



THE RIMINI CENTRE FOR ECONOMIC ANALYSIS

Growth and Development Workshop
***Economic Growth and Development:
The Structural and Institutional Factors***

and

Money and Finance Workshop
The Great Recession: Moving Ahead

May 21-22, 2015 - Rimini, Palacongressi



Program

Workshop Location



PALACONGRESSI DI RIMINI

Via della Fiera, 23,
47923 Rimini RN, Italy
www.riminipalacongressi.it



Workshop Rooms

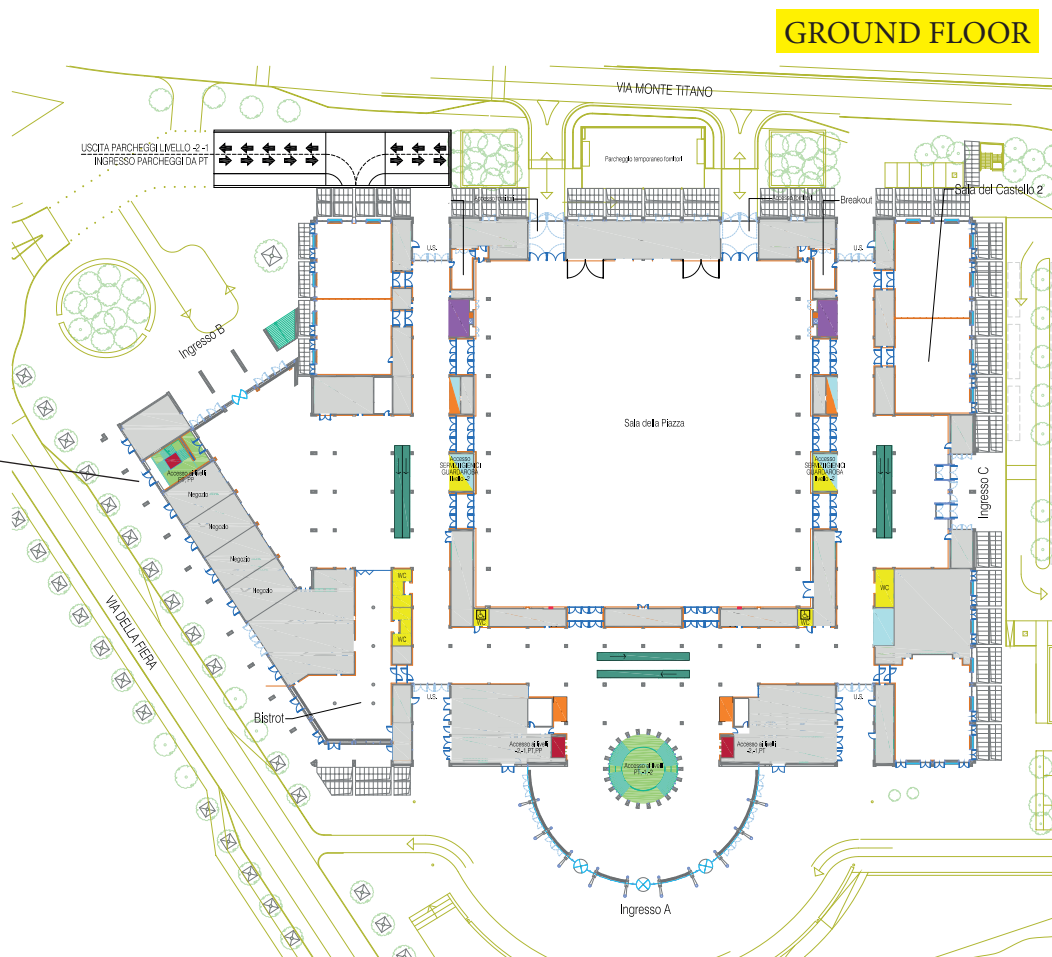
Workshop Rooms

GROUND FLOOR:

