



Stockholm  
University

## Department of Economics



**Current Research 2023**

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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.<sup>1</sup> 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).

The development of the department is described in *Från värde till välfärdsteori – nationalekonomin vid Stockholms högskola/Stockholms universitet 1904-2004*, by Svante Nycander together with Jonas

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<sup>1</sup> 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.

Agell, Eskil Wadensjö and Hans Wijkander (SNS Förlag, 2005). The book was presented at a seminar on December 2, 2004, celebrating the 100<sup>th</sup> 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 19 full professors, 1 associate professor, and 10 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 January 31. The formal requirements are

described on our webpage <https://www.su.se/department-of-economics/education/study-with-us/phd-program-in-economics-1.531004>

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 hosts the prominent journal *Scandinavian Journal of Economics*.

# Publications in print 2023

## Annika Alexius

"Pass through with volatile exchange rates and inflation targeting" (with Mikaela Holmberg), *The Review of World Economics* (2023)

As central banks struggle against high inflation in the aftermath of the Covid-19 pandemic and the war in the Ukraine, it is essential to understand the open economy aspects of inflation determination. Using Bayesian VARs with time-varying parameters and stochastic volatility, we analyze the behavior of pass-through across time and in relation to macroeconomic variables. Pass-through increases with the volatility of the exchange rate and the level, variance and persistence of shocks to domestic prices, which is in line with theory. The effect of inflation persistence on pass-through is much higher for exchange rate appreciations than for depreciations.

## Lennart Erixon

"Luftslott eller riksintresse? Industriavtalets effekter på svensk ekonomi 1998-2019" (An Illusion or a National Interest? The Effects of the Industrial Agreement on the Swedish Economy 1998-2019), *Katalys* No. 114, 2023.

Since the late 1990s, central wage bargaining in Sweden has been governed by the so-called Industrial Agreement (IA). The wage agreements for manufacturing takes account of the cost competitiveness of firms and the inflation target of the Riksbank. IA is expected to guide the wage negotiations of other sectors. This report downplays the uniqueness and macroeconomic importance of Swedish pattern bargaining in 1998-2019. However, the wage leadership of the open sector had probably a positive effect on Swedish GDP growth by stimulating household consumption and on the country's productivity performance by enforcing firms in the service sector to become more productive

## Rikard Forslid

1. Globotics and development: When manufacturing is jobless and services are tradeable. (with R. Baldwin), *World Trade Review*, 22(3-4), 2023, 302-311.

2. Trade, location, and multi-product firms. (with T. Okubo), *Regional Science and Urban Economics*, 100 (2023): 103891.

## Montasser Ghachem

PINstimation: An R Package for Estimating Probability of Informed Trading Models (with Oguz Ersan), *R Journal* 15 (2) 2023.

This paper introduces the R package PINstimation, designed for quick and precise estimation of informed trading probability models. It covers models like the original PIN, multilayer PIN, adjusted PIN, and volume-synchronized PIN. The package also includes tools for data simulation, aggregation, and classification. The paper offers a brief theoretical overview and showcases the package's capabilities with examples using trade-level data from 58 Swedish stocks. These examples show how PINstimation can address research questions and benefit both academics and practitioners.

### **Adam Jacobsson**

Mathias Herzing, Hans Wickström, Adam Jacobsson, Håkan Källmén and Lars Forsberg. 2023. "Enhancing compliance with waste sorting regulations through inspections and motivational interviewing", *Waste Management & Research: The Journal for a Sustainable Circular Economy*, Vol. 41(8), pp1342-1348.

This field experiment investigates the effect of first-time inspections of restaurants' waste sorting and explores whether motivational interviewing (MI) training of inspectors in this specific setting enhances the propensity of restaurants to be compliant with regulations. Our results show strong positive effects of first inspections with an average improvement of 55%. Also, the MI training of inspectors seems to affect compliance. However, this may also be a combined effect of the first inspection, MI training and more days between inspections. Further research is needed.

