



## Call for Papers

Maastricht Observatory for Responsible, Resilient and Sustainable Societies, Economies and Enterprises  
4th Annual Conference 2024

### Track:

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## Uncertainty in Empirical Macroeconomics and Firm Dynamics

Maastricht, the Netherlands, 23-25 October 2024

### Track Chairs:

Siavash Mohades, Giulia Piccillo

### Description of the track

This track aims to bring together empirical evidence on the sources and effects of uncertainty on firm dynamics and macroeconomic performance. Uncertainty has long been linked to lower investments and, thus, adverse micro and macroeconomic outcomes transmitted through various mechanisms such as real options, financial frictions and pessimistic expectations. Dixit (1994) showed how firms' decisions upon inputs are determined by their uncertainty level about the future through the real options theory. Bloom et al. (2007) showed that with (partial) irreversibility, higher uncertainty reduces the responsiveness of investment to demand shocks. However, it is still unclear to what extent different types of uncertainty affect other aspects of firms' activities, such as (but not limited to) M&A, venture capital and product expansions and aggregate variables, such as overall productivity growth. The track seeks to explore this growing literature and deepen our understanding of the relationship between theoretical concepts of uncertainty and their implications on firms' dynamics and (micro and) macroeconomic outcomes.

### Examples of relevant research questions

- Measurement of uncertainty using micro and macroeconomic data
- Different effects of uncertainty on firms and the economy
- Heterogeneity of firms and firm-level uncertainty
- Transmission mechanisms of uncertainty observed in empirical macro
- Relationship between aggregate uncertainty and micro-level expectations or decisions

## References:

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- R. Bachmann, K. Carstensen, S. Lautenbacher and M. Schneider. “Uncertainty and Change: Survey Evidence of Firms’ Subjective Beliefs”,. See also NBER WP 29430, CEPR DP 16689 and CESIFO WP 9394.
- Bianchi, F, H Kung and M Tirsikh (eds) (2019), “DP13450 The Origins and Effects of Macroeconomic Uncertainty”, *CEPR Press Discussion Paper* No. 13450. <https://cepr.org/publications/dp13450>
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- Castelnovo, E., Tuzcuoglu, K., & Uzeda, L. (2022). Sectoral uncertainty. *CESifo Working Paper*. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4259631](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4259631)
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- Mohades, S., Piccillo, G. & Treibich, T. (2024). Unpacking Economic Uncertainty. *CESifo Working Paper*. [https://ideas.repec.org/p/ces/ceswps/\\_10974.html](https://ideas.repec.org/p/ces/ceswps/_10974.html)
- Piccillo, G. & Poonpakdee, P. (2021). Effects of Macro Uncertainty on Mean Expectation and Subjective Uncertainty: Evidence from Households and Professional Forecasters. *CESifo Working Paper Series*. [https://ideas.repec.org/p/ces/ceswps/\\_9486.html](https://ideas.repec.org/p/ces/ceswps/_9486.html)

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**The deadline for submissions is 15 June 2024.**

All submissions must **use the submission procedure** on the webpage otherwise they will not be considered for review.

**Papers must be submitted sending an email to [morse-sbe@maastrichtuniversity.nl](mailto:morse-sbe@maastrichtuniversity.nl) .**

**The registration for the MORSE Conference 2024 will open soon.**