- Sala del Castello 2

Entrance

Wednesday May 21

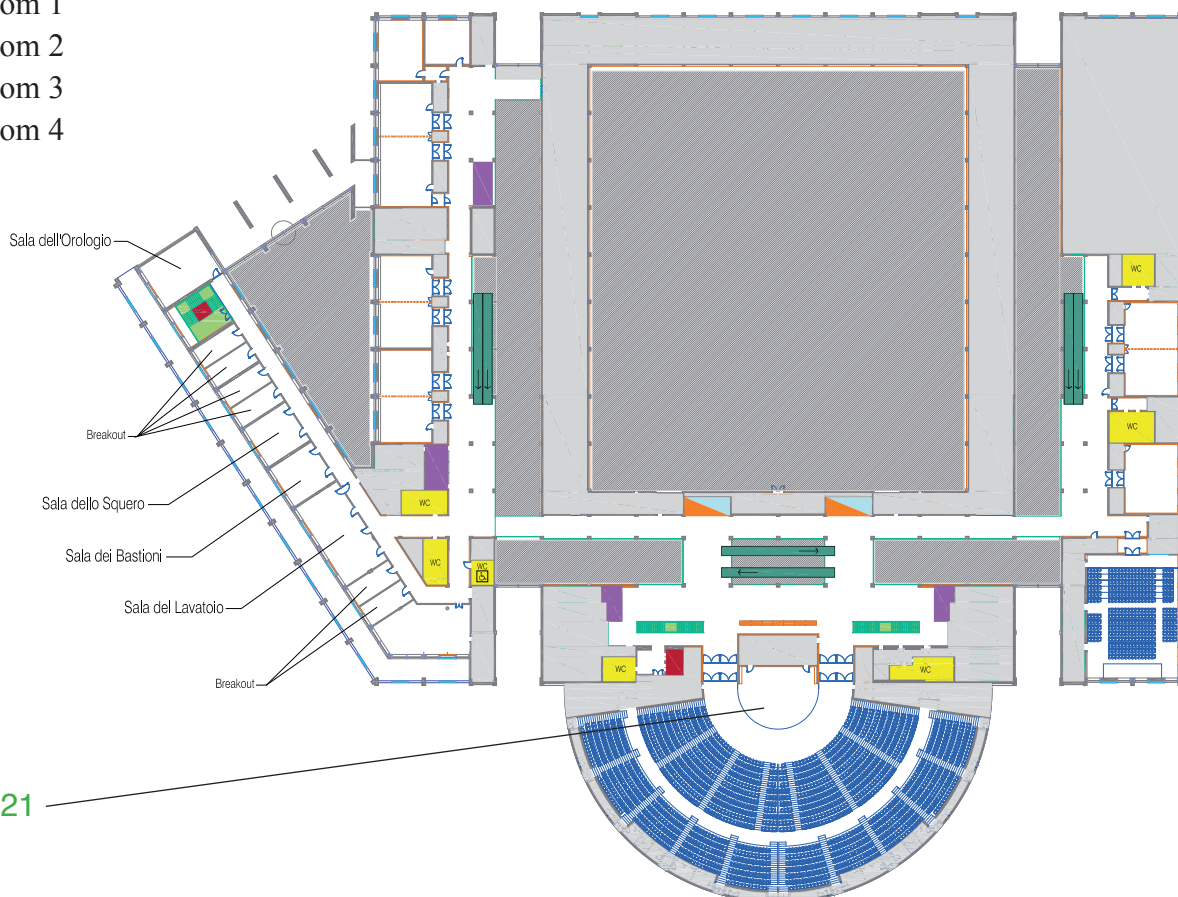


Workshop Rooms

FIRST FLOOR:

- Sala del Lavatoio
- Sala dell' Orologio
- Sala Bastioni
- Sala Squero
- Breakout Room 1
- Breakout Room 2
- Breakout Room 3
- Breakout Room 4

FIRST FLOOR



Entrance

Thursday May 21

Friday May 22

REGISTRATION

The 21-22 May RCEA Workshops “Economic Growth and Development: The Structural and Institutional Factors” and “The Great Recession: Moving Ahead” will run simultaneously with the 16th edition of the IT-FORUM.

