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## INTRODUCTION

L'Institut de Recherches Economiques et Sociales poursuit son objectif d'articuler la recherche scientifique internationale de haut niveau *et* la recherche appliquée centrée sur les questions de politique économique et sociale. Ce rapport manifeste que cet objectif est poursuivi avec fruit. Parmi les signes récents de reconnaissance de cet acquis, j'en épingle ici deux. David de la Croix est titulaire de la Chaire Francqui au titre Belge à l'Université de Gand durant l'année académique 2003-2004 (Thème : « From Stagnation to Economic Growth: 1600-2100 »).<sup>1</sup> Romain Duvivier a reçu le prix 2003 de la Fondation wallonne Humblet pour son étude sur les apports des théories de la croissance endogène à la compréhension de nos disparités régionales.

Les résultats de nos recherches sont diffusés dans le monde scientifique par divers canaux: les revues scientifiques internationales, les communications à des congrès nationaux et internationaux, notre série de Discussion Papers, les rapports pour différents programmes de recherche nationaux et internationaux. Notre site web<sup>2</sup> reprend de nombreuses informations. On y trouvera notamment un inventaire des publications<sup>3</sup> et des Discussion Papers. Ces derniers peuvent également être téléchargés de serveurs qui recensent la production mondiale en science économique.<sup>4</sup>

Les membres de l'IRES collaborent de longue date avec des collègues étrangers. En 2003, nous avons développé l'association de fellow externes. Ces fellows sont affiliés à titre régulier à une autre institution universitaire. Ils sont choisis annuellement en raison de leur collaboration étroite avec des membres de l'IRES. En 2003, nous avons pu bénéficier de l'apport intellectuel de 9 fellows issus de 9 universités européennes et de 1 fellow d'une université américaine.

L'année 2003 aura aussi été marquée par l'épanouissement de *Regards Economiques*, la revue électronique des économistes de l'U.C.L.<sup>5</sup> Cette revue, gratuite grâce à l'aide de la Fondation Louvain, est consacrée à des problèmes de l'actualité économique et à des sujets économiques généraux dont il y a lieu de se préoccuper indépendamment de l'actualité immédiate. Elle manifeste la volonté des économistes de l'UCL de s'impliquer fortement dans les débats socio-économiques qui traversent nos sociétés et la Belgique en particulier. Dans ce but, la communauté des économistes de Louvain s'y adresse à un large public intéressé aux questions économiques. Dix numéros sont parus en 2003. Leurs titres sont repris dans le rapport. L'écho de ces études dans les médias, le nombre de téléchargements (jusqu'à 1000 par numéro) et les emails reçus de lecteurs nous convainquent que cette revue rencontre un réel besoin.

Je remercie Claudine Stage et Paul Olbrechts qui ont préparé ce rapport annuel 2003.

Bruno Van der Linden  
Président de l'IRES

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<sup>1</sup> <http://www.sherppa.be>

<sup>2</sup> <http://www.ires.ucl.ac.be>

<sup>3</sup> <http://www.ires.ucl.ac.be/IRESnet/Publications/PublmembersMain.html>

<sup>4</sup> <http://econpapers.hhs.se/paper/ctllouvir/>

<sup>5</sup> <http://regards.ires.ucl.ac.be/>

## **I. L'IRES EN 2003**

### *Personnel académique et seniors*

Bodart Vincent, Boucekkine Raouf, Cassiers Isabelle, Cockx Bart, Dehez Pierre, de la Croix David, Dejemeppe Muriel, De Villé Philippe, De Vroey Michel, Malgrange Pierre, Martou François, Monfort Philippe, Nyssens Marthe, Scaillet Olivier, Shadman-Mehta Fatemeh, Sneessens Henri, Vandenberghe Vincent, Van der Linden Bruno, Vannetelbosch Vincent, Weiserbs Daniel.

### *Assistants et chercheurs*

Artige Lionel, Baende-Bofota Youyou, Barahona Augustin, Barikako Jean, Caillaud Fadila, Camacho Carmen, Cardullo Gabriele, Chang Chia Lin, Cosma Antonio, Cresti Barbara, Cruz Bruno, Denni Mario, Dias J., Duvivier Romain, Estevan-Goncalves Fernanda, Fuentes Zepeda Raul, Göbel Christian, Goffinet Pierre, Hamadi Malika, Hungerbühler Mathias, Jacquet Laurence, Joseph Gilles, Karasiotou Pavlina, Kholodilin Konstantin, Ledent Philippe, Lopez-Boo Florencia, Lucas Vander, Mabushi Eric, Mariani Fabio, Mattalia Claudio, Menoncin Francesco, Minniti Antonio, Mihsra Tapas, Moreno Eva, Nicoletti Giulio, Nyembwe André, Pensieroso Luca, Pierrard Olivier, Ries Jean, Saglam Huseyn Cagri, Sommacal Alessandro, Song Huasheng, Sprietsma Maresa, Vailakis Yannis, Vancauteren Mark, Vander Donckt Marie, Vilcapoma Leopoldo, Waltenberg Fabio, Zou Benteng.

### *Fellows extramuros*

Fabrice Collard, Université de Toulouse  
Mathias Doepke, University of California, Los Angeles  
Marc Gurgand, CREST et CNRS  
Jean-Jacques Herings, University of Maastricht  
Etienne Lehmann, Université de Paris II  
Omar Licandro, European University Institute  
Jose Sempere-Monerris, University of Valencia  
Aude Pommeret, University of Lausanne  
Klaus Wälde, University of Dresde

### *Membres associés*

de Briey Valérie, de Ghellinck Elisabeth, Degreeef Isabelle, Delbecque Bernard, Ertz Guy, Kumps Anne-Marie, Lemaitre Andréa, Lhuillier Vincent, Lohest Olivier, Mahy Benoît, Oulhaj Leila, Petrella Francesca, Paolini Dimitri, Remiche Bernard.

### *Membres cooptés*

Amir Rabah, Arnspenger Christian, Beltran-Lopez Helena, Henry de Frahan Bruno, Hindriks Jean, Huveneers Christian, Kegels Chantal, Legros Guy, Löwenthal Paul, Mandy Paul, Mauleon Ana, Van Haepereen Béatrice, Van Parijs Philippe

### *Bourses post-doctorales*

Crifo Patricia, Gate, Université Lumière, Lyon II  
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Tercieux Olivier, Université Paris I (EUREQua)

### *Visiteurs*

David Perez-Castillo, Universitat Autònoma de Barcelona  
Jorge Duran, Université d'Alicante  
Maria Gutierrez-Domenech, LSE  
Georg Kirchsteiger, University of Maastricht  
Cuong Le Van, CERMSEM, Paris I  
Ines Macho-Stadler, Universitat Autònoma de Barcelona  
Blanca Martinez, Université d'Alicante  
Tayfun Sönmez, Koç University, Turkey  
Alexis Parmentier, Paris I  
Ramon Ruiz Tamarit, Université de Valence

### *Personnel administratif*

#### **Secrétariat (4,8 EFT)**

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#### **Projet Thesaurus**

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#### **Service informatique facultaire**

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Martine Devos                      Secrétaire du service informatique (jusqu'au 30 avril)

Jean-François Delvigne	Programmeur
Jean-Claude Fischer	Programmeur
Pascal Frisque	Informaticien
Jaroslav Kosta	Programmeur
Marie-Jeanne Vervack	Secrétaire du service informatique (à partir du 1 <sup>er</sup> mai)

## II. ACTIVITES DE RECHERCHE ET ETUDES

### A. Résumés des recherches

Artige L., Camacho C. and D. de la Croix, "Wealth breeds decline : reversals of leadership and consumption habits", IRES Discussion Paper 2003-09 et CORE Discussion Paper 2003/54.

