



Program for the 2nd Annual RISE Workshop

Theme: *Understanding Macroeconomic
Regimes and Their Implications for
Modeling and Policymaking*

& RISE (Rationality In Switching
Environments) Toolbox Training Course

July 22-26, 2024
University of Pretoria, South Africa

Contact Information

For any inquiries, please get in touch with the workshop organizers either

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Training Course: July 22-24, 2024

Overview

Before the workshop, there will be a 3-day training course on the RISE (Rationality In Switching Environments) Toolbox. This course is designed to provide comprehensive knowledge of the advanced tools and techniques used in macroeconomic modeling. Consequently, it will equip participants with the necessary skills to engage fully in the workshop sessions.

Training Course Schedule

Day 1: July 22, 2024

- **09:00 - 12:00:** Introduction to RISE
 - **Instructor:** Dr. Junior Maih, Norges Bank, Norway
 - **Description:** An overview of the RISE Toolbox, its functionalities, its applications in economic research, and the basics of DSGE Modeling.
- **14:00 - 17:00:** Optimal Policy
 - **Instructor:** Dr. Tatiana Kirsanova, University of Glasgow, Scotland (UK)
 - **Description:** Techniques and methods for designing and implementing optimal policy using RISE, including Commitment and Discretionary policies.

Day 2: July 23, 2024

- **09:00 - 12:00:** Small Open Economy Models
 - **Instructor:** Dr. Masashige Hamano, Waseda University, Japan
 - **Description:** Developing and analyzing small open economy models using the RISE Toolbox.
- **14:00 - 17:00:** Small Open Economy with Commodities
 - **Instructor:** Dr. Ruthira Naraidoo, University of Pretoria, South Africa
 - **Description:** Extending small open economy models to include commodity sectors.

Day 3: July 24, 2024

- **09:00 - 12:00:** Estimation of DSGE Models
 - **Instructor:** Dr. Munechika Katayama, Waseda University, Japan
 - **Description:** Methods and practices for estimating DSGE models using RISE, including Bayesian prior elicitation, filtering, posterior maximization
- **14:00 - 17:00:** Structural VARs
 - **Instructor:** Dr. Francesca Loria, CEPR
 - **Description:** Analyzing and estimating Structural VAR models within the RISE framework.

Workshop: July 25-26, 2024

Day 1: July 25, 2024

Tea and Registration (08:15 - 08:45, UTC+2)

Opening Remarks: Guangling Liu - Professor of Economics at Stellenbosch University - (08:45 - 08:55, UTC+2)

Session 1.1: Keynote I (08:55 - 10:00, UTC+2)

"Does the Transmission of Monetary Policy Shocks Change When Inflation Is High?"(*)

- **Fabio Canova**: BI Norwegian Business School, CAMP and CEPR and Norges Bank
- Fernando J. Pérez Forero: Central Reserve Bank of Peru (BCRP)

Chair: Dr. Francesca Loria, Federal Reserve Board and CEPR

Break (10:00 - 10:15, UTC+2)

Session 1.2: Methodological Innovations I (10:15 - 11:15, UTC+2)

Chair: Dr. Gianni Amisano, Federal Reserve Board

1. *Flexible Priors and Restrictions for Structural Vector Autoregressions*

- **Francesca Loria**: Federal Reserve Board and CEPR
- Christiane Baumeister: University of Notre Dame, CEPR and NBER
- Junior Maih: Monetary Policy Department, Norges Bank

2. *A Unified Approach to Determinacy Conditions with Regime Switching*(*)

- Jean Barthélemy: Banque de France
- Seonghoon Cho: Yonsei University, Seoul, Korea.
- **Magali Marx**: Banque de France

Break (11:15 - 11:30, UTC+2)

Session 1.3: Monetary Policy Strategies and Labor Market Dynamics (11:30 - 13:00, UTC+2)

Chair: Dr. Oleg Kirsanov, Adam Smith Business School, University of Glasgow

1. *Optimal QE and QT*(*)

