models with Bounded Rationality II (Virtual Only)	
15:10 – 16:00	Coffee Break and Poster Session	U7/01.05
16:00 – 17:45	Session G.1: Expectations, Sentiments and Macroeconomic Policy (In-Person)	U7/01.05
	Session G.2: Expectations Formation in Macroeconomic Models (Virtual Only)	
17:55 – 19:10	Keynote Lecture: John Duffy (University of California, Irvine)	U7/01.05

Conference Program

Schedule (in Central European Time)

THURSDAY, JUNE 29, 2023

16:00 – 17:30 GUIDED CITY TOUR

17:45 – 21:30 INFORMAL WELCOME RECEPTION AT BOOTSHAUS IM HAIN (MÜHLWÖRTH 18A, 96047 BAMBERG)

FRIDAY, JUNE 30, 2023

08:00 – 08:55 REGISTRATION

08:55 – 09:00 INTRODUCTORY REMARKS (CHRISTIAN PROAÑO, U BAMBERG, IN-PERSON)

09:00 – 10:15 KEYNOTE LECTURE BY DOYNE FARMER (UNIVERSITY OF OXFORD AND INET)

ZOOM LINK: <https://uni-bamberg.zoom.us/j/65782259125>

SESSION A.1 – POLICY UNCERTAINTY AND BEHAVIORAL EXPECTATIONS (IN-PERSON, ONLINE STREAMING)

ZOOM LINK: <https://uni-bamberg.zoom.us/j/64262923715>

10:25 – 11:00 *Googling “inflation”: What does internet search behaviour reveal about household (in)attention to inflation and monetary policy?*
Christian Buelens (European Commission)

11:00 – 11:35 *Measuring inflation expectations using twitter data*
Nora Lamersdorf (Frankfurt School of Finance & Management)

11:35 – 12:10 *Believe me when I say green! Heterogeneous expectations and climate policy uncertainty*
Roberta Terranova (European Institute on Economics and the Environment)

SESSION A.2 – EMPIRICAL MACROECONOMICS (VIRTUAL ONLY)

ZOOM LINK: <https://uni-bamberg.zoom.us/j/64368937345>

10:25 – 10:50 *Phillips multipliers in the Eurozone*
Mathias Klein (Sveriges Riksbank)

10:50 – 11:15 *Heterogeneity in macroeconomic forecasts: Experiments to parse signal from noise*
David Comerford (University of Stirling)

11:15 – 11:40 *Not all ECB meetings are created equal*
Sinem Kandemir (University of Giessen)

11:40 – 12:05 *Followers or ignorants? Inflation forecasts and price setting behavior of firms*
Benjamin Tödtmann (University of Mannheim)

12:10 – 13:00 LUNCH BREAK

SESSION B.1 – PERCEPTIONS AND EXPECTATIONS FORMATION (IN-PERSON, ONLINE STREAMING)

Zoom Link: <https://uni-bamberg.zoom.us/j/63361493645>

12:55 – 13:30 *Rebuilding trust: Correcting misperceptions of central bank projection accuracy*
Muhammed Bulutay (Technische Universität Berlin)

13:30 – 14:05 *Expectations and the stability of stock-flow consistent models*
Joan Muysken (Maastricht University)

14:05 – 14:40 *The pass-through from inflation perceptions to inflation expectations*
Daria Minina (University of Amsterdam)

SESSION B.2 – EXPECTATIONS AND HOUSEHOLD DECISIONS (VIRTUAL ONLY)

Zoom Link: <https://uni-bamberg.zoom.us/j/68870408309>

12:55 – 13:20 *Household saving during the Corona crisis and implications for the recovery*
Jan Behringer (IMK)

13:20 – 13:45 *Heterogeneity in what? Cognitive skills, beliefs and the liquid wealth distribution*
Oliver Pfäuti (University of Mannheim)

13:45 – 14:10 *Inflation disagreement and monetary policy transmission*
Sonja Zhu (Bank for International Settlements)

14:10 – 14:35 *The impact of supply chain disruptions on business expectations during the pandemic*
Xuguang Simon Sheng (American University)

SESSION C.1 – MACROECONOMIC MODELS WITH BOUNDED RATIONALITY I (IN-PERSON, ONLINE STREAMING)

Zoom Link: <https://uni-bamberg.zoom.us/j/63788339658>

14:50 – 15:25 *Mind the knowledge gap! Exploring the causes of declining business dynamism in a macro agent-based model*
Enrico Turco (Università Cattolica del Sacro Cuore)

