Stockholm University

Institute for International Economic Studies

Annual Report 2023

Stockholm University
SE-106 91 Stockholm
SWEDEN

www.iies.su.se

ISSN 1104-4195

Design: Hanna Weitz, IIES/Stockholm University
Text: Institute for International Economic Studies (IIES)
Print: Ljungbergs Tryckeri i Klippan AB
Photos: IIES, Stockholm University, Miriam Bratt (photo of Mattias Folkestad), Antonia Maassen (photo of Isabella Maassen), Caroline S. Wibling (photo of Peter Svedberg), Victoria Garvare Mahdessian/IIES, Ingmarie Andersson, Riley Baechler.
Front cover: Olle Baertling, "Kiare", 1974, oil on canvas, 180 x 92 cm. Reproduced with kind permission of The Baertling Foundation.

Photo: Ingmarie Andersson.

Contents

About the IIES......6

Board of Governors......7

News at the IIES......8

People at the IIES......12

- Administration......12
- Research Assistants......13
- Researchers......15
- Graduate Students......20
- Visitors......27

Center for Monetary Policy and Financial Stability (CeMoF)......30

- Interview with Researcher Sara Casella......31

Seminars......32

- Job Talks......32

Seminars in the IIES Seminar Series....................................33
IIES/SNS International Policy Talks.....................................38

Selected Research..39

The Political Economics of Green Transitions....................39
The Effects of Import Competition on Unionization......41
It's (also) What You Produce: Experimental Evidence on Creating Markets for Quality in Low-income Countries..42
Agricultural Productivity and Technology Adoption in Sub-Saharan Africa...43

Graduate Student Research...45

Publications...68

Accepted for Publication..68
Published..69
Completed Doctoral Theses...75

Teaching..85

Extramural Activities...89

The IIES in the Media...95

Contact Details..99

Kieran Larkin and Sara Casella enjoying some Nordic ice skating only moments before Sara broke her arm! "It was a great and fun moment before the tragedy. Indeed Sweden can be dangerous! I am glad my arm is basically 95% recovered now though", says Sara with a smile.

About the IIES

The Institute for International Economic Studies (IIES) is a research institute at Stockholm University. Founded in 1962, it has become one of Europe's leading institutions in advanced research in economics, broadly defined.

The mission of the IIES condenses the three broad goals of Stockholm University at a top level: to train PhD economists, conduct cutting-edge research, and actively engage in high-level public policy discussions in Sweden and beyond.

The three aims of the IIES are tightly interconnected. For the training of future PhDs and to ensure that any policy advice is updated and based on sound empirical and theoretical grounds, an ongoing close engagement with the international research frontier is necessary. To this end, the IIES researchers themselves engage in research projects aimed at broad international impact.

The PhD students based at the IIES are an integral part of its research environment. A defining feature of the PhD training, which is part of a Stockholm-wide program involving other institutions, is to encourage the students to take on ambitious and challenging questions of broad value to society. Upon graduation, IIES students go on to tenure-track jobs at universities worldwide or positions in government and other organizations. The list of leading Swedish decision makers with an IIES background is long.

The IIES has a global aim with its research. However, its international profile is broader than that. A significant fraction of the faculty as well as the PhD students, along with visiting seminar speakers and researchers, come from a wide variety of countries. The working language at the IIES is English.

Photo: Ingmarie Andersson/Stockholm University.

Board of Governors

Being a research institute, the IIES has an external Board of Governors consisting of the directors of the IIES, other representatives from Stockholm University and external members. The Board meets twice a year.

Jakob Svensson (Chair), Professor of Economics, IIES Director

John Hassler, Professor of Economics, IIES Deputy Director

Susanne Ackum, Dean at the School of Business, Linnaeus University

Karin Bäckstrand, Professor of Environmental Social Science, Stockholm University

Harry Flam, Professor Emeritus, IIES

Lars Heikensten, Former CEO of the Nobel Foundation

Mia Horn af Rantzien, Former CEO of the Center for Business and Policy Studies (SNS)

Kerstin Lidén, Professor of Archaeology, Stockholm University

Jonas Nycander, Professor of Meteorology, Stockholm University

Michael Sohlman, Former CEO of the Nobel Foundation

Torsten Persson was awarded the prestigious BBVA Frontiers of Knowledge Award in Economics, Finance and Management.

News at the IIES

Edvin Ahlander, Giuliana Ghia and Simon Handreke joined the IIES as Research Assistants.

Mattias Almgren successfully defended his thesis and is now at the National Institute of Economic Research (Konjunkturinstitutet).

Ingvild Almås was a visiting professor at the Department of Economics, Yale University, between September 1 and December 15.

Alireza Azampour is visiting University of Pennsylvania on a Hedelius grant between October 2023 and April 2024.

Alireza Azampour, Sofia de Caprariis, Maija Kaartinen, Shuhei Kainuma, Shuwen Kang, Isabella Maassen, Filip Mellgren, Jonas Overhage and Yanran Zhu joined the IIES as Graduate Students.

Gualtiero Azzalini successfully defended his thesis and joined the Swedish House of Finance at the Stockholm School of Economics.

Tiago Bernardino spent the academic year 2022/2023 at the London School of Economics and Political Science (LSE) on a Hedelius scholarship.

Dominik Biesalski spent the first four months of 2023 visiting Harvard University.

Lars Calmfors was appointed member of the Swedish Minister for Labor Market's Labour Market Policy Council (Arbetsmarknadsministerns arbetsmarknadspolitiska råd) and member of the Scientific Council of the Swedish Public Employment Service (Arbetsförmedlingens vetenskapliga råd).

Tillmann von Carnap successfully defended his thesis and will join University of Oslo in 2024 after a one-year Post Doc at Stanford University Center on Food Security and the Environment.

Sara Casella is spending the academic year 2023/2024 as a Researcher at the IIES, funded by the Center for Monetary Policy and Financial Stability (CeMoF).

Amanda Dahlstrand-Rudin was appointed Assistant Professor at the University of Zurich from July. She spent Jan-Feb as a visiting Post Doc at Stanford University and finished her Post Doc at Microsoft Research in June.

Mohammadreza Farajpour has taken up a position at Santander Consumer Bank (a Nordic branch of the Spanish bank, Santander) as Risk Model Analyst.

John Hassler and Per Krusell (together with former IIES graduate student Anna Seim) evaluated the 2022 monetary policy decisions of Sveriges Riksbank, a task CeMoF was asked by the Swedish parliament to carry out. CeMoF was then asked to conduct the same kind of evaluation again, for another three years.

Brian Higgins (Stanford University) accepted a position as Assistant Professor at the IIES and will join us in 2024 after a one-year Post Doc at Harvard University.

Stefan Hinkelmann spent the spring of 2023 at Kenneth C. Griffin Department of Economics at the University of Chicago.

Tobias Kjellberg joined the IIES as an Administrator substituting for Tove Lundström who is on maternity leave.

Markus Kondziella succesfully defended his thesis and joined University of St Gallen as Assistant Professor.

Viktoria Kozek and Edvin Wastegård joined the IIES as Research Assistants assisting Timo Boppart and Kurt Mitman on a project.

Per Krusell was celebrated with a conference on macro and inequality held in his honor at University College London (UCL) with very prominent speakers.

Jai Lee joined the IIES as a Research Assistant providing assistance on a project lead by Ingvild Almås and Konrad Burchardi.

Francesco Loiacono successfully defended his thesis and took up a position as Principal Economist at the European Bank for Reconstruction and Development in London.

Kurt Mitman has been on 80 % leave during the year for a position as full Professor at CEMFI.

Kurt Mitman delivered the keynote address at the Bank of Finland and CEPR Conference on Monetary Policy, Helsinki, 2023.

Kurt Mitman was a Panelist at the 78th Economic Policy Panel on "Rethinking China's Growth".

Laia Navarro-Sola became an invited J-PAL researcher (J-PAL Europe; J-PAL Latin America and the Caribbean).

Chloe Nibourel visited Sciences Po in April and May. She also received the CIVICA Research Conference best poster award.

Torsten Persson was elected member of the ERC Scientific Council.

Torsten Persson was awarded the Ann-Kersti and Carl-Hakon Swenson Prize in Humanities and Social Science, a biennial award given by the Royal Academy of Letters, History and Antiquities.

Torsten Persson (together with Timothy Besley and Guido Tabellini) was awarded the prestigious BBVA Frontiers of Knowledge Award in Economics, Finance and Management for "illuminating the connections between the economic and political worlds" and "transforming the field of political economy".

Torsten Persson visited the London School of Economics and Political Science (LSE) for six weeks in the fall, in his role as a Centennial Professor.

Markus Peters successfully defended his thesis and joined NordiCare as Supply and Purchasing Manager.

David Schönholzer was a Visiting Assistant Professor at Stanford University's Institute for Economic Policy Research (SIEPR) from October 2022 to January 2023.

Fabian Sinn visited Opportunity Insights at Harvard University during the academic year 2022/2023.

Petter Sundqvist joined the IIES as a Research Assistant working on a project lead by Ingvild Almås.

Sebastian Tebbe successfully defended his thesis and will join Copenhagen Business School in 2024 after a one-year Post Doc at the School of Global Policy and Strategy at UC San Diego.

Claire Thürwächter successfully defended her thesis and took up a position at Morgan Stanley.

Jonathan de Quidt took up a position at Queen Mary University of London but keeps an affiliation with the IIES.

People at the IIES

There are around 90 people at the IIES consisting of research staff, adminstrative staff, graduate students and visiting researchers from all over the world.

Administration

Christina Lönnblad
Head of Administration

Karl Eriksson
IT Manager/Systems Administrator

Ulrika Gålnander
Administrator

Tobias Kjellberg
Administrator (temp)

Tove Lundström
Administrator

Hanna Weitz
Administrator & Communications officer

Research Assistants

Graduate Students

Edvin Ahlander
Areas of research: Macroeconomics and monetary economics.

Anton Arbman Hansing
Areas of research: Political, public, and behavioral economics.

Giuliana Ghia
Areas of research: Applied microeconomics, with a specific focus on behavioral, development and the economics of education.

Simon Handreke
Areas of research: Labor economics, with a special interest in the role of firms, managers, technological change, and non-cognitive skills.

Leiv Storesletten
Areas of research: Quantitative macroeconomics and labor market economics.

Other Research Assistants

Jai Lee
Research Assistant

Viktoria Kozek
Research Assistant

Stefan Maukner
Research Assistant/
Data Analyst

Petter Sundqvist
Research Assistant

Edvin Wastegård
Research Assistant

Researchers

Here you will find information on the IIES' researchers and their different research areas. More extensive information can be found on our web.

Jakob Svensson, Professor, Director of the IIES
Areas of research: Development economics.

John Hassler, Professor, Deputy Director of the IIES
Areas of research: Climate policy.

Ingvild Almås, Professor
Areas of research: Development economics, behavioral economics. Inequality, family decision making, and child development.

Sebastian Axbard, Visiting Researcher
Areas of research: The intersection of political economy, development, and environmental economics.

Almut Balleer, Affiliated Researcher
Areas of research: Macroeconomics: Macro-labor, monetary economics, and applied macroeconomics

Tessa Bold, Associate Professor
Areas of research: Development economics. Currently mainly working on modernization of agriculture and climate change.

Timo Boppart, Associate Professor
Areas of research: Macroeconomics with a particular emphasis on long-run macroeconomic questions involving growth, structural change, technological change, labor supply, firm dynamics and economic development.

Tobias Broer, Associate Professor
Areas of research: Heterogeneous-agent macroeconomics, consumption, saving, and risk-sharing, expectation-formation, monetary and fiscal policy, and investor disagreement.

Konrad Burchardi, Associate Professor
Areas of research: Productivity growth at early stages of economic development and the economic impacts of international migrations.

Bet Caeyers, Affiliated Researcher
Areas of research: Development economics. In particular early childhood development; scaling.

Lars Calmfors, Professor Emeritus
Areas of research: Macroeconomics (in particular fiscal and monetary policy) and labor economics (in particular wage formation and collective agreements).

Sara Casella, Researcher
Areas of research: Macroeconomics. Specifically how labor income, health, and disability risk impact households and families.

Amanda Dahlstrand-Rudin, Affiliated Researcher
Areas of research: Organizations, health, labor, and development economics.

Mitch Downey, Assistant Professor
Areas of research: Bureaucratic performance, political polarization, public sector management, and imperfect competition in the labor market.

Harry Flam, Professor Emeritus
Areas of research: European economic integration, EU economic policy, and trade.

Alexandre Kohlhas, Affiliated Researcher
Areas of research: What survey data on expectations can tell us about data-consistent models of expectation formation, and how systematic differences in people's expectations interact with their economic choices to shape income inequality and mobility in the macroeconomy.

Per Krusell, Professor
Areas of research: Macroeconomics broadly defined: long-run analysis on technological change, sustainability, climate change, agriculture and its role in development, inequality, and labor supply as well as short-run analysis on fiscal and monetary multipliers, and labor markets.

Kieran Larkin, Assistant Professor
Areas of research: Macroeconomics, consumption, housing, household finance and labor.

