Heterogeneity in Macroeconomics: Implications for Policy

Friday, November 12, 2021

PROGRAM

Each one-hour session will include a 20-minute presentation followed by a
20-minute roundtable discussion.

Session I: The Effect of Monetary and Fiscal Policy on Inequality

9:55 am	**Introduction**
10:00 - 11:00 am	**How do recessions affect inequality? What did the COVID-19 recession teach us about the effectiveness of fiscal policy at mitigating inequality?**
	Presenters: Claudia Sahm, Stay-at-Home Macro (SAHM) Consulting and Jain Family Institute Presentation Peter Ganong, University of Chicago Presentation
11:00 - 11:05 am	**Break**
11:05 - 12:05 pm	**Does running the economy hot for an extended time reduce inequality and improve outcomes disproportionally for disadvantaged groups or for low-income households? What are the effects of unconventional monetary policy (in particular QE) on inequality?**
	Presenters: Gianluca Violante, Princeton University Presentation Stephanie Aaronson, Brookings Institution Presentation
12:05 - 12:10 pm	**Break**

12:10 - 12:40 pm   **Remarks & Discussion: John Williams, President, Federal Reserve Bank of New York**

12:40 - 1:15 pm   **Lunch**

Session II: The Effect of Heterogeneity and Inequality on the Transmission of Monetary and Fiscal Policy

1:15 - 2:15 pm   **What has the HANK literature taught us about the transmission of monetary policy? What has the COVID-19 recession taught us about the transmission of fiscal/monetary policy? What is the impact of redistributive policy on aggregate demand and supply?**

Presenters:
Greg Kaplan, University of Chicago Presentation
Veronica Guerrieri, University of Chicago Booth Presentation

2:15 - 2:20 pm   **Break**

2:20 - 3:20 pm   **How should heterogeneity affect the design of optimal policy, in particular the trade-off between price stability and full employment objectives? How does it affect the definition of such objectives? How does it change the view on the effectiveness of make-up strategies and history-dependent monetary policies such as average inflation targeting, price-level targeting, etc.?**

Presenters:
Adrien Auclert, Stanford University Presentation
Michael Woodford, Columbia University Presentation

3:20 pm   **Adjourn**

Organizers

Marco Del Negro, Federal Reserve Bank of New York

Keshav Dogra, Federal Reserve Bank of New York

Laura Pilossoph, Federal Reserve Bank of New York