### **Mikael Priks**

Nationalekonomins verktyg, Studentlitteratur (with Jonas Vlachos)

### **David Seim**

"Bounds on a Slope from Size Restrictions on Economic Shocks" with Marco Stenborg Pettersson and Jesse Shapiro. *American Economic Journal: Microeconomics*, 15(3): 552-572, 2023.

### **Claes-Henric Siven**

Bent Hansen's theory of fiscal policy, *The European Journal of the History of Economic Thought*, DOI: 10.1080/09672567.2023.2172196

ABSTRACT Bent Hansen's *The Economic Theory of Fiscal Policy* contains a macro economic model, based on optimising agents, to analyse how fiscal policy can be used to secure full employment and a constant value of money. Focus is on the coordination of economic policy. In addition to giving an account of Hansen's analysis, the choice of model (equilibrium model, inflation model or a Keynesian unemployment model) is discussed. The role of and the modelling of monetary policy is treated, and the possibility of implementing the policy.

### **Roine Vestman**

"Identifying the Benefits from Home Ownership: A Swedish Experiment" (with Paolo Sodini, Stijn Van Nieuwerburgh, and Ulf von Lilienfeld-Toal), *American Economic Review*, 113(12), 3173-3212.

Summary: Homeownership is widely stimulated by policy yet its economic effects are poorly understood. We exploit quasi-random variation in homeownership generated by privatization decisions of municipally-owned buildings, and use granular data on demographics, income, housing, financial wealth, and debt that allow us to construct high-quality measures of spending.

Homeownership causes wealth accumulation via house price appreciation, increases consumption, and improves consumption smoothing across time and states of the world. It increases mobility for young households, who move up the property ladder, and amplifies wealth accumulation for older households, who take more risk in their financial portfolio.



## **Forthcoming publications including online versions of forthcoming articles**

### **Charlotte Lucke**

"Components of the Increased Disposable Income Inequality in Sweden, 1985--2020", joint with Arizo Karimi (Uppsala University) and Mårten Palme, to be published in Fiscal studies in June 2024

### **Andreas Madestam**

"Repayment Flexibility and Risk Taking: Experimental Evidence from Credit Contracts" (with Marianna Battaglia and Selim Gulesci), Review of Economic Studies, Oxford University Press.

### **Astri Muren**

"Styrning av samhällsvetenskaplig forskning" i I samhällets tjänst? En ESO-antologi om villkoren för forskning och samverkan. Jonas Eliasson och Maria Vredin (red.)

### **David Seim**

"Intergenerational Transmission of Luck versus Effort Beliefs" with Manja Gärtner and Johanna Mollerstrom. Economics Letters, forthcoming.

# Unpublished works including working papers

## **Rikard Forslid**

Climate Risks and Global Value Chains: The impact of the 2011 Thailand flood on Swedish firms (with M. Sanctuary), CEPR Discussion Paper no. 17855, 2023.

## **Montasser Ghachem**

1. Estimation of the probability of informed trading models via an expectation-conditional maximization algorithm (With Oguz Ersan) - RR in Financial Innovation
2. Group selection, pro-social norms, and income inequality (with Sten Nyberg and Michael Lundholm)
3. A methodological approach to the computational problems in the estimation of adjusted PIN model (with Oguz Ersan) – Submitted at The North American Journal of Economics and Finance
4. The constructive side of Destructive envy.

