



The Pinhas Sapir Center  
for Development  
TEL AVIV UNIVERSITY



CENTER FOR  
INTERNATIONAL  
ECONOMICS AND  
DEVELOPMENT  
NORTHWESTERN UNIVERSITY

***The Macroeconomics of Financial Market Imperfections  
and Housing Markets***

***March 22-23, 2011***

***Mishkenot Sha'ananim, Jerusalem***

***Conference Program***

***( March 19, 2011)***

**An updated program and abstracts may be downloaded from  
The Sapir Center's website: <http://sapir.tau.ac.il>**

**Tuesday, March 22<sup>nd</sup>**

8:30 – 9:00 Gathering

Session I Chair: Alex Cukierman

9:00 – 10:30

S. Boragan Aruoba\*, Morris Davis and Randall Wright

[\*Homework in Monetary Economics: Housing Prices and Inflation\*](#)

Discussant: Lawrence J. Christiano

10:30 – 10:45 Break

10:45 – 12:15

Lawrence J. Christiano\*, Mathias Trabandt and Karl Walentin

[\*Involuntary Unemployment and the Business Cycle\*](#)

Discussant: Zvi Eckstein

12:15 – 13:15 Lunch

Session II Chair: Zvi Eckstein

13:15 – 14:45

Ricardo J. Caballero and Alp Simsek\*

[\*Fire Sales in a Model of Complexity\*](#)

Discussant: Jeffrey R. Campbell

14:45 – 15:00 Break

15:00 – 16:30

Vincenzo Quadrini and Urban Jermann\*  
[Macroeconomic Effects of Financial Shocks](#)  
Discussant: Amit Friedman

16:30 – 16:45 Break

16:45 – 18:15 Craig Burnside, Martin Eichenbaum\* and Sergio Rebelo\*  
[Understanding Booms and Busts in Housing Markets](#)  
Discussant: Tali Regev

### **Wednesday, March 23<sup>rd</sup>**

Session III Chair: Eran Yashiv

9:00 – 10:30

Gadi Barlevy\* and Jonas D. M. Fisher\*  
[Mortgage Choices and Housing Speculation](#)  
Discussant: Monika Piazzesi

10:30 – 10:45 Break

10:45 – 12:15

Tim Landvoigt, Monika Piazzesi\* and Martin Schneider\*  
[The Housing Market\(s\) of San Diego](#)  
Discussant: David Genesove

12:15 – 13:15 Lunch

Session IV Chair: Akiva Offenbacher

13:15 – 14:45

Thomas M. Mertens and Tarek A. Hassan\*  
[The Social Cost of Near-Rational Investment](#)  
Discussant: Gadi Barlevy

14:45 – 15:00 Break

15:00 – 16:30

Isabel Correia, Emmanuel Farhi, Juan Pablo Nicolini and Pedro Teles\*  
[Policy at the Zero Bound](#)  
Discussant: Gauti Eggertsson

16:30 – 16:45 Break

16:45 – 18:15

Jeffrey R. Campbell\* and Zvi Hercowitz\*  
[The Financial Labor Supply Accelerator](#)  
Discussant: Leif Danziger

(\*) Conference participant among authors