Workshop participants are entitled to have access to all the sessions of the IT-FORUM.

The IT-Forum (www.itforum.it/) is the independent event dedicated to Trading Online and Investment and is the widest exhibit space in Italy to meet brokers, international banks, advisors, private bankers. It is regularly attended by the most important and influential experts of the Italian financial scene. IT-Forum meeting will be held on May 21-22, 2015, at Palacongressi as well.

**RCEA workshops delegates need to register to ITForum
to get the conference badge and welcome kit.**

Registration to ITForum can be done:

On Wednesday May 20 from 5:00 pm to 6:00 pm at RCEA registration desk Rimini Palacongressi, 1st floor, in front of Room SALA DEL LAVATOIO, jointly with RCEA registration.

On Thursday May 21 from 8:15 am at “VGATE” (main entrance of Palacongressi) – desk RCEA WORKSHOPS DELEGATES

On Friday May 22 from 8:15 am at “VGATE” (main entrance of Palacongressi) - desk RCEA WORKSHOPS DELEGATES

It is very important that you have the badge of ITForum. Please keep it the all time of the workshop. You will be requested to exhibit it often. ITForum has a list of RCEA workshop participants: you just have to tell your name and you will be given your badge.

COFFEE BREAKS, LUNCHESS and Cocktail Party

Workshop lunches and coffee breaks for RCEA delegates take place on May 21 and May 22 in BREAKOUT ROOMS (First floor)

The conference Cocktail Party will take place on Thursday 21 May starting from 19:30 at Area Foyer (First Floor).

Your badge will be your voucher.

Workshops Acronyms:

G&D: Economic Growth and Development: The Structural and Institutional Factors.

GR: The Great Recession: Moving Ahead.

Conference Schedule

Wednesday, May 20

5:00 - 6:00 pm: REGISTRATION

6:00 - 7:00 pm: **G&D** and **GR** Plenary session: CIGI-RCEA lecture
Room: *Sala del Lavatoio*

Corruption and Economic Growth

Chair: Philippe Aghion (Harvard University, USA and RCEA, Italy)

Speaker: Costas Azariadis (Washington University in St. Louis, USA and RCEA, Italy)

Thursday, May 21

8:00 am - 8:30 am: REGISTRATION

8:30am - 10:00 am: SESSIONS

G&D: Cross Country Analyses

Room: *SALA SQUERO*

Chair: Andros Kourtellos (University of Cyprus, Cyprus)

1. The effect of services trade restrictiveness on manufacturing productivity: A cross-country analysis
Cosimo Beverelli (WTO, Switzerland), Matteo Fiorini (EUI, Italy) and Bernard Hoekman (CEPR, UK)
2. Empirics of Financial Sector Liberalization and Capital Flows
Marta Paczos (University of Bologna, Italy)
3. Growth and income distributions in four EU economies
Keshab Bhattarai (University of Hull and RCEA)

G&D: Theory

Room: *SALA DELL'OROLOGIO*

Chair: Lorenzo Rotunno (Oxford University, UK)

1. Political Competition over Property Rights Enforcement
Jan U. Auerbach (University of Exeter, UK)
2. Endogenous labour supply, endogenous lifetime and economic growth: Local and global indeterminacy
Luca Gori (University of Genoa, Italy) and Mauro Sodini (University of Pisa,

Italy) ftp://ftp.rcfea.org/www.rcfea.org/workshop/EG2015/Gori_sodini_paper+figures+presentation_F

3. **A game-theoretic traverse analysis: Price competition and strategic investment**

Andrea Mantovi (University of Parma, Italy) and Augusto Schianchi (University of Parma, Italy)

GR: The Credit Channel

Room: SALA DEI BASTIONI

Chair: Peter Benczur (European Commission, Central European University and IE-CERS, HAS)

1. **The Macroeconomic Implications of Sovereign Debt Liquidity**

Andrea Gazzani (European University Institute, Italy) and Alejandro Vicondoa (European University Institute, Italy)

2. **The bank lending channel in monetary transmission in the euro area: evidence from Bayesian VAR analysis**

