



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**



**Preliminary Program**

## Conference Locations and Rooms

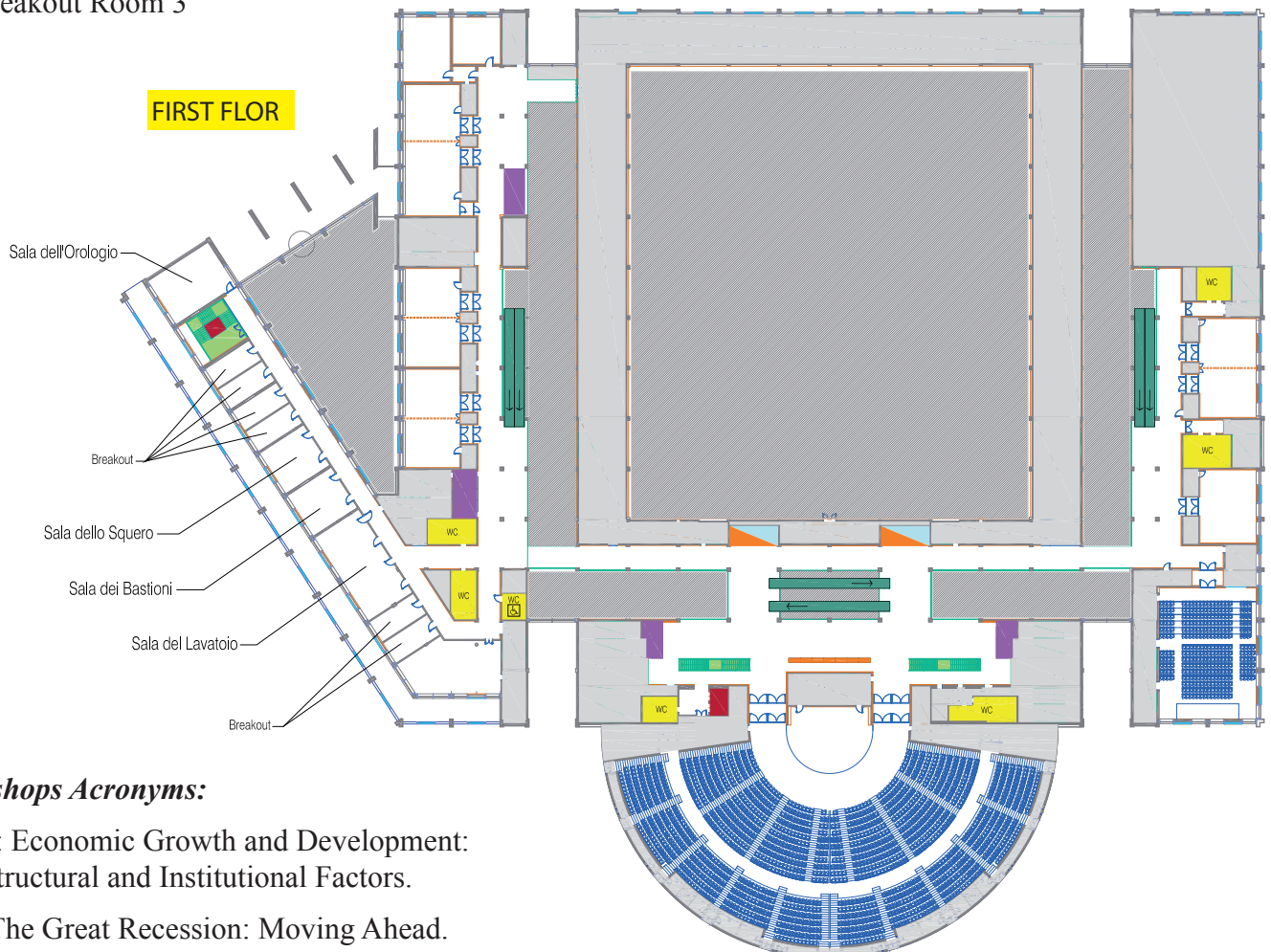


### PALACONGRESSI DI RIMINI

Via della Fiera, 23,  
47923 Rimini RN, Italy  
[www.riminipalacongressi.it](http://www.riminipalacongressi.it)