- **Paolo Gelain**: Federal Reserve Bank of Cleveland
- Junior Maih: Monetary Policy Department, Norges Bank
- Eric Sims: University of Notre Dame and NBER
- Jing Cynthia Wu: University of Notre Dame and NBER

2. *The Investment Channel of Monetary Policy: Evidence from Norway*(*)

- **Jin Cao**: Norges Bank

- Torje Hegna: Ministry of Finance, Norway
- Martin B. Holm: University of Oslo, Norway
- Ragnar Juelsrud: Norges Bank
- Tobias König: University of Bonn
- Mikkel Riiser: BI Norwegian Business School

3. *Search Frictions in Good Markets and CPI Inflation(*)*

- Masashige Hamano: Waseda University, School of Political Science and Economics
- Philip Schnattinger: Bank of England
- **Kongphop Wongkaew**: Waseda University and Siam Commercial Bank (Thailand)

Lunch Break + Poster Session I (13:00 - 14:30, UTC+2)

Session 1.4: Fiscal Policies and Sovereign Defaults (14:30 - 16:00, UTC+2)

Chair: Dr. Roberto A. De Santis, ECB

1. *Fiscal Policy Regimes in Least Developed Countries*

- **Lucius Cassim**: Department of Economics, Deakin University (Australia)

2. *Demand for Fiscal Policy in an Aging Country*

- Takuji Fueki: Hitotsubashi University
- Masashi Hino: University of Tokyo
- **Munehika Katayama**: Waseda University
- Taisuke Nakata: University of Tokyo

3. *The Geoeconomics of International Political Relations and Sovereign Defaults(*)*

- Consuelo Silva-Bustón : Pontificia Universidad Católica de Chile
- Marcela Valenzuela : Pontificia Universidad Católica de Chile
- **Ilknur Zer**: Federal Reserve Board

Break (16:00 - 16:15, UTC+2)

Session 1.5: Term Structure and Commodity Prices (16:15 - 17:15, UTC+2)

Chair: Dr. Munehika Katayama, Waseda University

1. *The Term Structure of Natural Rates of Interest*

- **Gianni Amisano**: Board of Governors of the Federal Reserve System
- Oreste Tristani: European Central Bank (ECB) and CEPR

2. *Monetary Policy Response to Commodity Price Volatility in South Africa: A Regime-Switching Analysis*

- Vo Phuong Mai Le: Cardiff Business School, Cardiff University, United Kingdom

- Junior Maih: Monetary Policy Department, Norges Bank
- **Ruthira Naraidoo**: Department of Economics, University of Pretoria, South Africa

Conference Dinner (by Invitation only 19:30 - 23:00, UTC+2)

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Day 2: July 26, 2024

Tea and Registration (08:15 - 08:50, UTC+2)

Session 2.1: Keynote II (08:55 - 10:00, UTC+2)

Fiscal Backing, Inflation and US Business Cycles

- **Raf Wouters**: National Bank of Belgium
- Frank Smets: European Central Bank (ECB)

Chair: Junior Maih, Norges Bank

Break (10:00 - 10:15, UTC+2)

Session 2.2: Climate Policy and Energy Economics (10:15 - 11:15, UTC+2)

Chair: Dr. Masashige Hamano, Waseda University, School of Political Science and Economics

1. *Climate Policy and Gender Inequality*

- Mohamed Tahar Benkhodja: ESSCA School of Management, France.
- Johan Gustafsson: Umea School of Business, Economics and Statistics (USBE), Sweden
- **Xiaofei Ma**: ESSCA School of Management, France
- Junior Maih: Monetary Policy Department, Norges Bank

2. *Energy Supply Shocks' Nonlinearities on Output and Prices*

- **Roberto A. De Santis**: European Central Bank (ECB)
- Tommaso Tornese: Department of Economics, Bocconi University

Break (11:15 - 11:30, UTC+2)

Session 2.3: Financial Stability, Market Frictions, and Energy Security (11:30 - 13:00, UTC+2)

Chair: Dr. Tatiana Kirsanova, University of Glasgow

1. *Navigating Geopolitical Crises for Energy Security: Evaluating Optimal Subsidy Policies via a Markov Switching DSGE Model(*)*