In a two-region model, we formalize Kindleberger's idea that wealth breeds first more wealth, and then decline : when one region leads, its inhabitants develop consumption habits incompatible with the necessary investment in knowledge to remain the leader. This gives the other region a window of opportunity to gain economic primacy. We learn from the theoretical model that differences across regions that have similar characteristics may persist even if physical capital flows from rich to poor regions. By exploiting the economics of the Hopf bifurcation we study patterns of alternating primacy, irreversible decline, and monotonic convergence, according to the initial dispersion of knowledge and the strength of consumption habits. Even though exogenous factors may matter on some occasions, we show that they are not necessary to reverse economic leadership.

Azomahou T., R. Boucekkinne and Phu Nguyen Van, "Energy consumption, technological progress and economic policy", IRES Discussion Paper 2003-25.

We first provide an empirical study of the energy-saving technological progress on the ENERDATA database. Energy intensity is shown to decrease over the period 1971-1999 in OECD countries, indicating a significant energy-saving technical progress trend. We also show *via* semiparametric partially linear estimations that : (i) this trend is positively correlated with the investment rate and, (ii) the marginal productivity of investment has accelerated in the sub-period 1985-1999 compared to 1971-1984. Second, we build a general equilibrium vintage capital model with embodied energy-saving technical progress to formalize these findings. In this set-up, we study to which extent a steady increase in the marginal productivity of investment goods and/or scrapping subsidies could compensate the output loss due to a cut in energy use. The latter fiscal policy is shown to be particularly inefficient in this respect, specially under slow energy-saving technical progress. In the end, our model predicts that the implementation of Kyoto-like protocols in the computer age is much less painful than what it could have been two decades ago, particularly in the USA, which can even improve their relative position if the requested energy cut rates are not "too" unequal across countries.

Battocchio P., F. Menoncin and O.Scaillet, "Optimal asset allocation for pension funds under mortality risk during the accumulation and decumulation phases", IRES Discussion Paper 2003-04 and FAME Université de Genève, Discussion Paper N66.

In a financial market with one riskless asset and  $n$  risky assets following geometric Brownian motions, we solve the problem of a pension fund maximizing the expected CRRA utility of its terminal wealth. By considering a stochastic death time for a subscriber, we solve a unique problem for both accumulation and decumulation phases. We show that the optimal asset allocation during these two phases must be different. In particular, during the first phase the investment in the risky assets should decrease through time to meet future contractual pension payments while, during the second phase, the risky investment should increase through time because of closeness of death time. Our findings also suggest that it is not optimal to manage the two phases separately.

Belleflamme P. and J. Hindriks, "Yardstick competition and political agency", *Social Choice and Welfare*, to appear.

This paper analyzes the role of yardstick competition for improving political decisions. We examine how performance comparisons across jurisdictions affect the agency problem resulting from uncertainty about politicians (adverse selection) and their policies (moral hazard). We study two forms of inefficiency: the provision of non-valuable programmes (over-provision) and the failure to provide valuable programmes (under-provision). We find a general neutrality result: yardstick competition does not affect the chance that at least one type of politician in one jurisdiction will take

inefficient decision, nor does it affect the risk of underproviding good programmes. However, performance comparisons reduce the risk of providing bad programmes in both jurisdictions.

Beltran H. and A. Durre, "Do Stock Markets influence Consumer Confidence ?", CORE DP 2003/53.

The paper is dealing with the controversial question of the potential impact of stock market fluctuations on consumer confidence. In the last few years, this confidence index has gained importance in business cycle analysis and empirical evidence has shown its explanatory power in forecasting consumption along with standard macroeconomic variables. Meanwhile, numerous interpretations of its fluctuations arose, and few were based on a solid argumentation. Therefore, we propose in this paper to determine which elements are actually driving the confidence index. Using the standard error-correction mechanism model and non-linear methods, we analyze the relationship between the confidence index and several economic variables, over the period ranging from January 1983 to December 2001. As a growing number of economic observers claim the stock market fluctuations have a strong impact on consumer confidence, we especially focus on this potential impact. The models are estimated for the United States and for Belgium for which the importance of equities in the households net wealth is quite different. We find in particular that stock market fluctuations have explanatory power in the evolution of consumer confidence in the United States, especially since the beginning of the nineties.

Bodart V., K. Kholodilin and F. Shadman-Mehta, "Dating and forecasting the Belgian business cycle", IRES Discussion Paper 2003-18.

This paper investigates the Belgian business cycle. It establishes a chronology of cycles over the period 1980-2002 using real GDP, which it suggests can be regarded as a reference cycle. It then uses this chronology to evaluate the performance of alternative business cycle indicators in terms of their ability to predict business cycle turning points. We also investigate to what extent these indicators help improve forecasting the Belgian GDP growth.

Bodart V. et D. de la Croix "Les finances publiques de la Belgique à long terme : quatre questions déplaisantes", *Regards économiques* n°16, octobre 2003.

Le vieillissement de la population a des implications importantes pour les finances publiques de l'Etat. Nous remettons en cause la stratégie budgétaire actuelle au travers de quatre questions déplaisantes et plaidons pour davanatge de franchise dans ce débat.

Bodart V. et O. Pierrard, "Lendemain économiques de la guerre en Irak : un « remake » de 1991 ?", *Regards économiques* n°10, avril 2003.

Depuis le début de l'attaque américaine contre l'Irak, la perspective d'une reprise économique une fois le conflit terminé est de plus en plus évoquée. Si reprise il y a, celle-ci risque cependant d'être lente et graduelle.

Bodart V. and B. Candelon, "Monetary Regimes and the Output-Inflation Tradeoff: Evidence for the U.S. and Germany" (2003), Research Memorandum, RM 03/046, METEOR, University of Maastricht.

This paper investigates empirically whether the stance of monetary policy affects the size of the output-inflation tradeoff. Evidence is reported for the U.S. and for Germany. In both cases, we find that monetary policy has a significant influence on the output-inflation tradeoff which, in our study, is measured by the response of real output to change in nominal aggregate demand. For the U.S., we find that the output effects of demand shocks were higher during periods when the Fed adopted a more aggressive stance against inflation. In the case of Germany, the sign of the dependence is reversed, as the output-inflation tradeoff declined when the Bundesbank strengthened the anti-inflationary stance of its monetary policy.

Boucekkine R., B. Martinez and C. Saglam, "The development problem under embodiment", IRES Discussion Paper 2003-06.

We study technology adoption in an optimal growth model with embodied technical change. The economy consists of the final good sector, the capital sector, and the technology sector whose role is the imitation of exogenous innovations. Labor resources are scarce. They are freely allocated to the technology and final good sectors. The final good is freely allocated to consumption and to the capital

sector. We analytically characterize the optimal allocation decisions in the long run. Using a calibrated version of the model, we find that an acceleration in the rate of embodied technical change should not be responded by an immediate and strong adoption effort. Instead, adoption labor should decrease in the short run, and the optimal technological gap is shown to increase either in the short or in the long run. The state of the institutions and policies around the technology sector is key in the design of the optimal adoption timing.

