

FOCUS

Firms in developing countries: Which challenges in a globalized world?



With the support of the Chair Jacquemin and of FNRS, Florian Mayneris (IRES, UCL), William Parienté (IRES, UCL) and Gonzague Vannoorenberghe (IRES, UCL) organized on May 30th and 31st a workshop entitled “Firms in developing countries: Which challenges in a globalized world?”. Firms in developing countries generally remain small sized and their contribution to employment is limited. Firms face particularly strong challenges, from credit constraints to inadequate infrastructure or labor force. The concern is all the more important that globalization has had a profound impact on the development path of these countries. The workshop was then the occasion to discuss issues related to, e.g., barriers to technology adoption, trade finance, entrepreneurship and environmental policies. It gathered in a friendly atmosphere leading scholars in the field: Gharad Bryan (London School of Economics, United-Kingdom), Ann Harrison (Wharton, University of Pennsylvania, United-States), Beata Javorcik (Oxford University, United-Kingdom), Rocco Macchiavello (Warwick University, United-Kingdom), David McKenzie (World Bank, United-States), Veronica Rappoport (London School of Economics, United-Kingdom), Adam Szeidl (Central European University, Budapest, Hungary) and Eric Verhoogen (Columbia University, United-States), as well as colleagues from the various Belgian universities. Let’s hope the initiative will be renewed in the future!

The importance of elites and their demography for knowledge and development



Within the framework of the research project on “Family Transformations”, David de la Croix (IRES, UCL), Jean-François Fagnart (Université Saint-Louis), Paula Gobbi (IRES, UCL) and Morgane Laouenan (Paris 1 Panthéon-Sorbonne, France) organized the 1st workshop on “The Importance of Elites and their Demography for Knowledge and Development”. This workshop was held in Louvain-la-Neuve on June 22-23, 2016. In the field of economic history, comparative development and long-run growth, elites have been recently proposed as key actors in shaping macroeconomic outcomes such as the pace of the demographic transition, the rise in education and the growth take off. In this workshop, participants discussed the different channels and mechanisms through which small groups of powerful people were able to considerably affect development patterns, human capital accumulation and technological growth. The workshop included three presentations by leading scholars: Gregory Clark (UC Davis, United-States), Joel Mokyr (Northwestern University, United-States), David de la Croix (IRES, UCL). It also involved PhD students in a poster session, allowing younger researchers to present their work and receive comments from more senior scholars.

They have Defended their PhD / Placed on the Job Market



Michal Burzynski

Michal defended his PhD "Migration, Human Capital and Growth in a Globalized Economy" on April 18, 2016. He was supervised by Frédéric Docquier (IRES, UCL) and Krzysztof Malaga (Poznan University of Economics and Business, Poland). The other members of the jury were: David de la Croix (IRES, UCL), Slobodan Djajic (The Graduate Institute Geneva, Switzerland), Witold Jurek (Poznan University of Economics and Business, Poland) and Fabio Mariani (IRES, UCL).

In 2016-2017, Michal will start a Post-doctoral position at CREA (University of Luxembourg).



Pierre Pecher

Pierre defended his PhD "Ethnic Divisions and Economic Performance" on May 30, 2016. He was supervised by David de la Croix (IRES, UCL). The other members of the jury were: Fabio Mariani (IRES, UCL), Frédéric Docquier (IRES, UCL), Frédéric Gaspard (UCL) and Christophe Muller (Université Aix-Marseille, France).

In 2016-2017, Pierre will start a Post-doctoral position at Aix-Marseille University.



Sotirios Blanas

Sotiris defended his PhD "International Trade, Labour Outcomes and Organisation of Firms" on April 25, 2016. He was supervised by Vincent Vandenberghe (IRES, UCL) and Hylke Vandenbussche (KULeuven). The other members of the jury were: Florian Mayneris (IRES, UCL), Véronica Rappoport (London School of Economics, United-Kingdom), Jan Van Hove (KULeuven) and Gonzague Vannoorenberghe (IRES, UCL).

