

MEDIA INFORMATION

All media enquiries including registration details:

Teresa Badia
Media Relations
3abadia@empiricbarcelona.es
Mob: + 34 660671757
skype: empiricbarcelona

EEA-ESEM 2009: Congress Programme THURSDAY 27 AUGUST 2009

DAY OVERVIEW

- 10:15 - 11:30 [LAFFONT LECTURE](#)
- 11:30 - 12:00 [COFFEE BREAK](#)
- 12:00 - 14:00 [CONTRIBUTED SESSIONS 8](#)
- 14:00 - 15:30 [LUNCH](#)
- 15:30 - 17:30 [CONTRIBUTED SESSIONS 9](#)
- 17:30 - 18:15 [COFFEE BREAK](#)
- 18:15 - 19:30 [MARSHALL LECTURE](#)
- 21:00 - 23:00 [COCKTAIL GALA DINNER](#)

10:15 - 11:30 **LAFFONT LECTURE**

10:15 - 11:30 **LAFFONT LECTURE (ESEM EEE)**

Chairperson: John H. Moore, University of Edinburgh Room Patio

MEASURING THE AVERAGE OUTCOME AND INEQUALITY EFFECTS OF SEGREGATION IN THE PRESENCE OF SOCIAL SPILLOVERS

Guido Imbens, Harvard University

11:30 - 12:00 **COFFEE BREAK**

12:00 - 14:00 **CONTRIBUTED SESSIONS 8 EEA**

12:00 - 14:00 **BUSINESS CYCLES IV (EEA)**

Chairperson: Jacek Suda, Banque de France Room 20.017

DISAGREEMENT AMONG FORECASTERS IN G7 COUNTRIES

Jiri Slacalek, European Central Bank

Co-Authors: Jonas Dovern, and Ulrich Fritsche,

YIELD-CURVE BASED PROBIT MODELS FOR FORECASTING U.S. RECESSIONS: STABILITY AND DYNAMICS

Heikki Kauppi, University of Turku

HOW DOES A TWISTED BELIEFS SHOCK AFFECT THE MACROECONOMY?

Jacek Suda, Banque de France

12:00 - 14:00 **CONSUMER BEHAVIOR: EMPIRICAL (EEA)**

Chairperson: Sule Alan, Cambridge University Room 20.019

DEMOGRAPHICS AND LIFE-CYCLE CONSUMPTION

Charles Grant, Reading

HOW CHANGING PRUDENCE AND RISK AVERSION AFFECT OPTIMAL SAVING

Christian Bauer, Ludwig-Maximilians-University Munich

Co-Author: Wolfgang Buchholz, University of Regensburg and CESifo

HOUSEHOLD CONSUMPTION, PORTFOLIO CHOICE AND EXPECTED STOCK MARKET RETURNS

Sule Alan, Cambridge University

Co-Author: Steffan Ball, Federal Reserve Board

12:00 - 14:00 **CORPORATE FINANCE V (EEA)**

Chairperson: Nihal Bayraktar, Penn State University and World Bank Room 20.021

HUMAN RIGHT ABUSE AND CORPORATE STOCK PERFORMANCE - AN EVENT STUDY ANALYSIS

Peter Schmidt, University of Zurich (CCRS)

Co-Authors: Vivien Kappel, ETH Zurich and Andreas Ziegler, University of Zurich

TWO-SIDED CERTIFICATION: THE MARKET FOR RATING AGENCIES

Dirk Leonhard Hofmann, Humboldt University Berlin

Co-Author: Erik R. Fasten, Humboldt University Berlin

INVESTMENT, FUNDAMENTALS AND AGENCY COST OF CONTRACTING MODELS

Nihal Bayraktar, Penn State University and World Bank

12:00 - 14:00 **DISCRIMINATION (EEA)**

Chairperson: Juanjo Dolado, Universidad Carlos III Room 20.023

DOES DISCRIMINATION EXPLAIN OCCUPATIONAL SEGREGATION BY SEX? EVIDENCE FROM LOCAL GENDER IMBALANCES IN POST-UNIFICATION GERMANY

Holger Bonin, ZEW Mannheim

Co-Authors: Melanie Arntz, ZEW Mannheim and Felix Hörisch, ZEW Mannheim

RACIAL DIFFERENCES IN WAGES AND NON-WAGE COMPENSATION

Zahra Siddique, IZA

Co-Author: Wallace Mok, Northwestern University

THE IMPORTANCE OF NAMES: NEW EVIDENCE ON ETHNIC DISCRIMINATION

Angela Djupsjöbacka, Ifo Akademi

Co-Author: Jonas Lagerström, Ifo Akademi University

ON GENDER GAPS AND SELF-FULFILLING EXPECTATIONS: THEORY, POLICIES AND SOME EMPIRICAL EVIDENCE

Juanjo Dolado, Universidad Carlos III

Co-Authors: Sara de la Rica, Universidad del Pais Vasco (UPV) and Cecilia García-Peñalosa, GREQAM

12:00 - 14:00 **ECONOMIC HISTORY (EEA)**

Chairperson: Claudia Rei, Vanderbilt University Room 20.025

TESTING THE WEBER HYPOTHESIS: THE ECONOMIC EFFECTS OF THE PROTESTANT REFORMATION IN THE GERMAN LANDS

Davide Cantoni, Harvard University

CIGARETTE MONEY AND BLACK-MARKET PRICES DURING THE 1948 GERMAN MIRACLE

Vincent Bignon, University Paris at Nanterre

CHILD EVACUEES DURING WWII: ESTIMATING NURTURE EFFECTS USING A NATURAL EXPERIMENT

Torsten Santavirta, Helsinki School of Economics

A COMPARISON OF THE ORGANIZATION OF MERCHANT EMPIRES: PORTUGAL, ENGLAND AND THE NETHERLANDS

Claudia Rei, Vanderbilt University

12:00 - 14:00 **ECONOMICS OF EDUCATION IV (EEA)**

Chairperson: Karsten Reuss, Centre of European Economic Research Room 20.027

DO TEACHING PRACTICES INFLUENCE STUDENT ACHIEVEMENT?

Amelie Wuppermann, University of Munich

Co-Author: Guido Schwerdt, Ifo Institute Munich

MARIJUANA CONSUMPTION, EDUCATIONAL OUTCOMES AND LABOR MARKET SUCCESS: EVIDENCE FROM SWITZERLAND

Donata Bessey, University of Zurich

Co-Author: Uschi Backes-Gellner, University of Zurich

SENSITIVE AND CRITICAL PERIODS OF COGNITIVE AND NONCOGNITIVE SKILLS

Karsten Reuss, Centre of European Economic Research

Co-Author: Katja Coneus, Centre of European Economic Research (ZEW)

12:00 - 14:00 **ENVIRONMENTAL ECONOMICS III (EEA)**

Chairperson: Bjart J. Holtmark, Statistics Norway Room 20.029

AIR POLLUTION AND INFANT MORTALITY: A NATURAL EXPERIMENT FROM POWER PLANT DESULFURIZATION Simon Luechinger, London School of Economics

CARBON MARKETS AND TECHNOLOGICAL INNOVATION

Thomas Weber, Stanford University

Co-Author: Karsten Neuhoff, University of Cambridge

THE IMPOSSIBILITY OF INTERNATIONAL EMISSIONS TRADING WITH ENDOGENOUS ENDOWMENTS

Bjart J. Holtmark, Statistics Norway

12:00 - 14:00 **EXPERIMENTAL ECONOMICS IV (EEA)**

Chairperson: Carsten Erner, Finance Center Muenster Room 20.031

DISTRIBUTING TWO PRIZES IN THE ALL-PAY AUCTION

Julia Schmid, Technical University Berlin
Co-Author: Dietmar Fehr, TU Berlin

ECONOMIC LABORATORY EXPERIMENT ON HORN'S RULE

Stephanie Rosenkranz, Utrecht University School of Economics
Co-Authors: Kris De Jaegher, Utrecht School of Economics and Utz Weitzel, Utrecht University School of Economics

CAN INTENTIONS SPOIL THE KINDNESS OF A GIFT? - AN EXPERIMENTAL STUDY

Christina Strassmair, LMU Munich

CAN PROSPECT THEORY BE USED TO PREDICT INVESTOR'S WILLINGNESS TO PAY?

Carsten Erner, Finance Center Muenster
Co-Authors: Alexander Klos, Finance Center Muenster and Thomas Langer, Finance Center Muenster

12:00 - 14:00 FINANCIAL INTEGRATION II (EEA)

Chairperson: Cesar Calderon, The World Bank Room 20.047

ON THE WELFARE AND DISTRIBUTIONAL IMPLICATIONS OF INTERNATIONAL FINANCIAL INTEGRATION

Antonio Antunes, Banco de Portugal
Co-Author: Tiago Cavalcanti, Faculty of Economics, University of Cambridge

RESILIENCE AND CONTAGION IN A CONNECTED ECONOMY

Gwenaël Moysan, ENS LSH - GATE
Co-Author: Camille Cornand, Universite Strasbourg

DOES FINANCIAL OPENNESS LEAD TO DEEPER DOMESTIC FINANCIAL MARKETS?

Cesar Calderon, The World Bank
Co-Author: Megumi Kubota, University of York

12:00 - 14:00 FOREIGN DIRECT INVESTMENT IV (EEA)

Chairperson: Wendy Carlin, UCL Room 20.049

FIRM INTEGRATION STRATEGIES AND IMPERFECT LABOR MARKETS

Tobias Seidel, University of Munich
Co-Authors: Hartmut Egger, University of Bayreuth and Peter Egger, Ifo Institute, LMU Munich

FOREIGN DIRECT INVESTMENT & THE WELFARE EFFECTS OF COST HARMONIZATION

Anthony Creane, Michigan State University
Co-Author: Kaz Miyagiwa, ISEI, Osaka University

MULTINATIONAL OWNERSHIP AND SUBSIDIARY INVESTMENT

Wendy Carlin, UCL
Co-Authors: Andrew Charlton, LSE and Colin Mayer, Said Business School Oxford University

12:00 - 14:00 GROWTH IV (EEA)

Chairperson: Kenza Benhima, University of Paris X Room 20.051

PATENT POLICY AND INCOME DISTRIBUTION

Christian Kiedaisch, Toulouse School of Economics

PRODUCT AND PROCESS INNOVATION IN A GROWTH MODEL OF FIRM SELECTION

Cristiana Benedetti Fasil, European University Institute

UNIFYING TIME TO BUILD THEORY

Mauro Bambi, University of York

A REAPPRAISAL OF THE ALLOCATION PUZZLE THROUGH THE PORTFOLIO APPROACH

Kenza Benhima, University of Paris X

12:00 - 14:00 HEALTH ECONOMICS V (EEA)

Chairperson: Tapas Kundu, University of Oslo Room 20.053

TAKE IT OR LEAVE IT. SWITCHING BEHAVIOR AT THE TIME OF THE DUTCH HEALTH INSURANCE REFORM

Jonneke Bolhaar, VU University Amsterdam

Co-Authors: Maarten Lindeboom, VU univeristy Amsterdam, Netspar and Bas Van der Klaauw, VU University, Amsterdam