Boucekkine R. and P. Crifo, "Human Capital Accumulation and the Transition from Specialization to Multi-tasking", IRES Discussion Paper 2003-20.

This paper provides theoretical foundations to the contemporaneous increase in computer usage, human capital and multi-tasking observed in many OECD countries during the 1990s. The links between work organization, technology and human capital is modelled by establishing the conditions under which firms allocate the workers' time among several productive tasks. Organizational change is then analysed in a dynamic perspective as the transition from specialization towards multi-tasking emphasizing its technological and educational determinants.

Boucekkine R., F. del Rio and O. Licandro, "Embodied technological change, learning-by-doing and the productivity slowdown", published in the *Scandinavian Journal of Economics*, 105, 2003, pp., 87-98,.

The productivity slowdown faced by the US economy since the first oil shock has been associated with a rise in the decline rate of the relative price of equipment and a reduction in the rate of disembodied technical change. We build up a growth model in which learning-by-doing is the engine of both embodied and disembodied technological progress. A change in the relative efficiency of learning-by-doing from the consumption to the investment sector is shown to imply a technological reassignment consistent with the above mentioned evidence. This result derives from the interaction between the obsolescence costs inherent to embodiment and the learning-by-doing engine.

Boucekkine R., D. de la Croix and O. Licandro, "Early mortality declines at the dawn of modern growth", published in the *Scandinavian Journal of Economics* 105, 2003, pp. 401-418.

We explore the hypothesis that demographic changes started in the seventeenth and eighteenth centuries are the root of the acceleration in growth rates at the dawn of the modern age. During this period, life tables for Geneva and Venice show a decline in adult mortality; French marriage registers show an important increase in literacy; historians measure an acceleration of economic growth. We develop an endogenous growth model with a realistic survival law in which rising longevity increases the individual incentive to invest in education and foster growth. We quantitatively estimate that the observed improvements in adult mortality account for 70% of the growth acceleration in the pre-industrial age.

Boucekkine R. and D. de la Croix, "Information technologies, embodiment and growth", published in the *Journal of Economic Dynamics and Control* 27, 2003, 2007-2034.

This paper studies the conditions under which an IT revolution may endogenously occur. To this end, we construct an endogenous growth multisectoral model with a preeminent IT sector. Technological progress is embodied : New softwares can only be run on the most recent generations and hardware. While the new softwares are copyrighted during a fixed period of time, they become public knowledge at a certain point in time, which generates positive externalities in the rest of the economy. First, we find that our model can give rise to multiple steady states due to strategic complementarities. Then we focus on the dynamic response of the economy to adverse shocks on the level of disembodied technological progress. Substitution effects are shown to arise : The labor resources are diverted from the final goods sector to sustain the creation and production of new softwares. During the IT boom, labor productivity's growth slows down, the skill premium rises as well as the value of firms undertaking research. However, the registered IT boom is always transitory and nothing can be said about the long run sustainability of an IT-driven growth regime.

Boucekkine R. and R. Ruiz Tamarit, "Investment and capital maintenance: complements or substitutes?", published in the *Journal of Economics* 78, 2003, 1-28.

This paper is concerned with the theoretical properties of demand for capital maintenance services. To this end, we consider two investment problems incorporating maintenance services and we analyze their steady state equilibria. At first, we show that if no variable capital utilization rate is

allowed, investment and maintenance expenditures have the same qualitative properties, and so cannot be regarded as gross substitutes. If a variable rate of capital utilization is allowed, the occurrence of substitution Vs complementarity features and the comparative statics properties depend on the sensitivity of the postulated capital depreciation function with respect to both the rate of capital utilization and the maintenance expenditures ratio. We prove that the case where the *elasticity* with respect to maintenance expenditures is lower, gives much better shaped demand functions and fits definitely better the recent real business cycles studies.

Boucekkine R. and B. Martinez, "Replacement, adoption and economic dynamics: Lessons from a canonical creative destruction model", published in *Structural Change and Economic Dynamics* 14, 2003, 339-359,.

In this paper, we provide a first inspection into how structural technology adoption costs affect economic fluctuations. To this end, we choose a simple extension of a canonical creative destruction model. We analytically characterize the optimal replacement-adoption policies, and study numerically the induced dynamics. Our model predicts that the countries supporting the highest adoption costs are those which display the longest and sharpest business and employment fluctuations, and the lowest convergence speeds to their steady state equilibria. Moreover, as the position of the workers in the labor market weakens, the fluctuations are shown to get even sharper.

Boucekkine R., C. Saglam and T. Vallée "Technology adoption under embodiment: a two-stage optimal control approach", CORE DP 2003/55 and IRES DP 2003-7, *Macroeconomic Dynamics*, to appear.

We use two stage optimal control techniques to solve some adoption problems under embodied technical change. We first solve a benchmark problem without learning behavior. At the date of switching, the consumption level is shown to drop, as the relative price of capital goes down (obsolescence). In such a case, the economy sticks to the initial technology, or immediately switches to a new technology with a higher level of embodiment, depending on how the obsolescence costs compare to the induced growth advantage. In a second step, we introduce learning. The learning curve involves fixed costs and incentives to wait as well. Adoption is shown to depend on the growth advantage of switching net of obsolescence and learning fixed costs. The economy will switch if and only if this indicator is positive. If it is big enough to "compensate" the option of waiting, then the economy switches immediately. Otherwise, the economy waits.

Boucekkine R. and A. Pommeret, "Energy-saving technical progress and optimal capital stock: The role of embodiment", in *Economic Modelling*, to appear.

We study optimal capital accumulation at the firm level when technical progress is energy saving. Energy and capital are complementary. First we solve a benchmark case with disembodied technical progress. Then, we turn to the model with embodiment. We characterize the optimal replacement of obsolete capital, and the optimal capital stock. The latter is shown to be lower under embodiment compared to the benchmark case. Moreover, we demonstrate that a rising energy price has two opposite effects on the optimal capital stock under embodiment: the traditional direct negative effect but also an indirect positive effect *via* the optimal scrapping rule. Nevertheless, the optimal capital stock is shown to remain a decreasing function of the energy cost.

Bréchet T., M. Germain et Ph. Monfort, "Spécialisation internationale et partage de la charge en matière de réduction de la pollution", IRES Discussion Paper 2003-19.

L'allocation de permis d'émission, notamment celle s'inscrivant dans le cadre du Protocole de Kyoto pour six gaz à effet de serre (GES), a suscité et suscitent encore de vives discussions politiques sur la question de savoir qui (quel pays ou quelle région) devrait supporter un effort plus ou moins important et quelle serait la manière adéquate de distribuer les quotas de permis entre les entités affectées par le Protocole. Le présent article vise à contribuer à ce débat dans le cadre d'une petite économie ouverte multirégionale, où l'une des régions est plus spécialisée dans la production de biens et services intensifs en émissions polluantes. Différents scénarios de partage de l'effort national de réduction des émissions entre les deux régions sont analysés. On montre notamment qu'une réduction proportionnelle des émissions (ou des dotations de permis) régionales affecte plus le bien-être de la région spécialisée dans la production intensive en émissions polluantes. Un autre résultat est qu'il n'est pas possible de concevoir un scénario qui soit à la fois efficace, équitable et sans transferts

interrégionaux. Les conclusions quant aux impacts des différents scénarios sur le bien-être des régions sont indépendantes de la présence ou non d'un marché internationale de permis d'émission.

DeVillé Ph and T. Burns, "The Three Faces of the Coin : A Socio-economic Approach to the Institution of Money", *European Journal of Economic and Social Systems*, Vol. 16, 2, 2003, 149-95.