Visitors

From Belgium

- Gani Aldashev (ULB)
- Jean-Marie Baland (Université de Namur)
- Paola Conconi (ULB)
- Jean-François Fagnart (Université Saint-Louis)
- Johannes Van Biesebroeck (KULeuven)

From Europe

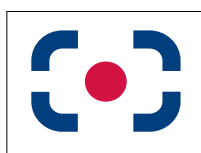
- Thomas Baudin (Université de Lille 3, France)
- Luc Behaghel (Paris School of Economics, France)
- Nil Cummins (London School of Economics, UK)
- Julian di Giovanni (Universitat Pompeu Fabra, Barcelona, Spain)
- Marc Goni (Vienna University, Austria)
- Beata Javorcik (Oxford University, UK)
- Rocco Macchiavello (Warwick University, UK)
- Paolo Naticchioni (Roma Tre, Italy)
- Sebastian Otten (RWI, Essen, Germany)
- Fabien Postel-Vinay (University College London, UK)
- Veronica Rappoport (London School of Economics, UK)
- Adam Szeidl (Central European University, Budapest, Hungary)
- Felipe Valencia (Bonn University, Germany)
- Klaus Wälde (Johannes-Gutenberg University Mainz, Germany – CESifo)
- Etienne Wasmer (Science-Po, Paris, France)

Outside Europe

- Gregory Clark (UC Davis, USA)
- Ann Harrison (Wharton, University of Pennsylvania, USA)
- David McKenzie (World Bank, USA)
- Joel Mokyr (Northwestern University, USA)
- Mara Swuicciarini (Northwestern University, USA)
- Eric Verhoogen (Columbia University, USA)
- Stephen Yeaple (Pennsylvania State University, USA – CESifo – NBER)

IRES IN THE PUBLIC DEBATE

Regards économiques



One «focus» (short articles) of *Regards économiques* has been published since April 2016:

- 28 April 2016: "Taxer les plateformes de l'économie collaborative ? Oui, mais attention aux effets secondaires" by Paul Belleflamme (CORE - ILSM, UCL) and Eric Toulemonde (Université de Namur).

This focus is downloadable in French on: <http://www.regards-economiques.be>.



Some selected media appearances

- **Faut-il hausser le salaire minimum?**

On 31 March, Bruno Van der Linden was interviewed by the French-speaking Belgian radio RTBF on the opportunity of raising the minimum wage.

- **Enquête: quelle est la qualité d'emploi dans le secteur des titres-services ?**

On 12 April, Marthe Nyssens was interviewed by the Belgian business magazine *Trends Tend-ance* about a study she carried out with Olivier Brolis (Université de Lille, France) on the quality of "titres-services" jobs.

- **Comment faire payer les étudiants non résidents ?**

On 21 April, Vincent Vandenberghe was interviewed by the French-speaking Belgian newspaper *L'Echo* about a paper co-authored with Vincent Yzerbyt (IPSY, UCL) in which they suggest a solution to make non-resident student pay for the courses they attend in Belgium.

- **Evalue-t-on correctement et suffisamment les politiques publiques ?**

On 23 April, William Parienté took part in a debate organized by the French-speaking Belgian radio RTBF about the evaluation of public policies.

- **Non, marquer un but avant la mi-temps n'est pas un avantage...**

On 17 May, Stijn Baert was interviewed by the Belgian free newspaper *Metro* about a study demonstrating that scoring before half-time is not always an advantage.

- **Le marché du travail poursuit son embellie**

On 1 June, Muriel Dejemeppe was interviewed by CanalZ (a financial and economical news TV channel broadcasted in Belgium) to explain which factors contributed to recent job growth in Belgium.

- **Flexi-jobs : la fausse bonne idée**

On 23 June, Bruno Van der Linden gave an interview about the "flexi-jobs" in the Belgian business magazine *Trends Tendance*.

PUBLICATIONS

Macroeconomics

Journal articles

Aubry, Amandine; Burzynski, Michal; Docquier, Frédéric. *The welfare impact of global migration in OECD countries*. In: *Journal of International Economics*, Vol. 101, p. 1-21 (July 2016).

Docquier, Frédéric; Machado Carneiro, Joël. *Global Competition for Attracting Talents and the World Economy*. In: *The World Economy*, Vol. 39, no.4, p. 530-542 (April 2016).

Docquier, Frédéric. *Émigration, capital humain et développement : enseignements des recherches récentes menées à l'IRES*. In: *Reflets et perspectives de la vie économique*, Vol. LV, no.1, p. 73-87 (2016).

