Further information on BMSS 2006 can be obtained by visiting our website at www.crei.cat or by contacting us at crei@upf.edu
INTRODUCTION

The eighth edition of CREI’s Barcelona Macroeconomics Summer School (BMSS 2006) will be held on the main campus of Universitat Pompeu Fabra (UPF) in Barcelona during the period June 26-July 21, 2006. BMSS 2006 will offer a variety of courses taught by recognized experts in their fields. The courses will cover recent developments in different areas of macroeconomics, including growth, international finance, monetary and fiscal policy, macroeconometrics, financial markets, and economic geography. The courses are aimed at graduate students specializing in macroeconomics, as well as faculty members or researchers willing to brush up their knowledge of the field and expose themselves to the latest advances in academic research. During the courses, the BMSS faculty will be available to participants for discussion of research ideas and projects.

BMSS 2006 will take place at UPF’s main campus, located in downtown Barcelona, at walking distance to the beach. In addition to the intellectual excitement, summer school participants are guaranteed to find in Barcelona cultural, music and sports events that suit every taste and pocket.

BMSS 2006 is organized by the Center for Research in International Economics (CREI), a research institute sponsored by the Generalitat de Catalunya and Universitat Pompeu Fabra, in fulfillment of its aim to promote the creation and dissemination of research in macroeconomics and related areas. Further information about CREI can be found at http://www.crei.cat

We look forward to meeting you in our Summer School!

COURSES

June 26-30

Modern Perspectives on Monetary Policy (I): Basic Models and Theory

Instructor: Jordi Galí

This part of the course will provide an introduction to the baseline New Keynesian model, including an analysis of its implications for the optimal design of monetary policy, the evaluation of simple rules, and its predictions regarding the dynamics of inflation.

Selected Topics:
- A simple framework for monetary policy analysis
- Optimal monetary policy
- Simple monetary policy rules
- Inflation dynamics

Dates: June 26 - 30
Time: 09:00 - 11:00 h
Price: 400 Euros
Economic Growth and Development I
Instructor: Xavier Sala-i-Martin

Selected Topics:
• The world distribution of income
• Growth, poverty and inequality: the role of globalization
• Neoclassical growth theory: the power of diminishing returns
• The role of incentives
• Government, taxation, the Welfare State and growth
• Ideas and growth: R&D, patents. AIDS, malaria and generics
• The effectiveness of International Aid in promoting economic development
• The tragedy of Africa: diagnostics and setting priorities.

Dates: June 26 - 30
Time: 11:30 - 13:30 h
Price: 400 Euros

Credibility and Learning with Applications to Economic Policy: Why Should Macroeconomists Learn Learning?
Instructor: Ramon Marimon

Selected Topics:
• Rational expectations revisited. Why do we want to study learning in macroeconomics?
• From perceptions to realizations in economic theory and practice
• Beliefs, credibility and learning
• Evidence on macro expectations and how learning can help to better explain data
• The policy maker as a modeler: miss specified policies and self-confirming equilibrium
• The design of economic policies and institutions: the role of credibility and learning

Dates: June 26 - 30
Time: 14:30 - 16:30 h
Price: 400 Euros
Economic Growth and Development II
Instructor: Antonio Ciccone

Selected Topics:
• Finance and economic growth
• Institutions, geography, and trade as deep determinants of economic development
• Human capital, comparative advantage, and technological catch up
• Learning about growth from growth regressions
• Are there externalities to human capital accumulation?

Dates: July 3 - 7
Time: 11:30 - 13:30 h
Price: 400 Euros

Modern Perspectives on Monetary Policy (II): Advanced Topics
Instructor: Jordi Galí

This part of the course will take for granted the student’s familiarity with the New Keynesian model, and will focus on several recent extensions of that framework, including labor market imperfections and open economy considerations.