Kurt Mitman, Associate Professor
Areas of research: Macroeconomics. Particularly the interplay between heterogeneity and aggregate fluctuations. Current focus on monetary and fiscal policy, consumer default policy, asset pricing, sudden stops and housing, and on integrated assessment models of the macroeconomy and pandemics.

Laia Navarro-Sola, Assistant Professor
Areas of research: Development economics, human capital, and the economics of education.

Arash Nekoei, Associate Professor
Areas of research: Public and labor economics, and economic history.

Peter Nilsson, Professor
Areas of research: Labor and health economics: human capital formation, child health, and labor market outcomes of unemployment insurance.

Victoria Osuna Padilla, Visiting Researcher
Areas of research: Macroeconomics and labor market policies.

Mats Persson, Professor Emeritus
Areas of research: Macroeconomics and public economics.

Torsten Persson, Professor
Areas of research: Political economics: theoretical research on the dynamics of culture, institutions and policy, and empirical research on the selection of Swedish politicians. He also leads SWECOV, a cross-disciplinary research program on the COVID-19 pandemic and its consequences in Sweden.

Jonathan de Quidt, Assistant Professor
Areas of research: Behavioral and development economics

Ciaran Rogers, Researcher
Areas of research: Monetary policy and household finance.

David Schönholzer, Assistant Professor
Areas of research: How public goods such as schools, roads, public safety, or public transit can be provided efficiently. Work lies primarily in public economics and political economy, with further interests in development, urban, and history.

Peter Svedberg, Professor Emeritus
Areas of research: Development economics.

Lars E.O. Svensson, Affiliated Professor
Areas of research: Monetary policy, macroprudential policy, and housing and house prices.

Anna Tompsett, Affiliated Researcher
Areas of research: Development, environment, public goods, and collective action.

Joshua Weiss, Assistant Professor
Areas of research: Implications of firm heterogeneity (big and small firms or young and old firms) for the macroeconomy. Do different types of firms react differently to economic shocks and policy? Does this heterogeneity affect how firms compete, and what are the implications for optimal policy?

Yimei Zou, Assistant Professor
Areas of research: How individual producers' decisions shape aggregate production technology and its implications for policy, particularly in transitioning to greener practices.

Graduate Students

All our graduate students spend their final years of study at the IIES writing their doctoral dissertations.

Mattias Almgren
Areas of research: Macroeconomics: labor, growth, structural change, and monetary economics.

Märta Almgren
Areas of research: Macroeconomics, with a focus on monetary- and fiscal policy.

Huen Tat Au-Yeung
Areas of research: Behavioral and political economics.

Alireza Azampour
Areas of research: Macroeconomics (in particular firm financing and labor, environmental) and political economy.

Gualtiero Azzalini
Areas of research: Macroeconomics: macro-labor, household finance, heterogeneous agents macro, and wealth inequality.

Agneta Berge
Areas of research: Macroeconomics, with a special interest in labor markets, wage bargaining and firm production.

Tiago Bernardino
Areas of research: Macroeconomics with a focus on monetary economics, and public finances.

Iacopo Bianchi
Areas of research: Applied microeconomics and a strong interest in development economics, with a particular focus on Sub-Saharan Africa.

Dominik Biesalski
Areas of research: Development economics with a focus on (informal) labor markets and poverty.

Monir Bounadi
Areas of research: Political economics, development economics, and economic history.

Sofia de Caprariis
Areas of research: Game theory, political economics, and environmental economics.

Tillmann von Carnap
Areas of research: Development economics and economic geography.

Chek Yin Choi
Areas of research: Macroeconomics. In particular price setting in supply chains.

Merve Demirel
Areas of research: Development economics, gender, and migration.

Martina Dosser
Areas of research: Macroeconomics. In particular macro-labor, macroeconomic policy and inequality.

Mohammadreza Farajpour
Areas of research: Macroeconomics. Especially climate change, and energy.

Mattias Folkestad
Areas of research: Political selection, democratization, education policy, and renewable energy.

Ida Kristine Haavi
Areas of research: Macroeconomics, specifically monetary policy and how this affects firm behavior. Current work focuses on the effects on changes in exchange rates and foreign capital on firm dynamics and inflation.

Stefan Hinkelmann
Areas of research: Energy, climate change and environmental macroeconomics; macro-housing.

Philipp Hochmuth
Areas of research: Macroeconomics. In particular consumption basket heterogeneity, nonhomothetic preferences and entrepreneurship.

Maija Kaartinen
Areas of research: Climate policy and macroeconomics, with a focus on firm dynamics, trade, innovation, and industrial policy.

Shuhei Kainuma
Areas of research: Applied microeconomics with a particular interest in political, development, historical, and organizational economics.

Shuwen Kang
Areas of research: Macroeconomics, inequality, education, and fairness.

Markus Kondziella
Areas of research: Macroeconomics broadly, with a particular focus on firm dynamics, economic growth and wealth inequality.

Carolina Lindholm
Areas of research: Macroeconomics and finance.

Evelina Linnros
Areas of research: Health, gender and development economics.

Jinci Liu
Areas of research: Labor and organizational economics. How to increase team productivity and foster innovation. She focuses on specialization and tests if there are better ways to organize teams and train workers.

Juan Llavador Peralt
Areas of research: Macroeconomics. Particularly economic growth, quantitative macroeconomics, and heavy tails in economics.

Francesco Loiacono
Areas of research: Development economics. In particular how to integrate forced migrants into local labor markets in low-income countries, increase transparency in public procurement in contexts of low-state capacity, and how credit affects small and medium businesses' growth in poor economies.

Isabella Maassen
Areas of research: Macroeconomics broadly, with a focus on gaining aggregate insights by embracing granularity. In particular, innovation and technological development, interactions with the labor market, and market power.

Patrizia Massner
Areas of research: Applied microeconomics, labor and public economics with a focus on gender, sources of inequalities, and equality of opportunity.

Filip Mellgren
Areas of research: Economic growth and firm dynamics.

Chloe Nibourel (Visiting Graduate Student from SSE)
Areas of research: Political economics.

Jonas Overhage
Areas of research: Macroeconomics broadly, with a focus on firm- and household heterogeneity, monetary policy and macro-labor.

Fredrik Paues
Areas of research: Macroeconomics with a particular focus on household finance, fiscal policy, and housing.

Markus Peters
Areas of research: Macroeconomics and household finance.

Thore Petersen
Areas of research: Macroeconomics, firm dynamics, and resource usage.

Jonatan Riberth
Areas of research: Inequality and health economics.

Sreyashi Sen
Areas of research: Development economics, political economy, and macro-development.

Fabian Sinn
Areas of research: Labor economics, health economics, and inequality.

Sebastian Tebbe
Areas of research: The intersection of public and behavioral economics, with a focus on environmental applications.

Claire Thürwächter
Areas of research: Macroeconomics, monetary policy, and firm heterogeneity.

Yanran Zhu
Areas of research: Macroeconomics, inequality, and social mobility.


Sebastian Axbard visited the IIES for one academic year.

Visitors

Each year the IIES welcomes researchers and graduate students from all over the world to visit our vibrant research environment. They get to meet and interact with IIES staff as well as get a glimpse of Stockholm and all it has to offer.

Sebastian Axbard (Queen Mary, University of London) visited the IIES during the 2022/2023 academic year. He worked on several different research projects during the year, including work on judicial accountability in the Philippines, air-pollution monitoring in China and on firms' response to migration incidents in the Mediterranean. Sebastian also started up new work on the Chinese bureaucracy and judicial system. "I very much enjoyed the welcoming atmosphere at the IIES and appreciated many helpful and constructive conversations with members of the political economy, development and labor groups."

Jonna Olsson (NHH Norwegian School of Economics), a former IIES graduate student, visited the IIES in December, continuing work on a pandemic preparedness project with IIES faculty Timo Boppart, John Hassler and Per Krusell as well as a former IIES graduate student Karl Harmenberg (who graduated from the IIES in 2018). Now when we are finally done with the Covid pandemic, we need to start thinking about the next, even though our instincts might tell us to forget about it as fast as possible. Aimed at pandemic preparedness, the project sets out at constructing a framework for integrated epi-econ assessment that can be useful for policymakers, especially at the early stages of a pandemic outbreak.


Jonna Olsson

Victoria Osuna Padilla (Pablo de Olavide University) spent the academic year 2022/2023 at the IIES. The main objective of her research stay has been to increase the quality, both of her research and her teaching duties. The activities carried out at the IIES have consisted of attending high-quality seminars, several PhD courses related to her research lines and doing research on macroeconomics and labor market policies and also on macroeconomics and climate change. She has had the opportunity to meet and talk to outstanding professors and researchers such as John Hassler, Per Krusell, Kurt Mitman, Kieran Larkin and Arash Nekoi. “The time spent at the IIES has contributed to substantially improve the quality of my research and teaching duties.”

“Substantially improved the quality of my research”

Eric Weese (University of Tokyo) is visiting IIES from August 2023 to June 2024, working with David Schönholzer on two papers dealing with historical European boundaries. They have a new dataset that describes changes in European boundaries at a close-to-monthly level for about the past 1,000 years. Their first paper looks at which European states take territory from other states, and which states end up exiting completely. Lower quality states tend to lose territory and disappear from the state system. Creative destruction at the state level thus appears to be a potential source of historical improvements in state quality.

Their second paper links the dataset of territorial changes with wars. The vast majority of territorial transfers in the past thousand years of European history appear to have been peaceful. They are now working on characterizing the wars that did occur.

Eric is here with his wife, who is visiting the Stockholm School of Economics, and their sons, who are currently 4 and 5 years old and are attending the Stockholm International School.

"There is not much snow in Kyoto where we normally live and our sons' favorite activity here is sledding on the hill outside the Wenner-Gren Center. We have also attempted to introduce them to skiing, albeit with less success."

Center for Monetary Policy and Financial Stability (CeMoF)

CeMoF is a collaboration between the IIES, Stockholm Business School, and the Department of Economics at Stockholm University.

Formed in the Spring of 2021, CeMoF's main mission is to promote the education of graduate students in the areas of monetary policy and financial stability.

CeMoF is generously supported by a grant from Riksbankens Jubileumsfond of SEK 60 million with the objective of consolidating the PhD program and the research environment within the fields of monetary policy and financial stability. The grant was obtained in an open call, involving a competitive process.

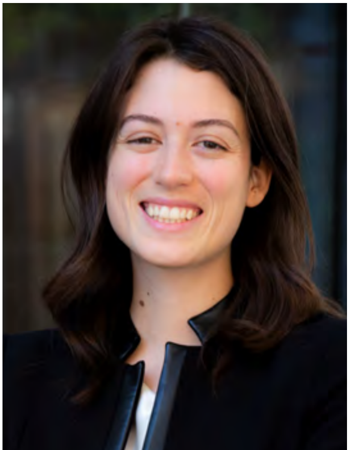
CeMoF is governed by a director (Professor Per Krusell at the IIES) and a deputy director (Associate Professor Anna Seim at the Department of Economics), a management team, and a board. There is also a number of researchers and graduate students affiliated with the Center.

Meet Sara Casella, Researcher at the IIES, financed by CeMoF

Sara is from Milan, Italy and studied at Bocconi University and the London School of Economics and Political Science (LSE) before embarking on her PhD at the University of Pennsylvania where she received her PhD in Economics, advised by Jesus Fernandez-Villaverde, Dirk Krueger, and Alessandro Dovis.

What are you looking forward to during your year at CeMoF and the IIES?

"I am incredibly excited to spend one year at CeMoF and the IIES as a researcher. I look forward to many conversations about research with economists and students and to becoming part of the economics community at Stockholm University."



Sara Casella

Sara's research interests lie within macroeconomics.

She specifically studies how labor income, health, and disability risk impact households and families. She is also working on understanding the role of intangible capital and disclosure regulation in shaping firm financing decisions, and on novel ways to bring data to models.

Seminars

Each semester the IIES invites prominent researchers from all over the world to hold seminars. The following seminars were held during 2023.