Docquier, Frédéric; Leruth, Luc. *Économie du développement en Belgique – Aperçu des tendances actuelles en matière de recherche*. In: *Reflets et perspectives de la vie économique*, Vol. LV, no.1, p. 5-8 (2016).

Fabbri, Giorgio. *Geographical structure and convergence: A note on geometry in spatial growth models*. In: *Journal of Economic Theory*, Vol. 162(C), p. 114-136 (2016).

Mankart, Jochen; Oikonomou, Rigas. *The rise of the added worker effect*. In: *Economics Letters*, Vol. 143, p. 48-51 (June 2016).



Ourens Brocos, Guzman. *Trade and growth with heterogeneous firms revisited*. In: *Journal of International Economics*, Vol. 100, p. 194-202 (May 2016).

IRES Discussion Papers

- 2016/8 Germain, Marc. *Un modèle de décroissance optimale*. <http://sites.uclouvain.be/econ/DP/IRES/2016008.pdf>
- 2016/9 de la Croix, David; Doepke, Mathias; Mokyr, Joel. *Clans, Guilds and Markets: Apprenticeship Institutions and Growth in the Pre-Industrial Economy*. <http://sites.uclouvain.be/econ/DP/IRES/2016009.pdf>
- 2016/10 Granelli, Lucia. *Tax Policy in a Model with Endogenous Fertility à la Barro-Becker*. <http://sites.uclouvain.be/econ/DP/IRES/2016010.pdf>
- 2016/11 Fabbri, Giorgio; Russo, Francesco. *Infinite dimensional weak Dirichlet processes and convolution type processes*. <http://sites.uclouvain.be/econ/DP/IRES/2016011.pdf>
- 2016/12 Danthine, Samuel; De Vroey, Michel. *The Integration of Search in Macroeconomics: Two Alternative Paths*. <http://sites.uclouvain.be/econ/DP/IRES/2016012.pdf>
- 2016/13 Danthine, Samuel; De Vroey, Michel. *The Integration of Search in Macroeconomics: Interviews with David Andolfatto, Peter Diamond and Monika Merz*. <http://sites.uclouvain.be/econ/DP/IRES/2016013.pdf>

Labor Economics, Social Policies and Policy Evaluations



Journal articles

- Baert, Stijn. *Wage subsidies and hiring chances for the disabled: some causal evidence*. In: *European Journal of Health Economics*, Vol. 17, no.1, p. 71-86 (2016).
- Baert, Stijn; De Pauw, Ann-Sophie; Deschacht, Nick. *Do Employer Preferences Contribute to Sticky Floors?* In: *ILR Review*, Vol. 69, no.3, p. 714-736 (2016).
- Baert, Stijn; Heiland, Frank W.; Korenman, Sanders. *Native-Immigrant Gaps in Educational and School-to-Work Transitions in the 2nd Generation: The Role of Gender and Ethnicity*. In: *De Economist*, Vol. 164, no.2, p. 159-186 (2016).
- Combes, Pierre-Philippe; Decreuse, Bruno; Laouénan, Morgane; Trannoy, Alain. *Customer Discrimination and Employment Outcomes: Theory and Evidence from the French Labor Market*. In: *Journal of Labor Economics*, Vol. 34, no.1, p. 107 – 160 (2016).
- Launov, Andrey; Wälde, Klaus. *The employment effect of reforming a public employment agency*. In: *European Economic Review*, Vol. 84(C), p. 140-164 (2016).
- Lehmann, Etienne; Lucifora, Claudio; Moriconi, Simone; Van der Linden, Bruno. *Beyond the labour income tax wedge: the unemployment-reducing effect of tax progressivity*. In: *International Tax and Public Finance*, Vol. 23, no.3, p. 454-489 (June 2016).
- Parienté, William. *Impact des politiques de développement : enseignements des évaluations aléatoires*. In: *Reflets et perspectives de la vie économique*, Vol. LV, no.1, p. 105-116 (2016).
- Vandenbergh, Vincent. *Is workforce diversity good for efficiency? An approach based on the degree of concavity of the technology*. In: *International Journal of Manpower: an interdisciplinary journal on human resources, management & labour economics*, Vol. 37, no.2, p. 253-267 (2016).
- Van der Linden, Bruno. *Do in-work benefits work for low-skilled workers?* In: *IZA World of Labor*, no.246, p. 1-10 (2016).

