



RIDGE / BANCO CENTRAL DEL URUGUAY

WORKSHOP ON INTERNATIONAL MACRO

2015 RIDGE DECEMBER FORUM

Montevideo, Uruguay / December 15-16, 2015

Preliminary Program

Conference venue: Banco Central del Uruguay.

Address: Diagonal Fabini 777, Montevideo

Scientific Committee

Javier Bianchi (Federal Reserve Bank of Minneapolis)

Gerardo Licandro (Banco Central del Uruguay)

Andrés Neumeyer (Universidad Torcuato di Tella)

Juan Pablo Nicolini (U. Torcuato di Tella and Minneapolis Fed.)

Joseph Stiglitz (Columbia University)

Martín Uribe (Columbia University)

Invited Speakers

Enrique Mendoza (University of Pennsylvania)

Joseph Stiglitz (Columbia University)

WORKSHOP PROGRAM

DECEMBER, TUESDAY 15

8:45 Registration

Session 1 - *Sovereign Default: Political Economy and Costs of Default*

9:00 – 10:30 Chair: Javier Bianchi, Minneapolis Fed (TBC)

Financial disruption as a cost of sovereign default: a quantitative assessment

Bernardo Guimaraes, Sao Paulo School of Economics – FGV (co-author: Diniz, A.)

The Political Economy of Sovereign Defaults

Eugenia Andreasen, Universidad de Santiago de Chile (co-author: Sandleris, G.; Van der Ghote, A.)

10:30 – 11:00 Coffee Break

Session 2 - *Large Devaluations*

11:00 – 12:30 Chair: Juan Pablo Nicolini, U. Torcuato di Tella and Minneapolis Fed (TBC)

The Distributional Consequences of Large Devaluations

Javier Cravino, University of Michigan and NBER (co-author: Levchenko, A.)

Financial Frictions and Export Dynamics in Large Devaluations

David Kohn, Universidad Torcuato Di Tella (co-author: Leibovici, F.; Szkup, M.)

12:30 – 14:00 Lunch

Session 3 - *Sovereign Debt and FX Interventions*

14:00 – 15:30 Chair: Guido Sandleris, U. Torcuato di Tella (TBC)

Fiscal rules and the sovereign default premium

Francisco Roch, IMF (co-author: Martinez, L.; Hatchondo, J.)

Foreign Exchange Interventions and Exchange Rate Management

Sebastian Fanelli, MIT (co-author: Straub, L.)

15:30 – 16:00 Coffee Break

Session 4 - *Sovereign Debt Restructuring Institutions*

16:00 – 17:30

Chair: Adolfo Sarmiento, Banco Central del Uruguay (TBC)

The IMF Debt Sustainability Analysis: Issues and Problems

Martín Guzman, Columbia University (co-author: Heymann, D.)

Fixing Sovereign Debt Restructuring

Joseph Stiglitz, Columbia University (co-author: Guzman, M.)

Policy Debate

18:00 – 19:30

Sovereign Debt Sustainability (Conference room “Cr. Enrique V. Iglesias”)

Participants:

Joseph Stiglitz, Columbia University

José de Gregorio, University of Chile

Jonathan Ostry, IMF

DECEMBER, WEDNESDAY 16

Plenary Talk

9:00 – 10:00

The Debt Crises of the North: Relevant and Irrelevant Lessons from Public Debt Sustainability Analysis

Enrique Mendoza, University of Pennsylvania

10:00 – 10:30

Coffee Break

Session 5 - *Capital Controls*

10:30 – 12:00

Chair: Álvaro Forteza, Universidad de la República (TBC)

Liquidity Traps, Capital Flows

Julien Bengui, Université de Montréal (co-author: Acharya, S.)

On the Desirability of Capital Controls

Jonathan Heathcote, Minneapolis Fed and CEPR (co-author: Perri, F.)

12:00 – 13:30

Lunch

Session 6 - *Capital Flows*

13:30 – 15:30

Chair: Ignacio Presno, Universidad de Montevideo (TBC)

Global Collateral: How Financial Innovation Drives Capital Flows and Increases Financial Instability

Ana Fostel, University of Virginia (co-author: Geanakoplos, J.; Phelan, G.)

A Model of the Twin Ds: Optimal Default and Devaluation

Martín Uribe, Columbia University (co-author: Na, S.; Schmitt-Grohe, S.; Yue, V.)

Rethinking the Effects of Financial Globalization

Fernando Broner, CREI, Universitat Pompeu Fabra, and Barcelona GSE (co-author: Ventura, J.)

15:30 – 16:00

Coffee Break

Session 7 - *Sovereign Debt, Monetary Policy and Fiscal Policy*

16:00 – 17:30

Chair: Martín Uribe, Columbia University (TBC)

Unemployment, Sovereign Default, and Fiscal Policy in a Currency Union

Ignacio Presno, Universidad de Montevideo (co-author: Bianchi, J.; Ottonello, P.)

Sharing a Ride on the Commodities Roller Coaster: Common Factors in Business Cycles of Emerging Economies

Andrés Fernández, IDB (co-author: González, A.; Rodríguez, D.)