



**RIEF Conference**  
on  
**International Economics and Finance**

University of Rome "Tor Vergata"  
Department of Economics  
May 11-12, 2007  
Sala Consiglio- Sala Scacchi  
Building B, II floor

*To the memory of Riccardo Faini*



FRIDAY, MAY 11 <sup>TH</sup>		
9:00 – 9:30	REGISTRATION (Sala Consiglio, II Floor, Building B)	
9:30-10:00	<p><b>WELCOMING ADDRESS</b>  <b>ALESSANDRO FINAZZI AGRÒ</b>  <i>Rector, University of Rome “Tor Vergata”</i></p> <p><b>OPENING ADDRESS</b>  <b>LUIGI PAGANETTO</b>  <i>Dean, Faculty of Economics, University of Rome “Tor Vergata”</i></p>	
10:00 – 11:15	<p>Plenary Session I  <b>"Understanding Fluctuations in the US and German Term Structure of Interest Rates"</b>  <b>CARLO FAVERO</b>  <i>IGIER, Bocconi University</i></p>	
11:15 – 11:30	COFFEE Break	
	CONTRIBUTING SESSIONS	
	<b>International Trade and FDI</b>	<b>Open Macro and Finance</b>
11:30 – 13:30	SALA SCACCHI	SALA DEL CONSIGLIO
	<p>Chairman– TBA</p> <p><b>“Trade and the Redistributive State”</b>  <b>BARBARA DLUHOSCH</b>  <i>Helmut Schmidt University, Hamburg</i></p> <p><b>“Uncertainty, Gains from Specialization and the Welfare State”</b>  <b>MICHELE DI MAIO</b>  <i>University of Macerata</i></p> <p><b>“Productive Public Expenditure in a New Economic Geography Model”</b>  <b>PASQUALE COMMENDATORE, CARMELO PETRAGLIA</b>  <i>University of Naples “Federico II”</i>  <b>INGRID KUBIN</b>  <i>Vienna University of Economics and Business Administration</i></p>	<p>Chairman – CARLO SANTINI  <i>CARIFE SIM President</i></p> <p><b>“The nature of decision process of central bank interventions in the FX market: Evidence from the BoJ”</b>  <b>MICHEL BEINE</b>  <i>University of Luxemburg and University of Brussels</i>  <b>OSCAR BERNAL</b>  <i>University of Brussels</i>  <b>JEAN YVES GNABO, CHRISTELLE LECOURT</b>  <i>University of Namur</i></p> <p><b>“The Behavioural Equilibrium Exchange Rate of the Czech Koruna”</b>  <b>LUBOŠ KOMÁREK</b>  <i>Czech National Bank</i>  <b>MARTIN MELECKÝ</b>  <i>University of New South Wales, Sydney</i></p>

	<p><b>“Institutional Quality and Comparative Advantage: an Empirical Assessment”</b> MARCELLA NICOLINI <i>Bocconi University, Milano</i></p> <p><b>“Process Innovation and the Selection effect of Trade”</b> ANTONIO NAVAS, DAVIDE SALA <i>European University Institute</i></p>	<p><b>"Enlargement of the Economic and Monetary Union: To which structurally heterogeneous countries?"</b> SÉVERINE MENGUY <i>Université de Paris X – Nanterre</i></p> <p><b>“Does Transparency in Central Bank Intervention Policy Bring Noise to the FX Market? The Case of the Bank of Japan”</b> JEAN-YVES GNABO, SEBASTIEN LAURENT, CHRISTELLE LECOURT <i>CeReFiM, University of Namur</i></p> <p><b>“Sources of Real Exchange Rate Fluctuations in Central and Eastern Europe – Temporary or Permanent?”</b> AGNIESZKA STAŚKA <i>Albert Ludwig University Freiburg</i></p>
13:30 – 15:00		LUNCH Break
15:00 – 17:00	SALA SCACCHI Chairman– TBA	SALA DEL CONSIGLIO Chairman – MICHEL BEINE <i>University of Luxemburg and University of Brussels</i>
	<p><b>“Trade Revealed TFP”</b> ANDREA FINICELLI, PATRIZIO PAGANO, MASSIMO SBRACIA <i>Bank of Italy</i></p> <p><b>"Productivity, Quality and Exporting Behavior under Minimum Quality Requirements"</b> JUAN CARLOS HALLAK, JAGADEESH SIVADASAN <i>University of Michigan</i></p> <p><b>“Terms of Trade, Undiversifiable Labor Income and Gains from Portfolio Diversification: a Stylised Model with Firm Entry”</b> MARTA ARESPA CASTELLÓ <i>European University Institute, Firenze</i></p>	<p><b>“New Strategies for Currency Crises Early Warning Systems: A Balance Sheet Approach”</b> CHRISTIAN MULDER, ROBERTO PERRELLI <i>International Monetary Fund, Washington DC</i> MANUEL DUARTE S. ROCHA <i>University of Porto and CEMPRE (Centre for Macroeconomic and Forecasting Studies), Portugal</i></p> <p><b>“Budget Deficits and Exchange-Rate Crises”</b> BARBARA ANNICCHIARICO, GIANCARLO MARINI <i>University of Rome “Tor Vergata”</i> GIOVANNI PIERSANTI <i>University of Rome “Tor Vergata” and University of Teramo</i></p>

