Department of Economics

Current Research 2021
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The Department of Economics at Stockholm University
– A brief early history

Lectures in Economics at Stockholm University (then Stockholm University College) started in 1888 with Johan Leffler, who had obtained his position as lecturer in competition with Knut Wicksell. In 1904, Gustav Cassel became the first professor of economics. Cassel, who had studied mathematics, is known for his development of general equilibrium theory, the most interesting aspect perhaps being a model of proportional growth. During the 1920’s, Cassel was one of the most prominent economists in the world, lecturing widely on monetary issues.

Cassel left his chair in 1933 and his pupil Gunnar Myrdal succeeded him. Myrdal’s dissertation, *Pricing and Change*, introduced intertemporal planning and risk into price theory. Erik Lindahl, at the time lecturing at the department, is mentioned in the preface for his advice. Lindahl’s development of intertemporal and temporary equilibrium theory in the late 1920’s was, in turn, influenced by Myrdal’s analysis. In 1921, a second chair was created with Gösta Bagge as its first professor. Bagge’s early work concerned wage setting under trade unions. As professor he played an important entrepreneurial role, raising funds from the Rockefeller Foundation to a grand empirical investigation of wages and national income in Sweden.

During the 1930’s several members of the department were involved in the development of employment theory. Gunnar Myrdal, Gösta Bagge, Alf Johansson and Dag Hammarskjöld contributed to the Unemployment Commission. Erik Lundberg and Ingvar Svennilson defended doctoral dissertations offering important theoretical contributions to the Stockholm School.¹ Lundberg and Svennilson both became influential professors in the department. Erik Lundberg first took up a position at Konjunkturinstitutet (the National Institute of Economic Research) in 1937 and became its head in 1946. He returned to the department as professor in 1946, acting as a full-time professor after 1955. Lundberg’s overview of business cycles and stabilization policy from 1953 (*Konjunkturer och ekonomisk politik*, translated into English as *Business Cycles and Economic Policy*, 1957) influenced a generation of students of Keynesian fiscal and monetary policy. The impact of Lundberg’s impressive personality was no less important. Ingvar Svennilson was head of Industriens Utredningsinstitut (The Research Institute of Industrial Economics) in 1942-51 and became professor at the department in 1947. In parallel with his professorship, he played an important role in the development of the Swedish government’s Långtidsutredningar (Medium Term Surveys).

¹ The name was coined by Bertil Ohlin in two articles in *Economic Journal*, where he argued that the central themes of Keynes’ employment theory had been independently developed by the Swedish economists, most of whom worked in Stockholm.
The development of the department is described in *Från värde till välfärdsteori – national-ekonomin vid Stockholms högskola/Stockholms universitet 1904-2004*, by Svante Nycander together with Jonas Agell, Eskil Wadensjö and Hans Wijkander (SNS Förlag, 2005). The book was presented at a seminar on December 2, 2004, celebrating the 100th anniversary of Gustav Cassel’s appointment as professor.

Two of the department’s alumni have been awarded the Nobel Prize, Gunnar Myrdal (1974) and Bertil Ohlin (1977). One alumnus, Dag Hammarskjöld, served as Secretary-General of the United Nations. Several members of the department have played important roles in Swedish politics: Bertil Ohlin and Gösta Bagge were leaders of political parties, and both Bagge and Ohlin, as well as Karin Kock (acting professor 1938-46) and Gunnar Myrdal, also served as Cabinet Ministers. Kjeld Philip, who was professor at the department in 1949-51, later became Minister of Finance in Denmark. The department’s tradition of educating prominent civil servants, politicians and business leaders, as well as academic teachers and researchers, continues strongly to the present time.
The Department of Economics today

Stockholm University offers one of the best environments in Europe for research and education in economics. Economics at Stockholm University, i.e., the Department of Economics, the Institute for International Economic Studies (IIES) and the Swedish Institute for Social Research (SOFI) together, is ranked no. 28 in Europe and no. 1 in Sweden (no. 71 in the world) in the Tilburg University research ranking of Economics Schools (see https://econtop.uvt.nl/rankinglist.php). The Department of Economics has 17 full professors, 4 associate professors, and 8 assistant professors and post-doctoral researchers. The graduate students, around 70 in number, have the department, or IIES or SOFI, as their place of work. Our bachelor and master students go on to work as economists in a wide range of fields, in national and international organizations, government, business and finance.