UPCODING AND OPTIMAL AUDITING IN HEALTH CARE MARKETS

Luigi Siciliani, Department of Economics, University of York

Co-Author: Michael Kuhn, Vienna Institute of Demography

MONOPOLY PRICING UNDER A MEDICAID-STYLE MOST-FAVORED-CUSTOMER CLAUSE AND ITS WELFARE IMPLICATION

Tapas Kundu, University of Oslo

Co-Author: Peter Klibanoff, Northwestern University

12:00 - 14:00 INDUSTRIAL ORGANIZATION: REGULATION I (EEA)

Chairperson: Georg Goetz, Justus-Liebig-University Giessen Room 20.055

SCHEDULED SERVICE VERSUS PERSONAL TRANSPORTATION: THE ROLE OF DISTANCE

Xavier Fageda, Universitat de Barcelona

Co-Authors: Volodymyr Bilotkach, University of California-Irvine and Ricardo Flores-Fillol, Universitat Rovira i Virgili

ACCESS REGULATION AND INVESTMENT IN NEXT GENERATION NETWORKS - A RANKING OF REGULATORY REGIMES

Lars Wiethaus, European School of Management and Technology

Co-Author: Rainer Nitsche, European School of Management and Technology

THE EFFECT OF GUN SHOWS ON GUN RELATED DEATHS: EVIDENCE FROM CALIFORNIA AND TEXAS

Randi Hjalmarsson, University of Maryland

Co-Authors: Mark Duggan, University of Maryland and Brian Jacob, University of Michigan

COMPETITION, REGULATION, AND BROADBAND ACCESS TO THE INTERNET

Georg Goetz, Justus-Liebig-University Giessen

12:00 - 14:00 INDUSTRIAL ORGANIZATION: VERTICAL RELATIONS (EEA)

Chairperson: Vanessa von Schlippenbach, DIW Berlin Room 20.057

BUYER POWER THROUGH PRODUCERS' DIFFERENTIATION

Claire Chambolle, INRA and Departement D'Economie de l'Ecole Polytechnique

Co-Author: Sofia Villas Boas B., University of California, Berkeley

HOW DOES VERTICAL INDUSTRY STRUCTURE AFFECT INVESTMENT IN INFRASTRUCTURE QUALITY?

Alessandro Avenali, Università Telematica Internazionale

Co-Author: Pierfrancesco Reverberi, Sapienza - Università di Roma

VERTICAL INTEGRATION, IMITATION AND FORECLOSURE

Marie-Laure Allain, CNRS Ecole Polytechnique

Co-Authors: Claire Chambolle, INRA and Departement D'Economie de l'Ecole Polytechnique and Patrick Rey, Toulouse School of Economics and IDEI

QUALITY UNCERTAINTY IN VERTICAL RELATIONS: MUTUAL DEPENDENCY MITIGATES INEFFICIENCIES

Vanessa von Schlippenbach, DIW Berlin

Co-Author: Pio Baake, DIW Berlin

12:00 - 14:00 INTERNATIONAL TRADE: THEORY (EEA)

Chairperson: Mariya Teteryatnikova, European University Institute Room 20.059

TRADE AND TERRORISM: DOES THE NEIGHBOR HURT?

Jose de Sousa, CES University Paris 1 - CREM University Rennes 1

TRADE SEARCH AND ITS CONSEQUENCES

Terence Huw Edwards, Lecturer in Economics, Loughborough University

COMPARATIVE ADVANTAGE AND SKILL-SPECIFIC UNEMPLOYMENT

Wolfgang Lechthaler, Kiel Institute for the World Economy
Co-Author: Mario Larch, Ifo Institute, Munich

R&D IN THE NETWORK OF INTERNATIONAL TRADE: MULTILATERAL VERSUS REGIONAL TRADE AGREEMENTS

Mariya Teteryatnikova, European University Institute

12:00 - 14:00 LABOR MARKETS AND UNEMPLOYMENT (EEA)

Chairperson: Benedicte Rouland, University of Le Mans (GAINS-TEPP) Room 20.061

CREDIT CONSTRAINTS AND THE PERSISTENCE OF UNEMPLOYMENT

Nicolas Dromel, Paris School of Economics - CNRS

Co-Authors: Elie KOLAKEZ, ERMES-TEPP, Paris 2 University and Etienne Lehmann, CREST

UNEMPLOYMENT DYNAMICS IN THE OECD

Aysegul Sahin, NYFED

Co-Authors: Mike Elsby, University of Michigan and Bart Hobijn, Federal Reserve bank of San Francisco

INEFFICIENT EQUILIBRIUM UNEMPLOYMENT WITH UNOBSERVABLE HETEROGENEITY OF WORKERS

Benedicte Rouland, University of Le Mans (GAINS-TEPP)

Co-Author: ARNAUD CHERON, GAINS - Université du Mans

12:00 - 14:00 LABOR MARKETS: SEARCH II (EEA)

Chairperson: Marco Caliendo, IZA Room 40.S02

OPTIMAL POLICY IN A DYNAMIC SEARCH MODEL WITH RISK AVERSION

Jean-Baptiste Michau, London School of Economics

LABOR MARKET POLICY EVALUATION IN EQUILIBRIUM: SOME LESSONS OF THE JOB SEARCH AND MATCHING MODEL

Thomas Le Barbanchon, Insee Crest

Co-Author: Pierre Cahuc, University of Paris 1

CAR OWNERSHIP AND THE LABOR MARKET OF ETHNIC MINORITIES

Pieter A. Gautier, VU University Amsterdam

Co-Author: Yves Zenou, Research Institute of Industrial Economics

LOCUS OF CONTROL AND JOB SEARCH STRATEGIES

Marco Caliendo, IZA

Co-Authors: Deborah Cobb-Clark, Australian National University and Arne Uhlenhorff, IZA

12:00 - 14:00 MACROECONOMICS OF MONETARY AND CURRENCY UNIONS (EEA)

Chairperson: Leopold von Thadden, European Central Bank Room 40.002

FISCAL POLICY IN A MONETARY UNION: GAINS FROM CHANGING INSTITUTIONS

Susana Salvado, FEUNL

OPTIMUM CURRENCY AREA THEORY REVISITED -- NEW INSIGHTS FROM STOCHASTIC DYNAMICS

Ferdinand Fichtner, European Central Bank

THE EFFECTS OF HOUSING PRICES AND MONETARY POLICY IN A CURRENCY UNION

Pau Rabanal, IMF

Co-Author: Oriol Aspachs, "La Caixa" and Financial Markets Group (LSE)

MONETARY AND FISCAL POLICY ASPECTS OF INDIRECT TAX CHANGES IN A MONETARY UNION

Leopold von Thadden, European Central Bank

Co-Author: Anna Lipinska, Bank of England

12:00 - 14:00 MIGRATION IV (EEA)

Chairperson: Anna Maria Mayda, Georgetown Room 40.004

LAND RIGHTS INSECURITY AND MIGRATION: THE CASE OF CHINA.

Thomas Vendryes, Paris School of Economics

Co-Authors: Maelys de la Rupelle, Paris School of Economics, Quheng Deng, CASS and Shi Li, BNU

RETURN MIGRATION AS A CHANNEL OF BRAIN GAIN

Karin Mayr, University of Vienna
Co-Author: Giovanni Peri, UC Davis

TAX AND MIGRATION COMPETITION WHEN HIGHLY SKILLED VOTE WITH THEIR FEET: STRATEGIC INVESTMENT IN CULTURE

Laurent Simula, Uppsala University and Uppsala Center for Fiscal Studies
Co-Author: Alain Trannoy, EHESS and GREQAM

DO INTEREST GROUPS AFFECT US IMMIGRATION POLICY?

Anna Maria Mayda, Georgetown
Co-Authors: Giovanni Facchini, Erasmus University and Prachi Mishra, IMF

12:00 - 14:00 MONETARY POLICY IV (EEA)

Chairperson: Massimiliano Pisani, Bank of Italy Room 40.006

A LONG-RUN ANALYSIS OF THE MONEY DEMAND IN ARGENTINA: 1900-2006

Matteo Mogliani, Paris School of Economics
Co-Authors: Giovanni Urga, Cass Business School, London (UK) and Bergamo University, (Italy) and Carlos Winograd, Paris School of Economics

POLICY ANNOUNCEMENTS AND WELFARE

Christian Stoltenberg, University of Amsterdam
Co-Author: Vadym Lepetyuk, Universidad de Alicante

OPTIMAL MONETARY POLICY UNDER IMPERFECT INFORMATION

Luigi Paciello, Einaudi Institute for Economics and Finance
Co-Author: Mirko Wiederholt, Northwestern University

MACROECONOMIC IMPLICATIONS OF GREATER COMPETITION IN THE EURO AREA

Matthias Mohr, EC
Co-Authors: Sandra Gomes, Bank of Portugal, Pascal Jacquinot, ECB and Massimiliano Pisani, Bank of Italy

12:00 - 14:00 OPTIMAL TAXATION (EEA)

Chairperson: Lambert Schoonbeek, Department of Economics and Econometrics, University of Groningen Room 40.008

EMPLOYMENT, HOURS OF WORK AND THE OPTIMAL DESIGN OF EARNED INCOME TAX CREDITS

Andrew Shephard, UCL / IFS
Co-Author: Richard Blundell, UCL

ENVY, TAX EQUITY AND TAXATION

Tobias Koenig, University of Hannover
Co-Author: Andreas Wagener, University of Hannover

OPTIMAL POLICY AND THE RISK PROPERTIES OF HUMAN CAPITAL RECONSIDERED

Dan Anderberg, Royal Holloway University of London

SOUND TAXATION? ON THE USE OF SELF-DECLARED VALUE

Lambert Schoonbeek, Department of Economics and Econometrics, University of Groningen
Co-Authors: Marco A Haan, University of Groningen, Pim Heijnen, University of Amsterdam and Linda A. Toolsema, University of Groningen

12:00 - 14:00 PERSONNEL ECONOMICS (EEA)

Chairperson: Raymond Montizaan, Maastricht University Room 40.010

INDIVIDUAL VS. RELATIVE PERFORMANCE PAY WITH ENVOUS WORKERS AND NON-VERIFIABLE PERFORMANCE

Jenny Kragl, European Business School (EBS) Wiesbaden

TENURE, SPILL-OVER EFFECTS, AND OUTPUT

Jan Sauermann, Maastricht University
Co-Authors: Andries De Grip, Maastricht University and Inge Sieben, Department of Sociology, Tilburg University

MANAGEMENT OF KNOWLEDGE WORKERS

Eirik Kristiansen,

Co-Author: Hans Hvide, University of Aberdeen

DEMOTIVATING WORKERS: RETRENCHMENT OF PENSION RIGHTS AND NEGATIVE RECIPROCITY

Raymond Montizaan, Maastricht University

Co-Authors: Frank Corvers, ROA / Maastricht University, Andries De grip, Maastricht University and Thomas Dohmen, ROA/Maastricht University