Matteo Bondesan (University of Turin and Collegio Carlo Alberto, Italy)

3. **Collateral channel and small business lending**

Ari Hyttinen, Jyväskylä (Jyväskylä University School of Business and Economics, Finland) and Ilkka Ylhäinen, (Jyväskylä University School of Business and Economics, Finland)

10:00 am-10:30 am: Coffee Break

10:30am - 12:00 pm: SESSIONS

G&D: Trade and Globalization I

Room: SALA SQUERO

Chair: Emanuela Randon (University of Bologna and RCEA, Italy)

1. **The Role of Trade and Offshoring in the Determination of Child Labour**

Alessandro Cigno (University of Florence and RCEA, Italy),
Giorgia Giovannetti (University of Florence and DISEI, Italy) and Laura Sabani (University of Florence and DISEI, Italy)

2. **Judiciary efficiency and trade in tasks**

Antonio Accetturo (Bank of Italy), Andrea Linarello (Bank of Italy) and Andrea Petrella (Bank of Italy)

3. **Knowledge spillovers: The impact of genetic distance and data revisions**

Tim Deeken (Karlsruhe Institute of Technology, Germany)

4. **Cooperation between the International Monetary Fund and the World Bank. The role of competition and domain dissent in communication and decision making**

Laura Sabani (University of Florence and DISEI, Italy)

G&D: Culture and Religion I

Room: SALA DELL'OROLOGIO

Chair: Shaun Larcom (University of London, UK)

1. **Sex-selection, inheritance rights and ultrasound technology in India**
Sonia Bhalotra (University of Essex, UK), Rachel Brule (NYU Abu Dhabi, UAE) and Sanchari Roy (University of Sussex, UK)
2. **Acts of God? Religiosity and natural disasters across subnational world districts**
Jeanet S. Bentzen (University of Copenhagen, Denmark)
Economic attitudes and religion
Lenka Filipova (University of Ostrava, Czech Republic)

GR: Speculation, Monetary Policy and the Housing Market

Room: SALA DEI BASTIONI

Chair: *Georgi Krustev (European Central Bank)*

1. **The Impacts of US Quantitative Easing on Housing Market**
Elham Saeidinezhad (Institute for New Economic Thinking, USA)
2. **Speculation and the U.S. Housing Boom**
Pascal Towbin (Swiss National Bank) and Sebastian Weber (International Monetary Fund)
3. **Leaning Against the Credit Cycle**
Paolo Gelain (Norges Bank, Norway), Kevin J. Lansing (Federal Reserve Bank of San Francisco, USA) and Gisle J. Natvik (BI Norwegian Business School, and Norges Bank, Norway)

12:00 am - 1:00 pm

G&D and GR Plenary session: Morningstar-RCEA lecture

Room: SALA DEL CASTELLO 2

Innovation and top income inequality

Chair: Costas Azariadis (Washington University in St. Louis, USA and RCEA, Italy)

Speaker: Philippe Aghion (Harvard University, USA And RCEA, Italy)

1:00 pm- 2:30 pm: Lunch

2:30 pm - 4:00 pm: SESSIONS

G&D: Inequality & Income Distribution I

Room: SALA SQUERO

Chair: *Evangelos V. Dioikitopoulos (Brunel University London, UK)*

1. **Robust correlates of growth spells: Do inequality and redistribution matter?**
Andros Kourtellos (University of Cyprus, Cyprus) and Charalambos G. Tsangarides (International Monetary Fund, USA)
2. **The drivers of inequality across European Regions**
Davide Fiaschi (University of Pisa, Italy), Lisa Gianmoena (IMT Institute for Advanced Studies, Italy) and Angela Parenti (IMT Institute for Advanced Studies, Italy)
3. **Health and income inequality: An analysis of public versus private health expenditure**

Ayova Bhattacharjee (IIM Bangalore, India), Jong Kook Shin (Newcastle University Business School, UK) and Chetan Subramanian (IIM Bangalore, India)

G&D: Political Institutions I

Room: SALA DELL'OROLOGIO

Chair: Agnieszka Wysokinska (Univeristy of Warsaw, Poland)