Job Talks

Pauline Carry, CREST
"The Effects of the Legal Minimum Working Time on Workers, Firms and the Labor Market"

Eleanor Wiseman, University of California, Berkeley
"Border Trade and Information Frictions: Evidence from Informal Traders in Kenya"

Sara Casella, University of Pennsylvania
"Women's Labor Force Participation and the Business Cycle"

Kai-Jie Wu, University of Rochester
"The Rise of Specialized Firms"

Mikko Silliman, Harvard University
"Childcare, Social Skills, and the Labor Market"

Marta Morazzoni, Universitat Pompeu Fabra
"Student Debt and Entrepreneurship in the US"

Suzanna Khalifa, Aix-Marseille Université
"Female Genital Cutting and Bride Price"

Filip Babalievsky, University of Minnesota
"Misallocation in the Market for Inventors"

Xincheng Qiu, University of Pennsylvania
"Vacant Jobs"

Brian Higgins, Stanford University
"Racial Segmentation in the US Housing Market"

Seminars in the IIES Seminar Series

Spring 2023

Christian Wolf, MIT
"Can Deficits Finance Themselves?" with George-Marios Angeletos and Chen Lian

David Argente, Penn State University
"Strategic Complementarities in a Dynamic Model of Technology Adoption: P2P Digital Payments" with Fernando Alvarez, Francesco Lippi, Esteban Mendez and Diana Van Patten

Thomas Drechsel, UMD
"Income Inequality and Job Creation" with Sebastian Doerr and Donggyu Lee

Dean Karlan, Northwestern University
"Psychosocial Constraints and Social Protection: Evidence from Studies New, Old, Borrowed, and Blue (but Some Happy Too)"

Nicola Limodio, Bocconi University
"Mobile Money, Interoperability and Financial Inclusion"

Anna Vitali, UCL
"Consumer Search and Firm Location: Theory and Evidence from the Garment Sector in Uganda"

Tommy Andersson, Lund University
"A General Non-Manipulable Matching Mechanism for Markets with One-sided Preferences"

Corina Boar, NYU
"Nonlinear Inflation Dynamics in Menu Cost Economies" with Andres Blanco, Callum Jones and Virgiliu Midrigan

Gordon Dahl, UCSD
"On the Formation of In-group Bias: The Role of Peer Group Diversity and Cultural Distance" with Dan Anderberg, Christina Felfe, Helmut Rainer and Thomas Siedler

Rebecca Dizon-Ross, Chicago Booth School of Business
"Mechanism Design for Personalized Policy: A Field Experiment Incentivizing Behavior Change" with Ariel Zucker

Ludwig Straub, Harvard University
"Disaggregated Economic Accounts" with Asger Andersen, Emil Toft Hansen, Kilian Huber and Niels Johannesen

Edwin Leuven, University of Oslo
"College Admission as a Screening and Sorting Device" with Mikkel Gandil

Doug Gollin, University of Oxford
"The Long-Run Development Impacts of Agricultural Productivity Gains: Evidence from Irrigation Canals in India" with Sam Asher, Ali Campion and Paul Novosad

Alison Andrew, University of Oxford
"Gender Norms, Violence and Adolescent Girls' Trajectories: Evidence from a Field Experiment in India"

Luca Fornaro, CREI
"Monetary Policy during Unbalanced Global Recoveries" with Federica Romei

Adrien Bilal, Harvard University
"Anticipating Climate Change across the United States" with Esteban Rossi-Hansberg

Mauricio Romero, Instituto Tecnológico Autónomo de México (ITAM)
"The Incidence of Affirmative Action: Evidence from Quotas in Private Schools in India"

Mitchell Hoffman, University of Toronto Rotman School of Management
"Is This Really Kneaded? Identifying and Eliminating Potentially Harmful Monitoring Practices" with Guido Friebel, Matthias Heinz, Tobias Kretschmer and Nick Zubanov

Fall 2023

Oleg Itskhoki, University of California, Los Angeles (UCLA)
"Optimal Exchange Rate Policy"

Kjetil Storesletten, University of Minnesota
"Serial Entrepreneurship in China"

Kilian Huber, Chicago Booth School of Business
"Corporate Discount Rate" with Niels Joachim Gormsen

Alessandra Fenizia, George Washington University
"Data-Driven Management Intervention in Vocational Schools in Greece" with Renata Lemos and Ioanna Pantelaiou

Joana Naritomi, London School of Economics and Political Science (LSE)
"Cash Transfers and the Local Economy: Evidence from Brazil"

Francois Gerard, Queen Mary's University of London
"Job Displacement Insurance in a Lower-income Country: Evidence from a Field Experiment in Ethiopia"

Arizo Karimi, Uppsala University
"Understanding Intimate Partner Violence Victimization & Perpetration: Risk Factors, Consequences, and Policy Implications" with Hanna Mühlrad, Susan Niknami, Petra Ornstein and Anna Sandberg Trolle-Lindgren

José Vásquez, London School of Economics and Political Science (LSE)
"The Gains from Foreign Multinationals in an Economy with Distortions"

Giacomo de Giorgi, University of Geneva
"Farmers to Entrepreneurs"

Joseph Zeira, Hebrew University of Jerusalem
"Automation and Unemployment: Help is on the Way"

Sevi Rodrigez Mora, University of Edinburgh and CEPR
"National Accounts in a World of Naturally Occurring Data: A Proof of Concept for Consumption"

Virginia Minni, Institute for Fiscal Studies (IFS)
"Meaning at Work" with Nava Ashraf, Oriana Bandiera and Luigi Zingales

Gerard Padró i Miquel, Yale University
"Competitive Capture of Public Opinion" with Ricardo Alonso

Erika Deserranno, Bocconi University
"Gender Differences in Worker Response to the Minimum Wage"

Christopher A. Neilson, Yale University
"Student Choices and the Return to College Major and Selectivity"

Jane Olmstead-Rumsey, London School of Economics and Political Science (LSE)
"Country Banks and the Panic of 1825"

Natalie Bau, UCLA
"Family Planning, Now and Later: Infertility Fear and Contraception Take-up"

David Baqaee, UCLA
"Forward-Looking Growth and Cost-of-Living"

Federico Kochen, CEMFI
"Financial Frictions and the Market for Firms"

Bertil Tungodden, NHH Norwegian School of Economics
"Beliefs about Behavioral Responses to Taxation"

Antoine Bertheau, NHH Norwegian School of Economics
"Why Firms Lay off Workers Instead of Cutting Wages: Evidence from Linked Survey-Administrative Data"

Adam Kapor, Princeton University
"Search and Biased Beliefs in Education Markets"

Eric Weese, University of Tokyo
"Inefficiency and Self-Determination: Simulation-based Evidence from Meiji, Japan"

Greg Casey, Williams College
"The Macroeconomics of Clean Energy Subsidies"

Anubhav Jha, Princeton University
"Rally The Vote: Electoral Competition with Direct Campaign Communication"

Florian Trouvain, Princeton University
"Technology Adoption, Innovation, and Inequality in a Global World"

IIES/SNS International Policy Talks

The IIES/SNS International Policy Talks is a collaboration with SNS (Centre for Business and Policy Studies) where the mission is to bring insights from leading international economists to the Swedish policy debate. These talks are hosted by the SNS.

Spring 2023

A Global Perspective on Inflation and the Covid-19 Recovery
Luca Fornaro, CREI
Participants: Martin Flodén, Deputy Governor of Sveriges Riksbank, and Christina Nyman, Chief Economist at Handelsbanken
Chaired by IIES Professor John Hassler

Fall 2023

The Economic Costs of Conflicts - Research Insights from Israel and Ukraine
Joseph Zeira, Hebrew University of Jerusalem
Participants: Johan Berggren, state secretary to the Swedish minister for civil defense, and Yuliya Markuts, Head of the Center of Public Finance and Governance at the Kyiv School of Economics and Associate Professor of Finance at the State University of Trade and Economics
Chaired by IIES Professor John Hassler

Jakob Svensson and Konrad Burchardi both received ERC Grants during the year.

Selected Research

The IIES annually produces research of the utmost quality with areas of research covering a wide spectrum. This year's selection of research projects gives further proof of the diverse and vibrant research environment at the IIES.

The Political Economics of Green Transitions

Researchers: Torsten Persson and Timothy Besley.

Reducing greenhouse gas emissions will require a green transition – a significant transformation of both consumption and production patterns. To study these types of transitions, Professors Torsten Persson (IIES) and Timothy Besley (LSE) present a model that differs from the usual approach in economics. One of their main results shows how market failures, as well as policy failures, can prevent welfare-enhancing green transitions, or make ongoing green transitions too slow. The paper "The

Political Economics of Green Transitions" was published by the *Quarterly Journal of Economics* in August 2023.
To reduce the risk of an environmental disaster, most observers believe that a radical structural transformation of production and consumption is required. In such a green transition, companies gradually switch to producing goods through green technology, while households switch to consuming these green alternatives. There is a variety of opinions on how best to achieve this change, but many economists think about the solution in terms of a social planner choosing a set of carbon taxes for the entire future, and commit future policies to this sequence.

Besley and Persson's modeling differs from this traditional approach in two ways. First, consumption patterns reflect not only changing prices and taxes, but also changing values. Some consumers care more about the environmental effects of their choices than others – they have green values. If there are more such green consumers around, the higher demand for green products raises the profitability for companies to use a green technology. This, in turn, makes it more attractive to hold green values, such that green consumption and green production feed back onto each other in a virtuous or a viscous spiral. This can result in a market-driven green transition. But it can also create a "trap" where welfare would be higher on an alternative path. To avoid such failures, economists have advocated corrective taxes and subsidies on brown (polluting) and green (non-polluting) goods.

Market and policy failures can hinder wellfare-enhancing green transitions or slow down existing ones.

This is the second point where Besley and Persson depart from the beaten track. In their analysis politicians – rather than hypothetical social planners – make policy decisions. Since politicians are subject to regular elections where incumbents may lose power, they cannot make credible promises about future taxes or subsidies. When setting these policies, parties take into account the preferences of green and brown consumers/voters. As a result, a society may fail to undergo a green transition even when this is socially desirable. Moreover, in an economy that has already embarked on a green transition, the policies set by politicians may make the transition too slow.

By examining these failures in both markets and policymaking, the authors offer a new perspective on how democratic politics can help (or subvert) solutions to dynamic social problems. Specifically, they offer a new perspective on the role that policy can realistically play in a green transition: rather than being a main driving force, policy may at best facilitate an ongoing dynamic process of household and company decisions.

The Effects of Import Competition on Unionization

Researchers: Mitch Downey and John S. Ahlquist.

For years, many have speculated that the rise of globalization and import competition with low-wage countries accelerated the decline of US labor unions.

In newly published work, Mitch Downey (IIES) and John Ahlquist (UCSD) study this question empirically and come to some surprising conclusions.

First, within manufacturing, it does seem that competition with Chinese producers pushed down unionization rates, but not by very much. They show evidence that unionized producers competed in higher quality market segments than non-union firms, and so their competition with Chinese producers was much less direct.

Second, outside of manufacturing, they find that the decline in traditionally-male manufacturing employment led the spouses of these workers to seek higher employment. This accelerated women's departure from low-wage retail jobs and led many of them to pursue work in education and health care. Since these sectors tend to have relatively high unionization, shifting the workforce towards them actually raised overall unionization, relative to what it would have been without the post-1990 growth of Chinese imports.

These results have implications for understanding the broader social and non-economic consequences of the decline in manufacturing, the sources of improvements in women's labor market outcomes over the last 30 years, and how policymakers might respond to declining US unionization.

It's (also) What You Produce: Experimental Evidence on Creating Markets for Quality in Low-income Countries

Researcher: Jakob Svensson.

The project has been awarded an ERC advanced grant of € 2 million and aims at investigating why income and productivity in African agriculture remain low by zeroing in on the lack of markets for quality where farmers can sell their crops at a higher price.

Poverty is intimately linked to low incomes and for the vast majority of the world's poor, agriculture remains the main source of income. In Africa, south of the Sahara, for example, almost half of the rural population lives in extreme poverty. An accepted explanation for widespread poverty is that agricultural productivity is low.

This project is inspired by results from previous studies carried out by Jakob Svensson and colleagues showing that small farmers not only produce little per unit of land (i.e. low productivity) but also low quality and low value added agricultural products.

“Our results suggest that the main reason why small farmers produce low quality is that they lack access to markets where products of high quality or higher value added can be sold at a higher price, compared to products of lower quality, and this in turn is linked to a fundamental information problem - quality is often a difficult to observe characteristic”, says Jakob.

In this project, they will use experimental methods (field experiments) to study how markets for quality/higher added value can be brought to life through technical, contractual and institutional solutions.

Can agriculture play a central role in creating a way out of poverty and if so, how?

“I believe that the project will help open up and establish a demand-focused research literature on agricultural development in low-income countries and help us answer the question of whether agriculture, especially in Africa, can play a central role in creating a way out of poverty and if so how”, says Jakob.

Agricultural Productivity and Technology Adoption in Sub-Saharan Africa

Researcher: Konrad Burchardi.

Associate Professor Konrad Burchardi received an ERC Consolidator Grant of € 1,5 million for the project “Agricultural Productivity and Technology Adoption in Sub-Saharan Africa”.

Agricultural productivity in Sub-Saharan Africa is exceptionally low, exposing millions of households who live from agriculture to low incomes and periods of hunger. Konrad Burchardi's three-part project will develop and apply novel empirical methods to quantify the extent of misallocation of inputs in Sub-Saharan agriculture; it will trial and evaluate new approaches to encourage the efficient adoption of modern agricultural inputs; and it will develop new techniques to measure agricultural output in such settings at low costs, which holds the potential to catalyze future research on agricultural productivity in Sub-Saharan Africa.

"Agricultural productivity in Sub-Saharan Africa has been largely stagnant over the past half century, exposing large fractions of the population to low incomes and periods of hunger. Modern inputs such as chemical fertilizers and hybrid seeds have enabled large increases of agricultural productivity elsewhere, but have hardly been adopted in Sub-Saharan Africa. This project studies novel approaches to study and encourage the efficient adoption of modern inputs, that is the adoption by those farmers and only those farmers who stand to gain from those inputs, and it will develop new methods for research on agricultural productivity in developing countries", says Konrad.

Consolidator Grants are the European Research Council's (ERC) prestigious grants for researchers with 7-12 years of experience since the completion of their PhD. Consolidator Grants may be awarded up to € 2 million for a period of 5 years.