	<p><b>“Do Firms Induce the Investment Behavior of their Suppliers?”</b> LIZA JABBOUR <i>University of Paris 1 Panthéon-Sorbonne and CNRS</i></p> <p><b>“Disciplining exporting State Trading Enterprises”</b> MARGHERITA SCOPPOLA <i>University of Macerata</i></p>	<p><b>“Can We Predict the Next Capital Account Crisis?”</b> MARCOS CHAMON, ALESSANDRO PRATI <i>International Monetary Fund</i> PAOLO MANASSE <i>University of Bologna</i></p> <p><b>“Recovering from bond market distress: domestic policies and IMF programs”</b> SEBASTIEN WALTI <i>Trinity College, Dublin</i> GHISLAINE WEDER <i>Graduate Institute of International Studies, Geneva</i></p>
17.00-17:15	COFFEE Break	
17:15 – 19:15	SALA SCACCHI	SALA DEL CONSIGLIO
	<p>Chairman – TBA</p> <p><b>“Market access and the evolution of within plant productivity in Chile”</b> MARIA BAS, IVAN LEDEZMA <i>PSE joint research unit Cnrs-Ehess-Enpc-Ens, Paris</i></p> <p><b>“Market access impact on individual wages: evidence from China”</b> LAURA HERING, SANDRA PONCET <i>University of Paris 1 Panthéon-Sorbonne</i></p> <p><b>“Being nice makes you attractive: the FDI - interstate political relations nexus”</b> RODOLPHE DESBORDES <i>IRES-UCL, Louvain La Neuve - Belgique</i> VINCENT VICARD <i>University of Paris I Panthéon-Sorbonne</i></p>	<p>Chairman – TBA</p> <p><b>“Perspectives on the World Income Distribution - Beyond Twin Peaks Towards Welfare Conclusions”</b> HAJO HOLZMANN, SEBASTIAN VOLLMER, JULIAN WEISBROD <i>Georg-August-University Goettingen</i></p> <p><b>“Welfare Implications of Capital Account Liberalization”</b> ESTER FAIA <i>University Pompeu Fabra, Barcelona</i></p> <p><b>“Instrument and Targeting Rules in Monetary Policy when Heterogeneity in Currency Trade”</b> MIKAEL BASK <i>Bank of Finland, Helsinki</i></p> <p><b>“Domestic and Global Determinants of the U.S. Inflation Expectations”</b> EFREM CASTELNUOVO <i>University of Padua</i></p>

	<p><b>“Who buys whom in international oligopolies with fdi and technology transfer?”</b>          LEO GRÜNFELD  <i>NUPI-Norwegian Institute of International Affairs</i>          FRANCESCA SANNA-RANDACCIO  <i>University of Rome “La Sapienza”</i></p> <p><b>“Financial Crises and International Trade: The Long Way to Recovery”</b>          NICOLAS BERMAN  <i>CES - University Paris 1 Pantheon-Sorbonne</i></p>	<p><b>“Risk Premium, Taylor Rules, and Exchange Rates”</b>          BARBARA ANNICCHIARICO  <i>University of Rome “Tor Vergata”</i>          ALESSANDRO PIERGALLINI  <i>CeFIMS, University of London</i></p>
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SATURDAY, MAY 12 <sup>TH</sup>		
9:30 – 10:45	Plenary Session I <b>“Extensive margins and international macroeconomics”</b> PHILIPPE MARTIN <i>Univeristy of Paris I, PSE and CEPR</i>	
10.45 – 11:00	COFFEE Break	
	Contributing Sessions	
	<b>International Trade and FDI</b>	<b>Open Macro and Finance</b>
	SALA SCACCHI	SALA DEL CONSIGLIO
11:00 – 13:00	Chairman – TBA  <b>“Trade between symmetric countries, heterogeneous firms and the skill wage premium”</b> GONZAGUE VANNOORENBERGHE <i>University of Mannheim</i>  <b>“Firm Heterogeneity and the Two Sources of Gains from Trade”</b> ITAI AGUR <i>European University Institute, Firenze</i>  <b>“Gravity and Information: Heterogeneous Firms, Exporter Networks and the`Distance Puzzle”</b> SEBASTIAN KRAUTHEIM <i>European University Institute, Firenze</i>  <b>“The Organizational Theory of Growth and Industry Dynamics with Heterogeneous Firms”</b> ALIREZA NAGHAVI <i>University of Modena</i> GIANMARCO OTTAVIANO <i>University of Bologna</i>	Chairman – GIOVANNI PIERSANTI <i>University of Rome “Tor Vergata” and University of Teramo</i>  <b>“Firms.integration strategies and the international business cycle”</b> LILIA CAVALLARI <i>University of Rome III</i>  <b>“Financial Frictions and Household Debt: a New Perspective on Twin Deficits”</b> GIOVANNI CALLEGARI <i>European University Institute, Firenze</i>  <b>“Institutions And Bilateral Asset Holdings”</b> VERONIQUE SALINS <i>Economics, Paris University</i> AGNES BENASSY-QUERE <i>CEPII</i>  <b>“Consumption Smoothing Channels in Open Economies”</b> PIERFEDERICO ASDRUBALI <i>John Cabot University, Rome</i> SOYOUNG KIM <i>Korea University, Seoul</i>  <b>“Asset Accumulation, Fertility Choice and Nondegenerate Dynamics in a Small Open Economy”</b>