Undergraduate studies

We teach more than 1,000 undergraduate students in Economics; lecturers are the department’s faculty together with those from the IIES and SOFI. We have bilateral ERASMUS agreements with close to 20 universities in Europe, and take part in Stockholm University's NORDPLUS and central exchange agreements. Non-European students can apply to study in the department through the Central Level Bilateral Agreements administrated by the Office for International Student Exchange at Stockholm University.

Advanced level studies

The department offers a two-year Master Programme in Economics. The language of study is English and courses start in late August or early September. The programme provides a solid preparation for a career as a professional economist in government, international organizations or business, and also provides a good starting point for doctoral studies. The focus is on the use of theoretical and empirical methods in the analysis of economic problems. Students take second-cycle courses and a selection of third-cycle courses in economics. During the fourth semester students write a 30 HEC master thesis. After having completed the program the student may apply for a Master’s Degree in Economics or in Econometrics.

Doctoral studies

The PhD program is organized by the Department of Economics in cooperation with IIES and SOFI. Approximately 10 students are admitted each year to a four-year, full-time program in
English starting in the autumn. The deadline for applications is February 1. The formal requirements are specified on our web page www.ne.su.se.

The first year of the program consists of courses in mathematics, econometrics, microeconomics and macroeconomics. The second year consists of elective courses, and the third and fourth years are devoted to dissertation work. The course program is part of the Stockholm Doctoral Program in Economics, Econometrics and Finance (SDPE), organized jointly with the Stockholm School of Economics.

**Research**

The research environment in the department can be described in terms of two broad fields, with several additional and partially overlapping research areas. A strong focus is labor economics and public economics, and research in this area considers, for example, how social insurance systems affect health and early retirement, how monetary policy should be designed in a globalized world, and the effect of education policies. Another strong research area is international economics. Within this field we study how industry location is affected by different types of regulations and economic policies, and the effects of monetary and fiscal policy in small open economies. Other lively areas of research are political economy, empirical macroeconomics, development economics, law and economics, social norms, network theory, game theory, and financial economics.

Research in the department has a strong international focus. It is communicated in international journals with peer review, and many researchers are members of leading research networks like CEPR, IZA and CESifo. We have a number of research collaborations with prominent economists in the world, and visits by as many as thirty international researchers each year. The department is host for the prominent journal *Scandinavian Journal of Economics*.
Publications in print 2021

Mahmood Arai

“Ethnic Stereotypes and Entry into Labor Market Programs” (with Marie Gartell, Magnus Rödin, Gülay Özcan), *Industrial and Labor Relations Review*. Vol 74, Issue 2, 2021

The authors examine the impact of ethnic bias based on public employment officers’ decisions when choosing whom to recommend for participation in a labor market program. On the basis of an experiment that uses job seekers’ own portrait photographs, their recorded voices, and their real names, findings show that when recommending job seekers for labor market programs, female caseworkers are not affected by job seekers’ appearance, but male caseworkers favor job seekers who are perceived to have a stereotypical Swedish appearance. The authors’ conclusions suggest that when no explicit guidelines are provided for addressing the impact of ethnic stereotypes on selection for training programs, a risk of bias based on ethnic stereotypes of physical appearance exists.

Lennart Erixon


The established view is that the Stockholm-School economist Erik Lundberg was a tenacious opponent of the so-called Rehn-Meidner model, an economic and wage policy program developed by two Swedish trade-union economists after WW II. But Lundberg shared many of the premises of the model in his debate with Gösta Rehn in the early 1950s. Furthermore, in their debate, Lundberg approached Rehn’s policy program and macroeconomic theory. Lundberg’s ambiguous attitude turned into a complete adoption of the Rehn-Meidner model in the 1960s. By highlighting the model’s originality, Lundberg also correctly downplayed the impact of the Stockholm School.

Rikard Forslid


This paper models the current pandemic to analyze vaccination strategies in a setting with three age groups that differ with respect to their fatality rates. The model also accounts for heterogeneity in the transmission rates between and within these age groups. We compare the outcomes in terms of the total number of deceased, the total number of infected, the peak infection rate and the economic consequences. We find that fatalities are almost always minimized by first vaccinating the elderly, except when vaccination is slow and the general transmission rate is relatively low. In this case deaths are minimized by first vaccinating the middle-aged as this group is responsible for substantial spreading of the virus to the elderly. With regard to the other outcome variables it is always best to vaccinate the middle-aged
group first. A trade-off may therefore emerge between reducing fatalities on the one hand and lowering the number of infected as well as maximizing the economic gains from vaccinations on the other hand.