Selected Topics:
• Sticky nominal wages
• Real wage rigidities and other labor market frictions
• Monetary policy design for the small open economy
• Optimal fiscal and monetary policy in a currency union

Dates: July 3 - 7
Time: 09:00 - 11:00 h
Price: 400 Euros
Methods for Estimation of DSGE Models
Instructor: Fabio Canova

Selected Topics:
- GMM and SMM
- Indirect inference
- Maximum likelihood
- Bayesian methods

Dates: July 3 - 7
Time: Lectures: 17:00 -19:00 (10 hours)
Practice Lab: 19:00 - 20:00 h (5 hours)
Price: 650 Euros

Fiscal Policy in General Equilibrium Models of the Business Cycle
Instructor: Albert Marcet

A large amount of research on optimal dynamic policy is recently being developed, both in basic research and in research by governing institutions. The object of the course is to analyze the best policy that the government can implement, given how the market reacts to each policy, and given various institutional constraints, such as partial or full commitment, participation constraints, default or political equilibrium. We will discuss the methodology to study optimal policy, focusing on fiscal policy applications, and we will review some relevant papers in this literature along the way.

Selected Topics:
- Fiscal policy analysis in dynamic models
- Sustainability of debt
- Effects of constraints on fiscal policy (debt limits, balanced budgets ...)
- Debt management
- Stabilization policies
- Interaction with monetary policy
- Commitment versus discretion

Dates: July 3 - 7
Time: 14:30 - 16:30 h
Price: 400 Euros
Cities and Economic Geography (I): Theory
Instructor: Diego Puga

Selected Topics:
- Economic integration and the location of economic activity
- The formation of cities: developers and self-organization
- The motives for agglomeration: what generates aggregate increasing returns?
- Specialization and diversification in cities
- The distribution of city sizes

Dates: July 10 - 14
Time: 11:30 - 13:30 h
Price: 400 Euros

Globalization and Financial Markets (I): Sovereign Risk
Instructor: Jaume Ventura

This course examines the effects of globalization on the workings of financial markets, focusing both on theoretical results and policy implications. The first part of the course focuses on the problems associated with sovereign risk, while the second part studies the sources and effects of asset bubbles. Both parts are self-contained and students can either enroll for the entire course or for only one part.

Selected Topics:
- Sovereign risk, default and restructuring
- What is the role of secondary markets for debt?
- Application: how to structure the sovereign debt market

Dates: July 10 - 14
Time: 09:00 - 11:00 h
Price: 400 Euros
Financial Crises, Bubbles and Crashes

Instructor: Hans-Joachim Voth

This course presents an overview of different types of financial crises - banking crises, currency crises, twin crises - as well as bubbles and crashes in financial markets. It analyses when these types of shocks occur and traces their causes, using a combination of financial theory, results from macroeconomics, economic history, and the theory of international finance.

Selected Topics:
- Have financial crisis become more frequent or more severe in the last century? If so, why?
- Is there a need for an international lender of last resort?
- What do we learn from the recent Argentine and Brazilian crises about designing a better "international financial architecture"?
- Noise traders, sophisticated investors, and the origins of bubbles
- How and when should central banks intervene to stop asset price bubbles?
- Contagion and its measurement

Dates: July 10 - 14
Time: 14:30 - 16:30 h
Price: 400 Euros

Globalization and Financial Markets (II): Asset Bubbles

Instructor: Jaume Ventura

Selected Topics:
- Asset bubbles, investment and productivity growth
- Should governments attempt to manage asset bubbles?
- Application: the US current account deficit, sustainability and adjustment

Dates: July 17 - 21
Time: 09:00 - 11:00 h
Price: 400 Euros

Cities and Economic Geography (II): Evidence

Instructor: Diego Puga

Selected Topics:
- The empirics of agglomeration and trade
- Sprawl and urban growth: causes and consequences
- Evidence on the motives for agglomeration
- The consequences of urban specialization and diversification
- Human capital externalities in cities

Dates: July 17 - 21
Time: 11:30 - 13:30 h
Price: 400 Euros
Fabio Canova earned his Ph.D. in Economics at the University of Minnesota in 1989. He has been an Assistant Professor at Brown University and Rochester, an Associate Professor at Brown University and the European University Institute, a Professor at the University of Catania, University of Modena, and Universitat Pompeu Fabra and a Research Professor with IGIER. He is currently research professor with ICREA. He has also been part-time professor at the University of Southampton and the London Business School.

Besides the above places, he has taught courses at various summer schools, CIDE, National Bank of Hungary, Ministry of Finance of Indonesia, IMF, University of Naples, Central European University, Universidad Di Tella, Bank of Italy, ECB, Bank of England, University of Porto, of Geneva and Sorbonne, UK Treasury and UK Foreign Office, EABCN, Riksbank, Swiss National Bank, Banco de Argentina and Gerzensee among other places and he has been a consultant with the Bank of England, the IMF, the ECB, Bank of Spain and the Bank of Italy.