1. Endogenous institutions and conflict in the model of transition from stagnation to growth

Dimitriy A. Veselov (National Research University Higher School of Economics, Russia) and Alexander M. Yarkin (National Research University Higher School of Economics, Russia)

2. Group violence, ethnic diversity and citizen participation: Evidence from Indonesia

Christophe Muller (Aix-Marseille, EHESS and CNRS) and Marc Vothknecht (German Institute for Economic Research, Germany)

3. Tales from the South Pacific: Do precolonial institutions explain ethnic fractionalization?

Shaun Larcom (University of London, UK)

G&D: Optimal Taxation and Public Economics

Room: SALA DEI BASTIONI

Chair: Katsufumi Fukuda (Hiroshima University, Japan)

1. Optimal commodity taxation and income distribution

Corrado Benassi (University of Bologna and RCEA, Italy) and Emanuela Randon (University of Bologna and RCEA, Italy)

2. A scale free model of vertical innovation under optimal taxation,

Alessandra Pelloni (University of Rome and RCEA, Italy) and Valentina Antonaroli (University of Rome, Italy)

3. Inequality, public good provision and the composition of trade

Mahsa Jahan Didedh (Tilburg University, The Netherlands)

4:00 pm - 4:15 pm: Coffee Break

4:15- 5:45 pm: SESSIONS

GR: Empirical Studies of EU Economies

Room: SALA DELL'OROLOGIO

Chair: Jelena Zivanovic (Humboldt-Universitat, Berlin)

1. Unemployment Hysteresis and Structural Change in Europe

Kurmas Akdoğan (Central Bank of the Republic of Turkey)

2. Interest Premium, Sudden Stop, and Adjustment in a Small Open Economy

Peter Benczur (European Commission, Central European University and IE-CERS, HAS) and Istvan Konya (Hungarian Academy of Sciences and Central European University)

3. Unemployment fluctuations and the predictability of currency returns *Federico Nucera (LUISS Guido Carli University, Italy)*

GR: Consumption and Unemployment

Room: *SALA DEI BASTIONI*

Chair: *Adam Golinski (University of York, UK)*

1. Debt Overhang and Deleveraging in the US Household Sector: Gauging the Impact on Consumption
Bruno Albuquerque (Banco de Portugal and European Central Bank) and Georgi Krustev (European Central Bank)
2. Animal Spirits, Investment and Unemployment: An Old Keynesian View of the Great Recession
Marco Guerrazzi (University of Genoa, Italy)
3. Downward wage rigidities, credit frictions and unemployment
Mirko Abbritti (Universidad de Navarra, Spain), Stephan Fahr (European Central Bank) and Tommaso Trani (Universidad de Navarra, Spain)

G&D Plenary Session

The ROTMAN-RCEA lecture on Growth and Development

Room: *SALA DEL LAVATOIO*

Theories of poverty traps and antipoverty policies

Chair: *Pranab Bardhan (University of California, Berkeley, USA and RCEA, Italy)*

Speaker: *Maitreesh Ghatak (London School of Economics, UK)*

WOKSHOPS ADJOURN

Friday, May 22

8:00 - 8:15 am: Registration

8:15 - 9:45 am: SESSIONS

G&D: Technological Change and Diffusion

Room: *SALA SQUERO*

Chair: *Davide Fiaschi* (University of Pisa, Italy)

1. **Skill-biased technology diffusion through intersectoral linkages**
Patrick Schulte (Centre for European Economic Research and Goethe University, Germany)
2. **How powerful are trade unions? A skill-biased technological change approach**
Antonio Neto (Universidade do Porto, Portugal), Oscar Afonso (Universidade do Porto, Portugal), and Sandra T. Silva (Universidade do Porto, Portugal)
3. **ICT and economic growth. Comparing developing, emerging and developed countries**
Thomas Niebel (Centre for European Economic Research, Germany)
4. **On the cyclical of R&D activities**
Matthias Mand (University of Hamburg, Germany)

GR: Empirical Studies of Financial Markets

Room: *SALA DELL'OROLOGIO*

Chair: *Sebastian E. V. Werner* (European University Institute)

1. **An agnostic SVAR approach to financial shocks**
Jelena Zivanovic, (Humboldt-Universität, Berlin)
2. **Volatility co-movements: a time scale decomposition analysis**
Andrea Cipollini (University of Palermo, Italy), Iolanda Lo Cascio (University of Palermo, Italy) and Silvia Muzzioli (University of Modena and Reggio Emilia, Italy).

