

THE MILTON FRIEDMAN INSTITUTE FOR RESEARCH IN ECONOMICS PRESENTS

## New Developments in Monetary Theory

May 13, 2010: 8:30 am – 5:40 pm

May 14, 2010: 8:30 am – 2:20 pm

Location: Thursday May 13: Room C25, Chicago Booth, 5807 South Woodlawn Avenue  
Friday May 14: Room 600, Gleacher Center, 450 North Cityfront Plaza Drive

Organizers: **Fernando Alvarez**, University of Chicago  
**Robert Lucas**, University of Chicago

### Thursday, May 13: Room C25, Chicago Booth (Harper Center)

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8:30 – 8:55 am      **Continental Breakfast**

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8:55 – 9:00 am      **Welcoming Remarks**

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9:00 – 10:10 am      **Efficient Contracts, Inefficient Equilibria, and Renegotiation**  
Edward Green (Pennsylvania State University)

10:10 – 10:20 am      General Discussion

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10:20 – 10:40 am      **Break**

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10:40 – 11:50 am      **Interest on Cash with Endogenous Fiscal Policy**  
Neil Wallace (Pennsylvania State University)

11:50 – 12:00 am      General Discussion

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12:00 – 1:00 pm      **Lunch**

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1:00 – 2:10 pm      **Crises and Liquidity in Over the Counter Markets**  
Ricardo Lagos (New York University)

2:10 – 2:20 pm      **General Discussion**

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2:20- 2:40 pm      **Break**

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2:40– 3:50 pm      **Liquidity Shocks and Order Book Dynamics**  
Pierre Olivier Weill (UCLA)

3:50 - 4:00 pm      General Discussion

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4:00 – 4:20 pm      **Break**

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4:20 – 5:30 pm      **Career Length: Effects of Curvature of Earnings Profiles, Earnings Shocks, and Social Security**  
Thomas Sargent (New York University)

5:30 – 5:40 pm      General Discussion

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### **Friday, May 14: Gleacher Center**

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8:30 – 9:00 am      **Continental Breakfast**

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9:00 – 10:10 am      **Credit Crises and Liquidity Traps**  
Guido Lorenzoni (MIT)

10:10 – 10:20 am      General Discussion

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10:20 – 10:40 am      **Break**

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10:40 – 11:50 am      **Ignorance, Crisis and the Optimality of Debt for Liquidity Provision**  
Gary Gorton (Yale University)

11:50 – 12:00 pm      General Discussion

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12:00 - 1:00 pm      **Lunch**

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1:00 – 2:10 pm      **Fire Sales in a Model of Complexity**  
Ricardo Caballero (MIT)

2:10 – 2:20 pm      General Discussion

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