#### Conference Rooms:

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



#### Workshops Acronyms:

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

**GR:** The Great Recession: Moving Ahead.

## Preliminary Conference Schedule (May 11 2015)

### Wednesday, May 20

5:00 - 6:00 pm:

Registration

6:00 - 7:00 pm

**D&G and GR Plenary session: CIGI-RCEA lecture**

Chair: Philippe Aghion  
(Harvard University And RCEA)

### *Corruption and Economic Growth*

**Costas Azariadis**  
(Washington University in St. Louis and RCEA)

### Thursday, May 21

8:00 am - 8:30 am:

Registration

8:30am - 10:00 am:

**G&D: Cross Country Analyses**

Chair: Andros Kourtellos

1. **The effect of services trade restrictiveness on manufacturing productivity: A cross-country analysis**  
*Cosimo Beverelli, Matteo Fiorini and Bernard Hoekman*
2. **Growth performances and input-output networks across countries**  
*Alper Duman*
3. **Empirics of Financial Sector Liberalization and Capital Flows**  
*Marta Paczos (University of Bologna)*

**G&D: Theory**

Chair: Jan U. Auerbach

1. **Endogenous discounting, technological adoption and economic development**  
*Stephane Bouché*
2. **Endogenous labour supply, endogenous lifetime and economic growth: Local and global indeterminacy**  
*Luca Gori and Mauro Sodini*

3. **A game-theoretic traverse analysis: Price competition and strategic investment**  
*Andrea Mantovi and Augusto Schianchi*
4. **Agents of economic development**  
*Elvio Accinelli and Edgar Carrera*

### **G&D: Inequality & Income Distribution I**

**Chair:** Jeanet S. Bentzen

1. **The impact of infrastructure provisioning on inequality: Does level of development matter?**  
*Sumedha Bajar and Meenakshi Rajeev*
2. **Growth and income distributions in four EU economic**  
*Keshab Bhattarai (University of Hull and RCEA)*
3. **Effect of inequality on growth with concern for relative deprivations,**  
*Unay Tamgac*

### **GR: The Credit Channel**

**Chair:** TBA

1. **The Macroeconomic Implications of Sovereign Debt Liquidity**  
*Andrea Gazzani (European University Institute) and Alejandro Vicondoa (European University Institute).*
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)*
3. **Collateral channel and small business lending**  
*Ari Hyytinen, Jyväskylä (University School of Business and Economics) and Ilkka Ylhäinen, Jyväskylä (University School of Business and Economics)*

**10:00 am-10:30 am**

**Coffee Break**

**10:30am - 12:00 pm**

### **G&D: Political Institutions I**

**Chair:** *Shaun Larcom (SOAS University of London)*

1. **Extractive states: The case of the Italian unification**  
*Guilherme de Oliveira and Carmine Guerriero*
2. **The Elimination of Common Rights and Comparative Economic Development in a Malthusian World**  
*E.V. Dioikitopoulos and K. Tabata*

### **G&D: Trade and Globalization I**

**Chair:** *Laura Sabani (University of Florence and DISEI)*

1. **The Role of Trade and Offshoring in the Determination of Child Labour**  
*Alessandro Cigno (University of Florence and RCEA),  
Giorgia Giovannetti and Laura Sabani (University of Florence and DISEI)*
2. **Judiciary efficiency and trade in tasks,**  
*Antonio Accetturo, Andrea Linares, and Andrea Petrella*

### 3. **Unsustainable inequality: Is there a turning point?**

Laura Policardo, Lionello Punzo and *Edgar Carrera*

#### **G&D: Culture and Religion I**

**Chair:** Edgar Carrera

1. **Sex-selection, inheritance rights and ultrasound technology in India,**  
*Sonia Bhalotra*, Rachel Brule and Sanchari Roy
2. **Acts of God? Religiosity and natural disasters across subnational world districts**  
Jeanet S. Bentzen
3. **Invisible wall: Role of institutions and culture in long term development. Natural experiment**  
*Agnieszka Wysokinska*

