Labor Markets through the Lens of the Great Recession

Venue: HQ2, Conference Hall 1

Thursday, November 8, 2012

8:00–8:45 am  Registration and Continental Breakfast

8:45–9:15 am  Opening Remarks – George Akerlof (Senior Resident Scholar, Research Department, IMF)

9:15–10:55 am  Session 1: Macro Policies and Inequality

Chair: Min Zhu (Deputy Managing Director, IMF)

Top Incomes and the Great Recession: Recent Evolutions and Policy Implications
Thomas Piketty (Paris School of Economics) and Emmanuel Saez (University of California, Berkeley)
Discussant: Gianluca Violante (New York University)

Innocent Bystanders? Monetary Policy and Inequality in the U.S.
Olivier Colibion (University of Texas, Austin and IMF), Yuriy Gorodnichenko (University of California, Berkeley), Lorenz Kueng (Northwestern University) and John Silvia (Wells Fargo)
Discussant: Romain Ranciere (IMF)

10:55–11:10 am  ***Coffee Break***
11:10–12:50 pm  Session 2: Basic Labor Market Facts

**Chair:** Gian Maria Milesi-Ferretti (Deputy Director, Western Hemisphere Department)

**Okun’s Law: Fit at 50?**
*Laurence Ball* (Johns Hopkins University), Daniel Leigh (IMF) and Prakash Loungani (IMF)
*Discussant: Paul Beaudry (University of British Columbia)*

**Beveridge Curve Shifts across Countries since the Great Recession**
*Bart Hobijn* (Federal Reserve Bank of San Francisco) and Ayşegül Şahin (Federal Reserve Bank of New York)
*Discussant: Robert Shimer (University of Chicago)*

1:00–2:45 pm  ***Lunch***
(By invitation only, HQ2, Conference Hall 2)

3:00–4:30 pm  Mundell-Fleming Lecture “Cyclical Unemployment, Structural Unemployment”
*Peter Diamond* (MIT)

Introduction by: Olivier Blanchard (Economic Counsellor and Director, Research Department, IMF)

**Friday, November 9, 2012**

8:15–9:00 am Registration and Continental Breakfast

9:00–10:30 am  Session 3: Trade, Productivity and Labor Markets

**Chair:** Tamim Bayoumi (Deputy Director, Strategy, Policy, and Review Department, IMF)

**Patterns of Convergence and Divergence in the Euro Area**
Ángel Estrada (Bank of Spain), Jordi Gali (CREI) and **David López-Salido** (Federal Reserve Board)
*Discussant: Martin Baily (Brookings Institute)*

**The Global Labor Market Impact of Emerging Giants: a Quantitative Assessment**
*Andrei A. Levchenko* (University of Michigan) and Jing Zhang (University of Michigan)
*Discussant: Rafael Dix-Carneiro (University of Maryland)*
10:30–10:45 am  ***Coffee Break***

10:45–1:00 pm  Session 4: The Role of Credit Markets

**Chair:** José Viñals (Financial Counsellor and Director, Monetary and Capital Markets Department, IMF)

**How Firms Respond to Business Cycles: The Role of Firm Age and Firm Size**
Teresa Fort (Tuck School of Business at Dartmouth), John Haltiwanger (University of Maryland), Ron S. Jarmin (U.S. Census Bureau) and Javier Miranda (U.S. Census Bureau)
*Discussant: Roberto Fattal Jaef (IMF)*

**Foreclosure Delay and U.S. Unemployment**
Kyle F. Herkenhoff (University of California, Los Angeles) and Lee E. Ohanian (University of California, Los Angeles)
*Discussant: Sam Schulhofer-Wohl (Federal Reserve Bank of Minneapolis)*

**The Labor Market Consequences of Adverse Financial Shocks**
Tito Boeri (Bocconi University and fRDB), Pietro Garibaldi (University of Torino and Collegio Carlo Alberto) and Espen R.Moen (Norwegian School of Management)
*Discussant: Amartya Lahiri (University of British Columbia)*

1:00–2:20 pm  ***Lunch***
(By invitation only, HQ2, Conference Hall 2)

2:30–4:45 pm  Session 5: Supply Side Reforms and Employment Miracles

**Chair:** Paolo Mauro (Assistant Director, African Department, IMF)

**Employment Miracles**
Caroline Freund (The World Bank) and Bob Rijkers (The World Bank)
*Discussant: Beth Anne Wilson (Federal Reserve Board)*

**Recall and Unemployment**
Shigeru Fujita (Federal Reserve Bank of Philadelphia) and Giuseppe Moscarini (Yale University)
*Discussant: Robert Valletta (Federal Reserve Bank of San Francisco)*

**Macroeconomic Evaluation of Labor Market Reform in Germany**
Tom Krebs (University of Mannheim) and Martin Scheffel (ETH Zuerich)
*Discussant: Romain Duval (IMF and OECD)*
4:45–5:00pm  ***Coffee Break***

5:00–6:30pm  Economic Forum: Policies and Jobs

**Moderator:** Olivier Blanchard, Economic Counsellor and Director, Research Department, IMF

**Panelists:**

1. **Ricardo Hausmann** (Harvard University)
2. **Lawrence Katz** (Harvard University)
3. **Adriana Kugler** (U.S. Department of Labor)
4. **Martin Rama** (The World Bank)

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**Conference Organizing Committee:** Luis Catão (Chair), Rudolfs Bems, Era Dabla-Norris, Marcello Estevão, Martin Evans, and Ayhan Kose, (all IMF), and Pierre-Olivier Gourinchas (Editor of the *IMF Economic Review*, University of California, Berkeley).

**Conference Coordinator:** Tracey Lookadoo