## **Jonas Häckner**

“Cost-reducing technology adoption – An equilibrium approach”, with Mathias Herzing

## **Paul Klein**

Modelling earnings dynamics using metalog distributions (with David Domeij)

## **Ann-Sofie Kolm**

In-house hiring versus staffing agencies (with Agneta Berge and Per Krusell)

## **Peter Langenius**

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

## **Charlotte Lucke**

"Incentivizing Labour beyond Full-Time: Evidence from a Natural Experiment in Belgium" (JMP)

## **Andreas Madestam**

1. "Credit Contracts, Business Development, and Gender: Evidence from Uganda" (with Francesco Loiacono, Selim Gulesci, and Miri Stryjan)
2. "Children of the Pill: The Effect of Subsidizing Oral Contraceptives on Children's Health and Wellbeing" (with Jenny Jans and Emilia Simeonova)
3. "Gender Empowerment in 19th Century Sweden: Using Historical Trade Shocks to Assess the Effects of Women's Economic Empowerment" (with Emilia Simeonova)
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 Bühler)
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 Bühler, and Jakob Svensson)

## **Markus Pettersson**

1. [\*Endogenous Technological Change Along the Demographic Transition\*](#)
2. [\*A Nonhomothetic Price Index and Cost-of-Living Inequality\*](#)  
(with Philipp Hochmuth and Christoffer Jessen Weissert)
3. [\*A Distributional PCE Price Index From Aggregate Data\*](#)  
(with Philipp Hochmuth and Christoffer Jessen Weissert)

## **Mikael Priks**

1. "The Intergenerational Effects of Parental Incarceration" (with Hans Grönqvist, Susan Niknami, and Mårten Palme).
2. "Do Mild Sentences Deter Crime? Evidence using a Regression Discontinuity Design" (with Per Pettersson-Lidbom, Björn Tyrefors and Joakim Jansson).
3. "Improved Police Technology: Effects of Patrolling Police Cars on Crime"
4. "Temporal Displacement of Crime: Empirical Evidence using Youth Discounts in the Swedish Sentencing System" (with Mårten Palme and Björn Tyrefors).
5. "Targeting Prolific Offenders to Reduce Crime: Theory and Evidence" (with Stephen Machin and Olivier Marie).

## **Anna Seim**

1. "Barriers to Technology and Sustainable Democracy" (with Stephen L. Parente and Luis Felipe Sáenz)
2. "Institutions, Technological Diffusion and Economic Performance: A Latent-Class Approach" (with Chih Ming Tan).

### **David Seim**

1. "Personal Income Mobility, Luck vs Effort Beliefs, and the Demand for Redistribution: Perceptions and Reality" with Manja Gärtner and Johanna Mollerstrom, November 2023.
2. "Deadwood Labor: The Effects of Eliminating Employment Protection" with Emmanuel Saez and Benjamin Schoefer, NBER Working Paper, October 2023.
3. "Mandatory Advance Notice of Layoff: Evidence and Efficiency Considerations", with Jonas Cederlöf, Peter Fredriksson and Arash Nekoei.

### **David Strömberg**

1. "Social media and collective action in China" (with Bei Qin and Yanhui Wu).
2. "How Much Does Chinese Research Hinge on US Coauthors? Evidence from the China Initiative" (with Philippe Aghion, Celine Antonin, Luc Paluskiewicz, Xueping Sun, Raphael Wargon and Karolina Westin).

### **Peter Thoursie**

1. The Wage Growth and Within-Firm Mobility of Men and Women: New Evidence and Theory (med Mary Ann Bronson, Georgetown University). RR *American Economic Journal: Applied Economics*.
2. "Taxes, childcare and gender identity norm" (med Andrea Ichino (EUI), Barbara Petron (Queen Mary University London), Martin Olsson (IFN)). RR. *Journal of Labor Economics*.
3. "Restricting residence permits. Evidence from a Swedish Reform" (with Björn Tyrefors and Niklas Blomqvist). Manuscript available 2021.
4. "Increased Matching Interventions for Newly Arrived Immigrants – Evidence from a Swedish Randomized Evaluation" (with Petter Helgesson, Ulfhild Westin, Petra Ornstein, Magnus Rödin and Erik Jönsson).
5. "Long-term effect of private rehabilitation – a Swedish Randomized Experiment" (with Lisa Laun).