International Economics

Journal articles

- Vannoorenberghe, Gonzague; Janeba, Eckhard. *Trade and the political economy of redistribution*. In: *Journal of International Economics*, Vol. 98, p. 233-244 (January 2016).
- Hübner, Malte; Vannoorenberghe, Gonzague. *Patience and long-run growth*. In: *Economics Letters*, Vol. 137, p. 163-167.



Aubry, Amandine; Burzynski, Michal; Docquier, Frédéric. *The welfare impact of global migration in OECD countries*. In: *Journal of International Economics*, Vol. 101, p. 1-21 (July 2016).

Ourens Brocos, Guzman. *Trade and growth with heterogeneous firms revisited*. In: *Journal of International Economics*, Vol. 100, p. 194-202 (May 2016).

Interdisciplinary Topics

Journal articles

Cassiers, Isabelle. *Changer d'indicateur pour changer l'avenir*. In: *Agir par la culture*, no.45, p. 19-20 (Printemps 2016).

Cassiers, Isabelle. *Le Bhoutan nous interpelle : bonheur national brut et nouveau paradigme de développement*. In: *Mille Lieux*, no.01, p. 40-43 (Avril 2016).

Perilleux, Anaïs; Vanroose, Annabel; Despallier, Bert. *Are financial cooperatives crowded out by commercial banks in the process of financial sector development?*. In: *Kyklos: international review for social sciences*, Vol. 69, no.1, p. 108-134 (2016).



PAST SEMINARS

IRES Research Seminar

Seminar's webpage: <http://www.uclouvain.be/en-284532.html>

- | | |
|-------|--|
| April | 14 Fabien Postel-Vinay (University College London, United-Kingdom)
"Multidimensional Skills, Sorting, and Human" |
| | 21 Klaus Wälde (Johannes-Gutenberg University Mainz, Germany - CESifo)
"Stress and Coping – An Economic Approach" |
| | 28 Julian di Giovanni (Universitat Pompeu Fabra, Barcelona)
"International Spillovers and Local Credit Cycles: What do Firm-Bank-Loan Level Data Tell us?" |
| May | 12 Luc Behaghel (Paris School of Economics, France)
"Ready for Boarding? The Effects of a Boarding School for Disadvantaged Students" |
| | 19 Stephen Yeaple (Pennsylvania State University, United-States – CESifo - NBER)
"Is Bigger Better? Multi-product Firms, Labor Market Imperfections, and International Trade" |
| | 26 Sebastian Otten (RWI, Essen, Germany)
"Linguistic Distance, Networks and the Regional Location Decisions of Migrants to the EU" |



Macroeconomics Lunch Seminar

The Macroeconomics Lunch Seminar is an informal forum where researchers present their work in progress in details and receive criticism and feedback from colleagues. Presentations on the blackboard are also welcome. PhD students entering the job market this year are strongly encouraged to present their job market paper.

Seminar's webpage: <http://www.uclouvain.be/en-284743.html>

Organizers: Paula Gobbi (paula.gobbi@uclouvain.be)

Luca Pensieroso (luca.pensieroso@uclouvain.be)

- | | |
|-------|---|
| April | 26 David de la Croix (IRES, UCL)
"Decessit sine Prole" |
| May | 3 Thu Hien Dao (IRES, UCL)
"The Effects of Financial and Legal Costs on Migration" |



- May 10 Eric Roca Fernandez (IRES, UCL)
 "Inheritance Systems and the Dynamics of State Capacity in Medieval Europe"
- 17 Felipe Valencia (Bonn University, Germany)
 "Economic Persistence, Human Capital Transmission and Culture in South America"
- 24 Paola Naticchioni (Roma Tre, Italy)
 "New Imported Inputs, Wages and Worker Mobility"
- June 21 Zainab Khan (IRES, UCL)
 "General Equilibrium Effects of Immigration in Germany: Search and Matching Approach"