3. *US Monetary Policy Cointegration with Endogenous Markov-Switching VECM Regimes*

Giulia Ghiani (*Politecnico di Milano, Italy*), Max Gillman, (University of Missouri, St Louis, CERGE-EI and IEHAS, USA) and Michal Kejak (CERGE-EI, Czech Republic)

9:45- 10:00 am: Coffee Break

10:00-11:30 am: SESSIONS

GR: Inflation, Inflation Targeting and Price Rigidities

Room: SALA SQUERO

Chair: Oleksiy Kryvtsov (*Bank of Canada*)

1. *What Helps Forecast U.S. Inflation?—Mind the Gap!*

Ayşe Kabukçuoglu (*Koç University, Turkey*) and Enrique Martínez-García (Federal Reserve Bank of Dallas, USA)

2. *Does Inflation Target Matter? Evidence from a Change In Persistence Test*

Theologos Dergiades (*International Hellenic University, Greece*) Costas Milas (*University of Liverpool, UK*) and Theodore Panagiotidis (*University of Macedonia, Greece*)

3. *On the Importance of Sales for Aggregate Price Flexibility*

Oleksiy Kryvtsov (*Bank of Canada*) and Nicolas Vincent (*HEC Montreal, Canada*)

GR: Stock and Credit Markets, Frictions and Incomplete Information

Room: SALA DELL'OROLOGIO

Chair: Eddie Gerba (*London School of Economics, UK*)

1. *Stock Market Cycles and Supply Side Dynamics*

Paul De Grauwe (*London School of Economics, UK*) and Eddie Gerba (*London School of Economics, UK*)

2. *Information and reputation across e-traded goods*

Fabrizio Casalin (*Newcastle University, UK*) and Enzo Dia (*Università degli Studi di Milano Bicocca, Italy*)

3. *Bank ownership and cost efficiency in Russia, revisited*

Mikhail Mamonov (*Russian Academy of Sciences and Higher School of Economics, Russia*) and Andrei Vernikov (*Higher School of Economics and Russian Academy of Sciences, Russia*)

G&D Plenary Session

The ROTMAN-RCEA lecture on Growth and Development

Room: SALA DEL LAVATOIO

Technology Adoption in Organizations

Chair: Karim Abadir (*Imperial College, UK and RCEA, Italy*)

Speaker: Eric Verhoogen (Columbia University, USA)

11:30am - 1pm

G&D and GR Plenary Session: CIGI-RCEA Panel

Room: SALA DEL CASTELLO 2

New Challenges for Central Banks

Chair: *Jerzy Konieczny (Wilfrid Laurier University, Canada and RCEA, Italy)*

Panelists:

Costas Azariadis (Washington University in St. Louis, USA and RCEA, Italy), Stephen Ambler (Université du Québec à Montréal, Canada and RCEA, Italy),

John Murray (C.D. Howe Institute, Canada)

Pierre Siklos (Wilfrid Laurier University, CIGI, Canada and RCEA, Italy)

1:00-2:15 pm: Lunch

2:15 - 3:45 pm: SESSIONS

G&D: Trade and Globalization II

Room: *SALA SQUERO*

Chair: *Umut Kilinc (STATEC, Luxembourg)*

1. **The effect of globalization in an endogenous growth model with firm heterogeneity, international spillover and trade**

Katsufumi Fukuda (Hiroshima University, Japan)

2. **Factor prices and endowments in a globalised world**

Lorenzo Rotunno (Oxford University, UK) and Adrian Wood (Oxford University, UK)