### **Jonas Tuhkuri**

1. New Evidence on the Effect of Technology on Employment and Skill Demand (with Johannes Hirvonen and Aapo Stenhammar), under revision for the Quarterly Journal of Economics
2. School vs. Action-Oriented Personalities in the Labor Market (with Ramin Izadi), under revision for the Journal of Labor Economics
3. Psychological Traits and Adaptation in the Labor Market (with Ramin Izadi)
4. The Surprising Intergenerational Effects of Manufacturing Decline

### **Hong Chern Wong**

1. Understanding High-Wage Firms
2. Urban-Biased Structural Change (with Natalie Chen, Dennis Novy, & Carlo Perroni).

# Participation in conferences

## **Lennart Erixon**

Conference celebrating the 50th anniversary of the Swedish Institute of Social Research (SOFI), June 8 2023. Speech: "50 years of Swedish wage formation – myths and realities".

## **Rikard Forslid**

-Nordic International Trade Seminar (NOITS), Stockholm , 7-8 September, organizer.

-Trade Workshop, Villars, Switzerland, 25-28 January.

## **Paul Klein**

Discussant at the Vienna Macro Café, 2023

## **Ann-Sofie Kolm**

5th Dale T. Mortensen Centre Conference: Markets with Search Frictions, Denmark, paper presented: In-house hiring versus staffing agencies

## **Charlotte Lucke**

PENSINEQ Workshop Stockholm May 31st-June 1st, PENSINEQ Workshop London Nov. 15-16th, Deaton Review Conference London Nov. 30-Dec. 1st., IFAU conference Uppsala March 24

## **Andreas Madestam**

Workshop on Financial Inclusion and Business Development in Low-Income Countries, Geneva presenting "Credit Contracts, Business Development, and Gender: Evidence from Uganda".

## **Anna Seim**

1. Second PhD workshop in Money and Finance, Sveriges Riksbank, May 15
2. WE\_ARE\_IN Macroeconomics and Finance, CEPR and Sveriges Riksbank, September 28-29

## **David Seim**

1. NBER Summer institute 2023
2. CEPR Sciences Po Workshop 2023
3. Nordic Public Policy Symposium 2023
4. 6th Bank of Italy CEPR Labour Workshop, 2023
5. Oslo Labor Workshop, 2023

6. European Micro Data Workshop, CEPR, 2023
7. SKILS conference, Switzerland, 2023

### **David Strömberg**

1. Entrepreneurship, Risk, Talent and Innovation, Paris, April 2023.  
Paper presented: "How Much Does Chinese Research Hinge on US Coauthors? Evidence from the China Initiative"
2. NBER Summer Institute: Innovation/Productivity meeting, Boston, July, 2023.  
Paper presented: "How Much Does Chinese Research Hinge on US Coauthors? Evidence from the China Initiative"
3. 2nd CEPR Workshop on Media, Technology, Politics, and Society, Rome, June, 2023.
4. 2nd AI + Economics Workshop Zurich, September, 2023.

### **Jonas Tuhkuri**

1. CReAM Conference, presented School vs. Action-Oriented Personalities in the Labor Market
2. Handbook of Labor Economics Conference
3. Nordic Policy Symposium

### **Roine Vestman**

1. Keynote address "The Housing Market and Macroeconomy" at Bostadsmötet, Institute for Housing and Urban Research, Uppsala University.
2. Oslo Macro Conference, presented "The Housing Wealth Effect: Quasi-Experimental Evidence"
3. Arne Ryde Workshop "Micro data meet Macro models", Lund University, presented "The Housing Wealth Effect: Quasi-Experimental Evidence"

### **Horng Chern Wong**

Tilburg GIFT conference

# Seminar presentations

## **Lennart Erixon**

A macroeconomic evaluation of the Swedish Industrial Agreement (Industriavtalet), ABF Stockholm, September 11, 2023. Paper: "Luftslott eller riksintresse? Industriavtalets effekter på svensk ekonomi 1998-2019" (An Illusion or a National Interest? The Effects of the Industrial Agreement on the Swedish Economy 1998-2019).