- **Ying Tung Chan**: Bay Area International Business School, Beijing Normal University, China
- Maria Teresa Punzi: Singapore Green Finance Centre at the Sim Kee Boon Institute for Financial Economics, Singapore Management University, Singapore
- Hong Zhao: Department of Economics, Nankai University, China

2. *Exploring the Euro Area Exposure to the Risk of Financial Fragmentation(*)*

- Gergely Hudecz: European Stability Mechanism (ESM)
- Alexandre Lauwers : European Stability Mechanism (ESM)

- **Yasin Mimir** : European Stability Mechanism (ESM)
- Graciela Schiliuk: European Stability Mechanism (ESM)

3. *Beliefs for Sudden Stops and Current Account Reversals: An Analysis with a Regime Switching Small Open Economy Model*

- Masashige Hamano: Waseda University, School of Political Science and Economics
- **Yuki Murakami**: Waseda University, School of Political Science and Economics

Lunch Break + Poster Session II (13:00 - 14:30, UTC+2)

Session 2.4: Structural Reforms and Economic Growth (14:30 - 16:00, UTC+2)

Chair: Dr. Ruthira Naraidoo, University of Pretoria

1. *Searching for Flexibility: The Joint Impact of Thatcher's Reforms of UK Labour and Housing Markets*

- **Tatiana Kirsanova**: University of Glasgow
- Oyvind Masst: University of Glasgow
- Charles Nolan: University of Glasgow

2. *Mitigating the Impact of Fuel Subsidy Removal in an Oil-Producing Emerging Economy*

- Junior Maih: Monetary Policy Department, Norges Bank, Oslo, Norway.
- Babatunde S. Omotosho: Statistics Department, Central Bank of Nigeria, Abuja, Nigeria.
- **Bo Yang**: Department of Economics, Swansea University

3. *The Impact of Macroprudential Policies on Industrial Growth(*)*

- **Carlos Madeira**: Bank for International Settlements (BIS) and Central Bank of Chile

Break (16:00 - 16:15, UTC+2)

Session 2.5: Methodological Innovations II (16:15 - 17:15, UTC+2)

Chair: Dr. Gianni Amisano, Federal Reserve Board

1. *On Bayesian Filtering for Markov Regime Switching Models*

- Nigar Hashimzade: Department of Economics and Finance, Brunel University, United Kingdom
- **Oleg Kirsanov**: Adam Smith Business School, University of Glasgow, United Kingdom
- Tatiana Kirsanova: Adam Smith Business School, University of Glasgow, United Kingdom
- Junior Maih: Monetary Policy Department, Norges Bank

2. *Cognitive Discounting in a Nonlinear World: Implications for Macroeconomic Dynamics*(*)

- Junior Maih: Monetary Policy Department, Norges Bank
- **Christian Matthes**: Department of Economics, Indiana University

Roundtable (17:30 - 18:30, UTC+2)

Table 1: Conversion of Pretoria Times to Indiana, Paris, Ankara, and Beijing Times

Indiana (EST, UTC-5)	Paris (CET, UTC+1)	Pretoria (UTC+2)	Ankara (TRT, UTC+3)	Beijing (CST, UTC+8)
02:15 - 02:45	07:15 - 07:45	08:15 - 08:45	09:15 - 09:45	14:15 - 14:45
02:15 - 02:50	07:15 - 07:50	08:15 - 08:50	09:15 - 09:50	14:15 - 14:50
02:55 - 04:00	07:55 - 09:00	08:55 - 10:00	09:55 - 11:00	14:55 - 16:00
04:00 - 04:15	09:00 - 09:15	10:00 - 10:15	11:00 - 11:15	16:00 - 16:15
04:15 - 05:15	09:15 - 10:15	10:15 - 11:15	11:15 - 12:15	16:15 - 17:15
05:15 - 05:30	10:15 - 10:30	11:15 - 11:30	12:15 - 12:30	17:15 - 17:30
05:30 - 07:00	10:30 - 12:00	11:30 - 13:00	12:30 - 14:00	17:30 - 19:00
07:00 - 08:30	12:00 - 13:30	13:00 - 14:30	14:00 - 15:30	19:00 - 20:30
08:30 - 10:00	13:30 - 15:00	14:30 - 16:00	15:30 - 17:00	20:30 - 22:00
10:00 - 10:15	15:00 - 15:15	16:00 - 16:15	17:00 - 17:15	22:00 - 22:15
10:15 - 11:15	15:15 - 16:15	16:15 - 17:15	17:15 - 18:15	22:15 - 23:15
11:30 - 12:30	16:30 - 17:30	17:30 - 18:30	18:30 - 19:30	23:30 - 00:30
13:30 - 17:00	18:30 - 22:00	19:30 - 23:00	20:30 - 00:00	01:30 - 05:00