He is a Research Fellow at the CEPR, a Research Associate at CREI, a Member of the CEPR Dating Committee, a Member of the Advisory Board of Dynare, the Founder of the Applied Macroeconomic Network (AMeN) His research interests include quantitative macroeconomics, monetary theory, international business cycles and macroeconometrics.

Selected publications:
• "Similarities and convergence in G7 Cycles", forthcoming, Journal of Monetary Economics (with M. Ciccarelli and E. Ortega).
• "Monetary Disturbances Matter for Business Fluctuations in the G-7" (with G. De Nicolo), Journal of Monetary Economics, 2002.

Antonio Ciccone is ICREA Research Professor at Universitat Pompeu Fabra. He earned a MSc in Econometrics and Mathematical Economics at the London School of Economics in 1990 and a PhD in Economics at Stanford University in 1994. He is a CEPR Fellow, editor of Regional Science and Urban Economics, and member of the editorial board of the Review of Economic Studies. His teaching focuses on advanced macroeconomics. He has taught at Berkeley, Stanford, the London Business School, as well as the European Commission and the European Central Bank. His research interests are in macroeconomics, development economics, and regional economics.

Selected publications:
Jordi Gali earned his Ph.D. in Economics at the Massachusetts Institute of Technology in 1989. He has held academic positions at New York University and Columbia University. He is director and Senior Researcher at CREI and a Professor at Universitat Pompeu Fabra. He is currently a Visiting Professor at MIT. He is a Research Fellow of CEPR, a Research Associate of the NBER, and a consultant to the European Central Bank and the Bank of Spain. He is also the co-editor of the Journal of the European Economic Association (JEEA). In 2005 he was awarded the Yrjö Jahnsson Prize in Economics. His research interests include macroeconomic theory, monetary economics, and macroeconometrics.

Selected publications:

- "Inflation Dynamics: A Structural Econometric Analysis" (with M. Gertler), Journal of Monetary Economics, 1999.

Albert Marcet graduated in Economics at the Universitat Autònoma de Barcelona (1982) and earned his Ph.D. in Economics at the University of Minnesota (1987). He is Professor d’Investigació at the Institut d’Anàlisi Econòmica, Barcelona. He has also been Professor at Universitat Pompeu Fabra (1990-2003) and Carnegie-Mellon University, Pittsburgh (1986-1992) and has been a visitor at the ECB, London Business School, CEMFI (Madrid), the Federal Reserve Bank of Minneapolis and the Universitat Autònoma of Barcelona. His main areas of research are macroeconomics, fiscal policy, solution methods of dynamic models, financial economics and learning models.

Selected publications:

Ramon Marimon earned his Ph.D. in Economics at Northwestern University 1984. Full professor at the Universitat Pompeu Fabra (since 1990) and at the European University Institute (1994-2000) was previously assistant and associate professor at the University of Minnesota and has been visiting professor at Stanford University, Cambridge University, the Federal Reserve Bank of Minneapolis, the International Monetary Fund and the Santa Fe Institute, among other places.

Co-founder of UPF as Dean and Chair of Economics and Business, founder of the Centre de Recerca en Economia Internacional, Secretary of State for Science and Technology in the Spanish Ministry of Science and Technology (2000-2002). Research fellow of the NBER (since 1992) and of the CEPR (since 1993) has been co-editor of the Review of Economic Dynamics, Fellow of the European Economic Association and of the Spanish Economic Association; director of the Centre de Referencia d’Economia Analítica (CREA) and the Max Weber Postdoctoral Programme, EUI.

His research interests include macroeconomics, monetary theory, labor theory, political economy, contract theory, learning theory, and science and innovation policy.

Selected publications:
• "Strategic Delegation in Monetary Unions" (with V.V. Chari and L. Jones), The Manchester School, 2004.

Diego Puga earned his PhD in Economics at the London School in Economics in 1997. Currently, he is Professor of Economics at Universitat Pompeu Fabra and a Research Associate at CREI. Previously, he was Assistant Professor and tenured Associate Professor at the University of Toronto. In addition to Universitat Pompeu Fabra and the University of Toronto, he has taught courses at the London School of Economics, Northwestern University, and the Norwegian School of Economics and Business Administration.