NBB Seminar



- **Seminar on firm-level analysis** Started during the academic year 2011-2012, the series of seminars on firm-level analysis is renewed for 2013-2014. The seminar is organized by the National Bank of Belgium, in collaboration with KULeuven, UCL (IRES), UGent, ULB and UMONS.
 Seminar's webpage: <https://www.nbb.be/fr/publications-et-recherche/recherche-collaborations/seminaire-sur-lanalyse-des-donnees-dentreprises-0>

May 18 Stephen Yeaple (Pennsylvania State University, United-States – CESifo - NBER)
 "On the Relationship Between Quality and Productivity: Firm-Level Evidence from China's Accession to the WTO"
- **Macroeconomics seminar** This seminar on macroeconomic and monetary issue is organized by the National Bank of Belgium, in collaboration with KULeuven, UCL (IRES), and ULB.
 Seminar's webpage: <https://www.nbb.be/fr/publications-et-recherche/recherche-collaborations/seminaire-macroeconomique-organise-conjointement-0>

April 7 Jens Christensen (Federal Reserve Bank San Francisco, United-States)
 "The TIPS Liquidity Premium"

June 20 Wouter den Haan (London School of Economics, United-Kingdom)
 "Unemployment (Fears) and Deflationary Spirals"

20 Stephanie Schmitt-Grohe (Columbia University, United-States)
 "A Model of the Twin DS: Optimal Default and Devaluation"

21 Marin Uribe (Columbia University, United-States)
 "Multiple Equilibria in Open Economy Models with Collateral Constraints: Overborrowing Revisited"

21 Chris Sims (Princeton University, United-States)
 "Credit and Crises"

DON'T MISS

CONFERENCE

• "4th Belgian Macroeconomics Workshop" – Brussels, September 23, 2016

The fourth edition of the Belgian Macroeconomics Workshop will be held on the Campus Etterbeek of the Vrije Universiteit Brussel. The workshop aims at creating a network of researchers working in closely related fields, and is primarily targeted at junior macroeconomists active in Belgium (i.e. junior Faculty members, postdocs or PhD students).

Scientific committee: Peter Claeys (Vrije Universiteit Brussels), Selien De Schyder (Universiteit Gent), Vivien Lewis (KULeuven) and Luca Pensieroso (IRES, UCL).

CALL FOR PAPER

• "Immigration in OECD Countries – 6th Annual International Conference" – December 12, 2016

The OECD, the CEPII (the French Research Center in International Economics), the research team LEM of Lille University, G-MonD (the research group from Paris School of Economics), Fondazione Rodolfo Debenedetti, the University of Luxemburg and IRES (UCL) are jointly organizing the 6th Annual Conference on "Immigration in OECD Countries" on 12 December 2016. The conference will examine the economic aspects of international migration in OECD countries by mapping the migratory flows and defining their socio-economic determinants and consequences. The conference will also shed light on issues related to migrants residing in OECD countries such as their labor market outcomes, their selection, the transferability of their skills, etc. The keynote speaker will be George Borjas (Harvard University, United-States).

Deadline for submitting papers: September 30, 2016

More information: <http://www.cepii.fr/CEPII/en/evenements/abstract.asp?IDReu=307>

JOB OPENING AT IRES

• Doctoral Researcher in Economics in the Field of International Trade

IRES invites applications for a Doctoral Researcher in Economics in the Field of International Trade. The doctoral project aims to deepen our understanding of the risk faced by economic actors in a globalized world. International trade entails numerous sources of uncertainty, generating both opportunities and losses for different countries, sectors and factors of production. Identifying the sources of risk pertaining to globalization is key to design policies and will form an essential part of this project. The candidate will study the link between globalization and risk both from a theoretical and an empirical perspective. The tasks include: (i) developing a framework to identify the main drivers of changes in comparative advantage and the uncertainty associated with them, (ii) identifying the costs and benefits for different agents and (iii) drawing the policy implications of the analysis.

The position is open starting October 2016. Appointments are for two years with possibility of an extension for two additional years.

Full job description is available on

https://www.uclouvain.be/cps/ucl/doc/econ/documents/Annonce_FSR_PHD.pdf

Applicants should send a motivation letter and a CV including a copy of all his/her exam results to Prof. Gonzague Vannoorenberghe (Gonzague.vannoorenberghe@uclouvain.be) not later than July 31st, 2016.

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