12:00 - 14:00 POLITICAL ECONOMY: ELECTIONS AND VOTING II (EEA)

Chairperson: Linda Veiga, Universidade do Minho Room 40.012

ARE WOMEN PAWNS IN THE POLITICAL GAME? EVIDENCE FROM ELECTIONS TO THE SPANISH SENATE

Berta Esteve-Volart, York University

Co-Author: Manuel Bagues, Universidad Carlos III

CANDIDATE NOMINATION PROCEDURES AND POLITICAL SELECTION: EVIDENCE FROM LATIN AMERICAN PARTIES

Fernando Aragon, London School of Economics

ON THE COHERENCE OF COUNCIL VOTES

Klaas Staal, University of Bonn, IiW

Co-Author: Marco Fantini, European Commission DG TAXUD

ELECTION RESULTS AND OPPORTUNISTIC POLICIES: AN INTEGRATED APPROACH

Linda Veiga, Universidade do Minho

Co-Authors: Toke Aidt, University of Cambridge and Francisco Veiga, Universidade do Minho

12:00 - 14:00 PRICE STICKINESS: EMPIRICAL STUDIES (EEA)

Chairperson: Alessandro Barattieri, Boston College Room 40.063

PRICE CONVERGENCE IN THE EMU? EVIDENCE FROM MICRO DATA

Christoph Fischer, Deutsche Bundesbank

THE TIMING OF PRICE CHANGES AND THE ROLE OF HETEROGENEITY

Daniel Kaufmann, Swiss National Bank

EVALUATING MICROFOUNDATIONS FOR AGGREGATE PRICE RIGIDITIES: EVIDENCE FROM MATCHED FIRM-LEVEL DATA ON PRODUCT PRICES AND UNIT LABOR COST.

Mikael Carlsson, Sveriges Riksbank

Co-Author: Oskar Nordström Skans, IFAU, Uppsala University and IZA.

SOME EVIDENCE ON THE IMPORTANCE OF STICKY WAGES

Alessandro Barattieri, Boston College

Co-Authors: Susanto Basu, Boston College and NBER and Peter Gottschalk, Boston College and IZA

12:00 - 14:00 TAXATION V (EEA)

Chairperson: Salmal Qari, WZB (Social Science Research Center Berlin) Room 40.101

OPTIMAL SECOND-BEST INCOME TAXATION WITH BORROWING CONSTRAINTS

Hongyan Yang, University of Konstanz

Co-Author: Bas Jacobs, Erasmus University Rotterdam

REDUCING THE EXCESS BURDEN OF SUBSIDIZING THE STORK: JOINT TAXATION, INDIVIDUAL TAXATION, AND FAMILY TAX SPLITTING

Volker Meier, Ifo Institute for Economic Research

Co-Author: Matthias Wrede, University of Marburg

AD VALOREM TAX DEDUCTIONS OF HOUSING EXPENSES MAY REDUCE HOUSE BUILDING

Jose Maria Usategui, Universidad del Pais Vasco

THE LAST REFUGE OF A SCOUNDREL? PATRIOTISM AND TAX COMPLIANCE

Salmal Qari, WZB (Social Science Research Center Berlin)

12:00 - 14:00 CONTRIBUTED SESSIONS 8

ESEM: Theoretical and Applied Economics

12:00 - 14:00 MECHANISMS II (ESEM TAE)

Chairperson: STEFANO GALAVOTTI, Department of Decision Mathematics, University of Florence, Italy Room 40.209

INCENTIVE COMPATIBLE TRANSFERS

Nenad Kos, Department of Economics, Bocconi University

Co-Author: Matthias Messner,

INFORMED PRINCIPAL PROBLEMS IN GENERALIZED PRIVATE VALUES ENVIRONMENTS

Timofiy Mylovanov, University of Bonn

WORST-CASE MECHANISM DESIGN WITH UNDOMINATED STRATEGIES: INDIVIDUALLY RATIONAL OUTCOMES IN A STATUS-QUO MODEL

Takuro Yamashita, PhD candidate, Stanford University

ON EFFICIENT PARTNERSHIP DISSOLUTION UNDER EX POST INDIVIDUAL RATIONALITY

STEFANO GALAVOTTI, Department of Decision Mathematics, University of Florence, Italy

Co-Authors: NOZOMU MUTO, Hitotsubashi University and Daisuke Oyama, Hitotsubashi University, Paris School of Economics

12:00 - 14:00 ECONOMICS OF UNCERTAINTY II (ESEM TAE)

Chairperson: Thomas Gall, University of Bonn Room 40.246

SEQUENTIAL SEARCH WITH INCOMPLETELY INFORMED CONSUMERS

Paul Pichler, University of Vienna

Co-Authors: Maarten Janssen, University of Vienna and Simon Weidenholzer, University of Vienna

ENDOGENOUS ENTRY IN MARKETS WITH ADVERSE SELECTION

Thomas D. Jeitschko, Michigan State University

Co-Author: Anthony Creane, Michigan State University

SORTING ACROSS MARKETS

Thomas Gall, University of Bonn

12:00 - 14:00 MATCHING MARKETS (ESEM TAE)

Chairperson: Ozgur Yilmaz, Koc University Room 40.248

BREAKING TIES IN SCHOOL CHOICE: (NON-)SPECIALIZED SCHOOLS

Alexander Westkamp, Institute of Economic Theory II, University of Bonn & Bonn Graduate School of Economics

Co-Author: Lars Ehlers, Departement de Sciences Economiques and CIREQ, Universite de Montreal

MIXED PRIORITY MATCHING

Szilvia Papai, Concordia University

SCHOOL CHOICE: THE CASE FOR THE BOSTON MECHANISM

Antonio Miralles, Boston University

PAIRED KIDNEY DONATION AND LISTED EXCHANGE

Ozgur Yilmaz, Koc University

12:00 - 14:00 POLITICAL ECONOMY III (ESEM TAE)

Chairperson: Paolo Vanin, University of Bologna Room 40.250

DOWNSIAN MODEL WITH ASYMMETRIC INFORMATION: POSSIBILITY OF POLICY DIVERGENCE

Kazuya Kikuchi, Hitotsubashi University

NOT SO CHEAP TALK: A MODEL OF ADVICE WITH COMMUNICATION COSTS

John Smith, Rutgers University-Camden

COMPETING WITH EQUIVOCAL INFORMATION: THE IMPORTANCE OF WEAK CANDIDATES

Eduardo Perez, Stanford University

ON TRANSPARENCY AND CREDIBILITY OF GOVERNMENT ANNOUNCEMENTS

Paolo Vanin, University of Bologna

Co-Authors: Facundo Alborno, University of Birmingham and Joan Esteban, IAE, CSIC, Barcelona

12:00 - 14:00 **INTERNATIONAL FINANCE II (ESEM TAE)**

Chairperson: Fabio Ghironi, Boston College Room 40.252

FINANCIAL INTEGRATION, LIQUIDITY AND THE DEPTH OF SYSTEMIC CRISES

Fabio Castiglionesi, Tilburg University

Co-Authors: Fabio Feriozzi, Tilburg University and Guido Lorenzoni, MIT

INTERNATIONAL CAPITAL FLOWS AND WORLD OUTPUT GAINS

Haiping Zhang, School of Economics, Singapore Management University

Co-Author: Jürgen Von Hagen, University of Bonn

OIL SHOCKS & EXTERNAL BALANCES

Nikola Spatafora, IMF, Research Dept

Co-Authors: Lutz Kilian, and Alessandro Rebucci,

THE DOMESTIC AND INTERNATIONAL EFFECTS OF INTERSTATE U.S. BANKING

Fabio Ghironi, Boston College

Co-Author: Viktors Stebunovs, Board of Governors of the Federal Reserve System

12:00 - 14:00 **MACROECONOMICS AND HETEROGENOUS AGENTS II (ESEM TAE)**

Chairperson: Edgar Preugschat, BI Norwegian School of Management Room 40.244

ON ENTREPRENEURIAL RISK-TAKING AND THE MACROECONOMIC EFFECTS OF FINANCIAL CONSTRAINTS

Maik Heinemann, University of Lueneburg

Co-Author: Christiane Clemens, University of Hamburg

SOLVING DYNAMIC MODELS WITH HETEROGENEOUS AGENTS AND AGGREGATE UNCERTAINTY WITH DYNARE OR DYNARE

Tarik Ocaktan, Paris School of Economics

Co-Author: Wouter Den Haan, Amsterdam

TAX REFORM WITH ENDOGENOUS BORROWING LIMITS AND INCOMPLETE ASSET MARKETS

Eva Carceles, Stony Brook University

Co-Author: Arpad Abraham, University of Rochester

UNIONIZATION PATTERNS AND FIRM REALLOCATION

Edgar Preugschat, BI Norwegian School of Management

12:00 - 14:00 **LABOR MARKETS III (ESEM TAE)**

Chairperson: Claudia Vittori, University of Bristol, University of Rome Room 40.253

REPEATED MORAL HAZARD WITH WORKER MOBILITY VIA DIRECTED ON-THE-JOB SEARCH

Kunio Tsuyuhara, University of Toronto, Department of Economics

THE INCREASE IN DURATION OF UNEMPLOYMENT BENEFITS: CONFRONTING DATA AND THE PREDICTIONS OF AN EQUILIBRIUM SEARCH MODEL

Andre Silva, Universidade Nova de Lisboa

Co-Author: Álvaro Novo, Banco de Portugal

FAMILY POLICIES: WHAT DOES THE STANDARD ENDOGENOUS FERTILITY MODEL TELL US?