This paper develops a broad, multi-faceted approach to the socio-economics of money. The aim is to elaborate models with which to describe and analyze money and money systems in modern societies. No single theory is conceivable but a complex of interlinked theories can help us understand and explain many aspects of money: (1) money as a means to represent and communicate value; (2) money as technology (money, like other technologies such as keys, carpenter tools, automobiles, factories, and nuclear power stations, embodies in its design particular rules and collective representation(s) and is associated with a variety of techniques for using it); (3) monetary orders as socio-technical systems that are in part designed, administered and regulated (there are institutional arrangements or rule regimes -- in particular the monetary order and policy, property rights, and markets -- relating to access, control, use, and management of money and money processes); (4) multiple perspectives, meanings, and uses of money within diverse institutional domains and social settings, for instance, the universalizing qualities of money as well as its particularization in concrete social and moral settings; (5) contradictory uses and purposes of money in modern societies: among others, as a medium of exchange, as a standard or measure of value; as a basis for expanding productive capacity ("capital") or initiating projects and programs; as a source of social power.

Cahuzac E. et S. Robin, "Knocking on academia's doors: an inquiry into the early careers of doctors in life sciences", *Labour*, 17(1), 2003, pp. 1-21,.

The early careers of French doctors in life sciences are characterized by the importance of temporary jobs. While most young Ph.D. researchers wish to obtain a job in the French academic sector (which grants them, among other things, lifetime employment), few of them manage to achieve this objective immediately after completing their Ph.D. A majority of young doctors have to wait for a period of time before they find stable employment in the academic sector. In the meantime, they usually find temporary research jobs. Two main types of short-term jobs can be distinguished: fixed-term research contracts (in most cases in a French public laboratory) and post-doctoral positions (temporary research jobs in a foreign country). The aim of this paper is to determine whether these different types of temporary jobs have different consequences on the careers of Ph.D. researchers.

We first discuss from a theoretical perspective the impact of choosing 'post-doc' research rather than a job on a fixed-term contract. Then, after dealing with selection biases that affect the access to these temporary jobs, we will use survival data analysis to estimate the impact of both types of temporary positions on the probability of entering the academic sector. The analysis is based on a database on the early careers of 800 young French doctors in life sciences. The main results include the following findings: the probability of a Ph.D. researcher finding stable employment is higher if he has held a post-doc position than if he has held a fixed-term contract. This result holds for both the private and public sectors. However, careers in the private sector are also affected by long-term choices, such as the decision to undertake Ph.D. research in partnership with a firm.

Caillaud F., "Gender Gap in education in poor countries, educational policies and the dynamics of inequalities"

Many poor countries still exhibit huge gender gap in schooling enrollment. We stress on the consequences of this discrimination on the dynamics of the inequalities, using a framework where fertility is endogenous. The level of inequalities depends among others on the relative growth of each components of the society, which is given in particular by the investments in human capital and the fertility. Both of them are influenced by the degree of discrimination against girls in education since educated women have generally a low fertility and more educated children. Our results suggest that a large gender gap in education reinforces the process of intergenerational reproduction of inequalities and show the possibility of multiple equilibria characterized by different levels of education and income inequality. Thus, we analyze the impact of different educational policies in terms of inequalities and income per capita. We find that an educational policy specifically targeting girls results in a reduction in both the gender gap and income inequalities. This sort of politics involves a rise on the average income per capita but can generate a more polarized society.

Camacho C. and B. Zou, "The Spatial Solow Model", IRES Discussion Paper 2003-17.

In this paper, we solve a Solow model in continuous time and space. We prove the existence of a solution to the problem and its convergence to a stationary solution. The simulation of various scenarios in the last section of the paper illustrates the convergence issue.

Cantos P., J. Sempere-Moneris, and R. Moner-Colonques, "Competition Enhancing Measures and Scope Economies: A Welfare Appraisal", *Investigaciones Económicas*, vol. 27 (1) Special Issue on Industrial Organization and Regulation, 2003, pp. 97-123.

This paper examines welfare changes before the introduction of more competition in technologically related markets. We develop a simple two-market duopoly with product differentiation where a multi-product firm competes with a different single-product firm in each market. Two competition enhancing measures are considered, divestiture of the multi-product firm and entry of single-product firms in one of the markets. The results obtained indicate that more competition may lead to a welfare reduction. Our analysis points out the relevance of the type and size of economies of scope, the particular way of introducing more competition and the degree of product differentiation.

Cockx B., C. Göbel, B. Van der Linden, B. Masuy et S. Robin, *Politiques d'activation pour des jeunes chômeurs de longue durée sans expérience de travail. Une évaluation*, Rapport final commandité par le SPF Politique Scientifique, Bruxelles.

Considérant une population de jeunes demandeurs d'emploi défavorisés, cette recherche a évalué, l'impact de deux politiques d'activation sur l'insertion en emploi et sur la durée d'embauche: le Plan avantage à l'embauche (PAE) et l'Allocation garantie de revenu (AGR). Une grande part de ce projet de recherche était affectée à la construction d'une nouvelle base de donnée longitudinale issue de la « Datawarehouse » marché du travail et complétée par des informations spécifiques sur le niveau de formation en provenance de l'ONEM. L'analyse est basée sur un échantillon de 15.177 *jeunes âgés de 18 à 26 ans qui en 1998 touchent pour la première fois une indemnité de chômage après 9 mois de stage d'attente et qui n'ont aucune expérience de travail depuis la fin de leurs études*. Il s'agit donc de jeunes travailleurs plutôt défavorisés.

Afin de déterminer l'impact d'une participation à une politique active, nous devons comparer le taux de sortie du chômage et de l'emploi d'un participant à celui d'un non-participant. Pour peu qu'un participant diffère d'un non-participant sur base des caractéristiques observées ou inobservées par le chercheur, une simple comparaison risque toutefois de non seulement refléter l'impact de la participation mais aussi celui des différences en termes de ces caractéristiques. Afin de tenir compte de ce « biais de sélection », nous avons estimé un modèle de transition entre trois états : du chômage rémunéré vers la politique active sous analyse ; du chômage rémunéré vers tout autre emploi ; de l'emploi vers le non-emploi (= chômage et inactivité). Nous contrôlons l'évaluation par la prise en compte d'un nombre de déterminants observés de ces transitions. Par ailleurs, pour contrôler le biais de sélection sur base des caractéristiques inobservées, nous avons simultanément estimé la distribution jointe des déterminants inobservés de ces transitions.

A l'aide de simulations, nous trouvons que l'impact du PAE est très hétérogène parmi les bénéficiaires, mais qu'il augmente la durée d'emploi de la plupart des catégories de bénéficiaires : elle augmente la durée pour 74 % des bénéficiaires masculins et même pour 94 % des bénéficiaires féminins. L'effet médian est de 3,2 mois tant pour hommes que pour femmes. Par ailleurs, le PAE accélérerait la transition vers un emploi non-subsidié d'au moins 37 % des hommes et de 32 % des femmes.