## **Paul Klein**

Presented Innovation-driven growth in a multi-country world at the University of Manchester, April 2023, at the University of Southampton (April 2023), the Oslo Macro Conference (August 2023) and at the Paris School of Economics (November 2023).

## **Ann-Sofie Kolm**

Seminar at Sveriges Riksbank, In-house hiring versus staffing agencies

## **Charlotte Lucke**

Scandinavian PhD exchange seminar at SDU Sept. 28th, Seminar presentation at Jönköping University Nov. 13<sup>th</sup>

## **Andreas Madestam**

Presenting "Credit Contracts, Business Development, and Gender: Evidence from Uganda".

1. Catholic University of Milan
2. LMU Munich

## **Mikael Priks**

1. "Hur påverkar polis och övervakningskameror brottslighet?", Presentation at SNS
2. "Effekter av ungdomsrabatter och ungdomsfängelser på brottslighet i Sverige", Presentation at SNS

## **Anna Seim**

"Barriers to Technology and Sustainable Democracy", University of Illinois at Urbana Champaign, October 10

## **David Seim**

1. University of Nottingham, 2023
2. London School of Economics, 2023

3. DIW Berlin, 2023
4. Erasmus University Rotterdam, 2023
5. Research Institute of Industrial Economics, Stockholm, 2023
6. University of Galway, 2023
7. University of Copenhagen, 2023;

### **Roine Vestman**

1. Danmarks Nationalbank
2. National Institute of Economic Research (Konjunkturinstitutet, Stockholm).

### **Hong Chern Wong**

Aarhus University



# Current research projects

## Lennart Erixon

### 1. Economic Growth Models (with Jonas Pontusson)

Some developed countries 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?

### 2. Wage Formation in Sweden

The project analyzes 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 this decade, the so-called Industrial Agreement (IA). The project analyzes the importance of the IA for the wage development and for 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 use of 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.

## Montasser Ghachem

### A new version of the R package PINstimation

The package **PINstimation** was first released on CRAN on May 22, 2022, with the newest version v 0.1.2 released on 20.03.2023. The package has:

- Lines of Code: 15,000+
- Downloads: 4,300+
- GitHub Stars: 26 (<https://github.com/monty-se/PINstimation> )
- Dedicated website: [<https://pinstimation.com/>]

## **Jonas Häckner**

Welfare Effects of Monitoring Oligopolistic Markets (with Mathias Herzing and Sten Nyberg)

This project focuses on inspections and enforcement in the contexts of environmental, public health safety, tax and competition regulations.

## **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 trialing 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.

We develop a multi-country model of endogenous growth through innovation. The key feature of the model is that some ideas are globally applicable, while others are of local use only. Each country consists of a number of locations. There are innovation spillovers across locations and therefore across country borders. We argue that this model is both inherently plausible and consistent with an important set of growth facts. For instance, by computing a transition, we show that the model is capable of replicating a protracted decline in measured research productivity in the rich part of the world.

2. The indictment of monopoly revisited (with Till Gross).

We investigate the welfare implications of competition. We start by showing that, under weak assumptions, efficiency is maximized either by every sector being monopolized or every sector being competitive; intermediate cases are all inefficient. We then relax these assumptions and explore the efficiency benefits of competition via the cost reduction channel.

3. Modelling earnings dynamics using metalog distributions (with David Domeij).

We investigate the ability of a novel and flexible yet parsimonious specification of an earnings process to capture some salient features of the data. This paper is currently under review with the Review of Economic Dynamics.

4. The implications of carefully modelling earnings dynamics (with David Domeij).

Here we examine, in the context of a standard consumption-savings model, the consequences of our metalog specification.

5. Tax competition in an endogenous growth model (with Till Gross).

Building on the framework of our multi-country model of endogenous growth, we examine the

implications of international innovation spillovers for tax rates in a political equilibrium, comparing and contrasting with what policies would look like if they were coordinated at a global level.

