

You are kindly invited to attend the Joint Macroeconomic Seminar co-organised by the National Bank of Belgium and the Belgian universities (KU Leuven, UAntwerpen, UCLouvain, UGent, ULB, ULiège, UNamur and VUB).

by

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on

Costly disasters and the role of fiscal policy

(co-authored with Evi Pappa)

Abstract

We examine the dynamic effects of natural disasters in US states and relate them to state and federal fiscal policy actions. Typically, disasters have important negative output but less severe unemployment consequences. Real effects vary spatially: coastal and poor states recover more slowly. Countercyclical fiscal policy reduces the severity of the real downfall. States with less stringent budgetary requirements and/or budget stabilization funds face smaller real costs. State spending is more effective than federal spending in reducing the negative effects of the disaster shock at the cost of mild and temporary increases in state debt.

The seminar will take place on **Thursday, December 2nd, 2021** from **16:30** until **18:00** in the Auditorium of the National Bank of Belgium (**Room A**), entrance: rue Montagne aux Herbes potagères 61, Brussels *and will also be able to be followed via a Microsoft Teams meeting.*

Please reply by email to nbbmacro.seminar@nbb.be if you wish to participate to this seminar or if you want to have an appointment with the speaker. **Please let us know if you will be physically present or will follow online.** After registration you will receive a confirmation email with *the link to join the seminar.*

Kind regards,

Pierrick Clerc (ULiège), Ferre De Graeve (KU Leuven), Romain Houssa (UNamur), Robert Kollmann (ULB), Yasin Kursat Önder (UGent), Luca Pensieroso (UCLouvain), Roland Winkler (UAntwerpen) and Raf Wouters (NBB)