This paper analyzes the epidemiological and economic effects of quarantines. We use a basic epidemiological model, a SEIR-model, that is calibrated to roughly resemble the COVID-19 pandemic, and we assume that individuals that become infected or are isolated on average lose a share of their productivity. An early quarantine postpones but does not alter the course of the pandemic at a cost that increases in the duration and the extent of the quarantine. For quarantines at later stages of the pandemic there is a trade-off between lowering the peak level of infectious people on the one hand and minimizing fatalities and economic losses on the other hand. A longer quarantine dampens the peak level of infectious people and also reduces the total number of infected persons but increases economic losses. Both the peak level of infectious individuals and the total share of the population that will have been infected are U-shaped in relation to the share of the population in quarantine, while economic costs increase in this share. In particular, a quarantine covering a moderate share of the population leads to a lower peak, fewer deaths and lower economic costs, but it implies that the peak of the pandemic occurs earlier.


This paper develops a simple model of spatial sorting where the least productive entrepreneurs are drawn to the large core region. This is an unusual feature. The literature on spatial sorting typically shows how the most productive individuals and firms agglomerate to the core. However, our model is consistent with empirical evidence that reveals that large agglomerations also attract the low skilled.

**Johannes Haushofer**


Mathias Herzing


Paul Klein


We examine the role of fiscal policy in accounting for the remarkable rise of Ireland from one of Western Europe’s poorest countries to one of its richest in just a few years. We focus on the importance of business tax reform and overall changes in fiscal policy, in conjunction with other factors, which we model as a residual rise in Total Factor Productivity (TFP). We conduct our analysis using a two-sector, small open economy model where production requires tangible and intangible capital services, and where inflows of capital are limited by a collateral constraint (disciplined to account for the GNP to GDP gap). We find that the much discussed reductions of business taxes played a significant, but secondary, role in the Irish miracle. However, tax reform and other changes strongly reinforce each other. We also find that Ireland’s openness to capital movements was crucial: under the same driving forces, a closed economy would have experienced a significantly smaller rise in GDP.

Mårten Palme


We estimate long-run intergenerational persistence in human capital using information on outcomes for the extended family – the dynasty. A data set including the entire Swedish population, linking four generations, allows us to identify parents’ siblings and cousins, their spouses, and spouses’ siblings. Using various human capital measures, we show that traditional parent-child estimates underestimate long-run intergenerational persistence by at least one third. By adding outcomes for more distant ancestors, we show that almost all of the persistence is captured by the parental generation. Data on adoptees show that at least one-third of long-term persistence is attributed to environmental factors.
David Seim


Claes-Henric Siven


John Maynard Keynes made and important contribution one hundred years ago in his book *The Economic Consequences of the Peace* when he pointed out that it would be impossible for Germany to fulfill the reparations payments according to the Versailles treaty. Keynes also played an important role when it comes to the new view of the 1930s of the business cycle and the shaping of stabilization policy. But Keynesianism also caused the respect for restraint in public borrowing to disappear. The great public debts within EU together with the common currency implies certain similarities with the conditions during the end of the 1920s.


Assar Lindbeck's dissertation is strongly influenced mainly by Don Patinkin's and Bent Hansen's way of macroeconomic analysis using a neoclassical general equilibrium model. Monetary theory is developed in the spirit of Gurley & Shaw with a number of financial intermediaries, like banks and insurance companies. The quantity of money is consequently endogenous. An important part of the dissertation contains an analysis of the effects of different regulations of credit.