15:25 – 16:00 *De-anchored inflation expectations and monetary policy*
Johannes Fischer (Bank of England)

16:00 – 16:35 *Irrational or asymmetrically averse to losses? A sticky expectations model for households' macroeconomic predictions*
Luca Gerotto (Università Cattolica del Sacro Cuore)

SESSION C.2 – LABORATORY EXPERIMENTS (VIRTUAL ONLY)**Zoom Link:** <https://uni-bamberg.zoom.us/j/67884071194>**14:50 – 15:15** *Play stupid games, win stupid prizes*

Alexander Patt (Institute for Employment Research)

15:15 – 15:40 *Transition risk uncertainty and robust optimal monetary policy*

Anh H. Le (Goethe University Frankfurt)

15:40 – 16:05 *Belief conservatism and the limits of rational expectations: Evidence from a continuous double-auction market experiment*

Timo Henckel (Australian National University)

16:05 – 16:30 *Inattention and income: Experimental evidence*

Tanja Linta (Toulouse School of Economics, France)

16:35 – 17:00 COFFEE BREAK**17:00 – 18:15 KEYNOTE LECTURE BY CARL HOMBERS (UNIVERSITY OF AMSTERDAM/ BANK OF CANADA)****Zoom Link:** <https://uni-bamberg.zoom.us/j/62687406073>**21:00 – CONFERENCE DINNER AT HENRI (UNTERE MÜHLBRÜCKE 5, 96047 BAMBERG)****SATURDAY, JULY 1, 2023****SESSION D.1 – LEARNING FROM EXPERIENCE (IN-PERSON, ONLINE STREAMING)****Zoom Link:** <https://uni-bamberg.zoom.us/j/65742013027>**09:00 – 09:35** *Heterogeneous experience and constant-gain learning*

Michael Shin (University of Sydney)

09:35 – 10:10 *That's what she said: An empirical investigation on the gender gap in inflation expectation*

Lovisa Reiche (University of Oxford)

10:10 – 10:45 *Credit market experiences and macroeconomic expectations: Evidence and theory*

Josefina Cenoz (Universitat Pompeu Fabra)

SESSION D.2 – ABMs AND EXPERIMENTS ON HOUSING MARKETS (VIRTUAL ONLY)**Zoom Link:** <https://uni-bamberg.zoom.us/j/64371894963>**09:00 – 09:25** *Reinforcement learning for combining search methods in the calibration of economic ABMs*

Aldo Glielmo (Bank of Italy)

09:25 – 09:50 *Overbuilding and recession: A new drawback of housing market boom-and-bust cycle*

SHI Xiang (Hong Kong University of Science and Technology)

09:50 – 10:15 *Explaining housing shortages in a monetary economy: physical versus financial factors*
Dirk Bezemer (University of Groningen)

10:15 – 10:40 *Macroprudential policy and housing market expectations*
Li Tang (Middlesex University London)

SESSION E.1 – ABMs AND ECONOMIC DYNAMICS (IN-PERSON, ONLINE STREAMING)

Zoom Link: <https://uni-bamberg.zoom.us/j/69254395931>

10:55 – 11:30 *On boom-bust stock market dynamics, animal spirits and the destabilizing nature of temporarily attracting virtual fixed points*
Davide Radi (Catholic University of Sacred Heart/Technical University of Ostrava)

11:30 – 12:05 *Average inflation targeting in a behavioral heterogeneous agent New Keynesian model*
Frantisek Masek (Sapienza University of Rome)

12:05 – 12:40 *The role of dividends in the emergence of bubbles in financial markets: Experimental evidence*
Simone Alfarano (Universitat Jaume I)

SESSION E.2 – APPLIED MACROECONOMICS AND FINANCE (VIRTUAL ONLY)

Zoom Link: <https://uni-bamberg.zoom.us/j/63622494912>

10:55 – 11:20 *The global financial cycle and macro-financial dynamics in advanced and emerging economies: A wavelet analysis*
Leonardo Quero Virla (University of Bamberg)

11:20 – 11:45 *Biased expectations and labor market outcomes: Evidence from German survey data and implications for the East-West wage gap*
Susanne Forstner (Institute for Advanced Studies)

11:45 – 12:10 *Through the eyes of the many not few: A behavioural assessment of monetary policy shocks on heterogeneous households*
Corinne Petrakis (Queen Mary University of London)