Thomas Baudin, Paris School of Economics

EXPLORING SHORROCKS MOBILITY INDICES USING EUROPEAN DATA

Claudia Vittori, University of Bristol, University of Rome

Co-Author: Paul Gregg,

12:00 - 14:00 **ECONOMIC THEORY: EQUILIBRIUM (ESEM TAE)**

Chairperson: Julio Dávila, CORE U. cath. de Louvain - Paris School of Economics Room 40.213

NON-EXISTENCE OF EQUILIBRIA IN MARKETS WITH DYNAMICALLY INCONSISTENT PREFERENCES

Tommaso Gabrieli, City University of London and Catholic University of Milan
Co-Author: Sayantan Ghosal, University of Warwick

P-STABLE EQUILIBRIUM: DEFINITION AND SOME PROPERTIES

Gabriel Desgranges, University of Cergy-Pontoise
Co-Author: Sayantan Ghosal, University of Warwick

AMBIGUITY AND RATIONAL EXPECTATIONS EQUILIBRIA

Jayant Vivek Ganguli, University of Cambridge
Co-Author: Scott Condie, Brigham Young University

THE TAXATION OF SAVING RETURNS IN OVERLAPPING GENERATIONS ECONOMIES WITH STOCHASTIC ASSET BUBBLES

Julio Dávila, CORE U. cath. de Louvain - Paris School of Economics

12:00 - 14:00 COMPETITION POLICY (ESEM TAE)

Chairperson: Chongwoo Choe, Monash University Room 40.254

ARE ANTITRUST FINES FRIENDLY TO COMPETITION? AN ENDOGENOUS COALITION FORMATION APPROACH TO COLLUSIVE CARTELS

David Bartolini, Università Politecnica delle Marche
Co-Author: Alberto Zazzaro, Università Politecnica delle Marche

LENIENCY PROGRAMS FOR MULTIMARKET FIRMS: THE EFFECT OF AMNESTY PLUS ON CARTEL FORMATION

Yassine Lefouili, CORE, Université Catholique de Louvain
Co-Author: Catherine Roux, University of Lausanne

MAXIMAL CARTEL PRICING AND LENIENCY PROGRAMS

Harold Houba, VU University Amsterdam
Co-Authors: Evgenia Motchenkova, VU University Amsterdam and Quan Wen, Vanderbilt University

COMPULSORY OR VOLUNTARY PRE-MERGER NOTIFICATION? THEORY AND SOME EVIDENCE

Chongwoo Choe, Monash University
Co-Author: Chander Shekhar, University of Melbourne

12:00 - 14:00 CONTRIBUTED SESSIONS 8

ESEM: Econometrics and Empirical Economics

12:00 - 14:00 INFLATION (ESEM EEE)

Chairperson: Timo Terasvirta, Univ of Aarhus Room 40.105

INFLATION RISK PREMIA IN THE US AND THE EURO AREA

Peter Hördahl, Bank for International Settlements
Co-Author: Oreste Tristani, European Central Bank

ON THE TRANSMISSION OF MEMORY: INFLATION PERSISTENCE AND THE GREAT MODERATION

Christian Conrad, University of Heidelberg
Co-Authors: Simone Elmer, KOF Swiss Economic Institute, ETH Zurich and Karanasos Menelaos, Brunel University

ESTIMATING THE CROSS-SECTIONAL DISTRIBUTION OF PRICE STICKINESS FROM AGGREGATE DATA

Carlos Carvalho, Federal Reserve Bank of New York
Co-Author: Niels Dam, Danmarks Nationalbank

FORECASTING INFLATION WITH GRADUAL REGIME SHIFTS AND EXOGENOUS INFORMATION

Timo Terasvirta, Univ of Aarhus
Co-Authors: Andrés González, Banco de la República and Kirstin Hubrich, European Central Bank

12:00 - 14:00 IDENTIFICATION (ESEM EEE)

Chairperson: Lynda Khalaf, Carleton University Room 40.152

UNCONDITIONAL PARTIAL EFFECTS OF BINARY COVARIATES IN NONSEPARABLE MODELS

Christoph Rothe, University of Mannheim

SEMIPARAMETRIC ESTIMATION OF NONSEPARABLE TRIANGULAR MODELS

Koen Jochmans, CEMFI, Madrid and KULeuven

SINGLE EQUATION ENDOGENOUS BINARY RESPONSE MODELS

Andrew Chesher, UCL

IDENTIFICATION ROBUST INFERENCE IN STRUCTURAL MULTIVARIATE FACTOR MODELS WITH RANK RESTRICTIONS

Lynda Khalaf, Carleton University

Co-Authors: Marie-Claude Beaulieu, Université Laval and Jean-Marie Dufour, McGill University

12:00 - 14:00 **JOB AND OCCUPATIONAL MOBILITY (ESEM EEE)**

Chairperson: Cheti Nicoletti, University of Essex Room 40.144

THE EFFECT OF PRODUCT MARKET COMPETITION ON JOB INSTABILITY

Ainhoa Aparicio, Universitat Pompeu Fabra

THE U-SHAPES OF OCCUPATIONAL MOBILITY

Fane Groes, University of Copenhagen

Co-Authors: Philipp Klircher, University of Pennsylvania and Iouri Manovskii, University of Pennsylvania

THE POLARIZATION OF THE DANISH LABOR MARKET

Lena Janys, Aarhus University

MULTIPLE SAMPLE SELECTION IN THE ESTIMATION OF INTERGENERATIONAL OCCUPATIONAL MOBILITY

Cheti Nicoletti, University of Essex

12:00 - 14:00 **LABOR SUPPLY (ESEM EEE)**

Chairperson: Michael Lechner, University of St. Gallen (SEW) Room 40.146

INCOME SUPPORT AGE ELIGIBILITY EFFECTS ON SINGLE MOTHERS' LABOUR SUPPLY IN THE UK

Zeenat Soobedar, Queen Mary University of London

THE EFFECTS OF LOW-SKILLED IMMIGRATION ON THE LABOR SUPPLY OF SKILLED SPANISH FEMALES

Lidia Farre, University of Alicante

Co-Authors: Libertad González, University Pompeu Fabra and Francesc Ortega, Universidad Pompeu Fabra

UNEMPLOYMENT INSURANCE VERSUS MINIMUM INCOME - EFFECTS ON WORKING BEHAVIOR OVER THE LIFE-CYCLE

Peter Haan, DIW Berlin

Co-Author: Victoria Prowse, Oxford University

LONG-RUN LABOUR MARKET EFFECTS OF INDIVIDUAL SPORTS ACTIVITIES

Michael Lechner, University of St. Gallen (SEW)

12:00 - 14:00 **MONETARY POLICY (ESEM EEE)**

Chairperson: Leonardo Melosi, University of Pennsylvania Room 40.154

QUESTIONING THE TAYLOR RULE

Rodrigo Bueno, Getulio Vargas Foundation

THE ADVANTAGE OF FLEXIBLE TARGETING RULES

Andrea Ferrero, Federal Reserve Bank of New York

IMPERFECT COMMON KNOWLEDGE AND MONETARY POLICY: A LIKELIHOOD ANALYSIS

Leonardo Melosi, University of Pennsylvania

DURABLE GOODS, INTER-SECTORAL LINKAGES AND MONETARY POLICY

Emanuela Cardia, Université de Montréal

Co-Authors: Francisco Ruge-Murcia, university of montreal, Francisco Ruge-Murcia, university of montreal, Francisco Ruge-Murcia, university of montreal, Francisco Ruge-Murcia, professor, Francisco Ruge-Murcia, professor, Francisco Ruge-Murcia, professor and Hafedh Bouakez, HEC Montreal

12:00 - 14:00 **ECONOMETRICS OF GAMES AND CONTRACTS (ESEM EEE)**
Chairperson: Philippe Gagnepain, Universidad Carlos III de Madrid Room 40.148

NONPARAMETRIC TESTING FOR MULTIPLE EQUILIBRIA

Maximilian Kasy, Department of Economics, UC Berkeley

A ROBUST SEMI-PARAMETRIC INFERENCE OF DYNAMIC DISCRETE GAMES

Zhengyuan Gao, University of Amsterdam, Tinbergen Institute
Co-Author: Kees Jan van Garderen, Univ of Amsterdam, Tinbergen Institute

THE COST OF CONTRACT RENEGOTIATION FOR PUBLIC TRANSPORT SERVICES

Philippe Gagnepain, Universidad Carlos III de Madrid
Co-Authors: Marc Ivaldi, Toulouse School of Economics and David Martimort, Toulouse School of Economics (Idei, Gremaq and EHESS)

12:00 - 14:00 **BOOTSTRAP (ESEM EEE)**
Chairperson: Stephan Smeekes, Maastricht University Room 40.109

A PARAMETRIC BOOTSTRAP FOR HEAVY TAILED DISTRIBUTIONS

Adriana Cornea, Imperial College London
Co-Author: Russell Davidson, Department of Economics, McGill University

BOOTSTRAP METHODS FOR INFERENCE WITH CLUSTER-SAMPLE IV MODELS

Keith Finlay, Tulane University
Co-Author: Leandro Magnusson, Tulane university

CROSS-SECTIONAL DEPENDENCE ROBUST BLOCK BOOTSTRAP PANEL UNIT ROOT TESTS

Stephan Smeekes, Maastricht University
Co-Authors: Franz Palm, Maastricht University and Jean-Pierre Urbain, Maastricht University

THE MOVING BLOCKS BOOTSTRAP FOR PANEL LINEAR REGRESSION MODELS WITH INDIVIDUAL FIXED EFFECTS Silvia Goncalves, Universite de Montreal

12:00 - 14:00 **HIGH-FREQUENCY ECONOMETRICS AND MICROSTRUCTURE (ESEM EEE)**
Chairperson: Nikolaus Hautsch, Humboldt-Universität zu Berlin Room 40.113

STOCHASTIC VOLATILITY OF VOLATILITY IN CONTINUOUS TIME

Almut E. D. Veraart, CREATES, Aarhus University
Co-Author: Ole E. Barndorff-Nielsen, Aarhus University

SEPARATING RISK DUE TO DIFFUSION, POSITIVE JUMPS, AND NEGATIVE JUMPS

Klöner Stefan, Saarland University

TRADING DYNAMICS IN THE FOREIGN EXCHANGE MARKET: A LATENT FACTOR PANEL INTENSITY APPROACH

Ingmar Nolte, Warwick Business School
Co-Author: Valeri Voev, Aarhus University - CREATES

MODELLING AND FORECASTING LIQUIDITY SUPPLY USING SEMIPARAMETRIC FACTOR DYNAMICS

Nikolaus Hautsch, Humboldt-Universität zu Berlin
Co-Authors: Wolfgang Härdle, Humboldt-Universität zu Berlin, Wolfgang Härdle, Humboldt-Universität zu Berlin, Wolfgang Härdle, Humboldt-Universität zu Berlin and Andrija Mihoci,

12:00 - 14:00 **DSGE MODELS (ESEM EEE)**
Chairperson: Junior Maih, Norges Bank Room 40.201

TREND AGNOSTIC ONE STEP ESTIMATION OF DSGE MODELS

Filippo Ferroni, Universitat Pompeu Fabra

MATCHING THEORY AND DATA: BAYESIAN VECTOR AUTOREGRESSION AND DYNAMIC STOCHASTIC GENERAL EQUILIBRIUM MODELS

Alexander Kriwoluzky, European University Institute Florence

ON THE FORECASTING PERFORMANCE OF A SMALL-SCALE DSGE MODEL

Michał Rubaszek, Warsaw School of Economics

Co-Author: Paweł Skrzypczyński, National Bank of Poland

CONDITIONAL FORECASTS IN DSGE MODELS

Junior Maih, Norges Bank

12:00 - 14:00 MICROECONOMETRICS (ESEM EEE)

Chairperson: Frank Windmeijer, Bristol Room 40.150

CLUSTER SAMPLE INFERENCE USING SENSITIVITY ANALYSIS: THE CASE WITH FEW GROUPS

Johan Vikström, IFAU-Uppsala

THE MOMENTUM ELECT IN COMPETITIONS: FIELD EVIDENCE FROM TENNIS MATCHES

Lionel Page, University of Westminster

LIVING STANDARDS AND FERTILITY IN INDONESIA: A BAYESIAN ANALYSIS

Alessandra Mattei, University of Florence

Co-Authors: Fabrizia Mealli, University of Florence and Stephen Pudney, University of Essex