Poster Sessions

Poster Session 1: July 25, 2024

1. *Investigating the Dynamic Impact of Socioeconomic Issues on Crimes: A Comparison of Newly Democratized Countries*
 - **Zimisele Bonisiwe Mkonza**: Department of Economics, Faculty of Commerce, Administration and Law, University of Zululand, South Africa
 - Lindokuhle Talent Zungu: Department of Economics, Faculty of Commerce, Administration and Law, University of Zululand, South Africa
2. *Fiscal Consolidation and Asymmetric Macroeconomic Effects: Evidence from Sub-Saharan African Countries*
 - Oluwasola E. Omoju: Department of Economic and Social Research, National Institute for Legislative and Democratic Studies, Abuja, Nigeria
 - Ruth Badru: School of Economics, University of Bristol, Bristol, United Kingdom
 - Andrea Calef: School of Economics, University of East Anglia, Norwich, United Kingdom
 - **Ayobami E. Ilori**: School of Social Sciences and Global Studies, The Open University, Milton Keynes, United Kingdom
3. *The Nexus Among Digital Financial Inclusion, Monetary Policy Transmission, and Economic Development in Sub-Saharan Africa*
 - Ntebogang Esely: BA ISAGO University, Gaborone, Botswana
 - **Lovemore Taonezvi**: BA ISAGO University, Gaborone, Botswana
4. *The Impact of Capital Flight on Unemployment Rate in South Africa: an Autoregressive Distribution Lag Approach*
 - **Naledi Pila**: University of Limpopo
5. *RS-DSGE for Unconventional Monetary Policy Analysis*
 - **Cristian Ferretti**: Universita Politecnica Delle Marche, Italy.
6. *Is Fiscal Stimulus Effective in a High Debt Environment with Heightened Policy Uncertainty?*
 - **Sibongile Zulu**: Department of Economics, University of Pretoria

Poster Session 2: July 26, 2024

1. *Bank Runs and Macroprudential Policy*
 - **Toure Talnan Aboulaye**: Business School, Institut National Polytechnique Felix Houphouet Boigny, Yamoussoukro, Cote d'Ivoire
2. *Election Proximity, Institutions, and Fiscal Balance Dynamic in Africa*

- **Ezekiel Ngitoria Lengaram:** School of Economics and Finance, University of the Witwatersrand, Johannesburg, South Africa
3. *Regime Switching Dynamics in the Interplay of Fiscal and Monetary Policies in Malawi: Evidence from MS-VAR and MS-DSGE Models*
 - Salim Ahmed Mapila: National Planning Commission of Malawi
 - **Mphatso Elias Ackim:** University of Pretoria
 4. *Effects of Trade Facilitation on Intra-Community Trade in ECOWAS*
 - **Boalame Kambia:** University of Lome
 - Akilou Amadou: University of Lome
 5. *Unemployment, Financial Frictions and Commodity Price Shocks in Small Open Economies*
 - Ruthira Naraidoo: University of Pretoria
 - **Nyembani David Sithole:** University of Pretoria
 6. *The Impact of Sovereign Risk on Domestic Financial Systems*
 - **Mpho Rapapali:** South African Reserve Bank