Graduate Student Research

In the years leading up to their thesis defense, graduate students at the IIES conduct research in several fields within economics. During 2023, these were their research projects.

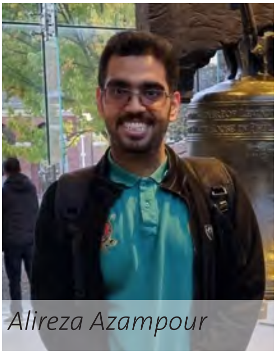
Märta Almgren has primarily been working on two papers. In (1) “State-dependent Exchange Rate Pass-through in Sweden” (with Dmytro Stoyko) Märta and her co-author investigate the state-dependency of exchange rate pass-through (ERPT) to inflation in Sweden, examining whether ERPT varies across different states of the economy. Utilizing a Local Projections approach, they find an average ERPT that aligns with estimates in the previous literature and the rule-of-thumb used by the Swedish central bank (Riksbanken). However, allowing the ERPT to vary with the state of the economy unmasks important non-linearities. They find that the ERPT is significantly higher during periods of elevated geopolitical stress and during periods when inflation exceeds the 2 percent inflation target. They also find indications that the ERPT is larger during periods of currency depreciations and during periods of high foreign inflation. The paper (2) “Optimal Design of Mortgage Forbearance Policies” (with Nils Mammos and Mattias Hänsel) investigates the optimal design of ex post mortgage policies to alleviate financial distress among homeowners during economic downturns. It contrasts the reactive nature of such policies with the proactive ex ante strategies favored in existing literature, advocating for a blend to enhance mortgage market resilience. Through a heterogeneous agent model examining the forbearance policy’s effects on mortgage defaults, the study ex-


Märta Almgren

tends its insights beyond the U.S., addressing the global applicability of tailored ex post interventions. The analysis underscores the significance of strategic policy implementation and unwinding to mitigate individual and aggregate economic impacts.

Huen Tat Au-Yeung has focused on three papers: (1) "Correlation Neglect with Endogenous Information Acquisition": When people read new information, they usually overlook the fact that the information is potentially interrelated. Huen Tat argues that such abstraction does not only affect how people form beliefs, but also the information they choose to gather in the first place. In (2) "Mahatma Gandhi in Town" he studies how a charismatic leader can further society by inspiring future leaders, with a specific focus on Mahatma Gandhi, widely perceived as an iconic figure in India's quest for independence. Through the digitalization of his daily chronology, Huen Tat aims to estimate the local effects of his visits on the emergence of future leaders. In the paper (3) "Why Do People Contribute to Open Source? Evidence from GitHub Users in India" (with Jinci Liu) Huen Tat and his co-author investigate why people contribute to open-source coding and revisit the classical public good provision problem. By providing information intervention on active GitHub users, they compare the impact of raising the salience of intrinsic motives and potential labor market returns on the contribution level. The finding guides the design of an optimal policy to sustain the development of open-source software.

Over the past year, Alireza Azampour's primary research focus has been on developing a dynamic model with financial frictions for firms in the paper (1)"Firm-Level Debt and Employment" (with Alireza Sepahsalar). The objective is to analyze the tradeoff faced by firms when financing their debt through long-term or short-term borrowing. Short-term debt introduces the risk of exit, while long-term debt imposes a long-term burden on the firm. This decision-making process forms the basis for determining the optimal portfolio for the firm. In collaboration with his co-authors, Alireza has been responsible for developing the analytical equations and providing quantitative solutions for the model. He is eager to further expand his knowledge of analytical and quantitative methods used in macroeconomics to introduce more nuances into this model. In (2) "Power Sector Transition Dynamics: A Generator Level Model of Green Technology Investments" (with Maija Kaartinen) they examine the decision-making process of electricity generating plants regarding technology adoption. The aim is to analyze the impact of reducing adoption costs (installation costs of new plants) and introducing an efficiency gap between two technologies on the dynamics of generation distribution and total electricity capacity. The motivation for this research stems from the observed effects of gas price reduction and increased gas turbine efficiency due to the fracking boom, as well as the significant rise in solar plant installations (and their use of power storage through batteries). By calibrating the model using a rich dataset, they intend to evaluate the effects of different policies on the share of each technology in the overall capacity. Furthermore, Alireza is exploring the notion and setting of a political economy model in which agents show incompetence. In this setting incompetence would show itself as a faulty implementation of the intended strategy. Through this he aims to explore the gains of political advice by reducing the level of competence. Moreover, the model is intended to have strong hysteresis features and will be solved numerically.


Alireza Azampour

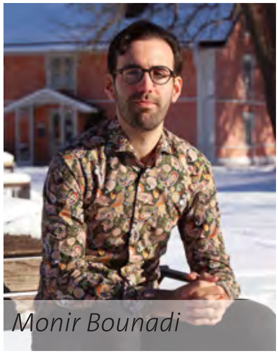
Agneta Berge has focused on the papers: (1) "In-house Hiring versus Staffing Agencies" (with Ann-Sofie Kolm and Per Krusell) investigates how different labor market arrangements for how firms and workers find each other and bargain over the wage affect the resulting wages and employment, and what type of arrangement firms prefer. In a single-authored paper, preliminarily titled (2) “Centralized Collective Wage Bargaining in a Frictional Labor Market,” Agneta models collective wage bargaining in a frictional labor market with the purpose of comparing the outcomes of different wage setting regimes. In the paper (3) “Firm Production, Markups and Misallocation” (with Timo Boppart) Agneta investigates firms’ choices of inputs to production and the resulting outputs in terms of quantities and prices. Finally, in (4)“Identity Capital and Wealth Accumulation” (with Per Krusell and Fredrik Paues) Agneta explores theoretically how *identity management* may impact the accumulation of wealth among rich entrepreneurs.

Tiago Bernardino has primarily been working on three research projects. In (1) “The Costs of Building Walls: Immigration and the Fiscal Burden of Aging in Europe” (with Francesco Franco and Luís Teles Morais) they ask how much immigration can help relieve the burden of aging on public finances and find that the intensity of net migration flows and the fiscal burden of aging is negative, nonlinear, and convex. In (2) “The Heterogeneous Effects of Supply Shocks in Necessity Goods” (with Pedro Brinca, Saman Darougheh and Márcia Silva-Pereira) they investigate how macroeconomic outcomes are affected after a relative price shock on the necessity goods sector, and what the role is of government intervention. In (3) “Aggregate Shocks, Household Wealth Portfolios and Inequality” (with Pedro Brinca, Melissa Ferreira, Hans Holter, Mariana Pires and Luís Teles Morais) they look at how two aggregate shocks (monetary policy surprises and oil price shocks) shape households’ portfolios and through that wealth inequality.

Currently, Iacopo Bianchi is working on a set of different projects. The first (1) “Clustering at the Business Level: Micro-Firm Markets, Competitive Forces, and Innovation” (with Dominik Biesalski) investigates how market structure and imitation threats influence small entrepreneurs’ decision to innovate. In a second project titled (2) “Different Return for the Same Agricultural Hired Labor: Evidence from Uganda” (with Cristina Clerici and Stefano Tripodi) they look at labor market frictions in rural agricultural markets. In a third project: (3) “Imported Homophobia? The Role of British Colonization in Shaping Attitudes toward Homosexuals in Sub-Saharan Africa” (with Dominik Biesalski and Cristina Clerici) they investigate whether British colonial rule fostered homophobic sentiments in Sub-Saharan Africa. In a project titled (4) “What Drives Sex Segregation in the Labor Market? Evidence from Ugandan Students” (with Dominik Biesalski and Cristina Clerici) they investigate how information, expectations, and preferences of young adults in Uganda impact labor market outcomes.

Dominik Biesalski has focused on his thesis, consisting of three projects. In the first project titled (1) “Poverty and the Cost of Labor Supply: Evidence from the Informal Waste Industry of Uganda”, Dominik studies how improvements to working conditions affect the productivity, health and time use of individuals living in poverty. The project is based on a randomized controlled trial (RCT) in the waste industry of Uganda. In the second project; (2) “Information, Expectations and Preferences: Occupational Choices of Young Adults in Uganda” (with Cristina Clerici and Iacopo Bianchi) they study young adults’ occupational choices in Uganda through a survey of 1,000 young men and women that allows them to highlight the role of information, expectations and preferences for occupational choices. Lastly, in (3) “Imported Homophobia: the Role of Colonial Rule in Shaping Attitudes towards Homosexuals in Africa” (with Cristina Clerici and Iacopo Bianchi) they analyze how colonial rule affected homophobic attitudes in Sub-Saharan Africa.

During the year, Monir Bounadi has worked on two papers. In (1) “Estimating the Impact of the Imperial Hajj” Monir studies the political effects on the home locations of pilgrims performing the Hajj (the annual Islamic pilgrimage to Mecca) during the colonial age. The goal is to assess the influence of Islamic centers in the Middle East (e.g., Mecca and Cairo) on culture and politics in colonial Indonesia (Dutch East Indies). He focuses on Muslim pilgrims from colonial Indonesia, currently the most populous Muslim-majority country in the world. Based on original archival research, Monir is refining several historical databases related to culture and politics in colonial Indonesia (number of hajjis; protests and rebellions c. 1850–1920; state of Islam during the 1942–1945 Japanese occupation; the social origins of the 1955 constitutional assembly; etc.). The completion of this step will mark the project's transition to the analysis phase. In the project (2) "The Struggle for Female Suffrage in Sweden" (with Mattias Folkestad) they study the historical struggle for women's suffrage in Sweden, aiming to explain the movement's origins and its enduring effects on social norms and politics. The project is currently at the analysis stage, leveraging newly created databases on historical Sweden 1840–1920 constructed through original archival research. Their analysis suggests that women's growing involvement in politics is linked to their expanded presence in the public sector, sparked by Sweden's 1842 school act. The act prompted the creation of female teacher training colleges in the 1860s, which significantly feminized the teaching profession and altered the geographic distribution of prominent women. Their ongoing research explores the impact of these changes on women's labor force participation and marriage rates, aligning with the work of the 2023 Nobel laureate in economics, Claudia Goldin.


Monir Bounadi

Chek Yin Choi has been working on two parts of his thesis. The first project; (1) "Intermediate Input Trade and Firm Dynamics" is about intermediate input trade. As companies are highly integrated in the global value chain, importing decisions have important implications on general economic issues such as inflation, unemployment, growth etc. The project aims at estimating such effects with a quantitative model. The second paper; (2) "Inflation Persistence and a New Phillips Curve" (Juan Llavador, Kurt Mitman and Marcus Hagedorn) is about inflation dynamics in a model where price changes are costly in the form of menu cost.

Sofia de Caprariis is currently working on two papers. The first is titled (1) "Political Incentives behind the Sovereign-Bank Doom Loop". The Sovereign-Bank Doom Loop is a vicious cycle in which, when banks are over-exposed to domestic government debt and they become insolvent, government bail-outs which dilute existing debt weaken the credibility of domestic government debt, which in turn decreases the value of the debt the banks are holding, which in turn leads them to become insolvent again. The aim of this paper is to analyze, by building a game-theoretical model, which agents profit from the state of the economy in the lead-up to the doom loop, and which agents, if any, are harmed by it and what their incentives are, with a particular focus on analyzing the incentives of the domestic government: much of the literature characterizes it as a helpless victim of the actions of the banks, but the fact that no regulation has been introduced to keep banks from over-investing points to there being incentives on the side of domestic government to allow it. The second paper, which is at very early-stages, focuses, through building a game-theoretical model, on how political economics concerns shape the negotiations for international environmental agreements.


Sofia de Caprariis

Merve Demirel's research focuses on understanding how international educational migration impacts migrants, as well as their families and peers in low-resource settings, through two papers:

(1) “Moving to Opportunity Abroad: The Effects of International Educational Migration” (with Toman Barsbai, Marcello Perez-Alvarez and Matthias Sutter) and (2) “Educational Migration Prospects and Human Capital Investments: Evidence from a Uganda-Germany College Access Program” (with Toman Barsbai, Marcello Perez-Alvarez and Matthias Sutter). International migration might substantially increase the income and consumption levels of students, while at the same time providing migrants with a more global outlook and a new perspective through exposure to a different economic and political system and culture, potentially affecting their attitudes, preferences, and aspirations. It could also result in spillover effects on migrants’ families and friends who stay behind, through increased remittances and information transfers, leading to a brain drain or gain. Migrants might experience negative effects due to adjusting into new environments, feeling homesick, socio-cultural isolation, or the potential of experiencing racial discrimination abroad. Therefore, the goal of her research is to paint a comprehensive and nuanced picture of the effects of international educational migration on migrant students and their home communities.

Martina Dosser has continued working on her project (1) “Downward Wage Rigidity and the Intensive and Extensive Margin of Labor Adjustments”, while also exploring various topics concerning wealth inequality. In her main project, she is investigating the role of lay-offs and reductions in working hours when firms cannot simply reduce their labor costs by cutting wages. Empirical evidence shows that nominal wage cuts are relatively less frequent than wage increases, supporting the notion that nominal wages are not easily adjusted downwards. In periods of economic downturn, firms might therefore have to reduce the number of employees or their employees’ working time, in order to cut labor costs. Apart from evaluating the effect of downward wage rigidity on these two adjustment margins and their interaction, Martina also analyzes how changes in wages and working hours contribute to changes in labor earnings and how their relative importance varies over the business cycle.