MORE RELIABLE INFERENCE FOR SEGREGATION INDICES

Frank Windmeijer, Bristol

Co-Authors: Rebecca Allen, Institute of Education and Simon Burgess, CMPO, University of Bristol

12:00 - 14:00 FINANCIAL ECONOMETRICS 2 (ESEM EEE)

Chairperson: Bent Nielsen, Oxford University Room 40.205

BACKTESTING VALUE-AT-RISK: A GMM DURATION-BASED TEST

Christophe Hurlin, Université d'Orléans

Co-Authors: Bertrand Candolon, Maastricht University, gilbert colletaz, Université d'Orléans and Sessi Tokpavi, Université d'Orléans

JACKKNIFING STOCK RETURN PREDICTIONS

Erik Hjalmarsson, Federal Reserve Board

Co-Author: Benjamin Chiquoine, Federal Reserve Board

NO COUNTRY FOR OLD UNIT ROOT TESTS: BRIDGE ESTIMATORS DIFFERENTIATE BETWEEN NONSTATIONARY AND

STATIONARY MODELS AND SELECT OPTIMAL LAG

Mehmet Caner, North Carolina State University

Co-Author: KEITH KNIGHT, University of Toronto

SINGULAR VECTOR AUTOREGRESSIONS WITH DETERMINISTIC TERMS: STRONG CONSISTENCY AND LAG ORDER DETERMINATION

Bent Nielsen, Oxford University

14:00 - 15:30 LUNCH

15:30 - 17:30 CONTRIBUTED SESSIONS 9 EEA

15:30 - 17:30 BANKING II (EEA)

Chairperson: Alexander Popov, European Central Bank Room 20.017

CORPORATE CHOICE OF BANKS: DECISION FACTORS, PROCESS AND RESPONSIBILITY – FIRST EVIDENCE

Günseli Tumer-Alkan, Vrije Universiteit Amsterdam

Co-Authors: Steven Ongena, CentER - Tilburg University and CEPR and Bram Vermeer, Tilburg University

DO WOMEN PAY MORE FOR CREDIT? EVIDENCE FROM ITALY

Paolo Emilio Mistrulli, Bank of Italy

Co-Authors: Alberto Alesina, Harvard University and Francesca Lotti, Bank of Italy

FINANCIAL MARKETS, ECONOMICS OF SUPERSTARS, AND FIRM SIZE

Alexander Popov, European Central Bank

15:30 - 17:30 **BUSINESS CYCLES V (EEA)**

Chairperson: Etsuro Shioji, Hitotsubashi University Room 20.019

HAS THE EURO CHANGED THE BUSINESS CYCLE?

Zeno Enders, University of Bonn

Co-Authors: Philip Jung, University of Mannheim and Gernot Müller, University of Bonn

FINANCIAL INTEGRATION AND BUSINESS CYCLE SYNCHRONIZATION

Elias Papaioannou, Dartmouth College, Economics Department

Co-Authors: Sebnem Kalemli-Ozcan, University of Houston and NBER and Jose-Luis Peydro, European Central Bank

UNCERTAINTY SHOCKS AND FINANCIAL INTERMEDIATION IN A DYNAMIC GENERAL EQUILIBRIUM MODEL: A MARKOVIAN JUMP LINEAR QUADRATIC APPROACH

Etsuro Shioji, Hitotsubashi University

15:30 - 17:30 **DEVELOPMENT, THE HEALTH SECTOR AND DEMOGRAPHIC TRANSITION (EEA)**

Chairperson: Raphael Franck, Bar Ilan University Room 20.021

ACCESS TO HEALTH INFRASTRUCTURE AND CHILD HEALTH DEVELOPMENT: EVIDENCE FROM POST-APARTHEID SOUTH AFRICA

Shinsuke Tanaka, Boston University

THE IMPACT OF PROVIDING PSYCHO-SOCIAL SUPPORT TO INDIGENT FAMILIES AND INCREASING THEIR ACCESS TO SOCIAL SERVICES: EVALUATING CHILE SOLIDARIO

Rita Ginja, UCL

Co-Authors: Pedro Carneiro, and Emanuela Galasso, World Bank

THE INTERGENERATIONAL TRANSMISSION OF HEALTH IN DEVELOPING COUNTRIES

Sonia Bhalotra, University of Bristol

Co-Author: Samantha Rawlings, University of Bristol

DOES THE LEADER'S ETHNICITY MATTER? ETHNIC FAVORITISM, EDUCATION AND HEALTH IN SUB-SAHARAN AFRICA

Raphael Franck, Bar Ilan University

Co-Author: Ilia Rainer, George Mason University

15:30 - 17:30 **ECONOMICS OF EDUCATION V (EEA)**

Chairperson: Nicolai Kristensen, Danish Institute of Governmental Research Room 20.023

NO CHILD LEFT BEHIND: UNIVERSAL CHILD CARE AND CHILDREN'S LONG-RUN OUTCOMES

Tarjei Havnes, ESOP/University of Oslo

Co-Author: Magne Mogstad, Statistics Norway

THE CENTURY OF EDUCATION

Fabrice Murtin, OECD

Co-Author: Christian Morrisson, Université Paris I

SEPARATE BUT EQUAL? SOCIAL INTERACTIONS AND SCHOOL ACHIEVEMENTS

Maria Ana Lugo, University of Oxford

ESTIMATING COMPLEMENTARITY BETWEEN EDUCATION AND TRAINING

Nicolai Kristensen, Danish Institute of Governmental Research

Co-Authors: Christian Belzil, CNRS and Jorgen Hansen, Concordia University

15:30 - 17:30 **EMPIRICAL FINANCE V (EEA)**

Chairperson: Alexander Muravyev, IZA Room 20.025

THE IMPACT OF EXTERNAL GOVERNANCE QUALITY ON THE ECONOMIC SUCCESS OF MICROFINANCE INSTITUTIONS: EMPIRICAL EVIDENCE

Oliver Mueller, University of Bochum
Co-Author: Andre Uhde, University of Bochum

LIMITS OF LIMITS OF ARBITRAGE: THEORY AND EVIDENCE

Johan Hombert, ENSAE-CREST
Co-Author: David Thesmar, HEC, Paris

INVESTOR PROTECTION AND SHARE PRICES: EVIDENCE FROM STATUTORY RULES GOVERNING VARIATIONS OF SHAREHOLDERS' CLASS RIGHTS IN RUSSIA

Alexander Muravyev, IZA

15:30 - 17:30 **ENTREPRENEURSHIP (EEA)**

Chairperson: Ari Hyytinen, University of Jyvaskyla Room 20.027

ENDOGENIZING THE SCOPE OF THE STIGMA OF FAILURE

Michal Kowalik, Mannheim
Co-Authors: Kerstin Gerling, and Heiner Schumacher, Goethe-University Frankfurt

INTELLECTUAL PROPERTY RIGHTS AND THE KNOWLEDGE SPILLOVER THEORY OF ENTREPRENEURSHIP

Mark Sanders, Utrecht University
Co-Author: Zoltan Acs, george mason university

ENTREPRENEURIAL OPTIMISM AND SURVIVAL

Ari Hyytinen, University of Jyvaskyla
Co-Authors: Lahtonen Jukka, University of Jyvaskyla and Mika Pajarinen, The Research Institute of the Finnish Economy (ETLA)

15:30 - 17:30 **EXPERIMENTAL ECONOMICS V (EEA)**

Chairperson: Dietmar Fehr, TU Berlin Room 20.029

AN EXPERIMENT ON LEARNING IN A MULTIPLE GAMES ENVIRONMENT

Friederike Mengel, Maastricht University
Co-Author: Veronika Grimm, University of Nuernberg

TESTING WITH THE TESTERS

Romain Aeberhardt, Crest-Insee
Co-Authors: denis fougere, , julien pouget, and Roland Rathelot, CREST-DARES

COMMUNICATION AND GROUP FORMATION

Dietmar Fehr, TU Berlin
15:30 - 17:30 **FISCAL POLICY III (EEA)**
Chairperson: Erik Fasten, Humboldt University Berlin Room 20.031

FISCAL POLICIES, THE CURRENT ACCOUNT AND RICARDIAN EQUIVALENCE

Christiane Nickel, European Central Bank
Co-Author: Isabel Vansteenkiste, European Central Bank

FISCAL POLICY, FIRINGS AND LABOR FORCE PARTICIPATION OVER THE CYCLE

Philip Jung, University of Mannheim

THE FISCAL-FINANCIAL TRANSMISSION CHANNEL: ASSET PRICING IN GERMANY

Erik Fasten, Humboldt University Berlin
15:30 - 17:30 **IMMIGRATION AND THE LABOR MARKET (EEA)**
Chairperson: Herbert Bruecker, University of Bamberg and IAB Room 20.047

HELLO AND GOODBYE? DO IMMIGRANT PLANT INFLOWS INDUCE NATIVE OUTFLOWS?

Pål Schøne, Institute for social research
Co-Author: Marianne Røed, Institute for social research

HOW DO MIGRANTS CHOOSE THEIR DESTINATION COUNTRY? AN ANALYSIS OF INSTITUTIONAL DETERMINANTS

Silke Uebelmesser, CES, University of Munich

Co-Authors: Wido Geis, Ifo Institute at the University of Munich and Martin Werding, Martin Werding
[Martin.Werding@ruhr-uni-bochum.de]

MIGRATION AND WAGE SETTING: REASSESSING THE LABOR MARKET EFFECTS OF MIGRATION

Herbert Bruecker, University of Bamberg and IAB
Co-Author: Elke J. Jahn, Aarhus School of Business

15:30 - 17:30 INCOME DISTRIBUTION II (EEA)

Chairperson: Federico De Francesco, University of California, Los Angeles (UCLA) Room 20.049

DIFFERENT SOCIETAL BELIEFS AND REDISTRIBUTIVE POLICIES: THE TRADE-OFF EFFECT OF INFORMATION

Tommaso Gabrieli, City University of London and Catholic University of Milan

ABILITY SORTING, BIASED TECHNOLOGY AND WITHIN GROUPS WAGE INEQUALITY

Giuseppe Rose, Birkbeck College, University of London
Co-Author: Patrizia Ordine, University of Calabria

INEQUALITY DECOMPOSITIONS -- A RECONCILIATION

Frank Cowell, STICERD, LSE,
Co-Author: Carlo Fiorio, University of Milan

WAGE INEQUALITY AND BARRIERS TO ENTRY

Federico De Francesco, University of California, Los Angeles (UCLA)

15:30 - 17:30 INDUSTRIAL ORGANIZATION: INNOVATION III (EEA)

Chairperson: Roger Svensson, Research Institute of Industrial Economics Room 20.051

DETERMINANTS OF ICT ADOPTION: EVIDENCE FROM FIRM-LEVEL DATA

Lulia Siedschlag, Economic and Social Research Institute
Co-Author: Stefanie Haller, Economic and Social Research Institute

INEFFICIENT EXCLUSION IN STANDARD SETTING ORGANIZATIONS

Emanuele Tarantino, European University Institute

CREATIVE DESTRUCTION AND PRODUCTIVE PREEMPTION: INNOVATION FOR SALE AND ENTRY

Roger Svensson, Research Institute of Industrial Economics
Co-Authors: Pehr-Johan Norbäck, Research Institute of Industrial Economics (IFN) and Lars Persson, Research Institute of Industrial Economics and CEPR

15:30 - 17:30 INDUSTRIAL ORGANIZATION: TELECOMMUNICATIONS INDUSTRY (EEA)

Chairperson: Gordon Klein, Centre for European Economic Research (ZEW) Room 20.053

"NETWORK NEUTRALITY AND NON-DISCRIMINATION ISSUES: AN ECONOMIC ANALYSIS"

Carlo Reggiani, University of York

DO INTERNATIONAL ROAMING ALLIANCES HARM CONSUMERS?