Les effets de l'AGR sur la transition de l'emploi au non-emploi vont dans le même sens que ceux du PAE, mais ils sont plus grands en valeur absolue. Pendant la période d'attribution, le bénéficiaire de l'AGR semble fortement enfermé dans l'emploi subsidié : le taux de transition au non-emploi baisse de 37 %. Environ un quart de bénéficiaires féminines n'aurait jamais quitté le chômage en l'absence d'AGR. Cette part est beaucoup plus faible que celle de 80 % relative aux bénéficiaires féminines du PAE<sup>12</sup>. Il indique que beaucoup plus de bénéficiaires de l'AGR auraient quitté le chômage de toute façon. Cet écart entre l'AGR et le PAE reflète selon nous que le chômage dans le segment du marché de travail des travailleurs faiblement qualifiés s'explique surtout par un manque de demande que par un manque d'incitations.

Cockx B. et J. Ries (2003), "L'impact sur la réinsertion de la fin de droit à l'indemnisation dans l'assurance-chômage", in De Lathouwer, L., Cockx, B., C. Bogaerts, J. Ries et K. Van den Bosch, *L'impact de la suspension article 80 dans l'assurance-chômage sur la réinsertion et la pauvreté*, Rapport final commandité par le SPF politique Scientifique, Gent: Academia Press.

Le système d'assurance-chômage belge est unique au monde au sens où il octroie une indemnité pour une durée illimitée. Il existe une exception à cette règle générale. L'article 80 de la législation relative à l'assurance-chômage impose, sous certaines conditions, une fin de droit à l'indemnité aux chômeurs cohabitants de longue durée. Ce rapport de recherche est centré sur la question suivante. La fin du droit à l'indemnité de chômage en vertu de l'article 80 augmente-t-elle la probabilité d'emploi par rapport à une situation où l'allocation n'aurait pas été suspendue ? Bien que cette question soit simple, y apporter une réponse ne l'est pas : personne ne peut observer ce qui se serait passé en l'absence de suspension. Afin de résoudre ce problème, des chercheurs quantifient souvent le taux d'emploi en l'absence de suspension via le taux d'emploi d'un groupe « témoin ». Le groupe témoin est constitué de personnes pour qui l'indemnité n'est pas (encore) suspendue. Une telle estimation peut cependant être biaisée parce que les membres du groupe témoin sont susceptibles d'avoir des caractéristiques propres, observées ou non par le chercheur, qui conduisent à des probabilités d'emploi différentes de celles des personnes suspendues. Cette étude a corrigé ce biais sur base de deux méthodes d'analyse différentes. Comme ces deux méthodes mènent à des résultats semblables, nous sommes convaincus que notre estimation de l'impact est fiable.

Nous avons évalué l'impact de la fin de droit sur un groupe de *femmes* dont l'indemnité de chômage a été suspendue au cours de la première moitié de 1997. La suspension affecte le taux d'emploi bien avant que la fin de droit ne soit effective. Cet effet devient significatif (c'est à dire statistiquement différent de zéro) à partir du troisième mois précédant la fin de droit. Un mois avant la suspension, le taux d'emploi est déjà 16 points de pourcentage plus élevé que son niveau en l'absence de suspension. Au mois de la suspension le taux d'emploi des femmes échantillonnées est 18 points de pourcentage plus élevé que le niveau qui aurait été atteint en l'absence de suspension. Par après, le rythme de croissance du taux d'emploi est plus faible. Le taux d'emploi augmente cependant encore de 8 points de pourcentage pour arriver à un impact de 26 % quatorze mois après la suspension. Ces impacts sont importants si on les compare aux niveaux de taux d'emploi en l'absence de suspension, que nous estimons à 2,5% un mois avant la suspension et quasiment zéro 14 mois après.

Cockx B. and C. Brasseur, "The demand for physician services. Evidence from a natural experiment", *Journal of Health Economics*, 22 (6), 2003, 881-913.

This study exploits a natural experiment in Belgium to estimate the effect of co-payment increases on the demand for physician services. It shows how a differences-in-differences estimator of the price effects can be decomposed into effects induced by the common average proportional price increase (income effects) and by the change in relative prices (substitution effects). The price elasticity of a uniform proportional price increase is relatively small (-0.13 for men and -0.03 for women). Substitution effects are large, especially for women, but imprecisely estimated. Despite the substantial price increases, the efficiency gain of the reform, if any, is modest.

Cockx B, "Vocational Training of Unemployed Workers in Belgium", *Konjunkturpolitik - Applied Economics Quarterly*, 49 (1), 23-47, 2003.

In this paper we estimate, for the 1989-93 period in Belgium, the effect of vocational classroom training on the rate of transition from unemployment. We propose a "control function" estimator accounting for variable treatment effects. In the absence of interaction effects between explanatory variables this estimator identifies treatment effects free from selection bias. A natural experiment induces exogenous sub-regional variation in the training supply. This provides over-identifying restrictions that cannot be rejected. During participation, the transition rate decreases by 23% to 30%. Afterwards it increases by 47% to 73%. Making training available for a broader population would, however, reduce the effectiveness of the programme.

Cresti B. U.S., "Domestic Barter : an Empirical Investigation", IRES Discussion Paper 2003-05.

This paper studies the barter industry developed in North America during the 1950s, pointing out some of its main characteristics; Thus, it examines its two main sectors : (i) Corporate barter and (ii)

Commercial Barter. Contrary to expectations, the analysis of official data shows that this phenomenon is essentially pro-cyclical for the Commercial Barter component. Moreover, commercial barter activity turns out to be complementary to the cash economy. While the two sectors display some differences in their pattern, they both help firms to increase their profits.

Crifo P., A. Diaye and N. Greenan, "La modélisation du changement organisationnel: déterminants et conséquences sur le marché du travail", *L'Actualité Économique, Revue d'analyse Economique*, vol. 79, 2003, n°3.

This article presents theoretical analyses of organizational changes observed within firms since the past two decades in most industrialized countries. In a first category of models, the engine of organizational change lies in an increase in the complexity of production or in changes affecting the returns to labor. In a second category of models, organizational change depends on variables in the firm's environment influencing labor costs: increases in the supply of skilled labor, workers' preferences in favour of multi-tasking or the life cycle of products. Both categories of models highlight that organizational change contributes to increase wage inequality, to make the skill structure within firms more homogenous and to increase segregation by skills.

Crifo P., "Pourquoi les firmes évaluent-elles individuellement leurs salariés?", Document de Travail du CEE (Centre d'Etudes de l'Emploi) 2003, n°21.

This article aims at analyzing the relationships between autonomy, team work and individual evaluation interviews. Within an agency model with team work we show that when a firm uses a production technology characterized by strong horizontal interdependencies and super-modularity, coordination within the team may not be ensured. Such technological characteristics seem more frequent within new organizational forms favoring quality, time or lean production targets. In such organizations, the monetary cost of coordination incentives is increasing with the relative level of technological interdependencies. Hence, the principal is incited to use non monetary incentives which are less costly for her. Evaluation interviews may act as non monetary incentives towards coordination by generating a signal aimed at convincing workers of the existence of a team spirit. If we follow this view, the traditional issue of the relationship between autonomy and evaluation interviews vanishes.

The predictions of this model are then tested empirically using French data drawn from three surveys: "Changement Organisationnel et Informatisation" (1997), "Techniques et Organisation du Travail" (1987 and 1993), and "Conditions de Travail" (1991 and 1998).

Crifo P., et E. Lehmann, "Why Will Technical Change Not Be Permanently Skill-Biased"? *Review of Economic Dynamics*, 7(1), pp. 157-180, 2004.