Mohammadreza Farajpour has primarily worked on three papers. (1) “Climate Risk Index”. Climate change is increasingly recognized as a factor shaping the risk landscape for companies, prompting the need for robust assessment tools. This study constructs a Climate Risk Index (CRI) at the firm level using advanced text analysis techniques on publicly available data, primarily 10-K reports. The research reveals that policies and regulations are the primary drivers of the CRI, and the direct impact of climate change comes in second. Additionally, the spillover effect from inter-firm dynamics amplifies the climate risk across industries. The energy sector is the most vulnerable, followed by agriculture, transportation, and construction. The CRI exhibits a notable upward trend over the past decade, emphasizing its forward-looking nature. In (2) “Decline of Energy Intensity” (with Stefan Hinkelmann) they observe that the energy intensity of use has been steadily decreasing over the last 50 years. They aim to shed light on what factors contribute to the energy intensity decline. The main question they try to answer is what is the role of energy composition in the decline of energy intensity. They also investigate if other factors can explain the decline. Understanding this can help us see whether this decline will continue in the future and/or whether there are policies that can decrease the use of energy without affecting the output. In his third paper (3) “Climate Policies and Input Substitution over Time” (with Stefan Hinkelmann) they investigate quantitatively how the impact of climate policies such as a carbon tax differs over the short and the long run in the macroeconomy. They document limited possibilities to switch from fossil fuels to green alternatives over short time horizons. Over more extended periods, however, this substitutability increases significantly. The same pattern holds for aggregate energy in the production process so that the energy intensity of production can only decrease in the long run without limiting output. They then build a quantitative macroeconomic growth model that accounts for these patterns through a technology-choice channel. They find that, in order to achieve similar emission targets, carbon taxes should be increased by about 10% permanently compared to models that focus on the long run only. The economic costs of doing so are surprisingly small, especially in the short run. Additionally, they find that, quantitatively, inter-fuel substitution possibilities are much less important than the economy's overall energy intensity.

In Mattias Folkestad's research he tries to answer empirical research questions related to the political and educational sectors. He specializes in using both modern registry data and digitizing archival resources. In (1) "The Struggle for Female Suffrage – Evidence from Sweden" (with Monir Bounadi) Mattias studies the expansion of national voting rights to Swedish women in 1921. This historic event was predated by a 20-year period of petitioning and collective actions of organized women. In (2) "Does Money Matter? Impact of a Redistributive School Funding Formula on School Spending and Student Outcomes" (with Lisa Laun and Lena Hensvik) they estimate the causal effect of implementing a redistributive funding formula that redistributed resources to socioeconomically disadvantaged schools. By building a dataset of school level revenue and spending while leveraging the information about the exact funding formula, they isolate the exogenous shock to the school budget. (3) "The Political Economy of Wind Turbines Constructions": Every society needs to decide where to locate infrastructure that provides benefits to society as a whole but creates concentrated local costs. Mattias examines how a decentralization of the decision-making authority affects the allocation of critical but locally contentious facilities.

Ida-Kristine Haavi has focused on two different papers; (1) "Dollarization Corporate Debt and Optimal Exchange Rate Regimes" (with Yijia Chen) investigates the effects of a sudden stop in available foreign capital on firm investment. They study a context where firms choose to hold some debt denominated in foreign currency. They run an exercise to understand whether it can be optimal to have a fixed exchange rate regime, given this risk and the effects on the economy. In the second paper (2) "Foreign Exchange Rate Passthrough" (with Märta Almgren) they try to understand the effect of a change in the exchange rate on the overall rate of inflation. This effect may depend on both the state of the economy, and the nature of the shock leading to the change in the exchange rate. They take the Swedish economy as an example of a small open economy, to inform a model to better understand these effects.

In the past year, Stefan Hinkelmann has mainly worked on questions regarding the energy transition in the United States. More precisely, he is working on two papers: (1) "Electrification of U.S. Aggregate Production: Evidence and Model": In this paper, Stefan studies the electrification of US production over the past 50 years. Documenting trends and facts regarding the use of fossil fuels and electricity in the U.S., he provides evidence that these two energy types are strong complements in the short- but more substitutable in the long run. He then builds a model that can quantitatively reproduce these facts through a directed technological change mechanism. In (2) "(Be-)Coming Clean: A Model of the U.S. Energy Transition" Stefan develops a quantitative framework of the energy transition and shows how the decarbonization of the economy hinges on three main mechanisms: (i) developments in energy efficiency determining energy use in a growing economy; (ii) electrification of the production process driven by directed technical change; (iii) capacity building for "green" electricity production. Evaluat-


Stefan Hinkelmann

ing a "net zero by 2050"-scenario vis-à-vis business as usual, Stefan finds that the energy transition happens without policy intervention but has to be sped up by the use of a large carbon tax if the policy target is to be fulfilled.

Philipp Hochmuth has spent most of his time working on his job market paper (1) "Declining Hours Worked among Entrepreneurs". In this paper he documents a striking new fact about the working hours of entrepreneurs. In particular, he shows that the average weekly hours of entrepreneurs in the U.S. went from 45 hours in the late 1980s to around 40 hours today, which cannot be explained by compositional changes. In contrast, the hours of workers remained relatively stable over this period. At the same time, the share of entrepreneurs in the labor force also decreased from 11% to 9%. All of this happened without any noticeable changes in the hourly income of entrepreneurs relative to workers. He then tries to see to what extent they are connected and finds that the returns to working particularly long hours have decreased for entrepreneurs. This can explain most of the drop in hours at the top of the hours distribution and half of the fall in the share of entrepreneurs. Eventually, he also shows that an increase in market power could be the driver of the changing returns to working particularly long hours.

Maija Kaartinen's research focuses on analyzing the impacts of climate policy through firm dynamics, innovation, and trade. The paper (1) "Power Sector Transition Dynamics: A Generator Level Model of Green Technology Investments" (with Alireza Azampour) focuses on technology adoption in the power sector. The project uses data on US power generators to analyze how power sector firms' investment costs and the quality and age of their capital impact decisions on technology adoption and retirement. Insights from the data are used to build a model of power sector firm decisions, which is used to capture the shifts from conventional fuels towards natural gas and renewables in the US that have taken place during the past 20 years. A further goal of the project is to use the model to compare the effects of different climate policies, such as the subsidies included in the US Inflation Reduction Act. Her second project (2) "Fuel Switching" (with Ossian Prane) focuses on the role of firm-level fuel consumption decisions as a driver for carbon emissions in the Swedish manufacturing sector. Swedish firm-level fuel consumption data shows that substitution between fuels has been an important channel behind the decline in fossil fuel emissions from manufacturing. The data is used to analyze the effects of carbon taxes and relative fuel prices on firms' fuel consumption choices, and to assess how fixed costs impact these decisions. A model that captures firms' fuel consumption choices both at the extensive and the intensive margin is then used to estimate how the fixed costs differ across industrial sectors, and how different climate policies impact carbon emissions and structural change.


Shuhei Kainuma

Shuhei Kainuma has worked on (1) "Transition to Broader-based Politics: The Role of Suffrage Extension in Early 20th Century Japan". This study examines the impact of voting suffrage extension within the upper socioeconomic class on the political representation of different occupational groups. Exploiting the de facto suffrage extension triggered by the wartime tax increase during the Russo-Japanese War in 1904-1905 (which qualified more citizens for voting by making them pay as much national tax as the eligibility criteria required) he demonstrates how this extension likely diversified the occupational composition of the House of Representatives, moving it away from the dominant agricultural landlord group. In (2) "Historical Evolution of Public Sector in Meiji Japan" Shuhei explores how the public sector evolved in tandem with modern industrialization and economic development. Using data on Japanese bureaucracy from the late 19th to the early 20th century, he focuses on organizational and personnel aspects of the development.

Shuwen Kang has mainly worked on the paper (1) “Beyond Redistribution: Education Policies in Alleviating Economic Inequality” (with Yanran Zhu). Economic inequality is a focal point in the public policy debate. Most governments focus on measures to redistribute the income directly. For example, they tax the rich more than the poor and give social security benefits to low-income households. However, these policies interfere with the market mechanism and can reduce total income. This paper examines the efficacy of education policies in reducing inequality. It tries to answer the following questions. Can education policies both alleviate inequality and promote economic growth? Among a variety of education policies, such as public schooling and childcare investment, student loans and educational subsidies, which ones are more effective? What is the best way to allocate government expenditure in education?

Evelina Linnros has been working on three different papers. In (1) “Infertility and the Timing of Marriage” Evelina documents that a parasitic disease - Schistosomiasis - is related to infertility in Madagascar. However, this is only true for a specific species of the parasite. She demonstrates that in communities that are endemic with this particular subspecies of Schistosomiasis, women get married younger but have smaller family sizes, which she attributes to the risk of experiencing infertility. In (2) “Birth Injuries and Maternal Labor Supply” (with Ulrika Ahrsjö) they study how maternal labor supply and earnings are affected by experiencing a severe birth tear during childbirth. They find that women who experience this type of injury have lower earnings in the five years following the birth of their first child. Finally, in (3) “Locust Impacts” Evelina documents the impact of desert locust infestations on nutritional outcomes for children. She also links interruptions to the systems put in place to monitor the development of this plant pest in breeding areas to locust upsurges in faraway locations connected to the breeding areas by locust migration routes.

Jinci Liu has focused on two projects. Her first project (1) "Team Organization and Productivity" is about task allocations within a team and the outcome. She studies labor specialization using detailed activity data of teams from GitHub. She first analyzes 12 million code files to create task groups and uses the task group concentration across members to measure team specialization. Her second project (2) "Who's Next in Line to be Replaced by Robots? Balancing Specialization and Generalization in Workers' Careers and Skill Development" studies the effect of specialization on workers' career paths. This project aims to quantify the impact of excessive specialization on workers and provide insights into optimal skill investment. Many studies have emphasized the importance of specialization in increasing productivity (Rosen 1983 and Becker and Murphy 1992). Therefore, individuals should concentrate on honing specific skills to gain task-specific human capital. However, when workers possess highly specific skills, their chances of being replaced by machines rise. This project aims to quantify the impact of excessive specialization on workers and provide insights into optimal skill investment.

Juan Llavador Peralt has mainly worked on (1) "The Phillips Curve" (with Chek Choi, Marcus Hagedorn and Kurt Mitman) in which they study the role of nominal demand in explaining the empirically observed inflation persistence. The second paper (2) "On the Heavy Tailed Nature of Economic Growth" deals with the skewed nature of economic growth, and aims at explaining the relationship between the firm size distribution and economic growth.

Isabella Maassen has been working on three projects. In (1) "Capital Replacement Decisions", she aims to understand how firms decide to replace old capital like machines and software with newer, more productive versions. If we know how firms make these decisions, we can identify policy measures that make the aggregate economy more productive. In another project, preliminarily titled (2) "Optimal International Patenting", she wants to find out which countries should enforce each others' patents. Patents make innovation more rewarding for firms, and they also force them to publish the technical details, making the knowledge available for other researchers. This can increase overall research productivity. On the other hand, it makes the innovating firm a monopolist within the economic areas that enforce the patent. This can have negative effects for consumers and depress growth, particularly in lower-income countries. When there is international trade, but also cross-border spillovers in research from published ideas, what is the most efficient system of international patent agreements, and under which conditions could such a deal be implemented? Finally, the paper (3) "Monopsony and Creative Destruction" (with Filip Mellgren and Jonas Overhage) adds monopsony power on the labor market, i.e. firms having wage setting power, to a model where firms invest in R&D in order to grow, and gain profits from being market leaders. The model allows them to study how the increase in monopsony power over the last decades affects innovation incentives in firms, crucial for economic growth. Additionally, it explores the impact on the efficient allocation of resources across firms, providing insights into market dynamics and economic policy.


Isabella Maassen

During the year, Patrizia Massner has worked on projects related to the financing of elderly care in Sweden, perceptions of skills and occupational sorting, labor market concentration, as well as the career-family trade-off. For example, in one of her projects (1) "Does it Matter Who Cares? Formal vs. Informal Care of the

Elderly" (with Jens Wikström), they investigate the implications of subsidizing elderly care in Sweden. Using a policy reform that aimed at providing care independently of income, they find that that decreasing the fee for formal elderly care is associated with both reduced healthcare utilization among the elderly and increased labor supply of their children. Estimating the welfare implications of the reform, they show that subsidizing elderly care is costly for the government in the short run but becomes self-financing within a decade after the implementation.