6. The importance of gross labour movements (with Gustavo Ventura).

We explore the implications for aggregate productivity and welfare of barriers to labour mobility in the context of a model capable of replicating gross movements of labour across locations.

### **Ann-Sofie Kolm**

- 1) Empowerment of women and decline in education (with Per Krusell, Kieran Larkin, and Kurt Mitman)
- 2) In-house hiring versus staffing agencies (with Agneta Berge and Per Krusell)
- 3) Health Care Financing and Labor Market Performance (with Birthe Larsen)
- 4) EITCs and poverty reduction

### **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. Keyword: Monetary Policy.
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. Keyword: Monetary Policy.
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. Keyword: Macroeconomics.
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. Keyword: Monetary Policy.

### **Charlotte Lucke**

1. Incentivizing Labour beyond Full-Time: Evidence from a Natural Experiment in Belgium (Job Market Paper)

This paper evaluates the recent "flexi-job reform" from Belgium, which introduced tax-exempt secondary jobs to specific sectors for near-to full-time workers. Using Belgian panel data for the years 2012-2019, I analyze the reform's impacts on labour supply, demand and wages for workers and firms using difference-in-differences estimation.

## 2. Deaton Review Sweden (with Arizo Karimi and Mårten Palme)

As part of the IFS Deaton Review Country Studies, we study the development of inequalities in Sweden during the last 30 years. We present our results in a cross-country comparison and as a separate paper highlighting the Sweden-specific developments.

## 3. Income Inequality and the Income Gradient in Mortality: Insights from Six Decades of Swedish Population Data (with Johannes Hagen, Lisa Laun and Mårten Palme)

This study examines changes in the income gradient in mortality in Sweden across 60 years. We find an increasing gradient in mortality, even during times of decreasing income inequality.

### **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)
3. "Income, Women's Wellbeing, and the Fertility Transition: Evidence from Trade Shocks in 19th Century Sweden" (with Emilia Simeonova)
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. "Economic success through salvation? Experimental evidence from the evangelical movement" (with Francesco Loiacono and Jakob Svensson)
6. "Racial bias and peer effects at the police academy. Experimental evidence from Sweden" (with Jenny Madestam and Alexander Näsström)
7. "The effect of financial development and globalization on innovation. Historical evidence from Sweden" (with Jon Olofsson and Björn Tyrefors)
8. "Closing the Gender Gap in Agriculture" (with Selim Gulesci, Elijah Kipchumba, Alexander Näsström, Munshi Sulaiman, and Esau Tugume)
9. "Globalization and health" (with Emilia Simeonova and Anders Åkerman)
10. "The causal effect of tracking on educational and labor market outcomes. Evidence from Sweden" (with Dany Kessel and Björn Tyrefors)

### **Astri Muren**

Delegated environmental policy when polluting firms differ in mobility

### **Markus Pettersson**

1. Income tax functions by marital status and household size: a unified approach (Working title)

This project derives an effective income tax function that incorporates marital status and household size. The aim is to take this framework to the data and to explore its macroeconomic implications.

2. Taxing Capital? Bad For Ideas! (Working title)

This project analyses the importance of endogenous R&D-driven growth in determining the optimal capital and labour income taxes in a quantitative macroeconomic environment with heterogeneous life-cycle households.

### **Mikael Priks**

1. "Temporal Displacement of Crime: Empirical Evidence using Youth Discounts in the Swedish Sentencing System"

We analyze how offenders respond to intertemporal incentives by exploiting a rebate system in Swedish sentences at juvenile birthdays. We find evidence of intertemporal substitution of property crime. More crimes were committed during the weeks prior to birthdays, followed by a reduction in crime during the weeks after birthdays.

2. "The Intergenerational Effects of Parental Incarceration"

We estimate the causal effects of parental incarceration on children's short- and long-run outcomes using administrative data from Sweden. We find that the incarceration of a parent in childhood leads to a significant increase in teen crime and significant decreases in educational attainment and adult employment.