We contribute to the debate on skill-biased technical change by studying the long-run dynamics of skill premia in an endogenous growth model in which technical change can be directed towards different factors. We show that R&D resources tend to be directed alternately towards skill-intensive and unskilled-intensive goods, creating cycles in skill premia. If resources were constantly directed towards the same sector, an innovation in a different sector would not be threatened by future innovators. Hence, researchers are incited to switch from one sector to another, in order to avoid the negative effect of innovations constantly occurring in the same sector.

Cruz B. and A. Pommeret, "Subsidizing energy saving capital accumulation: a real option approach", Cahiers de recherches du HEC-DEFP, 03-14, Université de Lausanne and in *Option Valuation for Energy Issues*, K. Ostertag, P. Llerena and A. Richard(eds) Option valuation for energy issues, Stuttgart: IRB, to appear.

Some environmental policies, like tax credit, have tried to induce the acquisition of energy efficient units and the replacement of old energy inefficient vintages. However, they have faced the energy paradox that is a slow diffusion of new vintages. We develop a stochastic model of irreversible investment, in which firms also face embodied technological progress. We compare in a dynamic example a deterministic and a stochastic model with embodied technological progress. In the embodied case under uncertainty, the option to postpone replacement becomes very large, reducing drastically the effectiveness of a tax credit.

Cruz B. and A. Pommeret, "Public Capital and Private Investment: a real option approach", *Working paper Series*, HEC-DEEP, 03-10, Université de Lausanne.

In this paper, public investment provision takes place in a stochastic environment. The role of the government is to remove a part of the uncertainty faced by the firm. If the government simply maximizes the value of the firm, then the optimal tax is smaller under imperfect competition than it is under perfect competition since more public capital reduces the selling price. But if the government seeks to maximize the consumer surplus, tax and public capital provision are also a mean to correct the market and the optimal tax is then higher.

Cuong Le Van and C. Saglam, "Optimal Growth Models and the Lagrange-Multiplier", CORE DP 2003-83.

We provide sufficient conditions on the objective functional and the constraint functions under which the Lagrangean can be represented by a  $l^1$  sequence of multipliers in infinite horizon discrete time optimal growth models.

Cuong Le Van and I. Vailakis, "Existence of competitive equilibrium in a one sector growth model with heterogeneous agents and irreversible investment", *Economic Theory*, Vol. 22, pp 743-771.

We prove existence of a competitive equilibrium in a version of a Ramsey (one sector) model in which agents are heterogeneous and gross investment is constrained to be non negative. We do so by converting the infinite-dimensional fixed point problem stated in terms of prices and commodities into a finite-dimensional Negishi problem involving individual weights in a social value function. This method allows us to obtain detailed results concerning the properties of competitive equilibria. Because of the simplicity of the techniques utilized our approach is amenable to be adapted by practitioners in analogous problems often studied in macroeconomics.

de Briey V., "Elaboration d'un cadre d'évaluation de la performance d'institutions de micro-financement : Etudes de cas à Santiago (Chili)", thèse de doctorat présentée en vue de l'obtention du titre de docteur en sciences de gestion, juin, 377p.

Cette recherche a pour objectif d'élaborer un cadre d'évaluation de la performance d'institutions de micro-financement. Ces institutions sont mises en place pour répondre au besoin de financement de micro-entreprises initiées par des populations pauvres pour satisfaire leurs besoins de base. Ces micro-entrepreneurs, compte tenu de la précarité de leur situation économique et sociale, ont en effet été longtemps exclus du secteur bancaire traditionnel. Pour pallier ces imperfections de marché, différents modes organisationnels ont vu le jour (Organisations Non Gouvernementales, coopératives d'épargne et de crédit, banques, etc.). Habituellement, les auteurs intéressés par cette problématique recourent aux théories contractualistes pour expliquer le phénomène d'exclusion des micro-entrepreneurs du marché du crédit traditionnel et l'émergence de ces modes organisationnels spécifiques.

Quoique ce cadre théorique offre des éléments d'explication intéressants pour notre problématique, notre thèse doctorale montre également ses limites. Afin de rendre compte de la multiplicité des objectifs qui peuvent être poursuivis par les membres des institutions de micro-financement (aides aux plus démunis, rentabilité des capitaux, etc.) ainsi que des mobiles qui peuvent animer ceux-ci (intérêts personnels, collectifs, etc.), nous montrons tout l'intérêt d'adopter une perspective conventionnaliste. A la suite de trois études de cas menées en profondeur au Chili, selon les principes méthodologiques de la 'Grounded Theory', nous proposons un modèle d'évaluation de la performance des institutions de micro-financement qui présente la particularité de tenir compte du registre conventionnel adopté par les membres de ces institutions.

Outre les aspects théoriques explicités plus haut, cette thèse prétend également à avoir une portée prescriptive pour les acteurs intéressés par la problématique de l'aide aux populations défavorisées.

de Donder Ph. and J. Hindriks, "Majority support for progressive income taxation with corner preferences", CORE Discussion Paper 2003/2, in *Public Choice*, to appear.

This paper studies voting over quadratic taxation when income is fixed and taxation non distortionary. The set of feasible taxes is compact and self-interested voters have corner preferences. We first show that, if a majority winning tax policy exists, it involves maximum progressivity. We

then give a necessary and sufficient condition on the income distribution for a majority winner to exist. This condition appears to be satisfied for a large class of distribution functions.

de Donder Ph. and J. Hindriks, "Policy-oriented parties and the choice between social and private insurance", CORE Discussion Paper 2003/64.

We study the political economy of social insurance in a world where individuals differ in both income and risk. Social insurance is financed through distortionary taxation and redistributes across income and risk. Individuals vote on social insurance which they can complement with insurance bought on the private market. Private insurance is actuarially fair but suffers from adverse selection which results in a screening equilibrium with partial coverage. The equilibrium social insurance is the result of bipartisan electoral competition game where parties maximize the utility of their members. We calculate the equilibrium social insurance offered by the two parties as well as their equilibrium membership, and study how the equilibrium outcome is affected by electoral uncertainty, distortions from taxation, risk aversion and the distribution of risk and income. We then calibrate the model to US data from the PSID survey. Lastly, we study how the political demand for social insurance is affected by the possibility to redistribute through income taxation.

Dejemeppe M., "Un nouvel éclairage sur les disparités de chômage régionales : analyse des flux d'entrée et de sortie du chômage sur une longue période", Series: *Wallonie*, 76.

L'objectif de cette contribution est d'évaluer dans quelle mesure l'évolution divergente du nombre de chômeurs entre la Flandre et la Wallonie au cours de la période 1973-1993 peut s'expliquer par une évolution différente de leur durée de chômage moyenne ou de leur nombre d'entrants au chômage. A cette fin, nous procédons en deux étapes. La *première étape* se penche sur la relation entre la durée de chômage moyenne, étudiée à travers la probabilité de sortie agrégée du chômage, et le niveau de l'activité économique dans les deux régions. Nous cherchons à dissocier l'effet dû à des changements de composition dans le flux d'entrée en chômage et celui découlant des fluctuations du rythme de création d'emplois. L'objectif de la *seconde étape* est de distinguer l'influence sur les variations de chômage en Flandre et en Wallonie de l'entrée en chômage d'une part et de la durée d'inoccupation analysée dans la première étape, de l'autre. Cette contribution s'appuie sur des données relatives aux probabilités de sortie annuelles de travailleurs masculins âgés entre 25 et 44 ans, et entrés en chômage au mois de juin, chaque année de 1972 à 1992. Dans chaque région, celles-ci sont stratifiées selon l'âge, le niveau de scolarité, la province de résidence et le secteur d'activité occupé avant d'entrer en chômage.

de la Croix D. and F. Docquier, "Diverging patterns of education premium and school attendance in France and the US : a Walrasian view", IRES Discussion Paper 2003-10.

