

# Paper Presentations

November 20, 2023

Choose one of the themes in the list below (each theme is indicated by a cardinal number) and provide a presentation that summarizes the main results of the papers in that theme. The allocation of themes is on a first-come, first-served basis (one theme per student). Send me an email when you have chosen a theme and I will inform the others of the themes left. Presentation time is 30 minutes including questions. For each theme, the presentation has to include the two papers in bold. If more than two papers are included in the theme, you are encouraged to include other papers on the list or to provide a short summary of how the other papers enter into the theme. The overall goal is to get an idea of how a research topic evolves over time and in which way each paper significantly contributes to it.

The topic is consumption, which has not been studied much in the household finance literature, even though it is highly relevant: every investment decision is conditional on first deciding how much to save, and saving is non-consumed wealth and income. The aim is to get an overview of the (mainly macro) literature on consumption that could have applications in the field of household finance.

As several papers cover more than one theme, please note that the classification is mainly for organizational purposes. Furthermore, the literature studying consumption is vast, so the list of papers is clearly not exhaustive.

## Measuring MPC<sup>1</sup>

### 1 MPC out of wealth

**Di Maggio et al. (2020); Paiella and Pistaferri (2017)**

### 2 MPC out of exogeneous income shocks

**Boehm et al. (2023); Johnson et al. (2006);** Fagereng et al. (2021); Misra and Surico (2014); Parker et al. (2013); Broda and Parker (2014)

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<sup>1</sup>MPC stands for marginal propensity to consume.

### 3 MPC estimation (structural and semi-structural)

**Blundell and Preston (1998); Commault (2022);** Hall and Mishkin (1982); Blundell et al. (2008); Kaplan and Violante (2010)

## Understanding MPC

### 4 Properties of the consumption function

**Carroll and Kimball (1996); Straub (2019);** Kimball (1990a); Carroll (1997, 2009); Kimball (1990b)

### 5 Rationalising with agents' heterogeneity

**Aguiar et al. (2023); Kaplan and Violante (2014);** Carroll et al. (2017)

## Testing theories with consumption data

### 6 Testing the Euler equation with consumption data

**Hall (1988); Attanasio and Weber (1993);** Attanasio and Weber (1995)

### 7 Testing the complete markets assumption

**Cochrane (1991); Heathcote et al. (2014);** Deaton (1991); Meghir and Weber (1996); Kaufmann and Pistaferri (2009)

### 8 Testing the permanent income hypothesis

**Carroll (1994); Deaton and Paxson (1994);** Campbell and Deaton (1989)

## References

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