### **Anna Seim**

1. "Exchange-Rate Cyclicalities and Country Size" (with Anders Akerman and Mohammadreza Farajpour Bibalan)

We study the response of exchange rates to various shocks and assess the role of country size for heterogeneous effects in this regard.

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.

### **David Seim**

Education and Innovation (with David Stromberg and Jakob Beuschlein)

### **David Strömberg**

1. The political economy of China (with Bei Qin and Yanhui Wu)
2. Science and Innovation (with Philippe Aghion, Celine Antonin and Xueping Sun)
3. Effects of education and media on innovation and entrepreneurship (with David Seim).

### **Peter Skogman Thoursie**

The first project evaluates whether intensified matching interventions (JSA) can improve the job chances for new arrivals. JSA is evaluated in relation to the regular activities conducted at the Employment Service. Another project evaluates how labor market integration is affected by whether new arrivals receive temporary instead of permanent residence permits. In a third project, the purpose is to evaluate whether the waiting time before receiving your asylum decision affects labor

market integration and health. Fourth, I evaluate whether the Swedish version of supported employment can help young people with disability pension to get into work.

## **Hong Chern Wong**

### 1. Measuring Misallocation: Technology, Preferences, or Distortions (with Sampreet Goraya)

A large literature suggests that labor is misallocated across firms when their marginal product is dispersed, and an efficient allocation of labor would equalize the marginal product of labor. We show, under more general assumptions, that depending on the source of firm heterogeneity, this conclusion can be overturned.

### 2. Structural Change Within the Firm (with Simon Bunel, Natalie Chen, Dennis Novy, & Carlo Perroni)

### 3. Skills, Inequality, and Market Power (with Anders Akerman & Filip Mellgren)

How do firms' product market power affect the wages they pay?

### 4. Firm Expansion, Specialization, and Regional Productivity (with Natalie Chen, Dennis Novy, & Carlo Perroni)

Firms in some sectors have become more spatially concentrated while others have become more spatially dispersed. We study the drivers of those sector-specific patterns and the implications for the dynamics of regional productivity and inequality.

# Seminars

## Thursday seminar series

16 February: Chris Roth, Cologne University, "Home Price Expectations and Spending: Evidence from a Field Experiment"

23 February: Marianne Bertrand, Chicago Booth, "Predicting and Preventing Gun Violence: An Experimental Evaluation of READI Chicago"

9 March: Jonathan Kolstad, Berkeley, "The Social Determinants of Choice Quality: Evidence from Health Insurance in the Netherlands"

16 March: Jonathon Hazell, London School of Economics, "Bonus Question: How Does Incentive Pay Affect Unemployment Dynamics?"

23 March: Jerome Adda, Bocconi University, "Health Beliefs and the Long Run Effect of Medical Information"

30 March: Francesco Amodio, McGill University, "Labor Market Power, Self-employment, and Development"

13 April: Kory Kroft, University of Toronto, "Imperfect Competition and Rents in Labor and Product Markets: The Case of the Construction Industry"

27 April: Luca Repetto, Uppsala universitet, "Scars of War: the Legacy of WW1 Deaths on Civic Capital and Combat Motivation"

4 May: Rachel Griffith, University of Manchester, "Soft skills and the wage progression of low educated workers"

11 May: Roland Rathelot, CREST, ENSAE, IParis, "How can AI improve search and matching? Evidence from 59 million personalized job recommendations"

24 May: Alan Manning, London School of Economics, "The Wage Elasticity of Recruitment"

1 June: Andreas Moxnes, Oslo universitet, "Growing Together and Apart: Scale Economies and Specialization", joint with Björn Thor Arnarson, Magnus Tolum Buus, Jakob Munch and Chong Xiang