Benno Buehler, Toulouse School of Economics / LMU Munich

REGULATION EFFECTS ON INVESTMENT DECISIONS IN TWO-SIDED MARKET INDUSTRIES: THE NET NEUTRALITY DEBATE

Carlos Canon, Toulouse School of Economics

HOW MARKET REGULATION AFFECTS NETWORK AND SERVICE QUALITY IN RELATED MARKETS

Gordon Klein, Centre for European Economic Research (ZEW)
Co-Author: Justus Haucap, University of Erlangen-Nuremberg,

15:30 - 17:30 INFORMATION AND LEARNING (EEA)

Chairperson: Alan Kirman, Université d'Aix Marseille III Room 20.055

ASSESSING OTHERS' RATIONALITY IN REAL TIME

Gaetano Galballo, University of Siena

WHOM TO OBSERVE?

Martin Bøg, Erasmus School of Economics

BORN UNDER A LUCKY STAR?

Alan Kirman, Université d'Aix Marseille III

Co-Authors: Nobuyuki Hanaki, Tsukuba University and Matteo Marsili, Abdus Salam International Centre for Theoretical Physics

15:30 - 17:30 INTERNATIONAL TRADE AND FIRM HETEROGENEITY II (EEA)

Chairperson: Gino Gancia, Room 20.057

REDISTRIBUTING GAINS FROM GLOBALISATION

Hartmut Egger, University of Bayreuth

Co-Author: Udo Kreickemeier, University of Nottingham

TRADE, FIRM SELECTION, AND INNOVATION: THE COMPETITION CHANNEL

Giammario Impullitti, IMT Lucca

Co-Author: Omar Licandro, EUI- European University Institute

TRADING IN EUROS: ESTIMATES OF THE INTENSIVE AND EXTENSIVE MARGINS

Virginia Di Nino, Bank of Italy

TRADE, MARKUP HETEROGENEITY AND MISALLOCATIONS

Gino Gancia,

Co-Author: Paolo Epifani, Bocconi University

15:30 - 17:30 INTERNATIONAL TRADE: EMPIRICAL STUDIES V (EEA)

Chairperson: Anne-Celia Disdier, INRA Room 20.059

SPATIAL PRICE DISCRIMINATION IN INTERNATIONAL MARKETS

Julien Martin, CREST and Paris School of Economics

TRADE MISINVOICING: THE DARK SIDE OF WORLD TRADE

Stefan Eichler, Technische Universität Dresden

Co-Author: Andreas Buehn, Technische Universität Dresden

VERTICAL VERSUS HORIZONTAL TRANSMISSION OF PREFERENCES: THE CASE OF CROSS-COUNTRY DIFFERENCES IN FOOD CONSUMPTION

Anne-Celia Disdier, INRA

15:30 - 17:30 LABOR MARKETS AND MACROECONOMIC DYNAMICS II (EEA)

Chairperson: Nan Li, Ohio State University Room 20.061

DECOMPOSING THE INS AND OUTS OF UNEMPLOYMENT

Ronald Bachmann, RWI Essen

Co-Author: Mathias Sinning, Australian National University, IZA

EMPLOYMENT DIFFERENCES IN THE OECD: INSTITUTIONS OR FISCAL POLICIES?

Freddy Heylen, sherppa, Ghent University

Co-Author: Tino Berger, Institut für Internationale Ökonomie, Universität Münster

THE CYCLICALITY OF EFFECTIVE WAGES WITHIN EMPLOYER-EMPLOYEE MATCHES IN A RIGID LABOR MARKET

Silke Anger, DIW Berlin

LABOR MARKET SEARCH IN EMERGING ECONOMIES

Nan Li, Ohio State University

Co-Authors: Emine Boz, International Monetary Fund and Bora Durdu, Federal Reserve Board

15:30 - 17:30 LABOR MARKETS: EFFECTS OF INSURANCE (EEA)

Chairperson: Katja Sonderhof, Leibniz University Hannover Room 40.S02

ESTIMATING INCENTIVE AND WELFARE EFFECTS OF NON-STATIONARY UNEMPLOYMENT BENEFITS

Andrey Launov, University of Mainz

Co-Authors: Irene Schumm, University of Würzburg and Klaus Waelde, University of Glasgow

OPTIMAL UNEMPLOYMENT BENEFITS FINANCING SCHEME, SEARCH FRICTIONS AND REAL WAGE RIGIDITIES

Julien Albertini, EPEE, University of Evry
Co-Author: Xavier Fairise, EPEE, University of Evry

SWITCH-ON AND SWITCH-OFF EFFECTS OF SICK PAY REFORM ON ABSENCE FROM WORK AND ON HEALTH-RELATED OUTCOMES

Katja Sonderhof, Leibniz University Hannover
Co-Author: Patrick Puhani, Leibniz University Hannover

15:30 - 17:30 **LAW AND ECONOMICS (EEA)**

Chairperson: Giovanni Immordino, University of Salerno and CSEF Room 40.002

"THE EFFECT OF LAWYERS' CAREER CONCERNS ON LITIGATION"

Rosa Ferrer, Vanderbilt University

ETHNICITY, SENTENCING AND 9/11

Brendon McConnell, University College London

INCENTIVES TO INNOVATE AND SOCIAL HARM: AUTHORIZATION VS. PENALTIES

Giovanni Immordino, University of Salerno and CSEF

15:30 - 17:30 **MIGRATION V (EEA)**

Chairperson: Albrecht Glitz, Universitat Pompeu Fabra Room 40.004

INTERETHNIC MARRIAGE AND THE LABOR MARKET INTEGRATION OF IMMIGRANTS

Zahide Eylem Gevrek, University of Arizona

SOCIAL INTERACTIONS AND TRADE OUTCOMES

Silvio Hong Tiing Tai, University of Geneva

DISCRIMINATION AGAINST IMMIGRANTS IN THE SPANISH RENTAL MARKET. EVIDENCE FROM FIELD EXPERIMENTS

M. Angeles Carnero, Universidad de Alicante

Co-Authors: Mariano Bosch, Universidad de Alicante and Lidia Farre, University of Alicante

JOB SEARCH NETWORKS AND ETHNIC SEGREGATION IN THE WORKPLACE

Albrecht Glitz, Universitat Pompeu Fabra

Co-Authors: Christian Dustmann, University College London and Uta Schonberg, University College London

15:30 - 17:30 **MONETARY POLICY V (EEA)**

Chairperson: Ester Faia, Goethe University Frankfurt Room 40.006

OPTIMAL INFLATION, IMPERFECT COMPETITION AND LABOR TAXES

Maarten Dossche, National Bank of Belgium

OPTIMAL MONETARY POLICY AND FIRM ENTRY

Vivien Lewis, Ghent University

MODELING MONETARY POLICY

Andreas Schabert, University Dortmund

Co-Author: Samuel Reynard, Swiss National Bank

LABOR TURNOVER COSTS, WORKERS' HETEROGENEITY AND OPTIMAL MONETARY POLICY

Ester Faia, Goethe University Frankfurt

Co-Authors: Wolfgang Lechthaler, Kiel Institute for the World Economy and Christian Merkl, Institute for the World Economy Kiel and CAU

15:30 - 17:30 **NETWORK INDUSTRIES (EEA)**

Chairperson: Joao Vareda, Autoridade da Concorrencia Room 40.008

THE COSTS AND BENEFITS OF INTERCHANGE FEE REGULATION: AN EMPIRICAL INVESTIGATION

Francisco Rodriguez-Fernandez, University of Granada

Co-Authors: Santiago Carbo-Valverde, University of Granada and Federal Reserve Bank of Chicago and Sujit Chakravorti, Federal Reserve Bank of Chicago

REGULATORY FEDERALISM IN NETWORK INDUSTRIES

Francesc Trillas, UAB

CAN TWO-PART TARIFFS PROMOTE EFFICIENT INVESTMENT ON NEXT GENERATION NETWORKS?

João Vareda, Autoridade da Concorrência

Co-Authors: Duarte Brito, DCSA, Faculdade de Ciências e Tecnologia da Universidade Nova de Lisboa and Pedro Pereira, Autoridade da Concorrência

15:30 - 17:30 PATENTS AND INNOVATION (EEA)

Chairperson: Robert Christian Schmidt, Humboldt University Berlin Room 40.010

ASSESSING R&D EFFICIENCY IN THE OECD A TWO STAGE SEMI-PARAMETRIC APPROACH

Jens Schmidt-Ehmcke, German Institute for Economic Research

Co-Authors: Astrid Cullmann, DIW Berlin and Petra Zloczynski, Freie Universität Berlin

LICENSING UNCERTAIN PATENTS: PER-UNIT ROYALTY VS UP-FRONT FEE

Yassine Lefouili, CORE, Université Catholique de Louvain

Co-Author: David Encaoua, Paris School of Economics, Université Paris-1 Panthéon Sorbonne

PATENTS, SPILLOVERS AND FIRM PERFORMANCE - EVIDENCE FROM UK START-UPS

Christian Helmers, University of Oxford

A MODEL OF TECHNOLOGICAL BREAKTHROUGH IN THE RENEWABLE ENERGY SECTOR

Robert Christian Schmidt, Humboldt University Berlin

Co-Author: Robert Marschinski, Potsdam Institute for Climate Impact Research

15:30 - 17:30 POLITICAL ECONOMY: ELECTIONS AND VOTING III (EEA)

Chairperson: Christian Schultz, University of Copenhagen Room 40.012

PAY FOR POLITICIANS AND CANDIDATE SELECTION: AN EMPIRICAL ANALYSIS

Kaisa Kotakorpi, University of Tampere

Co-Author: Panu Poutvaara, University of Helsinki

PRIMARIES: THE UNIFYING FORCE

Hannes Mueller, IAE/CSIC

Co-Author: Rafael Hortala-Vallve,

TAX CONTRACTS AND GOVERNMENT FORMATION

Maik Schneider, CER-ETH - Center of Economic Research at ETH Zurich

Co-Author: Hans Gersbach, ETH Zurich

PUBLIC FUNDING OF POLITICAL PARTIES WITH INFORMATIVE CAMPAIGNS

Christian Schultz, University of Copenhagen

Co-Author: Ignacio Ortuno-Ortin, Universidad Carlos III

15:30 - 17:30 PRICE STICKINESS: THEORY (EEA)