		ALBERTO PETRUCCI <i>LUISS G. Carli University, Rome</i>
13:00 – 14:30	LUNCH Break	
14:30 – 16:30	<p>Chairman - TBA</p> <p><b>“The Changing Pattern of Foreign Trade Specialization in Indian Manufacturing”</b> MICHELE ALESSANDRINI <i>University of Rome “Tor Vergata”</i> BASSAM FATTOUH <i>University of London</i> PASQUALE SCARAMOZZINO <i>University of Rome “Tor Vergata”, University of London</i></p> <p><b>“The Impact of Regulations on Agricultural Trade: Evidence from SPS and TBT Agreements”</b> LIONEL FONTAGNE <i>University of Paris 1 Panthéon-Sorbonne and CEPII</i> ANNE-CELIA DISDIER <i>INRA-AgroParisTech</i> MONDHER MIMOUNI <i>International Trade Center (UNCTAD- WTO)</i></p> <p><b>“Tomatoes or Tomato Pickers? – Free Trade and Migration in the NAFTA Case”</b> AMARANTA MELCHOR DEL RÍO <i>University of Heidelberg</i> SUSANNE THORWARTH <i>Centre for European Economic Research (ZEW)</i></p> <p><b>“Pricing to The Euro-Market”</b> VIRGINIA DI NINO <i>Graduate Institute of International Studies Geneva</i></p> <p><b>“The Welfare Gains of Trade Integration in the European Monetary Union”</b> AURELIEN EYQUEM, JEAN-CHRISTOPHE POUTINEAU</p>	<p>Chairman – SERGIO LUGARESI <i>Capitalia</i></p> <p><b>“Behavior equilibrium exchange rate and misalignment of Renminbi: A recent empirical study”</b> JINZHAO CHEN <i>University of Paris</i></p> <p><b>“Real Exchange rate and endogenous growth dynamics for a small open economy”</b> PAULO BRITO, ARMANDO FERREIRA <i>University of Lisboa</i></p> <p><b>“Exchange Rate Volatility and Productivity Growth: the Role of Liability Dollarization”</b> KENZA BENHIMA <i>Crest (Paris) and EconomiX University of Paris X – Nanterre</i></p> <p><b>“Changing Patterns of Domestic and Cross-Border Fiscal Policy Multipliers in Europe and the US”</b> AGNES BENASSY-QUERE <i>CEPII</i> IACOPO CIMADOMO <i>CEPII and ECARES-Université Libre de Bruxelles</i></p>

	<i>Université de Rennes</i>	
16:30 – 16:45		COFFEE Break
16:45 – 18:45	<p>Chairman – TBA</p> <p><b>“Home market effect in the face of Multinationals”</b> ERIC TOULEMONDE <i>FUNDP-University of Namur, Belgium</i></p> <p><b>“Are Lives a Substitute for Livelihoods? Terrorism, Security, and U.S. Bilateral Imports”</b> DANIEL MIRZA <i>CREM, University of Rennes 1</i> THIERRY VERDIER <i>PSE, France and CEPR, London</i></p> <p><b>“Cultural Proximity and Trade”</b> GABRIEL J. FELBERMA, FARID TOUBAL <i>University of Paris I Panthéon-Sorbonne</i></p> <p><b>“The Effects of Temporary Immigration on Prices of Non Traded Goods and Services”</b> LEILA BAGHDADI University of Paris 1 Sorbonne MARION JANSEN World Trade Organization (WTO), Geneva</p>	
18:45 – 19:00		Concluding remarks