#### **GR: Empirical Studies of EU Economies**

**Chair:** Jelena Zivanovic (Humboldt-Universitat, Berlin)

1. **Unemployment Hysteresis and Structural Change in Europe**  
*Kurmaş 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)

#### **G&D: Unconventional Monetary Policies, and Financial Crisis**

**Chair:** Matteo Bondesan

1. **Monetary Policy Rules at the Zero Lower Bound**  
*Adam Golinski* (University of York)
2. **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)

12:00 am - 1:30 pm

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

**Chair:** Costas Azariadis

(Washington University in St. Louis and RCEA).

#### **Innovation and top income inequality**

**Philippe Aghion**

(Harvard University and RCEA)

1:30 pm- 2:30 pm

**Lunch**

2:30 pm - 4:00 pm

**G&D: Inequality & Income Distribution II**

**Chair:** E.V. Dioikitopoulos

1. **Robust correlates of growth spells: Do inequality and redistribution matter?**  
*Andros Kourtellos and Charalambos G. Tsangarides*
2. **The drivers of inequality across European Regions**  
*Davide Fiaschi, Lisa Gianmoena and Angela Parenti*
3. **Health and income inequality: An analysis of public versus private health expenditure**  
*Ayova Bhattacharjee, Jong Kook Shin and Chetan Subramanian.*

**G&D: Political Institutions II**

**Chair:** Guilherme de Oliveira

1. **Endogenous institutions and conflict in the model of transition from stagnation to growth**  
*Dimitriy A. Veselov and Alexander M. Yarkin*
2. **Group violence, ethnic diversity and citizen participation: Evidence from Indonesia**  
*Christophe Muller and Marc Vothknecht*
3. **Tales from the South Pacific: Do precolonial institutions explain ethnic fractionalization?**  
*Shaun Larcom*

**G&D: Optimal Taxation and Public Economics**

**Chair:** Stephane Bouché

1. **Optimal commodity taxation and income distribution**  
*Corrado Benassi (University of Bologna and RCEA) and Emanuela Randon (University of Bologna and RCEA)*
2. **A scale free model of vertical innovation under optimal taxation,**  
*Alessandra Pelloni (University of Rome and RCEA) and Valentina Antonaroli*
3. **Inequality, public good provision and the composition of trade**  
*Mahsa Jahan Didedh*

**GR: Banks and Financial Fragility**

**Chair:** TBA

1. **Legal Uncertainties and Financial Fragility**  
*Meradj Pouraghdam*

4:00 pm - 4:15 pm

Coffee Break

4:15- 5:45 pm

**GR: Speculation, Monetary policy and the Housing market**

**Chair:** TBA

1. **The Impacts of US Quantitative Easing on Housing Market**  
*Elham Saeidinezhad*

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, Kevin J. Lansing, Federal Reserve Bank of San Francisco and Gisle J. Natvik, BI Norwegian Business School, and Norges Bank.

**GR: Great Recession, Consumption and Debt**

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

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. *Did the U.S. Consumers Receive Bad News during Recessions*

*Donghoon Yoo* (University of Rome - Tor Vergata and EIEF)

3. *Animal Spirits, Investment and Unemployment: An Old Keynesian View of the Great Recession*

*Marco Guerrazzi* (University of Genoa)

**G&D Plenary session**

**Chair:** Pranab Bardhan

(University of California, Berkeley and RCEA)

*Theories of poverty traps and antipoverty policies*

Maitreesh Ghatak

(London School of Economics)

**WOKSHOPS ADJOURN**

## Friday, May 22

8:00 - 8:15 am:

Registration

8:15 - 9:45 am:

### G&D: Technological Change and Diffusion

Chair: Davide Fiaschi ( University of Pisa)