12:10 – 12:35 *The role of news as a driver of green investment*
Jennifer Rogmann (Fernuni Hagen)

12:40 – 13:25 LUNCH BREAK

SESSION F.1 – INEQUALITY AND SOCIAL NORMS (IN-PERSON, ONLINE STREAMING)

Zoom Link: <https://uni-bamberg.zoom.us/j/66170920583>

13:25 – 14:00 *Dynamically evolving poverty trap regimes*
Edgar J. Sánchez Carrera (University of Urbino Carlo Bo)

14:00 – 14:35 *Welfare consequences of fiscal consolidation plans: The role of in-kind benefits*
Paula Sanchez (Universität Luzern)

14:35 – 15:10 *Staying together forever? Life-cycle effects of overoptimistic couples*
David Koll (University of Mannheim)

SESSION F.2 – MACROECONOMIC MODELS WITH BOUNDED RATIONALITY II (VIRTUAL ONLY)

ZOOM LINK: <https://uni-bamberg.zoom.us/j/69623986939>

13:25 – 13:50 Expectations and attention to experience
Ahmed Guecioueur (INSEAD)

13:50 – 14:15 A behavioral New Keynesian model of a small open economy under limited foresight
Seunghoon Na (Purdue University)

14:15 – 14:40 Warming the MATRIX: A climate assessment under uncertainty and heterogeneity
Davide Bazzana (Università degli Studi di Brescia)

14:40 – 15:05 Expectations, inflation, and central banking in a financialized economy
Zeid Al Kaffaf (University of Insubria)

15:10-16:00 COFFEE BREAK AND POSTER SESSION

SESSION G.1 – EXPECTATIONS, SENTIMENTS AND MACROECONOMIC POLICY (IN-PERSON, ONLINE STREAMING)

ZOOM LINK: <https://uni-bamberg.zoom.us/j/63091459958>

16:00 – 16:35 *Do actions follow words? How manager sentiment predicts credit growth*
Pablo Pastor y Camarasa (Ghent University)

16:35 – 17:10 Behavioral central bank in an open-economy model
Paweł Galiński (SGH Warsaw School of Economics)

17:10 – 17:45 *An integrated ABM approach to understanding the impact of pandemics and fiscal stimuli on the economy and climate*
Paola D'Orazio (Technical University Chemnitz)

SESSION G.2 – EXPECTATIONS FORMATION IN MACROECONOMIC MODELS (VIRTUAL ONLY)

ZOOM LINK: <https://uni-bamberg.zoom.us/j/61429360910>

16:00 – 16:25 *Searching for neo-fisher: a model of animal spirit driven recessions*
Jacob Robbins (University of Illinois Chicago)

16:25 – 16:50 *Assessing risks of a wage-price spiral under endogenous central bank credibility*
Tolga Özden (Bank of Canada)

16:50 – 17:15 *Equilibrium determinacy with behavioral expectations*
Jonathan Adams (University of Florida)

17:15 – 17:40 *Wage bargaining and labor market policy with biased expectations*
Johannes Goensch (Goethe University Frankfurt)

17:55 19:10 **KEYNOTE LECTURE BY JOHN DUFFY (UNIVERSITY OF CALIFORNIA, IRVINE)**
Zoom Link: <https://uni-bamberg.zoom.us/j/61789370487>

For In-person sessions, the following holds: After each presentation, there is a discussion of the paper by the next speaker. The paper of the last speaker in a session is discussed by the first speaker. The 35 minutes per presenter are allocated as follows: 20 minutes presentation; 5 minutes for the discussant; 10 minutes for general discussion with the audience and a reply to the points raised by the discussant.

PARTICIPANTS OF THE POSTER SESSION:

Hannes Twieling (University of Mannheim)

Poramapa Poonpakdee (Maastricht University)

Ekaterina Jürgens (IMK)

Armin Arminian (University of Bamberg)

Leonardo Quero Virla (University of Bamberg)

Daniel John (Heidelberg University)

Davis Schweinberg (Heidelberg University)

Some additional points:

1. The Zoom links are not password-protected.
2. The map below shows the key points of interest with respect to the conference.
3. You can load the map on an internet enabled device by scanning the QR code.



- <https://www.google.com/maps/d/edit?mid=157mYMQ9x93sD-FeQaVludofW2euAlVg&usp=sharing>