

# **BONN ECON NEWS**

Universität Bonn, Adenauerallee 24-42, D-53113 Bonn  
<http://www.econ.uni-bonn.de>

Redaktion / Editing: Regina Haverkamp, Fachbereich Wirtschaftswissenschaften  
Phone: +49 (0)228-73 2129; Fax: +49 (0)228-73 992129; email: econnews@uni-bonn.de

---

No. 512

## **Workshops and Seminars July 24 – 28, 2017**

### **Wednesday, July 26, 2017**

Macro/Econometrics/Finance

Workshop

**12:30**, Juridicum, “Fakultätszimmer”

**Marek Ignaszak**, BGSE

“European Unemployment Insurance”

### **Thursday, July 27, 2017**

Macro/Econometrics/Finance Seminar

**16:15**, Kaiserplatz 7 – 9, Room 4.006

**Robert Ulbricht**, Toulouse School of  
Economics

“Information-driven Business Cycles: A  
Primal Approach”

## MACRO/ECONOMETRICS/FINANCE WORKSHOP

**Marek Ignaszak**, BGSE

“European Unemployment Insurance”

(with Philip Jung, Keith Küster)

### Abstract

We study federally-provided unemployment insurance in a group of small economies. In each, the labor market is characterized by search and matching frictions, risk-averse workers, endogenous hiring and separation, and unobservable search effort. Countries are subject to idiosyncratic, persistent business cycle shocks. International financial markets are incomplete. Federal unemployment insurance serves to automatically redistribute internationally, thus completing international asset markets. Calibrating to the European Monetary Union, for given labor-market policies at the country level, we find that there are notable welfare gains from introducing federal insurance. Once we allow countries to adjust their labor-market policies in response to the scheme, the scope of a European unemployment insurance program is significantly reduced.

## MACRO/ECONOMETRICS/FINANCE SEMINAR

**Robert Ulbricht**, Toulouse School of Economics

“Information-driven Business Cycles: A Primal Approach”

(with Ryan Chahrour)

### Abstract

We develop a methodology to estimate DSGE models with incomplete information, free of parametric restrictions on information structures. First, we define a “primal” economy in which deviations from full information are captured by wedges in agents' equilibrium expectations. Second, we provide implementability conditions, which ensure the existence of an information structure that implements these wedges. We apply the approach to estimate a New Keynesian model in which firms, households and the monetary authority have dispersed information about business conditions and productivity is the only aggregate fundamental. The estimated model fits the data remarkably well, with informational shocks able to account for the majority of U.S. business cycles. Output is driven mainly by household sentiments, whereas firm errors largely determine inflation. Our estimation indicates that firms and the central bank learn the aggregate state of the economy quickly, while household confusion about aggregate conditions is sizable and persistent.

**Redaktionsschluss / Deadline**

**BONN ECON NEWS No. 513**

**WEDNESDAY, SEPT 27, 2017**

**12:00**

BONN ECON NEWS by email (pdf):

send email to [majordomo@listserv.uni-bonn.de](mailto:majordomo@listserv.uni-bonn.de) with

"subscribe econ-news" or "unsubscribe econ-news" in the body of the email