Chairperson: Hervé Le Bihan, Banque de France Room 40.063

THE WELFARE LOSSES OF PRICE RIGIDITIES

Jose Dorich, Bank of Canada

THE ROLE OF SECOND MENU COSTS - TWO-PRODUCT FIRMS AND THE REAL EFFECTS OF NOMINAL SHOCKS

Adam Reiff, National Bank of Hungary

Co-Author: Péter Karádi, NYU

TIME-VARYING (S,S) BAND MODELS OF PRICE-SETTING: EMPIRICAL PROPERTIES AND INTERPRETATION

Hervé Le Bihan, Banque de France

Co-Author: Erwan Gautier, Banque de France

15:30 - 17:30 SEARCH, MATCHING AND SORTING (EEA)

Chairperson: Thomas Gall, University of Bonn Room 40.101

DIRECTED SEARCH WITH ENDOGENOUS CAPACITY

Mats Godenhielm, University of Helsinki
Co-Author: Klaus Kultti,

IDENTIFYING SORTING - IN THEORY

Philipp Kircher, University of Pennsylvania
Co-Author: Jan Eeckhout, Universitat Pompeu Fabra

DO EQUAL TREATMENT POLICIES REDUCE LABOR MARKET INEQUALITY? - POLICY IMPLICATIONS IN A DIRECTED SEARCH MODEL

Jun Lu, University Konstanz

MISMATCH, REMATCH, AND INVESTMENTS

Thomas Gall, University of Bonn
Co-Authors: Patrick Legros, ECARES, ULB and Andrew Newman, Boston University

15:30 - 17:30 CONTRIBUTED SESSIONS 9

ESEM: Theoretical and Applied Economics

15:30 - 17:30 CONTRACT THEORY IV (ESEM TAE)

Chairperson: Yves Schneider, Swiss National Bank Room 40.209

RESOLVING CONTRACTUAL DISPUTES

Surajeet Chakravarty, University of Exeter
Co-Author: Miltos Makris, University of Leicester

DELEGATION AND NONMONETARY INCENTIVES

Georgy Egorov, Harvard University
Co-Author: Attila Ambrus, Harvard University, Department of Economics

COLLUSION AND STRATEGIC FAVORITISM IN ORGANIZATIONS

Zhijun Chen, University of East Anglia

PRESELECTION AND EXPERT ADVICE

Mike Felgenhauer, Mannheim University
Co-Author: Elisabeth Schulte, Mannheim University

15:30 - 17:30 REGRET AND AMBIGUITY (ESEM TAE)

Chairperson: Karl Schlag, Room 40.213

ROBUST FIRM PRICING WITH NON-PARAMETRIC DISCRETE-CHOICE MODELS

Misra Kanishka, Northwestern University
Co-Author: Benjamin Handel, Northwestern University

ARE THE TREASURES OF GAME THEORY AMBIGUOUS?

David Kelsey, University of Exeter
Co-Author: Jurgen Eichberger, Universitat Heidelberg

DECISION MAKING IN UNCERTAIN AND CHANGING ENVIRONMENTS

Andriy Zapechelnyuk, University of Bonn
Co-Author: Karl Schlag,

IMPLEMENTATION IN MINIMAX REGRET EQUILIBRIUM

Ludovic Renou, University of Leicester

15:30 - 17:30 NETWORKS II (ESEM TAE)

Chairperson: Berno Buechel, IMW, Bielefeld University Room 40.244

MECHANISM DESIGN AND COMMUNICATION NETWORKS

Tristan Tomala, HEC
Co-Author: Ludovic Renou, University of Leicester

RISK AVERSION AND NETWORKS: MICROFOUNDATIONS FOR NETWORK FORMATION

Jaromir Kovarik, University of Basque Country
Co-Author: Marco van der Leij, University of Alicante

OPTIMAL EQUILIBRIA OF THE BEST SHOT GAME

Paolo Pin, Dipartimento di Economia Politica - Università degli Studi di Siena
Co-Authors: Dall'Asta Luca, and Abolfazl Ramezanzpour,

UNDER-CONNECTED AND OVER-CONNECTED NETWORKS: EXTERNALITIES IN STRATEGIC LINK FORMATION

Berno Buechel, IMW, Bielefeld University
Co-Author: Tim Hellmann, IMW, Bielefeld University

15:30 - 17:30 OLIGOPOLY THEORY (ESEM TAE)

Chairperson: Neelam Jain, Northern Illinois University Room 40.246

OF THE NATURE OF COURNOT COMPETITION

Alex Dickson, University of Strathclyde
Co-Author: Roger Hartley, University of Manchester

BERTRAND'S PRICE COMPETITION IN MARKETS WITH FIXED COSTS

Alejandro Saporiti, University of Manchester

PRICE COMPETITION WITH POPULATION UNCERTAINTY

Klaus Ritzberger, Institute for Advanced Studies, Vienna

ENTRY-DETERRENCE AND LEARNING UNDER DEMAND UNCERTAINTY

Neelam Jain, Northern Illinois University

15:30 - 17:30 BUSINESS CYCLES V (ESEM TAE)

Chairperson: Calin Arcalean, ESADE Business School Room 40.248

FISCAL POLICY RESPONSIVENESS, PERSISTENCE AND DISCRETION

Luca Agnello, University of Palermo
Co-Authors: Antonio Afonso, ECB and ISEG/UTL and Davide Furceri,

HOUSEHOLD PRODUCTION, SERVICES AND MONETARY POLICY

Constant Aimé Lonkeng Ngouana, CIREQ, Université de Montréal

STABILIZING FISCAL POLICIES WITH CAPITAL MARKET IMPERFECTIONS

Nicolas Dromel, Paris School of Economics - CNRS

DYNAMIC FISCAL COMPETITION AND ECONOMIC INTEGRATION

Calin Arcalean, ESADE Business School

15:30 - 17:30 EDUCATION (ESEM TAE)

Chairperson: Martin Gonzalez-Eiras, Universidad de San Andres Room 40.250

DOES THE POSSIBILITY OF OPTING OUT OF PUBLIC EDUCATION FAVOR EXPENDITURE ON BASIC EDUCATION?

Gabriel Romero, Universidad de Santiago de Chile

MACROECONOMIC EFFECTS OF HIGHER EDUCATION FUNDING POLICIES

Ioana Schiopu, Institute for Economic Analysis (IAE-CSIC)

A GENERAL EQUILIBRIUM THEORY OF COLLEGE WITH EDUCATION SUBSIDIES, IN-SCHOOL LABOR SUPPLY, AND BORROWING CONSTRAINTS

Carlos Garriga, Federal Reserve Bank of St. Louis

POPULATION AGEING AND THE INCREASE IN STATE FINANCING OF EDUCATION

Martin Gonzalez-Eiras, Universidad de San Andres
Co-Author: Dirk Niepelt, Study Center Gerzensee

15:30 - 17:30 INDIVIDUAL AND SOCIAL PREFERENCES (ESEM TAE)

Chairperson: Geir B. Asheim, University of Oslo Room 40.252

A REPRESENTATIVE INDIVIDUAL FROM ARROVIAN AGGREGATION OF PARAMETRIC INDIVIDUAL UTILITIES

Frederik Herzberg, Bielefeld University

DISCOUNTING AND DIVERGENCE OF OPINION

Elyès Jouini, Université Paris-Dauphine

Co-Author: Clotilde Napp, CNRS and Université Paris-Dauphine

GENERALIZED TIME-INVARIANT OVERTAKING

Geir B. Asheim, University of Oslo

Co-Authors: Kuntal Banerjee, Florida Atlantic University and Claude d'Aspremont, CORE, Université catholique de Louvain

15:30 - 17:30 R&D INNOVATION (ESEM TAE)

Chairperson: Wei Ding, Bonn Graduate School of Economics Room 40.253

ENDOGENOUS IPR AND ECONOMIC GROWTH

Andreas Schaefer, University of Leipzig

Co-Author: Maik Schneider, CER-ETH - Center of Economic Research at ETH Zurich

GOVERNMENT SUBSIDIES FOR NEW PRODUCT R&D IN LIQUIDITY CONSTRAINED FIRMS

Jianjun Wu, Northwestern University and University of Arizona

Co-Author: David Besanko, Northwestern University

INNOVATION POLICY REFORM

Tuomas Takalo, Bank of Finland and University of Jyväskylä

Co-Authors: Tanja Tanayama, HECER, ETLA and Otto Toivanen, University of Helsinki

PRIZES AND LEMONS: PROCUREMENT OF INNOVATION UNDER IMPERFECT COMMITMENT

Wei Ding, Bonn Graduate School of Economics

Co-Author: Elmar Wolfstetter, Humboldt-University at Berlin

15:30 - 17:30 TRADE AND MACROECONOMICS (ESEM TAE)

Chairperson: Marc Teignier Baque, The University of Chicago Room 40.254

TRADE OPENNESS, EDUCATION AND GROWTH

Keshab Bhattarai, University of Hull

Co-Author: Parantap Basu, University of Durham

THE ROLE OF EXPORTING AND TRADE FOR ENTRY OVER THE BUSINESS CYCLE

George Alessandria, Federal Reserve Bank of Philadelphia

Co-Author: Horag Choi, University of Auckland

THE ROLE OF TRADE IN STRUCTURAL TRANSFORMATION

Marc Teignier Baque, The University of Chicago

15:30 - 17:30 CONTRIBUTED SESSIONS 9

ESEM: Econometrics and Empirical Economics

15:30 - 17:30 HEALTH 2 (ESEM EEE)

Chairperson: Melvyn Weeks, University of Cambridge Room 40.144

"HEALTH SHOCK, HOUSEHOLD CONSUMPTION, AND CHILD NUTRITION"

Galiano Aida, Economic Strategies and Initiatives S.L. and ADETRE, University of Zaragoza

Co-Author: Marcos Vera-Hernandez, UNIVERSITY COLLEGE OF LONDON AND IFS

DYNAMIC ESTIMATION OF HEALTH EXPENDITURE: A NEW APPROACH FOR SIMULATING INDIVIDUAL EXPENDITURE

laurent davezies,

Co-Authors: valerie albouy, and thierry debrand, IRDES

A STOCHASTIC FRONTIER MODEL FOR DISCRETE ORDINAL OUTCOMES: A HEALTH PRODUCTION FUNCTION

Xueyan Zhao, Monash University

Co-Authors: William Griffiths, University of Melbourne and Xiaohui Zhang, Monash University

SOCIAL INTERACTIONS, ETHNICITY AND FERTILITY IN KENYA

Melvyn Weeks, University of Cambridge

Co-Author: Sriya Iyer, Faculty of Economics

15:30 - 17:30 **INSTRUMENTAL VARIABLES (ESEM EEE)**

Chairperson: Jan Johannes, University Heidelberg Room 40.146

PARSIMONIOUS ESTIMATION WITH MANY INSTRUMENTS

Jan J. J. Groen, Federal Reserve Bank of New York

Co-Author: george kapetanios,

INFERENCE ON A GENERALIZED ROY MODEL WITH EXCLUSION RESTRICTIONS

Xavier d'Haultfoeuille, CREST-INSEE

Co-Author: Arnaud Maurel, CREST, ENSAE, PSE and IZA

A NATURAL EXPERIMENT ON SICK PAY CUTS, SICKNESS ABSENCE, AND LABOR COSTS

Nicolas Ziebarth, German Institute for Economic Research (DIW Berlin)

Co-Author: Martin Karlsson, Technische Universitaet Darmstadt

ON RATE OPTIMAL LOCAL ESTIMATION IN NONPARAMETRIC INSTRUMENTAL REGRESSION.

