Call for Papers

Workshop on

Deflation – Causes, Consequences and Policies

June 12-13, 2015
Sveriges Riksbank, Stockholm, Sweden

The aim of the workshop is to discuss new research on the causes, consequences and policies related to deflation. Suitable paper topics include, but are not limited to:

i) **Causes of deflation.** What are the causes behind deflation episodes - are they driven by demand or supply factors? To what extent should current disinflationary pressures in many industrialized economies be related to business cycle conditions, rather than taken as a sign of more permanent changes (e.g. driven by secular stagnation, lower long-run equilibrium real rates, …)? What does history tell us about the relationship between deflation and economic growth?

ii) **The economic consequences of deflation.** Are there reasons to be concerned about different economic dynamics implied by deflation, especially when the central bank cannot cut policy rates and fiscal policy has little scope to provide stimulus? In which theoretical environments may deflationary spirals arise? Do they occur in the data? What are the economic costs of deflationary episodes?

iii) **What policies – monetary and fiscal - can societies undertake in order to escape deflations?** Should the central bank raise the inflation target in the wake of a persistent decline in the natural real rate? What lessons have we learned from recent empirical and theoretical work on the effectiveness of fiscal and unconventional monetary policy to boost inflation in low interest rate environments? What are the key features of successful policies, and what are the potential side effects and costs of such policies (e.g. issues related to redistribution)?

We invite theoretical and empirical contributions on these and related topics. Participation in the conference has been confirmed by Jon Faust (Johns Hopkins University), Jordi Gali (CREI), Eric Leeper (Indiana University), Bruce Preston (Monash University), Stephen Williamson (Washington University), and Michael Woodford (Columbia University). Submissions should be made in PDF format by March 1\textsuperscript{st}, 2015 to research@riksbank.se. Authors will be notified by April 1\textsuperscript{st}, 2015. Sveriges Riksbank will cover expenses for economy-class travel and accommodation for paper presenters and discussants.
The organizing committee consists of Ferre De Graeve, Jesper Lindé, Karl Walentin and Andreas Westermark. The program and other information about the conference will be posted on the Riksbank website (www.riksbank.se/en/research/conferences), which also contains information about past conferences. Questions can be directed to Lena Löfgren (lena.lofgren@riksbank.se).