Filip Mellgren has focused on three projects. The paper (1) "Monopsony and Creative Destruction"(with Isabella Maassen and Jonas Overhage) adds monopsony power on the labor market, i.e. firms having wage setting power, to a model where firms invest in R&D in order to grow and gain profits from being market leaders. The model allows them to study how the increase in monopsony power over the last decades affects innovation incentives in firms, crucial for economic growth. Additionally, it explores the impact on the efficient allocation of resources across firms, providing insights into market dynamics and economic policy. The second paper (2) "Skill Demand across Firms and Aggregate Implications" (with Anders Åkerman and Horng Wong) seeks to anwer the following questions: How does market power shape the labor market? How does the labor market shape market power? In this project, Swedish administrative data is used to estimate firm level productivity in order to empirically document the relation between firm level market power and labor market outcomes. Estimated values are then used in an economic model to generate an understanding of important mechanisms. This is a large project that is in an upstart phase. Finally (3) "Scale Returns across the Firm Size Distribution" (with Juan


Filip Mellgren

Llavador Peralt) looks at how production technology varies across firms depending on firm size and what does differences in production technology mean for how the economy reacts to policy decisions? In this project, estimated firm level production parameters are used to document substantial differences between business models of firms. The quantitative findings will then be used in an economic model to study consequences for policy making.

Chloe Nibourel has has worked on two papers. In her Job Market Paper titled (1) “How Do Voters and Parties Respond to the Radical Right?”, she wonders how radical-right candidates affect voters’ choice of whether to cast a ballot and whom to vote for, jointly with the effect on mainstream parties’ decision to form electoral alliances. She investigates this question in the French context with a growing radical right party. Her second paper (2) “Ad Hoc vs. Rule-Based Allocations of Embezzlement Investigations” (with Mitch Downey) focuses on the effect of using algorithms to improve efficiency in the public sector. While many institutions blindly increase their use of algorithms in decision making processes, they call for a more systematic evaluation of such changes.

Jonas Overhage has mainly been working on three projects. The project (1) “Household Decisions and Firm Ownership” seeks to uncover links between household savings- and entrepreneurship decisions, and how they affect firm dynamics and macroeconomic aggregates. In addition, the project (2) “Bank Networks and Shock Transmissions” focuses on interbank links. The aim of this project is to investigate the role banking networks play in both mitigating and transmitting shocks, ultimately better explaining bank runs and the transmission of monetary policy. Lastly, the project (3) “Monopsony and Creative Destruction” (with Filip Mellgren and Isabella Maassen) adds monopsony power on the labor market, i.e. firms having wage setting power, to a model where firms invest in R&D in order to grow and gain profits from being market leaders. The model allows them to study how the increase in monopsony power over the last decades affects innovation incentives in firms, crucial for economic growth. Additionally, it explores the impact on the efficient allocation of resources across firms, providing insights into market dynamics and economic policy.

Fredrik Paues has continued work on his thesis. In the chapter (2) “The Role of Cognitive and Concognitive Skills in Investment Behavior” (with Roine Vestman and Erik Lindqvist) Fredrik and his co-authors analyze layman investment behavior in the Swedish pension system reform of 2000. They find that individuals with high noncognitive skills were particularly likely to opt out of the system’s default fund. Consequently, a one-standard deviation increase in noncognitive skills is associated with a return loss of 11 basis points per year. In the chapter (2) “Identity Capital and Wealth Accumulation” (with Per Krusell and Agneta Berge) they develop a model of identity capital. In the model, agents invest in a risky asset, firm capital, and derive disutility when firm capital decreases. They analyze how implications of the introduction of this disutility alters policy and wealth distribution relative to a standard entrepreneur model.

Thore Petersen’s main project (working-)titled (1) “Resource Dependence from Financial Frictions” aims to answer the question whether individual firm’s choice of suppliers can lead to too much risk for the whole economy. Firms must trade off efficiency or cost, and reliability when choosing suppliers. Many firms may single-source from one country, or materials from a single mine. Other firms may choose reliability instead, paying a higher price for less risk in their supply chain. If these two types of firms compete, the firms that choose efficiency over reliability operate more profitably, if their cheap suppliers deliver. They may come to dominate the market. If their supply chain then eventually fails, the reliable firms may be too small, and unable to expand sufficiently; the economy can fall into a recession. Industrial policy can alleviate this problem, by ensuring that the reliable firms have the size necessary to balance efficiency and reliability on aggregate.


Jonatan Riberth

Jonatan Riberth has working on three projects. In one project: (1)"Family Wealth and Gender Gap in Life-time Labor Earnings" (with Mahmood Arai, Michael Lundholm, and Emma von Essen) they explore gender differences in intergenerational mobility and quantify the implications for the gender income gap. We draw on literature in sociology, arguing that gender roles are more pronounced among the wealthy. In another project: (2) "Dynastic Human Capital and Ethnic Capital and Intergenerational Mobility of Immigrants" (with Adrian Adermon, Mikael Lindahl and Mårten Palme) they look at mobility among immigrants to Sweden. They hypothesize that immigrants are subject to peer effects from immigrants of the same background. They quantify these peer effects by augmenting standard models of intergenerational mobility with proxies for what is commonly referred to as 'ethnic capital'. A third project: "Medical Scandals and Vaccine Hesitancy" (with Svenja Miltner) looks at the relationship between vaccine hesitancy and previous health scandals. They do this by considering individuals who developed narcolepsy, as a side effect of the swine flu vaccination. They use new individual level data on Covid and swine flu vaccinations to measure vaccine hesitancy during the Covid pandemic among the affected individuals. They find that affected individuals have a lower Covid vaccine take up, take fewer doses and delay their vaccination compared to similar individuals.

Sreyashi Sen has been working on the paper "Labor Regulations and Industrial Performance: Evidence from India", where she studies the impact of state level regulations governing various aspects of industrial relations on plant performance in the formal manufacturing sector in India over the period 2003 – 2016. Exploiting variation in the timing of state level reforms, Sreyashi uses a stacked event study design that compares treated plants to similar control plants in untreated states to estimate the average effect of state level reforms classified as pro-worker or pro-employer. She finds that labor reforms that are pro-employer significantly raise plant output, the wage bill and the average earnings of workers, while pro-worker reforms have no meaningful effects on plant performance. Sreyashi finds, however, that there are large differences in the effects of the different reforms with place based labor reforms targeting specific industrial locales having higher effects on average compared to other types of labor reforms. She then tries to understand if institutional differences across different states can account for the heterogeneity in the observed treatment effects.

Fabian Sinn has worked on his thesis with the title (1) *Does Who We Work with Matter? The Effect of Coworkers on Income*. In the thesis Fabian studies the role of coworkers by estimating an individual-level measure of coworker quality for the universe of workers in Sweden. High-quality coworkers increase the earnings of the individuals they work with. He develops a novel method combining penalized estimates with group fixed effects in an AKM framework to identify individual and coworker quality by observing workers' movement across plants. Coworker quality explains around 10% of the variations in individuals' earnings or around 2/3 of the variation otherwise explained by firms. This finding has positive and normative implications. In an application, he estimates the social returns to education by coupling my measure of coworker quality with an instrumental variable strategy, which exploits the exogenous variation in the distance to the opening of new colleges. He finds that receiving a college degree boosts the earnings of coworkers by approximately 8%, implying that the social returns to a college degree are 20% higher than implied only by individual returns. This finding implies a substantial externality of college education and suggests that individuals underinvest in their human capital

Yanran Zhu has worked on (1)”Beyond Redistribution: Education Policies in Alleviating Economic Inequality” (with Shuwen Kang). Economic inequality is a focal point in the public policy debate. Most governments focus on measures to redistribute the income directly. For example, they tax the rich more than the poor and give social security benefits to low-income households. However, these policies interfere with the market mechanism and can reduce total income. This paper examines the efficacy of education policies in reducing inequality. It tries to answer the following questions. Can education policies both alleviate inequality and promote economic growth? Among a variety of education policies, such as public schooling and childcare investment, student loans and educational subsidies, which ones are more effective? What is the best way to allocate government expenditure in education?

Konrad Burchardi, Francesco Loiacono, Patrizia Massner and Arash Nekoei enjoying a bit of sailing in the archipelago.

Publications

One of the main objectives of the IIES is to produce outstanding research for publication in leading international journals. In addition, IIES researchers publish reports, books and chapters in books as well as working papers.

Accepted for Publication

Journals

Almut Balleer
"Demand or Supply? Price Adjustment during the COVID-19 Pandemic", *International Journal of Central Banking* (with S. Link, M. Menkhoff and P. Zorn).

Tobias Broer and Alexandre Kohlhas
"Forecaster (Mis-)behavior", *Review of Economics and Statistics*.

Torsten Persson
"Organizational Dynamics: Culture, Design, and Performance", *Journal of Law, Economics & Organization* (with T. Besley).

Books and Chapters in Books

Lars Calmfors, Harry Flam, John Hassler and Per Krusell
Makroekonomi (Macroeconomics), Liber (with O. Blanchard).

Published

Journals

Ingvild Almås, Tessa Bold and Tillmann von Carnap
"The Macroeconomics of Pandemics around the World: Lives versus Livelihoods Revisited", *Journal of Development Economics*, 163(June): 103099 (with S. Ghisolfi and J. Sandefur).

Almut Balleer
"Comment on 'Sectoral Shocks, Reallocation, and Labor Market Policies' by Joaquín García-Cabo, Anna Lipinska and Gastón Navarro", *European Economic Review*, 157: 104523.

Almut Balleer
"Air Quality in Welfare Accounting", *Macroeconomic Dynamics*, 27(2023): 1019-1058 (with M. Endrikat).

Timo Boppart
"A Theory of Falling Growth and Rising Rents", *The Review of Economic Studies*, 90(6): 2675-2702 (with P. Aghion, T. Bergeaud, P. Klenow and H. Li).

Timo Boppart and Per Krusell
"Labor Supply when Productivity Keeps Growing", *Review of Economic Dynamics*, 50(Oct): 61-87 (with J. Olsson).

Tobias Broer and Per Krusell
"Macroeconomic Dynamics with Rigid Contracts", *American Economic Review: Insights*, (5)1: 55-72 (with K. Harmenberg and E. Öberg).

Bet Caeyers
"Labeled Loans and Human Capital Investments", *Journal of Development Economics*, 162(May): 103053 (with B. Augsburg, S. Giunti, B. Malde and S. Smets).

Lars Calmfors
"Vilken roll bör finanspolitiken spela i konjunkturstabiliseringen?" (What Role Should Fiscal Policy Play in Economic Stabilization?), *Ekonomisk Debatt*, 51(7): 6-17.

Mitch Downey
"Congressional Elections and Union Officer Prosecutions", *The Review of Economics and Statistics*, 105(5): 1161-1174.

Mitch Downey
"The Effects of Import Competition on Unionization", *American Economic Journal: Economic Policy*, 15(4): 359-389 (with J. Ahlquist).

Mitch Downey
"Adjusting to Rain before it Falls", *Management Science*, 69(12): 7399-7422 (with N. Lind and J. Schrader).

Per Krusell
"A World Equilibrium Model of the Oil Market", *The Review of Economic Studies*, 90(1): 132-164 (with G. Bornstein and S. Rebelo).

Laia Navarro-Sola
"What is a Good School and Can Parents Tell? Evidence on the Multidimensionality of School Output", *The Review of Economic Studies*, 90(1): 65-101 (with D.W. Beuermann, C.K. Jackson and F. Pardo).

Arash Nekoei
"How Do Ineritances Shape Wealth Inequality?", *The Review of Economic Studies*, 90(1): 463-498 (with D. Seim).

Torsten Persson
"Norms, Enforcement, and Tax Evasion", *The Review of Eco-*

nomics and Statistics, 105(4): 998-1007 (with T. Besley and A. Jensen).

Torsten Persson
"Economic and Social Outsiders but Political Insiders: Sweden's Populist Radical Right", *The Review of Economic Studies*, 90(2): 675-706 (with E. Dal Bo, F. Finan, O. Folke and J. Rickne).

Torsten Persson
"The Political Economics of Green Transitions", *Quarterly Journal of Economics*, 138(3): 1863–1906 (with T. Besley).

Torsten Persson
"Inequality and COVID-19 in Sweden: Relative Risks of Nine Negative Life Events, along Four Social Gradients, in Pandemic vs. Pre-pandemic Years", *Proceedings of the National Academy of Science (PNAS)*, 120(46): e2303640120 (with A. Altmejd, O. Östergren and E. Björkegren).

Torsten Persson
"Covid-19 och svensk ekonomi: Realtidsdata som underlag för att förstå kriser" (COVID-19 and the Swedish Economy: Real-time Data as a Basis for Understanding Crises), *Ekonomisk Debatt*, 51(2): 14-24 (with K. Ekholm, O. N. Skans and A. Åkerman).

David Schönholzer
"Dividing Lines: Racial Segregation across Local Government Boundaries", *Journal of Economic Literature*, 61(3): 863-887 (with T. Monarrez).

Jakob Svensson
"2023 års ekonomipris till Claudia Goldin" (The 2023 Eco-

nomics Prize to Claudia Goldin), *Ekonomisk Debatt,* 51(8): 38-45 (with K. Enflo, P. Johansson, P. Fredriksson, R. Hjalmarsson and T. Andersson).

Anna Tompsett

"Transparency, Governance, and Water and Sanitation: Experimental Evidence from Schools in Rural Bangladesh", *Journal of Development Economics* (Special Issue on Sanitation and Development), 163(June): 103082 (with U. Allakulov, S. Cocciolo, B. Das, Md. Ahasan Habib and L. Rambjer).

