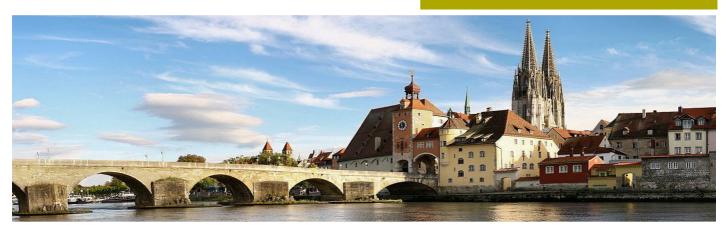


REGENSBURGECONNEWS



Newsletter 2016-21

CALENDAR:

Departmental Seminar

Roman Sustek (Queen Mary University)
On the Mechanics of New-Keynesian Models

Monday, October 31 16:30–18:00 VG H26

ABSTRACTS:

Departmental Seminar

Roman Sustek

On the Mechanics of New-Keynesian Models
(joint work with Peter Rupert)

Abstract: The monetary transmission mechanism in New-Keynesian models is put to scrutiny, focusing on the role of capital. We demonstrate that, contrary to a widely held view, the transmission mechanism does not operate through a real interest rate channel. Instead, as a first pass, inflation is determined by Fisherian principles, through current and expected future monetary policy shocks, while output is then pinned down by the New-Keynesian Phillips curve. The real rate largely only reflects consumption smoothing. In fact, declines in output and inflation are consistent with a decline, increase, or no change in the ex-ante real rate.

We gratefully acknowledge financial support of the Departmental Seminar by the Regensburger Universitätsstiftung Hans Vielberth.



RegensburgEconNews

Newsletter of the Institute of Economics and Econometrics, University of Regensburg

To subscribe to / unsubscribe from this newsletter, please go to https://www-mailman.uni-regensburg.de/mailman/listinfo/regensburgeconnews or send an email to econ.news@ur.de

Editorial deadline for Newsletter No. 2016-22: Wednesday, November 02 – 11 pm

FAKULTÄT FÜR WIRTSCHAFTSWISSENSCHAFTEN

Institut für Volkswirtschaftslehre und Ökonometrie

Jniversitätsstraße 31 • 93040 Regensburg

Newsletter–Redaktion: Martina Kraus-Pietsch

Telefon: +49 941 943–2710

Fax: +49 941 943–2734

E–Mail: econ.news@ur.de
Internet: www–econs.ur.de

wiki/File:Regensburg_08_2006.jpg