3. **Did Chinese outward activity attenuate or aggravate the great recession in developing countries**

Bastian Gawellek (University of Leipzig, Germany), Jingjing Lyu (University of Leipzig, Germany) and Bernd Suessmuth (University of Leipzig, Germany)

G&D: Political Institutions II

Room: *SALA DELL'OROLOGIO*

Chair: *Christophe Muller (Aix-Marseille University, EHESS and CNRS)*

1. **Creative destruction and persistence of inefficient institutions in democracies**

Dimitriy A. Veselov (National Research University Higher School of Economics, Russia)

2. **The Elimination of Common Rights and Comparative Economic Development in a Malthusian World**

Evangelos V. Dioikitopoulos (Brunel University London, UK) and Ken Tabata (Kwansei Gakuin University, Japan)

3. Invisible wall: Role of institutions and culture in long term development. Natural experiment

Agnieszka Wysocka (University of Warsaw, Poland)

GR: Monetary Policy

Room: SALA DEI BASTIONI

Chair: *Adam Golinski (University of York, UK)*

1. Monetary Policy Rules at the Zero Lower Bound

Adam Golinski (University of York, UK)

2. Monetary policy of the Bank of Russia and economic growth in Russian Federation

Sergey Mitsek (University of Yekaterinburg, Russia)

3. The Impact of US Unconventional Monetary Policy on the Portfolio Allocation of International Mutual Funds

Gino Cenedese (Bank of England, Menno Middeldorp and Ilaf Scheikh Elard Oxford University, UK)

4. Bond risk premia, macroeconomic factors and financial crisis in the euro area

Juan Angel Garcia (European Central Bank) and Sebastian E. V. Werner (European University Institute, Italy)

3:45 - 4:00 pm: Coffee Break

4:00 - 5:30 pm: SESSIONS

GR Plenary Session

Room: SALA DEL LAVATOIO

Great Recession Workshop Special Session

Chair: *John Murray (C.D. Howe Institute, Canada)*

Keynote Speech

Forecastable timings of recession & recoveries: Econometric implications of a GE model with heterogeneous firms

Karim Abadir (Imperial College, UK and RCEA, Italy)

Keynote Speech

Currency Premia and Global Imbalances

Lucio Sarno (City University, UK and RCEA, Italy)

G&D: Trade and Globalization III

Room: SALA DEI BASTIONI

Chair: Antonio Neto (*Universidade do Porto, Portugal*)

1. **Productivity, markups and international trade: The case of small open economy**
Umut Kilinc (*STATEC, Luxembourg*)
2. **Long-term growth forecast of the Russian economic union and dynamics of its positions in the world**
Catherine Gospodarik (*Belarusian State University, Belarus*) and Mikhail Kovalev (*Belarusian State University, Belarus*)
3. **Resource price shocks, poor governance and private sector development. A simple model of resource curse**
Natasa Bilkic (*University of Paderborn, Germany*) and Thomas Gries (*University of Paderborn, Germany*)

G&D: Human Capital and Social Capital and Education

Room: *SALA DELL'OROLOGIO*

Chair: Antonio Accetturo (*Bank of Italy*)

1. **Exploring the importance of cognitive skills in macroeconomic models of growth and development**
Eddie Gerba (*London School of Economics, UK*) and Emmanuel V. Pikoulakis (*University of Hull, UK*).
2. **Social Capital, Income and Immigration Aversion: A Structural Equation Modelling Approach**
Maurizio Mussoni (*University of Bologna and RCEA, Italy*), Roberto Patuelli (*University of Bologna and RCEA, Italy*) and Marco Savioli (*University of Bologna and RCEA, Italy*)
3. **Social Networks and Learning in the Work-Place: Evidence from Bangladeshi Garment Factories**
Andreas Menzel (*University of Warwick, UK*)

The Review of Economic Analysis, the open-access journal of RCEA, is planning a special issue from the workshop.

All papers will go through the regular refereeing procedure.

To submit, please go to the journal website www.rofea.org <<http://www.rofea.org>> .

There are no submission or publication fees.

END of CONFERENCE

Sponsorships



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