Anna Tompsett

"How to Clean a Tubewell: The Effectiveness of Three Approaches in Reducing Coliform Bacteria", *Science of the Total Environment*, 872(May): 161932 (with Md. Ahasan Habib, S. Cocciolo, Md. Abdul Haque, Md. Mir Abu Raihan and P. Bhattacharya).

Books and Chapters in Books

Ingvild Almås

"Household Decisions and Intra-household Distributions", in Lundberg, S. and Voena, A. (eds.), *Handbook of the Economics of the Family*, North Holland: Elsevier (with O. Attanasio and P. Carneiro).

John Hassler

"Climate Policy in Need of Plan B", in Akcigit, U. and van Reenen, J. (eds.), *The Economics of Creative Destruction: New Research on Themes from Aghion and Howitt*, Cambridge, MA and London, England: Harvard University Press (with C. Fuglesang).

Torsten Persson

"Motivated Scientists, Green Innovation and Values", in Akcigit, U. and van Reenen, J. (eds.), *The Economics of Creative De-*

struction: New Research on Themes from Aghion and Howitt, Cambridge, MA and London, England: Harvard University Press (with T. Besley).

Working Papers

Tillmann von Carnap and Jakob Svensson

"Weather Shocks, Child Mortality, and Adaptation", CEPR Discussion Paper No. 18373 (with M. Björkman Nyqvist and A. Guariso).

Anna Tompsett

"When Does Community Participation in Decision-making Improve Outcomes? Evidence from a Field Experiment in Bangladesh", Asian Development Bank Institute Working Paper No. 1406 (with Md. Ahasan Habib and M. Madajewicz).

Lars E.O. Svensson

"Are Swedish House Prices Too High? Why the Price-to-Income Ratio Is a Misleading Indicator", NBER Working Paper No. 31862.

Reports

Lars Calmfors

Nytt ramverk för finanspolitiken, Bilaga 7 till Långtidsutredningen 2023 (New Framework for Fiscal Policy, Appendix 7 to the Long-Term Review 2023) SOU 2023:92.

Lars Calmfors and John Hassler

Stability in the Balance: A Report on the Roles of Fiscal and Monetary Policy, Report to the Expert Group on Public Economics (ESO), 2023:1 (with A. Seim).

John Hassler

Sveriges klimatstrategi: 46 förslag för klimatomställningen i ljuset av Fit for 55 (Sweden's Climate Strategy: 46 Proposals for the Climate Transition in the Light of Fit-for-55), Report to the Ministry of Climate and Enterprise, KN2023/03828.

Torsten Persson

"Well-being and State Effectiveness," in Helliwell, J.F., Layard, R., Sachs, J.D., De Neve, J-E., Aknin, L. and Wang, S. (eds.), *World Happiness Report 2023*, Sustainable Development Solutions Network: 77-102 (with T. Besley and J. Marshall).

Completed Doctoral Theses

Graduate students continuously produce research of high quality during their time at the IIES. This research culminates in their thesis, of which a number are published and defended each year. During 2023 the following theses were successfully defended at the IIES:

Mattias Almgren: *Essays on Home Production, Mobility, and Monetary Policy*

Mattias' thesis consists of four chapters. In "Expenditure and Time Allocation" he examines how social norms and economic factors influence spending and time use, particularly among different demographic groups. In the second chapter "Home Production Model" Mattias proposes a model incorporating home production to understand expenditure and time-use patterns, emphasizing the role of social norms, especially for women. In "Occupational Choice and Talent Allocation" he highlights how parental background affects career choices and intergenerational mobility, advocating for equalizing career opportunities to promote equity. Finally, in "Monetary Policy Impact" he explores how monetary policy shocks affect output, particularly in economies with varying levels of liquidity-constrained households, offering insights into policy effectiveness.

Gualtiero Azzalini:
Essays on Income Risk, Portfolio Choices and the Macroeconomy

Gualtiero's thesis consists of three chapters that delve into the management of income risk using micro and macro data alongside quantitative models. In the first chapter Gualtiero investigates how firms share income risk with workers across different economic cycles. Utilizing Swedish administrative data, he finds that firms provide less insurance to workers during downturns compared to non-recessionary periods. This asymmetry in the pass-through of firm shocks to workers' earnings over the business cycle is rationalized using a directed search model, highlighting significant welfare costs associated with business cycles. The second chapter explores whether portfolio decisions reflect properties of the income process. By examining two hypotheses regarding income shocks - Restricted Income Profiles (RIP) and Heterogeneous Income Profiles (HIP) - the author finds that HIP and RIP imply different life-cycle patterns of portfolio allocation decisions. Incorporating cyclical skewness in the income stochastic process enables a more accurate estimation of income risk persistence. The final chapter is a collaborative work addressing wealth inequality and portfolio choices by incorporating preference heterogeneity. It integrates incomplete markets macro models with endogenous portfolio choice, non-normal return processes, cyclical skewness in income shocks, and Epstein-Zin preferences. They identify two types of

agents with varying risk aversion and impatience, demonstrating that those with lower values dominate the top wealth distribution. They also find that shutting down different model components results in a worsened fit, highlighting the robustness of the model.
The thesis contributes to the understanding of how individuals and firms navigate income risk across different economic contexts, with implications for welfare, portfolio choices, and wealth inequality.

Tillmann von Carnap:
Markets and Marketplaces: Essays on Access and Transformation in Remote Rural Economies

There is a slowdown in global poverty reduction despite remarkable progress in the past century, particularly in sub-Saharan Africa where extreme poverty has increased, predominantly in remote rural areas. Tillmann's thesis comprises four chapters addressing efficient access to income opportunities and essential services in such regions. Due to data scarcity, the chapters rely on satellite data alongside household surveys. In the first chapter, Tillmann examines the impact of improving market access on agricultural intensification. The results suggest that unreliable market access due to flooded river crossings impedes intensive land use, particularly in areas close to large towns, indicating that market access programs should focus on areas near existing demand. In the second chapter he proposes a methodology to map and monitor rural marketplaces using satellite imagery, re-

vealing insights into rural trading patterns and economic activity, with applications in understanding conflicts and pandemics like Covid-19. The third chapter investigates how marketplaces influence local development over time and their interaction with market access policies. It suggests that marketplaces act as nuclei for rural towns and can become hubs of non-agricultural production if well-connected to their hinterland. Shifting focus to healthcare access, the final chapter explores the impact of climate change on child mortality in Uganda. It finds that community health workers significantly mitigate the adverse effects of climate change on child mortality, highlighting the importance of decentralized healthcare provision in vulnerable areas. Overall, the thesis underscores the importance of understanding and addressing the specific challenges faced by remote rural areas in accessing economic opportunities and essential services, utilizing satellite data to overcome data limitations and inform policy interventions effectively.

Francesco Loiacono: *Firms and Labor Markets: Essays in Development Economics*

The thesis consists of four chapters, each focusing on different aspects of labor markets and firm behavior in Uganda. In the first chapter Francesco investigates the integration of refugees into the labor market of Uganda by studying the impact of short-term internships in Kampala. He finds that providing internships to refugees positively influences employers' decisions to hire them, resulting in a significant increase in refugee hiring rates. The second chapter explores whether workplace interactions between locals and refugees can enhance mutual perceptions and social cohesion. It reveals that working together reduces implicit bias and enhances positive behaviors towards the out-group for both locals and refugees. However, there are slight differences in preferences regarding future business partnerships and investments between the two groups. In the third chapter, Francesco examines obstacles faced by firms in engaging with government contracts, focusing on information access and perceptions of corruption. While providing more information about tenders does not significantly increase firms' willingness to engage, changing perceptions of the procurement system does lead to increased participation in public procurement.

Investigating the impact of credit contracts on business growth, particularly considering the gender of business owners, the final chapter finds that flexible repayment terms lead to increased profits for borrowing firms. However, providing additional cash transfers did not result in business growth. Furthermore, the effectiveness of credit contracts varied depending on the gender of the business owner.

Through his thesis, Francesco offers valuable insights into the dynamics of labor markets, social cohesion, competition, and access to credit in Uganda, offering implications for policy interventions and business strategies in developing economies.

Markus Peters:
Essays on Savings Behavior, Inflation Measurement, and Growth

By combining detailed data and mathematical models, the thesis improves the understanding of pressing issues in many of today's economies, including, for example, the effects of an aging population on pensions and wealth, as well as how to accurately measure inflation and economic growth.

The first part of the thesis studies how households adjust their savings in response to pension reforms that are designed to tackle sustainability problems due to aging populations. One

conclusion is that individuals tend to not respond to these reforms. While a fully rational and perfectly informed individual should, in theory, increase her savings to counteract the fall in future pension income, a majority of the population does not adjust their savings at all in the data. This behavior is consistent with theories in which individuals are inattentive to pension reform due to low levels of financial literacy or limited pension knowledge. The second part employs product-level data on prices and sales to construct accurate measures of inflation and growth. Due to substitution towards products that experience low price growth - and away from products that become relatively expensive - aggregate inflation is lower than reported by official measures. Compared to the official Swedish Producer Price Index (PPI) of goods and services, annual inflation rates are 3-4 percentage points lower when properly accounting for substitution. Conversely, real growth rates of gross output are higher by the same amount.

Sebastian Tebbe:
Externalities and Coordination Failures

Sebastian's thesis comprises three chapters. In the first chapter, Sebastian explores how peers influence the adoption of electric cars in Sweden, leading to a shift in demand away from traditional diesel and gasoline vehicles. These peer effects result in a sustained reduction in carbon pollution as individuals are influenced to purchase electric or cleaner cars, drive less, and own fewer vehicles. The empirical findings from this study have implications for environmental policy-making, suggesting the importance of accounting for peer effects when designing effective policies. The second chapter focuses on determining the most effective strategy for pricing congestion in urban areas to mitigate traffic congestion and pollution. Sebastian examines the impact of congestion charges, particularly on car ownership and driving behavior in Stockholm. His findings suggest that charging congestion fees influences individuals to opt for alternative-fueled vehicles and reduces their overall driving, with implications for designing congestion pricing policies that incentivize cleaner transportation choices. In the final chapter Sebastian and his co-authors investigate coordination failures in

weak-link coordination games, exploring how altering factors such as the number of rounds and stakes per period can impact players' behavior. They find that longer horizons or smaller stakes per period are associated with improved coordination. Additionally, the study identifies cognitive ability as a key trait linked to effective coordination in these games, shedding light on the sociodemographic and personality factors influencing coordination outcomes.

Sebastian's thesis contributes valuable insights into the dynamics of externalities, coordination failures, and policy implications in various contexts, ranging from environmental sustainability to behavioral economics.

Claire Thürwächter:
Essays on Macroeconomics, Monetary Policy and Firm Heterogeneity

The thesis consists of four self-contained essays, which investigate the role of firm heterogeneity for monetary policy transmission and shed light on different aspects. It is motivated by the fact that firm responses to monetary policy are a central part of the overall transmission, so it is important to better understand its heterogeneous effects and underlying mechanisms.
The first chapter examines the impact of firm heterogeneity on the transmission of monetary policy. Using machine learning techniques on a comprehensive dataset, it identifies firm age as a significant predictor for variations in how firms respond to monetary policy. Older firms are found to have less responsive investment behavior to changes in monetary policy due to fixed adjustment costs to their capital stock. This finding suggests that as the economy shifts towards older firms due to a decline in firm entry, the aggregate investment response to monetary policy may decrease. The second chapter builds upon the theoretical framework established in the first chapter, focusing on the role of investment frictions in monetary policy transmission. In the third chapter, Claire investigates whether differences in the composition of corporate debt structures affect the transmission of monetary policy. Analyzing data from euro area

countries with varying debt structures, it finds that countries with a higher share of bank-based debt experience a stronger rise in loan costs relative to corporate bonds when short-term interest rates increase. This shift towards bank loans leads to a larger overall tightening of credit and a stronger transmission of monetary policy to real economic activity, suggesting that an increase in bond finance may weaken the effectiveness of conventional monetary policy. The final chapter explores how changes in aggregate corporate leverage influence the transmission of monetary policy. Using a novel method to identify shifts in aggregate leverage, the study finds that unexpected changes in leverage do not significantly alter transmission patterns. While an increase in leverage appears to coincide with declines in corporate investment and GDP, the magnitudes of these effects are small and not statistically significant. Further investigation into the mechanisms behind these findings is ongoing.

Placements of IIES Graduate Students 2023

- Mattias Almgren - National Institute of Economic Research (NIER)
- Gualtiero Azzalini - Swedish House of Finance, Stockholm School of Economics
- Tillmann von Carnap - University of Oslo (after a 1-year post doc at the Stanford University Center on Food Security and the Environment)
- Markus Kondziella - University of St. Gallen
- Francesco Loiacono - European Bank for Reconstruction and Development
- Markus Peters - NordiCare
- Sebastian Tebbe - Copenhagen Business School (after a 1-year Post Doc at the School of Global Policy and Strategy at UC San Diego)
- Claire Thürwächter - Morgan Stanley


Aula Magna. Photo: Riley Baechler.

Teaching

In addition to conducting research, the faculty at the IIES also undertake teaching at the Undergraduate, Master's and Graduate levels at Stockholm University. These are the courses that have been taught by IIES faculty during 2023.