Roine Vestman


Jonas Vlachos


To reduce the transmission of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), most countries closed schools, despite uncertainty if school closures are an effective containment measure. At the onset of the pandemic, Swedish upper-secondary schools moved to online instruction, while lower-secondary schools remained open. This allows for a comparison of parents and teachers differently exposed to open and closed schools, but otherwise facing similar conditions. Leveraging rich Swedish register data, we connect all students and teachers in Sweden to their families and study the impact of moving to online instruction on the incidence of SARS-CoV-2 and COVID-19. We find that, among parents, exposure to open rather than closed schools resulted in a small increase in PCR-confirmed infections (odds ratio [OR] 1.17; 95% CI [CI95] 1.03 to 1.32). Among lower-secondary teachers, the infection rate doubled relative to upper-secondary teachers (OR 2.01; CI95 1.52 to 2.67). This spilled over to the partners of lower-secondary teachers, who had a higher infection rate than their upper-secondary counterparts (OR 1.29; CI95 1.00 to 1.67). When analyzing COVID-19 diagnoses from healthcare visits and the incidence of severe health outcomes, results are similar for teachers, but weaker for parents and teachers’ partners. The results for parents indicate that keeping lower-secondary schools open had minor consequences for the overall transmission of SARS-CoV-2 in society. The results for teachers suggest that measures to protect teachers could be considered.


We document a significant increase in the sorting of workers by cognitive and noncognitive skills across Swedish firms during 1986–2008. During this period, worker skill differences between firms increased, while within-firm skill differences fell. A significant fraction of the increase in the between-firm differences in cognitive skill is due to high-skilled workers moving into the information and communications technology (ICT) sector. Within-firm skill differences fell in all major industries, but particularly in the manufacturing sector. Combined with steeper firm-level skill gradients, the increase in sorting can account for 45 percent of the increase in between-firm wage dispersion during our period of study.
Forthcoming publications including online versions of forthcoming articles

**Lennart Erixon**


**Rikard Forslid**


**Johannes Haushofer**


**Paul Klein**


**Mikael Priks**

1. Nationalekonomi satt i arbete, Studentlitteratur (with Jonas Vlachos), forthcoming 2022.

**David Seim**

Jonas Vlachos
Unpublished works including working papers

Lennart Erixon
“Industriavtalet – luftslott eller riksintresse?” (“The Industrial Agreement – An Illusion or a National Interest?”).

Rikard Forslid

Mathias Herzing
1. “The Strategic Interaction Between Cartels and Anti-trust Authorities” (with Jonas Häckner)
2. “Which Factors Lead to a High Rate of Adoption of New Technology?” (with Jonas Häckner)

Jonas Häckner
1. “The Strategic Interaction Between Cartels and Anti-trust Authorities”, with Mathias Herzing
2. “Which Factors Lead to a High Rate of Adoption of New Technology?”, with Mathias Herzing

Paul Klein
Optimal Tax Policy and Endogenous Growth through Innovation (with Till Gross).

Peter Langenius
2. “A New Keynesian Phillips curve on time scales”.
3. “Monetary models on time scales” (with Petr Stehlik).
4. “Information, time and transparency: A trinity in a monetary policy modelling”
Jay Euijung Lee
1. Marriage and Misallocation: Evidence from 70 Years of U.S. History
2. How Do Political Parties Respond to Gender Quotas? Evidence from South Korea (with Martina Zanella)
3. Homemaker Norms for Married Women: A Cross-Country Comparison

Andreas Madestam
1. "Children of the Pill: The Effect of Subsidizing Oral Contraceptives on Children’s Health and Wellbeing" (with Emilia Simeonova)
2. "Gender Empowerment in 19th Century Sweden: Using Historical Trade Shocks to Assess the Effects of Women’s Economic Empowerment" (with Emilia Simeonova)
3. “Repayment Flexibility and Risk Taking: Experimental Evidence from Credit Contracts” (with Marianna Battaglia and Selim Gulesci)
4. "Shaping the Nation: The Effect of Fourth of July on Political Preferences and Behavior in the US" (with David Yanagizawa-Drott)
5. "State Repression, Exit, and Voice: Living in the Shadow of Cambodia’s Killing Fields" (with Mathias Iwanowsky)
6. "The Social Costs of a Credit Monopoly"
7. "Using Historical Aerial Photography and Machine Learning to Understand Human Development and Global Change" (with Hannah Druckenmiller, Solomon Hsiang, and Anna Tompsett)
8. "Who Benefits from Free Education? Long-Term Evidence from a Policy Experiment in Cambodia" (with Maria Cheung, Mathias Iwanowsky, and Jakob Svensson)

Mikael Prikis
5. Police Reforms and Crime – Evidence using Swedish Historical Data
Miika Päällysaho

Anna Seim

David Seim

David Strömberg
2. "Social media and protests in China" (with Bei Qin and Yanhui Wu).