1. **Skill-biased technology diffusion through intersectoral linkages**  
*Patrick Schulte*
2. **On the cyclicity of R&D activities**, *Matthias Mand*
3. **How powerful are trade unions? A skill-biased technological change approach**  
*Antonio Neto, Oscar Afonso and Sandra T. Silva*
4. **ICT and economic growth. Comparing developing, emerging and developed countries**  
*Thomas Niebel*

### G&D: International Organizations or Regional Economics

Chair: Alessandro Cigno (University of Florence and RCEA)

1. **Regional integration and the rule of law**  
*Christian Danne*
2. **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)
3. **What Role Can an International Financial Centre's Law Play in the Development of a Sunrise Industry? The Case of Hong Kong and Solar Powered Investments**  
Michael Bryane (University of Hong Kong), Simon Zhao (University of Hong Kong) and (Dariusz Wojcik) University of Oxford

### D&G: Culture and Religion II

Chair: Sonia Bhalotra

1. **The effects of FDI and culture on economic growth**  
*Ana Abeliantsky and Atika Pasha*
2. **Cultural persistence and local productivity: Economic impact evaluation of the South East Europe cultural corridors**  
*Annie Tubadji and Peter Nijkamp*
3. **Economic attitudes and religion**  
*Lenka Filipova*

### GR: Banks and Financial Frictions

Chair: Oleksiy Kryvtsov (Bank of Canada)

1. **The Procyclicality of Consumer Credit**  
Mathias Klein (TU Dortmund University RGS Econ) Christopher Krause (TU Dortmund University RGS Econ) and Nils Wittmann (TU Dortmund University RGS Econ)
2. **Bank ownership and cost efficiency in Russia, revisited**



Mikhail Mamonov, Russian Academy of Sciences and Higher School of Economics and Andrei Vernikov, Higher School of Economics and Russian Academy of Sciences

3. *Downward wage rigidities, credit frictions and unemployment, Bank ownership and cost efficiency in Russia, revisited*

Mirko Abbritti, (Universidad de Navarra), *Stephan Fahr* (European Central Bank) and Tommaso Trani (Universidad de Navarra)

**GR: Empirical Studies of Financial Markets**

**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), *Iolanda Lo Cascio*, (University of Palermo) and *Silvia Muzzioli*, (University of Modena and Reggio Emilia).

**9:45- 10:00 am:**

**Coffee Break**

**10:00-11:30 am:**

**GR: Inflation, Inflation Targeting and Price Rigidities**

**Chair:** Oleksiy Kryvtsov (Bank of Canada)

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

*Ayse Kabukçuoglu* (Koç University) and *Enrique Martínez-García* (Federal Reserve Bank of Dallas)

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

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

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

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

**GR: Stock and Credit Markets, Frictions and Incomplete Information**

**Chair:** *Michal Břesky*, (CERGE-EI, Charles University, Prague and Academy of Sciences of the Czech Republic)

1. *Stock Market Cycles and Supply Side Dynamics*

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

2. *Local Credit Rating Agencies: is their economic role underrated?*

*Ginevra Marandola*, (University of Rome Tor Vergata)

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

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

**G&D Plenary Session**

**Chair:** Karim Abadir  
(Imperial College and RCEA)

## *Technology Adoption in Organizations*

*Eric Verhoogen*

(Columbia University)

**11:30am - 1pm**

### **G&D and GR Plenary Session: GIGI-RCEA Panel**

**Chair:** *Jerzy Konieczny*

(Wilfrid Laurier University and RCEA)

### *New Challenges for Central Banks*

**Panelists:** *Costas Azariadis* (Washington University in St. Louis and RCEA), *Stephen Ambler* (Université du Québec à Montréal and RCEA), *John Murray* (C.D. Howe Institute), *Pierre Siklos* (Wilfrid Laurier University, CIGI and RCEA)

**1:00-2:15 pm**

**Lunch**

**2:15 - 3:45 pm**

### **G&D: Trade and Globalization II**

**Chair:** Sebastian Seiffert

- 1. The effect of globalization in an endogenous growth model with firm heterogeneity, international spillover and trade**  
*Katsufumi Fukuda*
- 2. Factor prices and endowments in a globalised world**  
Lorenzo Rotunno and Adrian Wood
- 3. Did Chinese outward activity attenuate or aggravate the great recession in developing countries**  
*Bastian Gawellek, Jingjing Lyu and Bernd Suessemuth*