Spring 2023

Undergraduate level

- Kvantitativa metoder för nationalekonomer
  Tessa Bold

- Makroteori med tillämpningar
  John Hassler

Master's level

- Climate and the Economy
  John Hassler and Per Krusell

PhD level

- Applied Macroeconomic Research
  Per Krusell and Kurt Mitman

- Design-based Research Using Observational Data
  Mitch Downey and Arash Nekoei

- From Idea to Paper. A paper writing course in Development and Experimental Economics
  Ingvild Almås, Tessa Bold and Anna Tompsett

- Labor IV: Imperfect and Regional Labor Markets
  Mitch Downey

- Monetary Economics
  Per Krusell

- Political Economics II
  Torsten Persson

- Political Economics III
  Torsten Persson

- Towards Clarity and Grace in Academic Writing
  Tessa Bold and Anna Tompsett

- Unconventional Monetary Policy: Theory and Practice
  Ciaran Rogers

Fall 2023

Undergraduate level

- Macroeconomic Theory and Applications
  John Hassler

- Introduction to Quantitative Methods in Economics
  Tessa Bold

- Intermediate Development Economics
  Konrad Burchardi

Master's level

- Development Economics
  Jakob Svensson

- Policy Analysis in Labor Economics
  Arash Nekoei and Peter Nilsson

PhD level

- Development Economics I
  Tessa Bold and Anna Tompsett

- Development Economics II
  Konrad Burchardi and Laia Navarro-Sola

- Labor Economics I - Labor Supply, Productivity, and Earnings Heterogeneity
  Mitch Downey and Arash Nekoei

- Mathematics II
  Tessa Bold

- Microeconomics I
  Arash Nekoei

- Public Economics Intensive Course
  Arash Nekoei

- Quantitative Macroeconomic Methods I
  Kieran Larkin

- Quantitative Macroeconomic Methods II
  Kieran Larkin and Joshua Weiss

Our annual Crayfish Party is always a hit!

Extramural Activities

Several members of the IIES' faculty take part in public affairs and influence public policies. They participate prominently in the public economic discourse, serve in government commissions of inquiry, and more.

Ingvild Almås

- CEPR Research Fellow.
- International Research Fellow, Institute for Fiscal Studies (IFS).
- Affiliated researcher, Frisch Centre.
- CESifo network member.
- Part of the core research group, The Choice Lab, Norwegian School of Economics.
- Professor at Norwegian School of Economics (NHH).
- Committee Member for Monetary Policy and Financial Stability, Norwegian Central Bank.

Almut Balleer

- Member of the Extended Executive Council of the German Economic Association (VfS).
- Research Affiliate at Center for Economic Policy Research (CEPR).
- Research Professor at ifo Institute, Munich, Germany.
- Managing Editor for *German Economic Review*.

Timo Boppart

- Member of the editorial board of *The Review of Economic Studies*.
- Associate Editor, *Quantitative Economics*.
- Committee Member, Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel.
- Professor at University of St. Gallen.

Konrad Burchardi

- Member of the evaluation panel for the European Research Council (ERC) Starting Grants.
- Associate Editor, *The Review of Economic Studies*.
- Associate Editor, *The Scandinavian Journal of Economics*.
- Associate Editor, *Journal of Development Economics*.
- Research Fellow of CEPR.
- Affiliate of BREAD.
- Associate of ThReD.
- Fellow of CESifo Network.

Lars Calmfors

- Member of the Swedish Minister for Finance's Economic Council, of the Swedish Minister for Labour Market's Labour Market Policy Council and of the Swedish Public Employment Service's Scientific Council.
- Expert in the Ministry of Finance's Long-Term Commission.
- Leader of Project on Economic Policy during and beyond the Pandemic on behalf of the Nordic Council of Ministers.
- Chair of the think tank Fores' Scientific Council.

Harry Flam

- Project leader of a project on green transition and regional effects in the Nordic countries commissioned by the Nordic Council of Ministers through Nordregio research institute on regional development, planning and policy.
- Rapporteur and consultant for a project on Swedish competitiveness, sustainability and growth at SNS, Center for Business and Policy Studies.
- Commissioned with Mats Persson to write a report on the SEK exchange rate development by the Expert Group on Public Economics attached to the Ministry of Finance.

John Hassler

- Undertook an evaluation of Swedish monetary policy for the Swedish Parliament together with Per Krusell and Anna Seim.

- Member of the government committee for evaluating the rules on mandatory amortization and other borrower-based measures for financial stability.
- Associate editor of *Macroeconomic Dynamics*.
- Member of the Swedish Finance Minister's Economic Council.
- Member of the Royal Swedish Academy of Sciences (KVA).
- Member of the Swedish Royal Academy of Engineering Sciences (IVA).
- Member of the board of the Center for Business and Policy Studies (SNS).
- Member of the board of Stockholm Resilience Center.
- Member of the board of Forum for Reforms, Entrepreneurship and Sustainability (FORES).
- Chair of the scientific advisory board of climate change at the seventh AP fund.
- Member of the scientific advisory board at the National Institute of Economic Research (Konjunkturinstitutet).
- Member of the scientific advisory board at the Swedish National Audit Office (Riksrevisionen).
- Voting Member of the prize committee for the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel.
- Member of the Advisory Council at Swedish Institute for European Policy Studies.
- Board member at Center for Monetary Policy and Financial Stability (CeMoF).

Per Krusell

- Member of Macroeconomic Council for Konjunkturinstitutet (National Institute of Economic Research).
- Board member, Stockholm Resilience Centre.
- Secretary of the prize committee for the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel.
- Director of the Center for Monetary and Policy and Financial Stability (CeMoF).

- Member of the Nobel Center committee (planning and overseeing the construction of the new center at Slussen, whose aim is to become the number one tourist attraction in Stockholm).

Kurt Mitman

- On the CeMoF management team.
- Managing Editor of the *Review of Economic Studies*.
- External expert to the European Commission.
- Visiting scholar at Danmarks Nationalbank.
- Consultant to the Banco de España.

Peter Nilsson

- Co-editor of *The Economic Journal*.
- CEPR Research Fellow.

Mats Persson

- Commissioned with Harry Flam to write a report on the SEK exchange rate development by the Expert Group on Public Economics attached to the Ministry of Finance.

Torsten Persson

- Centennial Professor at the London School of Economics and Political Science (LSE).
- Member of the ERC Scientific Council.
- CEPR Research Fellow.

Jakob Svensson

- Chair of the prize committee for the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel.
- Chairman of the Board, Association of Swedish Development Economists (ASWEDE).
- Member, Board of Trustees, Center for Business and Policy Studies (SNS).

Lars E.O. Svensson

- Member of Advisory Scientific Committee, European Systemic Risk Board, through April 2023.
- Expert in the Committee on the Review of Borrower-Based Macroprudential Measures.

Kurt Mitman and Jonathan de Quidt on one of many ice skating ventures many of our faculty go on in their spare time.

Patrizia Massner, Francesco Loiacono and Arash Nekoei enjoying the sunset in the archipelago.

The IIES in the Media

Stockholm University has an explicit so-called 'third aim' which calls for research to be spread outside of academia. IIES researchers frequently appear in both national and international media through interviews, written pieces and more. The IIES is also very active through its social media accounts on Facebook, X and LinkedIn.

Ingvild Almås and Tessa Bold's 2019 NBER working paper "Destructive Behavior, Judgment, and Economic Decision making under Thermal Stress" (with M. Auffhammer, I. Bollinger, A. Dembo, S.M. Hsiang, S. Kitamura, E. Miguel and R. Pickmans) was covered by NPR and CNN.


Capital

INTERVIEW

„Das Rentenalter zu erhöhen, ist eine effektive Maßnahme"

MERKEN

Was tun gegen die konjunkturelle Flaute und andere Probleme der deutschen Wirtschaft? Der Sachverständigenrat hat dazu eine Reihe von

Almut Balleer commented on investment incentives, capital market reforms and the retirement age at Capital.de. She was also interviewed by German TV; ZDF WISO.

Tobias Broer was interviewed by various media outlets, most recently BBC News.

Lars Calmfors was a regular columnist in the Swedish daily *Dagens Nyheter (DN)* with articles in 2023 on inter alia monetary and fiscal policies, the exchange rate of the Swedish krona, the euro, collective agreements and the Tesla conflict, the war in Ukraine, collective ag and quran burnings. He was also interviewed around 70 times in various Swedish news medias, including the big newspapers, SVT, TV4, Swedish Radio (SR), on monetary and fiscal policy, inflation, the euro, the Tesla conflict etc. Interviews in foreign media like *Le Monde*, *El Diario*, *Helsingin Sanomat* and *Business Insider* on the same topics.


DAGENS NYHETER.

Ekonomiprofessor: Lågkonjunktur är ett nödvändigt ont

Riksbanken bör avvakta med fler räntehöjningar. Det menar ekonomiprofessorn John Hassler – trots att han anser att kampen mot inflationen ska vara prioriterad.

– För min del tycker jag att de kan vänta lite nu. Det tar ett tag innan man ser inflationssiffrorna sjunka, säger han.

Bet Cayers held the first Thrive Early Childhood Development Centre workshop which was covered by national news in Tanzania (Tanzania BCC).

John Hassler appeared in several media outlets including *Dagens Nyheter (DN)*, *Svenska Dag-*

bladet (SvD), *Tidningen Näringslivet*, Swedish television; SVT, TV4, and many more.

Per Krusell figured in several media outlets in Sweden following his and John Hassler's evaluation of the Swedish Central Bank's (Riksbanken) monetary policy.

Laia Navarro-Sola wrote a blog post on her paper "What Is a Good School, and Can Parents Tell? Evidence on the Multi-dimensionality of School Output" in Nada Es Gratis, the Spanish leading economics blog.

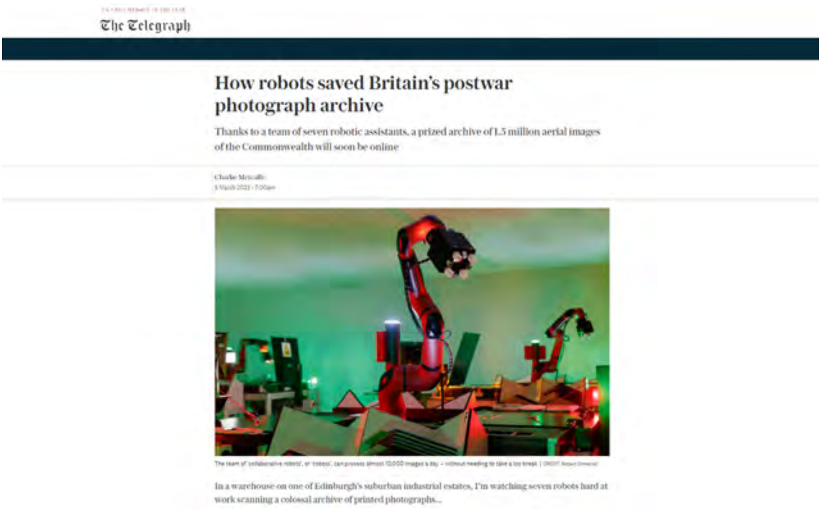
Arash Nekoei was interviewed by one of Sweden's largest daily newspapers *Dagens Nyheter (DN)* on occupations where women earn more than men.

The news of Torsten Persson's BBVA Frontiers of Knowledge Award was covered by several news outlets, mainly in Spain.

David Schönholzer's report on how higher-quality school buildings translate to better academic outcomes for vulnerable children - and higher property values for the communities that surround the improved facilities (with B. Biasi and J. Lafortune) was covered by *Education Week* and *Yale Insights*.

Lars E.O. Svensson wrote several blog posts for the Swedish economics blog Economistas. He was also interviewed by the Swedish business daily *Dagens Industri* (Di) on the Swedish amortization requirements. *IMF Finance & Development Magazine* also featured a profile of Lars.

Anna Tompsett had a project (with A. Madestam) covered by the UK newspaper *The Telegraph*.


The Telegraph

How robots saved Britain's postwar photograph archive

Thanks to a team of seven robotic assistants, a prized archive of 1.5 million aerial images of the Commonwealth will soon be online

The team of 'collaborative robots', or 'cobots', can process almost 10,000 images a day – without needing to take a loo break

In a warehouse on one of Edinburgh's suburban industrial estates, I'm watching seven robots hard at work scanning a colossal archive of printed photographs...

Contact Details

Postal address
Institute for International Economic Studies
Stockholm University
(For the Attention of)
SE-106 91 Stockholm
SWEDEN

N.B. Please avoid sending registered letters.

Visiting address
Institute for International Economic Studies
A-building floor 8, Södra Huset
Stockholm University, Universitetsvägen 10
104 05 Stockholm
SWEDEN

Telephone
+46 8 16 20 00 (switchboard)
+46 8 16 14 43 (telefax)

Press contact
Hanna Weitz: hanna.weitz@iies.su.se

Website
www.iies.su.se

Social media
@IIES_Sthlm
@iies.sthlm
@iies-sthlm

Institute for International Economic Studies (IIES)
iies.su.se

Stockholm
University