Roine Vestman
Jonas Vlachos


Horng Chern Wong

1. Understanding High Wage and Low Wage Firms (submitted)
2. Spatial Structural Transformation: Theory and Evidence from France
Participation in conferences

Rikard Forslid
Nordic International Trade Seminar (NOITS), Reyjkavik, 30/9-1/10.

Mathias Herzing
IO workshop at the Stockholm School of Economics, November 25, 2021

Jonas Häckner
IO workshop at the Stockholm School of Economics, November 25, 2021

Paul Klein

Jay Euijung Lee
China Meeting of the Econometric Society 2021 (presented “Marriage and Misallocation: Evidence from 70 Years of U.S. History”)

Miika Pällysaho

David Strömberg
4th Madrid Political Economy Workshop, Keynote Speech, September 25th, 2021

Horng Chern Wong
1. Barcelona GSE Summer Forum, session on “Market Power and the Labor Market”. I presented “Understanding High Wage and Low Wage Firms”.
2. EALE Symposium. I presented “Understanding High Wage and Low Wage Firms”.

Seminar presentations

Jay Euijung Lee
1. Seoul National University
2. Stockholm School of Economics
3. Yonsei University

Miika Pällysaho
May 11, 2021 — Brown Bag seminar at the Department of Economics, Stockholm University

David Seim
University of Cologne.

David Strömberg
University of Vienna, April 29, 2021

Roine Vestman
1. National Institute of Economic Research
2. Sveriges Riksbank Financial Stability Forum

Horng Chern Wong
CREST, OECD, and Jinan University-IESR
**Current research projects**

**Mahmood Arai**

Gender differences in the labor market: A matter of social and economic class. Together with E. Von Essen, M. Lundholm & J. Riberth

We examine to what extent the variation in gender earnings-gap along the wage distribution reflects the within-family differential impact of social-economic background on life-time earnings. As a measure of socio-economic background we focus on accumulated wealth at the death of a cohort of men born during 1910 -1919.

**Lennart Erixon**

1. Economic Growth Models (with Jonas Pontusson)

Some developed countries do not rely on either export or domestic demand as a driving force of their economies. Some growth models are balanced across sectors. What makes balanced growth possible? What are the main driving forces of different countries and decades? Do the drivers differ in kind? What are the contours and limits of a particular growth model? Has Sweden turned from an export-led to a finance-led growth strategy during the latest decades?


The project pinpoints the determinants of nominal- and real-wage growth in Sweden since the mid-1990s. It focuses on the introduction of a new wage-policy regime at the end of the 1990s, the so-called Industrial Agreement (IA). The project analyzes the importance of the IA for the wage development and also the macroeconomic performance of Sweden.

**Rikard Forslid**

1. Trade, the Environment and Intermediation: The Effects of Globalization at the Firm-Level (Handelsbankens forskningsstiftelser)

This project examines how the responses of firms to globalization affect the environmental pollution. The project makes uses a micro database on Swedish firms that contains information about firms’ export and import activity, energy use, emissions, investment in emissions abatement, technology and production. The project also studies the impact of intermediation in international trade.

2. Globalisering, företag och utsläpp av växthusgaser (Vetenskapsrådet)

This research project contains four sub-projects that will analyze, empirically and theoretically, the effects of international trade on the greenhouse gas emissions of individual firms. We will for this purpose use detailed Swedish firm level data.
**Johannes Haushofer**

I’m currently working on a follow-up survey of a randomized field experiment on unconditional cash transfers in Kenya. The study was primarily interested in measuring spillover and general equilibrium effects of cash transfers, and this new survey will shed light on these effects in the medium run.

Secondly, I’m working on a project which measures the impact of international educational migration. Specifically, we study a program which supports Ugandan high school graduates in applying for and completing a Bachelor’s program in Germany. We will follow both the students and their families to measure impacts on their economic and psychological well-being.

**Adam Jacobsson**

1. “Effects of a parallel or sequential course structure on learning outcomes of university undergraduates.” (with Peter Skogman Thoursie and Lars Vahtrik).

We investigate the effects of changing the course structure from being parallel into being sequential on differences in learning outcomes of university undergraduates.

2. “Advancing teaching and learning in economics – on trade, migration and taxation.” (with Cecilia Lundholm, Peter Davies and Niklas Jakobsson)

The project will i) present a review of the ‘state of the art’ in this field; (ii) use trialling methods of research data and collection; (iii) develop a pool of evidence that can be used to design research instruments in future research; and iv) design interventions together with teachers using a Design Research approach.