We evaluate the effect of technology, demographics and policy on the differential evolution of the skill premium and on the rise in education investment in France and the USA. We use a computable general equilibrium model with overlapping generations of individuals, and endogenous education decisions. Human capital is made of two substitutable components, experience and education, both of them evolve endogenously over time. We calibrate this model on the post-war period and run counterfactual experiments to assess the effect of the different exogenous variables. French expansionary education policy boosted the supply of skills and kept the skill premium low. On the contrary, increasing education costs in the US contributed to increase wage differentials by reducing the supply of skills. The skill biased technical shock is key to understand rising school attendance and appears delayed in France.

de la Croix D. and M. Doepke, "To segregate or to Integrate : Education Politics and Democracy", IRES Discussion Paper 2003-21.

In most democracies, the majority of education expenditures is financed by the government. In non-democracies, we observe a wide variation in the mix of public and private funding of education. In addition, countries with high inequality tend to rely more heavily on private schooling. We develop a theory which integrates private decision on education and fertility with voting on public education expenditures. The theory is able to account for the facts mentioned above. Countries with high inequality exhibit more private education expenditures since rich people opt out of the public system. In non-democracies, concentration of political power leads to multiple equilibria in the determination of public education spending.

de la Croix D., "Inequality and Growth: Why Differential Fertility Matters", *American Economic Review*, 93(4), 2003, pp.1091-1113.

We develop a new theoretical link between inequality and growth. In our model, fertility and education decisions are interdependent. Poor parents decide to have many children and invest little in education. A mean-preserving spread in the income distribution increases the fertility differential between the rich and the poor, which implies that more weight gets placed on families who provide little education. Consequently, an increase in inequality lowers average education and, therefore, growth. We find that this fertility-differential effect accounts for most of the empirical relationship between inequality and growth.

de la Croix D., "Public versus Private Education when Differential Fertility Matters", *Journal of Development Economics*, to appear.

We assess the merits of different education systems in a framework that accounts for the joint decision problem of parents regarding fertility and education. Specifically, we compare the implications of a public and a private schooling regime for economic growth and inequality. We find that private schooling leads to higher growth when there is little inequality in human capital endowments across families. In contrast, when inequality is high, public education yields higher growth by reducing fertility differentials. In addition, public schooling leads to income convergence, while private schooling can result in ever increasing inequality. Our analysis highlights the importance of accounting for endogenous fertility differentials when analyzing educational policies.

de la Croix D., "To Segregate or to Integrate: Education Politics and Democracy, UCLA Department of Economics Working Paper No. 831

In most democracies, the majority of education expenditures is financed by the government. In non-democracies, we observe a wide variation in the mix of public and private funding of education. In addition, countries with high inequality tend to rely more heavily on private schooling. We develop a theory which integrates private decision on education and fertility with voting on public education expenditures. The theory is able to account for the facts mentioned above. Countries with high inequality exhibit more private education expenditures since rich people opt out of the public system. In non-democracies, concentration of political power leads to multiple equilibria in the determination of public education spending.

De Villé Ph., "Equal opportunity in the Educational System and the Ethics of Responsibility", *Cahier de Recherche du GIRSEF*, 2003, N°17, Louvain-la-Neuve.

To be "just", a society should treat every child fairly, i.e. with equal concern with regard to his potential education achievements. A person's educational achievements is indeed essential for enhancing her capacity for self-development: ideally, they all should have the same *opportunities* for achieving a level of formal education. This requires that the allocation of public educational resources among children should satisfy some principles of justice. Recent theories of justice have emphasised the importance of taking into account personal *responsibility* in the design of equal opportunity policies. Allocation rules of educational expenditures should compensate for differences in the non-controllable determinants of school achievements, but also let freely determined effort levels to be adequately rewarded.

These allocation rules are discussed and the underlying reasoning for considering them are questioned along different dimensions : 1. the child's effort and its determinants and the child's "school achievement production function": i.e. substitutability or complementarity between the determinants of school achievements, 2. the equal opportunity policy and the incentives structure of all the actors involved, 3. the structure of the secondary school curricula. It is argued that taking into account these dimensions suggests that the focus on responsibility as one essential dimension in the design of such a strategy might be misplaced. But it also points out that an equal opportunity strategy consisting of compensating for inequality in endowments among children should carefully incorporate various incentives mechanisms that will both enhance the effectiveness of the equality of opportunity strategy while contributing at the same time to the maximisation of the total human capital acquired by the children.

Section 1 discusses what is the "equal opportunity" approach to schooling, its *raison d'être*. Section 2 reviews and critically discuss the basic "equal opportunity" model and its implications. Sections 3

and 4 present modifications and extensions of this framework and section 5 concludes with some policy recommendations.

De Vroey M., "Lucas on Involuntary Unemployment", IRES Discussion Paper 2003-16.

The aim of this paper is to examine critically Lucas' arguments against Keynes's *General Theory* and in particular against Keynes's concept of involuntary unemployment. It comprises two main parts. In the first, I question Lucas's claim that Keynes betrayed the equilibrium discipline by freeing himself from the postulates of optimising behaviour and market clearing. In the second, I discuss Lucas' three arguments against the involuntary unemployment concept - first, that there is no rationale for drawing a distinction between two sorts of unemployment, second, that every economic outcome features voluntariness and involuntariness jointly and, third, that alternatives to unemployment are always present.

De Vroey M., "Perfect Information à la Walras versus Perfect Information à la Marshall", *Journal of Economic Methodology*, vol. 10, 2003, n° 3.

In this paper I ponder upon the meaning of the perfect information assumption, and argue that a distinction should be drawn between the Walrasian and Marshallian conceptions of perfect information. I show that the Marshallian conception is more demanding than the Walrasian, due to the absence of the auctioneer figure. Next, I examine a few modern imperfect information models (Friedman's expectations-augmented Phillips Curve model, Lucas' neutrality of money model, Shapiro and Stiglitz' efficiency wage model) in order to assess whether the perfect information conception they depart from is the Walrasian or the Marshallian. The finding is that the first and the third are Marshallian while the second is Walrasian. Finally, I reflect on how models of general equilibrium with imperfect competition fare with respect to the Marshall-Walras divide.

Gurgand M., "Farmer Education and the Weather : Evidence from Taiwan, 1976-1992", *Journal of Development Economics*, vol. 71, n°1, June 2003.

This paper uses farm household and weather data from 1976 to 1992 in Taiwan to measure the role of unusual weather conditions in explaining time and geographical variation of the return to education in farming. Based on a farm household model we show that the effect of education measured from an income function is both technical and allocative. For a set of schooling variables, this effect is found to increase with adverse weather. It implies that education provides a higher relative advantage - and therefore has a higher economic value - when the environment is more unstable and more difficult to deal with. This gives empirical support to the notion that education improves the capacity to adapt to change and disequilibria, on top of its static technical effects.

Eisenschmidt J. and K. Waelde, "International Trade, Hedging and the Demand for Forward Contracts", IRES Discussion Paper 2003-22.