He is editor of the Journal of Economic Geography, a member of the editorial board of the Journal of the European Economic Association the Journal of Regional Science, and Moneda y Crédito and a Research Fellow of the CEPR, the NBER and the CIAR.

His research interests include urban and regional economics, international trade, and the economics of innovation.

Selected publications:
• "Agglomeration and economic development: Import substitution vs. trade liberalization" (with A. J. Venables), Economic Journal, April 1999.
Jaume Ventura earned his Ph.D. in Economics at Harvard University in 1995. Currently he is a Senior Researcher at CREI. Previously, he has held academic positions at MIT and the University of Chicago. He is co-director of the International Macroeconomics Programme of the CEPR and editor of *The Economic Journal*. He is also a Faculty Research Fellow at the NBER, and has served as a consultant to the World Bank and the Inter-American Development Bank.

His research interests include international economics and macroeconomics.

**Selected publications:**


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Xavier Sala-i-Martin earned his Ph.D. in Economics at Harvard in 1990. Currently he is Professor in the Department of Economics at Columbia University, and a Visiting Professor at UPF. He has been an Associate Professor at the Department of Economics at Yale University and Visiting Professor at Harvard University. He has also taught at Universitat Pompeu Fabra, Harvard University, New York University, Yale University and the International Monetary Fund, among other places. He is the President of the Economic Commission of Futbol Club Barcelona and senior economic adviser to the World Economic Forum. He is also a Research Associate at the NBER and has been consultant for the World Bank and the International Monetary Fund.

His research interests include economic growth, macroeconomics, public finance and social security, health and population economics, and monetary economics.

**Selected publications:**

**REGISTRATION FORM BMSS 2006**

Name

Affiliation

Address

e-mail  
tel.

I would like to register for the following courses:

- Modern Perspectives on Monetary Policy (I): Basic Models and Theory / June 26-30
- Economic Growth and Development (I)/June 26-30
- Credibility and Learning with Applications to Economic Policy: Why Should Macroeconomists Learn Learning? / June 26-30
- Modern Perspectives on Monetary Policy (II): Advanced Topics/July 3-7
- Economic Growth and Development (II) / July 3-7
- Fiscal Policy in General Equilibrium Models of the Business Cycle / July 3-7
- Methods for Estimation of DSGE Models (15 hours) / July 3-7
- Cities and Economic Geography (I): Theory / July 10-14
- Financial Crises, Bubbles and Crashes / July 10-14
- Globalization and Financial Markets (II): Asset Bubbles / July 17-21
- Cities and Economic Geography (II): Evidence / July 17-21

Total price: Euros ________

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   - MASTERCARD  
   - AMEX

   Credit card number

   Expiration date

   Credit card holder

2. Bank Transfer:
   FAX a copy of the bank transfer order to # (34) 93 542 18 60
   (note: Bank transfer expenses on your account)
   Bank: BBVA  
   Branch: Beethoven, 8, 08021 Barcelona, Spain
   Account: 1027 79 0010145892
   Swift code: BBVAESMMXXX
   IBAN Code: IBAN ES85 0182 1027 7900 1014 5892

3. Check in Euros enclosed (payable to CREI)

Send the completed form by e-mail to crei@upf.edu, by fax, or by regular mail to:

CREI - Universitat Pompeu Fabra
Ramon Trias Fargas, 25-27 - 08005 Barcelona (Spain)
Tel: (34) 93 542 24 98 - Fax: (34) 93 542 18 60

Registration will be confirmed only when payment is received

For information on accommodation facilities, please visit our website:
http://www.crei.cat

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Hans-Joachim Voth earned his Ph.D. in Economics at Oxford University in 1996. Currently he is ICREA Research Professor of Economics and Economic History at UPF. He is a CEPR fellow, and a member of the editorial board of the *Journal of Economic History*. He has won the Gino Luzzatto Prize for the best thesis in European economic history, the Alexander Gershenkron Prize for best thesis on non-US topics, and a Leverhulme Prize for outstanding researchers under the age of 35. His work has appeared in the American Economic Review, the European Economic Review, the *Journal of Economic History*, *Explorations in Economic History*, and in a book with Oxford University Press. He has held visiting appointments at Stanford, MIT and Stern Business School (NYU).

His research interests are in financial economics, macroeconomics, and economic history.

Selected publications:

BitCoin

C  
M  
Y  
CM  
MY  
CY  
CMY  
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