**Paul Klein**

1. Innovation-driven growth in a multi-country world (with Till Gross)

We investigate the properties of a multi-country model of endogenous growth through innovation where capital markets are integrated and there are spillovers from innovation. We find that this framework may help us understand the apparent fall in research productivity in currently rich countries in recent decades. It also sheds new light on the convergence paths of emerging economies.

2. Earnings and income inequality in Sweden 1978-2016 (with David Domeij)

The main purpose of the project is to provide a parsimonious statistical representation of earnings dynamics in Sweden from 1978 to 2016, using a non-parametric approach. This in turn should enable us to understand better the impact on savings, consumption and labour supply of earnings shocks.
Peter Langenius

1. Conducting monetary policy by managing private-sector expectations: A theory of central bank transparency

In this paper I use a New Keynesian monetary model in which the central bank has only an expectations channel through which it can implement monetary policy. In this extremely expectations augmented economy both the central bank’s and society’s welfare increase with higher central bank transparency.

2. A New Keynesian Phillips Curve on Time Scales

In this paper, I derive an optimal monetary policy rule for a New Keynesian Phillips curve on time scales. The rule is tested on data over Swedish forward interest rates.

3. Monetary Models on Time Scales (with Petr Stehlik)

In this paper we unify three seemingly distinct models of aggregate supply (AS) relations into one model on time scales. The analysis is restricted to a deterministic environment, but consents to an analysis of heterogeneous (non constant) time steps. It is shown that the admission of non constant time intervals significantly improves the ability of the model to explain US post-war data.

4. Information, Time and Transparency: A Trinity in a Monetary Policy Modelling

In this paper, central bank transparency is connected to the length of a period in the Monetary-policy model. Solving the central bank’s optimization problem one obtains an optimal period length which is shown to be related to the transparency level.

Jay Euijung Lee

1. Trade, Structural Transformation, and Gender (with Kangchul Jo and Rachel Ngai)

As a country develops and education and labor market participation of females increase, the comparative advantage pattern of the country changes such that females in tradable sectors initially benefit and then suffer.

2. Gender Quotas and Group Dynamics: Evidence from Municipal Council Meetings in South Korea (with Martina Zanella)

Using gender quotas, we study how changing the gender ratio in a group affects the group’s decision-making process.

Andreas Madestam

1. “A new approach to measuring the wealth of nations: understanding long-run economic growth using historical aerial photographs” (with Solomon Hsiang and Anna Tompsett)

2. “60 years of global environmental change 1939-1999: digitization of 1.6 million historical aerial photographs” (with Solomon Hsiang and Anna Tompsett)
4. “Inside the Production Function: The Effect of Financial Contracts on Growing Firms’ Technology Use. Evidence from a Randomized Experiment in Uganda” (with Selim Gulesci, Francesco Loiacono, and Miri Stryjan)
5. "Measuring the persistence, memory, and salience of state repression" (with Mathias Buhler)
6. "Economic success through salvation? Experimental evidence from the evangelical movement" (with Francesco Loiacono and Jakob Svensson)
7. "Racial bias and peer effects at the police academy. Experimental evidence from Sweden" (with Jenny Madestam and Alexander Näsström)
8. “The effect of financial development and globalization on innovation. Historical evidence from Sweden” (with Jon Olofsson and Björn Tyrefors)
9. “Closing the gender gap in agriculture: experimental evidence from Uganda” (with Selim Gulesci and Munshi Sulaiman)
10. “Globalization and health" (with Emilia Simeonova and Anders Åkerman)
11. “The causal effect of tracking on educational and labor market outcomes. Evidence from Sweden” (with Dany Kessel and Björn Tyrefors)

Astri Muren

Environmental enforcement with costly inspections and mobile firms

Miika Päälysaho


We combine an economic model of skill investment with data on cognitive skills measured at military enlistment and labor market earnings to study to what extent changing labor market returns to skills can account for cohort trends in cognitive skills among Swedish men.


We analyze the effect of parental layoffs on the educational outcomes of their children. Using Swedish administrative data, we exploit shocks to firm labor demand to estimate the age-specific impact of parental layoffs on high school graduation rates.
Anna Seim

1. “Exchange-Rate Cyclicality and Country Size” (with Anders Akerman and Mohammadreza Farajpour Bibalan)

We study the relationship between exchange rates and financial-market developments over the business cycle, and assess whether there are heterogeneous effects in this regard, with respect to e.g. country size.