### **G&D: Political Institutions III**

**Chair:** Christophe Muller

- 1. Political Competition over Property Rights Enforcement**  
*Jan U. Auerbach*
- 2. Creative destruction and persistence of inefficient institutions in democracies**  
*Dimitry Veselov*

### **G&D: Economic Geography**

**Chair:** *Antonio Acceturro*

- 1. The role of economic geography in African subnational development**  
*Sebastian Seiffert*
- 2. Knowledge spillovers: The impact of genetic distance and data revisions**  
*Tim Deekem*
- 3. Gender and spatial disparity of multidimensional poverty in Iran**  
*Hosnieh Mahoozi*

**GR: Monetary Policy - Country Studies**

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

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

Giulia Ghiani (Politecnico di Milano), Max Gillman, (University of Missouri, St Louis; CERGE-EI and IEHAS) and Michal Kejak (CERGE-EI)

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

Sergey Mitsek (University of Yekaterinburg)

3. *Money Markets and Treasury Auctions with Heterogenous Bidders*

*Michal Bresky*, (CERGE-EI, Charles University, Prague and Academy of Sciences of the Czech Republic)

**GR: Empirical Studies of Unconventional Monetary Policies**

**Chair:** *TBA*

1. *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)

2. *TIPS Liquidity Premium and Quantitative Easing*

*Laura Coroneo* (University of York)

3:45 - 4:00 pm

Coffee Break

4:00 - 5:30 pm

**Great Recession Workshop Special Session**

**Chair:** *John Murray*

(C.D. Howe Institute)

**Keynote Speech**

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

*Karim Abadir*

(Imperial College and RCEA)

**Keynote Speech**

*Currency Premia and Global Imbalances*

*Lucio Sarno*

(City University and RCEA)

**G&D: Trade and Globalization III**

**Chair:** Antonio Neto

1. *Productivity, markups and international trade: The case of small open economy*

*Umut Kilinc*

2. **Long-term growth forecast of the Russian economic union and dynamics of its positions in the world**  
*Catherine Gospodarik and Mikhail Kovalev*
3. **Financial development, international trade and economic growth: Empirical evidence from Nigeria**  
*Eze Benneth Uchenna*

**G&D: Natural Resources and Trade**

**Chair:** Christian Danne

1. **Macroeconomic instability versus oil curse: An empirical assessment in oil exporting countries**  
*Majda Seghir*
2. **French oil protectionism and the international political economy of rent seeking**  
*Julien Brault*
3. **Resource price shocks, poor governance and private sector development. A simple model of resource curse**  
*Natasa Bilkic and Thomas Gries*

**G&D: Human Capital, Education, Human Resources**

**Chair:**

1. **Exploring the importance of cognitive skills in macroeconomic models of growth and development**  
*Eddie Gerba* (London School of Economics) and *Emmanuel V. Pikoulakis* (University of Hull).
2. **Heterogeneity of innovation, appropriate education policy and economic growth**  
*Ni Ni, Jianfu Ding and Dan Zhu*
3. **Endogenous growth in a learning society: The classical view and the Keynesian approach**  
*Paolo Pattenati*

**G&D: Globalization, Social Capital and Social Networks**

**Chair:** *Atika Pasha*

1. **Social Networks and Learning in the Work-Place: Evidence from Bangladeshi Garment Factories**  
*Andreas Menzel*
2. **Social Capital, Income and Immigration Aversion: A Structural Equation Modelling Approach**  
*Maurizio Mussoni* (University of Bologna and RCEA), *Roberto Patuelli* (University of Bologna and RCEA) and *Marco Savioli* (University of Bologna and RCEA).
3. **Does Similarity in Social traits Breed Connection ? Evidence from Lab-in-Field Behavioural Experiments**  
*Anastasia Aladysheva*

**END of CONFERENCE**

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UNIVERSITY OF TORONTO