

**Il Dipartimento di Economia
Organizza il Seminario**

**COLLATERALS AND (IN)STABILITY OF
MONETARY POLICY**

Coautori: Antoine LE RICHE

DARIA ONORI

University of Orleans

Abstract:

In this paper we consider a monetary economy and study the effects of collaterals on money borrowing on the steady-state features, on the welfare properties and on the business cycle. Capital plays the role of collaterals, we indeed assume that the share of consumption that must be paid in cash depends negatively on capital available to the household. The monetary policy is conducted by the Central Bank following a feedback Taylor rule. We show the coexistence of a liquidity trap and an interior Leeper equilibrium. The corresponding levels of capital are characterized either by capital under-accumulation or overaccumulation with respect to the Solow's golden rule. It follows that the Leeper steady state consumption can be greater or smaller than that of the liquidity trap.

**Giovedì 23 novembre 2017
ore 14.00 - Aula 22**

**Dipartimento di Economia
Università degli Studi Roma Tre
Via Silvio D'Amico 77, 00145 Roma**

La partecipazione è aperta a tutti gli interessati