Jan Johannes, University Heidelberg

Co-Author: Christoph Breunig, University Heidelberg

15:30 - 17:30 **UNEMPLOYMENT (ESEM EEE)**

Chairperson: Steffen Künn, IZA - Institute for the Study of Labor Room 40.148

SOCIAL NORMS AND INDIVIDUAL UNEMPLOYMENT - A CROSS-NATIONAL ANALYSIS

Bernhard Boockmann, Institute for Applied Economic Research (IAW), Tübingen

Co-Author: Hans Verbeek, Institute for Applied Economic Research (IAW)

DO UNEMPLOYED WORKERS BENEFIT FROM ENTERPRISE ZONES? THE FRENCH EXPERIENCE

Laurent Gobillon, INED

Co-Authors: Thierry Magnac, Toulouse School of Economics and Harris Selod, World Bank

MARGINAL EMPLOYMENT, UNEMPLOYMENT DURATION AND EMPLOYMENT STABILITY: EVIDENCE FROM A MULTIVARIATE DURATION MODEL

Steffen Künn, IZA - Institute for the Study of Labor

Co-Authors: Marco Caliendo, IZA and Arne Uhlendorff, IZA

DOES CULTURE AFFECT UNEMPLOYMENT? EVIDENCE FROM THE BARRIÈRE DES ROESTIS

Rafael Lalive, University of Lausanne

Co-Authors: Beatrix Brügger, University of Lausanne and Josef Zweimüller, University of Zurich

15:30 - 17:30 **RETURNS TO EDUCATION (ESEM EEE)**

Chairperson: Monica Costa Dias, University of Porto and Institute for Fiscal Studies Room 40.150

ARE WE WASTING OUR CHILDREN'S TIME BY GIVING THEM MORE HOMEWORK?

Ozkan Eren, University of Nevada, Las Vegas

Co-Author: Daniel J. Henderson, State University of New York at Binghamton and IZA Bonn

RETURN TO EDUCATION AND EDUCATION-OCCUPATION MATCHING WITHIN A TRANSITION ECONOMY.

Natalia Kyui, CES, University Paris-1 Pantheon Sorbonne

UNIVERSITY CHOICE AND SUBSEQUENT EARNINGS IN FINLAND: ESTIMATES FOR GROUPS OF MAJORS

Tuomo Suhonen, University of Jyväskylä

THE EFFECTS OF HUMAN CAPITAL POLICIES OVER THE LIFE-CYCLE

Monica Costa Dias, University of Porto and Institute for Fiscal Studies

Co-Author: Costas Meghir, UCL

15:30 - 17:30 **INEQUALITY AND EMERGING ECONOMIES (ESEM EEE)**

Chairperson: Thanasis Stengos, University of Guelph Room 40.152

URBAN-RURAL CONSUMPTION INEQUALITY IN CHINA FROM 1988 TO 2002: EVIDENCE FROM QUANTILE REGRESSION DECOMPOSITION

Zhong Zhao, Renmin University of China
Co-Author: Zhaopeng Qu,

THE RUSSIAN REGIONAL CONVERGENCE PROCESS: WHERE DOES IT GO?

Konstantin Kholodilin, DIW Berlin
Co-Authors: Alexei Oschepkov, Higher School of Economics, Moscow and Boriss Siliverstovs, KOF ETH, Zürich

MODELLING CHANGE IN FINANCIAL MARKET INTEGRATION: EASTERN EUROPE

Nektarios Aslanidis, University Rovira Virgili
Co-Author: Christos Savva, Cyprus University of Technology

ON THE OPTIMAL CONSTRUCTION OF THE HUMAN DEVELOPMENT INDEX

Thanasis Stengos, University of Guelph
Co-Authors: Topaloglou Nikolas, Athens University of Business and Economics and Mehmet Pinar, University of Guelph

15:30 - 17:30 **CORPORATE FINANCE (ESEM EEE)**

Chairperson: Beatriz Mariano, University Carlos III of Madrid Room 40.154

FINANCIAL LEVERAGE AND CORPORATE TAXATION - EVIDENCE FROM GERMAN CORPORATE TAX RETURN DATA

Nadja Dwenger, DIW Berlin
Co-Author: Viktor Steiner, DIW Berlin

THE IMPACT OF INITIAL FINANCIAL STATE ON FIRM DURATION ACROSS ENTRY COHORTS

Kim Huynh, Indiana University
Co-Authors: Robert Petrunia, Lakehead University and Marcel Voia, Carleton University

FIRM DEFAULT AND AGGREGATE FLUCTUATIONS

Tor Jacobson, Sveriges Riksbank
Co-Authors: Rikard Kindell, Handelsbanken, Jesper Lindé, Federal Reserve Board and Kasper Roszbach, Sveriges Riksbank (Bank of Sweden)

EVIDENCE OF RISK-SHIFTING FROM DEBT COVENANTS VIOLATIONS

Beatriz Mariano, University Carlos III of Madrid

15:30 - 17:30 **ARCH MODELS 2 (ESEM EEE)**

Chairperson: Aman Ullah, University of California, Riverside Room 40.105

MERITS AND DRAWBACKS OF VARIANCE TARGETING IN GARCH MODELS

Christian FRANCO, GREMARS-EQUIPPE University Lille 3
Co-Author: Jean-Michel Zakoian, CREST and Université Lille 3

HIERARCHICAL HIDDEN MARKOV STRUCTURE FOR DYNAMIC CORRELATIONS: THE HIERARCHICAL RSDC MODEL.

Philippe Charlot, GREQAM and Aix-Marseille University
Co-Author: Vélayoudom MARIMOUTOU, GREQAM, Aix-Marseille University and Institut Français de Pondichéry

EXCHANGE RATES DEPENDENCE: WHAT DRIVES IT?

Chiara Scotti, Federal Reserve Board
Co-Author: Sigríður Benediktsdóttir, Yale University

ESTIMATION AND FORECASTING OF DYNAMIC CONDITIONAL COVARIANCE: A SEMIPARAMETRIC MULTIVARIATE MODEL

Aman Ullah, University of California, Riverside
Co-Authors: Xiangdong Long, University of Cambridge and Liangjun Su, Singapore Management University

15:30 - 17:30 **COINTEGRATION INFERENCE (ESEM EEE)**

Chairperson: Silika Prohl, Swiss Banking Institute Room 40.109

MAXIMUM LIKELIHOOD ESTIMATION OF FRACTIONALLY COINTEGRATED SYSTEMS

Katarzyna Lasak, CREATES, Aarhus University

CONSISTENT ESTIMATION OF COINTEGRATING SUBSPACES

Javier Hualde, Universidad Publica de Navarra

A NO ARBITRAGE FRACTIONAL COINTEGRATION ANALYSIS OF THE RANGE BASED VOLATILITY

Paolo Santucci de Magistris, University of Pavia

Co-Author: Eduardo Rossi, Dipartimento di economia politica e metodi quantitativi, Università degli studi di Pavia

WILD BOOTSTRAP INFERENCE ON THE COINTEGRATION RANK

Silika Prohl, Swiss Banking Institute

15:30 - 17:30 FORECASTING 2 (ESEM EEE)

Chairperson: Andros Kourtellos, University of Cyprus Room 40.113

FORECASTING WITH FACTOR-AUGMENTED ERROR CORRECTION MODEL

Anindya Banerjee, UNIVERSITY OF BIRMINGHAM

Co-Authors: Massimiliano Marcellino, EUI, Università Bocconi and CEPR and Igor Masten, University of Ljubljana

FORECASTING FEDERAL FUNDS TARGET RATE DECISIONS WITH BAYESIAN MODEL AVERAGING

Sjoerd Van den Hauwe, Tinbergen Institute, Erasmus Universiteit Rotterdam

Co-Authors: Richard Paap, Econometric Institute, Erasmus University Rotterdam and Dick van Dijk, Econometric Institute, Erasmus University Rotterdam

FORECASTING WITH INTERVAL AND HISTOGRAM DATA. SOME FINANCIAL APPLICATIONS.

Gloria Gonzalez-Rivera, University of California, Riverside

Co-Authors: Javier Arroyo, Universidad Complutense de Madrid and carlos mate, Universidad Pontificia de Comillas, Madrid

FORECASTING ECONOMIC ACTIVITY USING MIDAS REGRESSION MODELS

Andros Kourtellos, University of Cyprus

Co-Authors: Elena Andreou, University of Cyprus and Eric Ghysels, Department of Economics , University of North Carolina, and Department of Finance, Kenan-Flagler Business School

15:30 - 17:30 TESTING: TIME SERIES 2 (ESEM EEE)

Chairperson: Enrique Sentana, CEMFI Room 40.201

BOOTSTRAPPING THE LIKELIHOOD RATIO COINTEGRATION TEST IN ERROR CORRECTION MODELS WITH UNKNOWN LAG ORDER

Carsten Trenkler, University of Mannheim

Co-Author: Christian Kascha, Norges Bank

LIMIT DISTRIBUTION OF THE CUSUM OF SQUARES TEST UNDER STOCHASTIC AND DETERMINISTIC TIME TRENDS

Jouni Sohkanen, Oxford University

Co-Author: Bent Nielsen, Oxford University

TESTING FOR SMOOTH TRANSITION NONLINEARITY IN ADJUSTMENTS OF COINTEGRATING SYSTEMS

Milan Nedeljkovic, Department of Economics, The University of Warwick

DYNAMIC SPECIFICATION TESTS FOR STATIC FACTOR MODELS

Enrique Sentana, CEMFI

Co-Author: Gabriele Fiorentini, University of Florence

17:30 - 18:15 COFFEE BREAK

18:15 - 19:30 MARSHALL LECTURE

18:15 - 19:30 MARSHALL LECTURE (EEA)

Chairperson: Timothy Besley, London School of Economics Room Patio

INTELLECTUAL PROPERTY RIGHTS PROTECTION IN DEVELOPING COUNTRIES: THE CASE OF PHARMACEUTICALS Pinelopi Goldberg, Princeton University

21:00 - 23:00 **COCKTAIL GALA DINNER**