2. "Systemic Risk and Contagion in the Swedish Financial System" (with Marianna Blix Grimaldi)

The aim of this project is to document interlinkages in the network of Swedish banks and financial institutions. We seek to model potential contagion, quantify systemic risk following different types of shocks, and identify policy implications with regard to resolution measures and regulation.

3. “Wages and Hours Worked under Collective Bargaining” (with Lars Calmfors)

We explore whether the high degree of collective bargaining in Europe, may help explain why Europeans work so little. We develop a general-equilibrium model of the joint determination of wages and hours under collective bargaining, and consider the effects of changes in bargaining structure and various shocks on wages, hours worked and employment.

David Seim

Education and Innovation (with David Stromberg and Jakob Beuschlein)

David Strömberg

1. Democracy and Science (with Philippe Aghion, Celine Antonin and Xueping Sun)

This project investigates the relationship between democracy and research output.

2. Effects of education and media on innovation and entrepreneurship (with David Seim).

This project investigates empirically the relationship between education and media on innovation and entrepreneurship.

Roine Vestman

1. Designing Mortgage Contracts

2. Designing Defined Contribution Pension Systems
Jonas Vlachos

1. Market reforms, school segregation and teachers’ work environment. Sponsored by Vetenskapsrådet
2. What’s in education and worker productivity. Sponsored by Handelsbankens forskningsstiftelser.

Horng Chern Wong

1. “Managing Growth and Uncertainty” (with Berengere Patault). Summary: We study the joint determination of firm organization, growth, and volatility using French microdata and a theoretical model of knowledge hierarchies and growth.
2. “On the Distribution of Innovative Activity Across Firms” (with Victor Lyonnet). Summary: We combine patent data with French microdata to better understand the distribution of different types of innovation across firms and the implications.
3. “Strategic Competition in the Market for Ideas” (with Gustavo de Souza). Summary: We study its macroeconomic implications.
Seminars

Spring 2021

January
Tue Jan 12  Job Talk: Martin Mattsson (Yale): "Service Delivery, Corruption, and Information Flows in Bureaucracies: Evidence from the Bangladesh Civil Service".
Thu Jan 14  Job Talk: Elisa Macchi (Zurich): "Worth your weight: experimental evidence on the benefits of obesity in low-income countries".
Thu Jan 21  Job Talk: Sebastian Ellingsen (UPF): "Free and Protected: Trade and Breaks in Long-Term Persistence".
Fri Jan 22  Job Talk: Francesca Salvati (UCL): "Health Inequality, Labor Supply and Retirement Policies".
Thu Jan 28  Job Talk: Martina Fazio (LSE): "Financial Stabilisation Policies in a Credit Crunch: Zombie Firms and the Effective Lower Bound".

February
Mon Feb 1  Job Talk: Silvia Vannutelli (Boston): "From Lapdogs to Watchdogs: Random Auditor Assignment and Municipal Fiscal Performance in Italy".
Wed Feb 3  Job Talk: Michele Giannola (UCL): "Parental Investments and Intrahousehold Inequality in Child Development: Theory, Measurement and Evidence from a Lab-in-the-Field Experiment".
Fri Feb 5  Job Talk: Josef Sigurdsson (NHH): "Labor Supply Responses and Adjustment Frictions: A Tax-Free Year in Iceland".
Tue Feb 16 Brown Bag: Sébastien Lamproye (ECARES, ULB): "Did Technology trigger the American Dream? Innovation and Intergenerational Income Rank Mobility".
Thu Feb 18 Alexandra Roulet (INSEAD): "Revisiting the Contribution of Firm Pay Policies to the Gender Wage Gap".
Thu Feb 25 Florian Scheuer (Zürich): "Taxing High-Powered Entrepreneurship"
**March**

- **Tue Mar 16** Brown Bag: Ossian Prane (SU): "Imports and the Carbon Emission Intensity of Firms".
- **Thu Mar 18** Emily Breza (Harvard): “Does Affirmative Action Rewire the Social Network? Evidence from India”
- **Thu Mar 25** Wojciech Kopczuk (Columbia): "Accounting for Business Income in Measuring Top Income Shares: Integrated Accrual Approach Using Individual and Firm Data from Norway".