8 June: Petra Moser, NYU Stern, "Inequality in Science"

15 June: Yves Zenou, SU, Monash University, Melbourne, Australia, "Toward a General Theory of Peer Effects"

22 June: Arthur Seibold, Mannheims universitet, "Privatizing Disability Insurance"

### **Brown Bag seminar series**

7 February, Linda Wu, University College London, "Behavioral Responses to Estate Taxation: Evidence from Taiwan"

21 March: Zhiheng Xu, Stockholm University, "The Battle for Speed: A Race to the Bottom or a Race to the Top?"

4 April: Camila Steffens, Universidad Carlos III de Madrid, "Effects of e-commerce on local employment and firms' dynamics"

2 May: Ronja Helensdotter, University of Gothenburg, "Surviving Childhood: Health Effects of Removing a Child from Home"

16 May: Eugenia Maria Frezza, Trinity College Dublin, "Intimate-Partner-Violence and Attitudes in India"

30 May: Ossian Prane, Stockholm University, "Carbon Pricing and Offshoring"

### **Autumn 2023**

#### **Thursday seminar series**

7 September: Rafael Lalive, Lausanne, "Supporting Job Search Through Online Advice or Cognitive Trainings"

14 September: François Gerard, University of London, "Job displacement insurance in a lower-income country: Evidence from a Field Experiment in Ethiopia"

21 September: Isabela Manelici, London School of Economics, "Responsible Sourcing? Theory and Evidence from Costa Rica"

28 September: Mateusz Stalinski, University of Warwick, "Toxic Content and User Engagement on Social Media: Evidence from a Field Experiment"

5 October: Claus Kreiner, University of Copenhagen, "Micro vs Macro Labor Supply Elasticities: The Role of Dynamic Returns to Effort"

12 October: Jan Stuhler, Universidad Carlos III de Madrid, "Immigration and Monopsony: Evidence Across the Distribution of Firms"

19 October: Dita Eckardt, University of Warwick, "The Effect of Labor Market Entry Conditions on Job Match Quality: Evidence from Apprenticeship Graduates"

26 October: Simon Jäger, Massachusetts Institute of Technology, "Worker Representatives"

16 November: Arthur Seibold, University of Mannheim, "Privatizing Disability Insurance"

23 November: Markus Poschke, McGill University, "Understanding the Gender Division of Work across Countries"



30 November: Xavier Jaravel, London School of Economics, "Five Facts about MPCs: Evidence from a Randomized Experiment"

7 December: Matt Notowidigdo, Chicago Booth, "Lives vs. Livelihoods: The Impact of the Great Recession on Mortality and Welfare"

14 December: Milena Djourelova, Cornell University, "Experience, Narratives and Climate Change Beliefs"

### **Brown Bag seminar series**

26 september: Carina Neisser, University of Cologne, "Earnings Disclosure by Politicians"

10 October: Nicklas Nordfors, Stockholm University

17 October: Charlotte Lucke, Stockholm University, "Incentivizing Secondary Work: Evidence from a Natural Experiment in Belgium"

24 October: Jósef Sigurdsson, Stockholm University, "Burnout: Risk Factors and Economic Consequences"

7 November: Donia Kamel, Paris School of Economics

14 November: Joacim Tåg, Research Institute of Industrial Economics, "Chat GPT in Research"

21 November: María Alexandra Castellanos, Universidad Carlos III de Madrid

### **Final review seminar**

12 April: Jens Wikström

17 May: Anna Linderöth

20 September: David Jackson

### **Public defences**

16 February: Jon Olofsson, "An Economic Backbone of Development"

14 June: Yangzhou Yuan, "Policy, Institution and Misallocation"

1 September: Jens Wikström, "Essays on Health Economics and the Economics of Social Security"

7 September: Anna Linderöth, "Essays on Men's Preferences and Gender Inequality in the Labor Market"

### **Conferences**

7–8 September: NOITS Conference 2023, Stockholm

14–15 December: Nordic Public Policy Symposium, Stockholm