**April**

- **Thu Apr 8** Guilherme Lichand (Zurich): "Harming to Signal: Child Marriage vs. Public Donations in Malawi".
- **Tue Apr 13** Brown Bag: Anders Åkerman (SU): "Chasing an Elusive Target: Measuring Productivity Effects under Factor-Biased Technological Change”.
- **Tue Apr 20** Brown Bag: David Jackson (SU): "Reputation in networks".
- **Thu Apr 29** Gianmarco Leon (UPF): "Financial Incentives in Multi-layered Organizations: An Experiment in the Public Sector".

**May**

- **Tue May 4** Brown Bag: Ines Helm (SU): "Firm Expansion in Imperfect Labor Markets".
- **Tue May 18** Brown Bag: Monir Bounadi (SU): "Religion and Mobilization: Evidence From Europe’s Involvement With the Hajj”.
- **Thu May 20** Kalina Manova (UCL): "Firm Heterogeneity and Imperfect Competition in Global Production Networks”.
- **Tue May 25** Mushfiq Mobarak (Yale): "Normalizing Community Mask-Wearing: A Cluster Randomized Trial in Bangladesh".
- **Wed May 26** Final seminar: Nanna Fukushima (SU)

**June**

- **Thu Jun 3** David Weil (Brown): “Quality-adjusted Population Density”.
- **Mon Jun 14** Final Seminar: Roza Khoban (SU)

**Autumn 2021**

**September**

- **Tue Sept 14** Brown Bag: Jay Lee & Horng Chern Wong SU):"International Trade and Structural Change across Cities/Gender Ratio and Group Dynamics."
Tue Sept 21  Brown Bag: Anna Linderoth (SU): "Gender Segregation Across Workplaces: Tipping and The Importance of Social Skill".

Mon Sept 27  PhD Defense: Nanna Fukushima (SU): "Essays on the Economics of the 1956 Clean Air Act".

Tue Sept 28  Brown Bag: Moritz Goldbeck (Munich): "Digital Infrastructure and Local Economic Growth: Early Internet in Sub-Saharan Africa".

Tue Sept 28  Wolfram Schlenker (Columbia): "Pushed to Cross the Line: Multiperiod Pollution Standards and the Cost of Environmental Regulation".

October
Tue Oct 5  Brown Bag: Ulrika Ahrsjö (SU): "Youth crime, community service and labor market outcomes".


Thu Oct 14  Magne Mogstad (Chicago): "How Americans Respond to Idiosyncratic and Exogenous Changes in Household Wealth and Unearned Income"


Tue Oct 19  Brown Bag: José-Elias Gallegos (SU): "Inflation Persistence, Noisy Information and the Phillips Curve".

Thu Oct 21  Nina Pavnik (Dartmouth): "FDI Inflows and Domestic Firms: Adjustment to New Exporting Opportunities".

Tue Oct 26  Brown Bag: Marie-Pascale Grimon (SU): "Effects of the Child Protection System on Parents".


November

Tue Nov 9  Brown Bag: Xueping Sun (SU): "The Innovation Cost of Short Political Horizons: Evidence from Local Leaders’ Promotion in China".

Thu Nov 11  Sebastian Siegloch (Mannheim): "Direct, Spillover, and Welfare Effects of Regional Firm Subsidies".

Tue Nov 16  Brown Bag: Lidia Cruces de Souca (UC3 & ENTER): "Gender gaps in the labour market and pension sustainability".


Thu Nov 25  Balazs Murakozy (Liverpool): "Technological Change and Skill Demand in Non-Competitive Labor Markets".

Tue Nov 30  Brown Bag: Rene Karadakic (NHH): "Health Effects of Information Diffusion".

December

Tue Dec 7  Brown Bag: Johannes Haushofer (SU): "Cash Transfers for Migration".

Thu Dec 9  Johannes Boehm (Sciences Po): "Growth and the Fragmentation of Production".
Doctoral dissertations

For a list of previous doctoral theses, and for full-text versions, see http://www.ne.su.se/english/research/publications/doctoral-theses

2021

September 24  Divya Dev (IIES)
   Essays on Gender, Development and Political Economy

September 27  Nanna Fukushima (DE)
   Essays on the Economics of the 1956 Clean Air Act

October 15  Roza Khoban (DE)
   Globalization and Development: The Impact of International Trade on Political and Social Institutions

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Research Papers in Economics

For the years 1997 – 2020, and for full-text versions, see http://swopec.hhs.se/sunrpe/