There is a huge literature on the effects of uncertainty on trade levels. One very strong result of that literature is that uncertainty should not matter, as long as well developed forward markets exist. The empirical implications of this result, however, are hard to find in the data. We model terms of trade uncertainty in a small open economy with uncertainty stemming from abroad and derive the equilibrium demand for forward contracts. It turns out that risk averse agents will not buy forwards at an actuarially fair price, thus rendering both the full-hedge theorem and the separation theorem of the afore-mentioned literature obsolete. Using real world data for Germany we calibrate our model. We find that in equilibrium risk averse agents will buy forward cover only for investment reasons. The amount of forwards purchased is around 20% of equilibrium imports. This is broadly in accordance with empirical observed ratios.

Epaulard A. and A. Pommeret, "Recursive utility, growth, and the welfare cost of volatility", *Review of Economic Dynamics*, vol 6(3), 2003, pp. 672-684.

This paper proposes a measure of the welfare cost of volatility derived from a stochastic endogenous growth model extended to the case of a recursive utility function which disentangles risk aversion from intertemporal elasticity of substitution. The measure of the welfare cost of volatility takes into account not only the direct effect of volatility on expected utility but also the link between volatility and growth. It thus encompasses a direct welfare cost of fluctuations and a welfare cost due to the endogeneity of the consumption. We obtain a closed form solution for these two costs and show that the total welfare cost of volatility increases with both the risk aversion and the intertemporal elasticity of substitution. For plausible values of the agent's preference parameters, the cost of volatility may be

greater than measures based on an exogenous process for consumption. However, when applied to the US economy, our measure shows little differences compared to the one derived under the assumption that the consumption process is exogenous. Yet, we show that this may not be the case for more volatile economies.

Epaulard A. and A. Pommeret, "Optimally eating a stochastic cake: a recursive utility approach" (May 2003), *Resource and Energy Economics*, , vol 25(2), pp129-139.

In this short paper, uncertainties on resource stock and on technical progress are introduced into an intertemporal equilibrium model of optimal extraction of a non-renewable resource. The representative consumer maximizes a recursive utility function which disentangles between intertemporal elasticity of substitution and risk aversion. A closed-form solution is derived for both the optimal extraction and price paths. The value of the intertemporal elasticity of substitution relative to unity is then crucial in understanding extraction. Moreover, this model leads to a non-renewable resource price following a geometric Brownian motion.

Fermanian J.D. and O. Scaillet., "Nonparametric estimation of copulas for time series", *Journal of Risk*, 5, 2003, 25-54.

We consider a nonparametric method to estimate copulas, i.e. functions linking joint distributions to their univariate margins. We derive the asymptotic properties of kernel estimators of copulas and their derivatives in the context of a multivariate stationary process satisfactory strong mixing conditions. Monte Carlo results are reported for a stationary vector autoregressive process of order one with Gaussian innovations. An empirical illustration containing a comparison with the independent, comotonic and Gaussian copulas given for European and US stock index returns.

Guay A. and O. Scaillet, "Indirect inference, nuisance parameter and threshold moving average models", *Journal of Business and Economic Statistics*, 21, 2003, pp. 122-132.

We analyze the modifications that occur in indirect inference when a nuisance parameter is not identified under the null hypothesis. We develop a testing procedure adapted to this simulation based estimation method, and detail its use for detecting the threshold effect in threshold moving average models with contemporaneous and lagged asymmetries. In contrast to existing threshold models, these models allow taking into account the presence of asymmetric effects of current and lagged random shocks. We use them to measure the persistence of shocks to US output.

Hansen S. and K. Wälde, "Warum ist Deutschland Exportweltmeister? Der Einfluß laufender internationaler Transfers". (Why does Germany export so much? The impact of current transfers.) *Jahrbuch für Wirtschaftswissenschaften*, 54, 2003, pp. 101-113.

We assess the influence net current transfers have on a country's trade balance. We develop a simple overlapping generations model of a small open economy that is a net creditor in the initial equilibrium and that provides regular current transfers. We show that transfers have a \$1:1\$ direct and a weaker indirect effect on the economy's export surplus. Applying this model to Germany, using macro data for the period from 1970 to 2000, we show that almost 87 % of the German trade balance's surplus is due to the provision of current transfers. Accordingly, the main part of Germany's well-known strong export position is determined by factors underlying political decisions and not economic factors.

Herings J.J., A. Mauleon and V. Vannetelbosch, "Rationalizability for Social Environments", in *Games and Economic Behavior*, to appear.

Social environments constitute a framework in which it is possible to study how groups of agents interact in a society. The framework is general enough to analyze both non-cooperative and cooperative games. In order to remedy the shortcomings of existing solution concepts and to identify the consequences of common knowledge of rationality and farsightedness, we propose to apply extensive-form rationalizability to the framework of social environments. For us, the social environment is a primitive. On this social environment is defined a multi-stage game. An outcome of the social environment is socially rationalizable if and only if it is rationalizable in the multi-stage game. The set of socially rationalizable outcomes is shown to be non-empty for all social environments and it can be computed by an iterative reduction procedure. We introduce a definition

of coalitional rationality for social environments and show that it is satisfied by social rationalizability.

Hungerbuelher M., E. Lehmann, A. Parmentier and B. Van der Linden, "Optimal Income Taxation in an Equilibrium Unemployment Model : Mirrless meets Pissarides", IRES Discussion Paper 2003-24 et Document de travail 03-06, ERMES, Université de Paris II.

This paper characterizes optimal non-linear income taxation in an economy with a continuum of unobservable productivity levels and endogenous involuntary unemployment due to frictions in the labor markets. Redistributive taxation distorts labor demand and wages. Compared to the *laissez-faire*, gross wages, unemployment and participation are lower. Average tax rates are increasing. Marginal tax rates are positive, even at the top. Finally, numerical simulations suggest that redistribution is much more important in our setting than in a comparable Mirrless (1971) setting.

Jacquet L. and B. Van der Linden, "The Normative Analysis of 'Tagging' Revisited : Dealing with Stigmatization", IRES Discussion Paper 2003-30.

Should income transfers be conditional upon personal characteristics of the potential recipients (the so-called "tagging") or should they only be tied to reported incomes ? This question is addressed in a partial equilibrium setting distinguishing two types of jobs and a distribution of worker types. In a system with tagging, there is clear evidence that the assessment of the eligibility of applicants creates stigmatization. By assumption, the intensity of stigma is exogenously distributed. Then, tagging is always suboptimal under a Rawlsian criterion. With a utilitarian criterion, the analysis shows that tax/transfer systems with and without tagging can solve the first order optimality conditions. A numerical analysis suggests that tagging can only be recommended if the distribution of the intensity of stigmatization relative to earnings is highly concentrated on low values. However, this is only a necessary condition. Tagging is never optimal if the dispersion of abilities among the 'high-ability people' is too large or too narrow.

Joseph G., "Critères d'attribution des allocations chômage et performances du marché du travail ", IRES Discussion Paper 2003-12.

Dans cet article, nous étudions les effets des critères d'attribution des allocations chômage dans un modèle de chômage d'équilibre où les efforts de recherche et les salaires sont endogènes. La prise en compte d'une durée d'emploi minimale exigée pour bénéficier des prestations d'assurance permet ainsi de nuancer, à taux de taxe donné, le rôle des salaires dans la détermination du profil optimal des allocations. Les simulations du modèle suggèrent que la baisse des salaires des employés non-éligibles contribue à la plus grande efficacité, en termes d'emploi et de bien-être agrégé, d'un profil dégressif des allocations chômage. Nous montrons aussi qu'un durcissement des conditions d'éligibilité peut être favorable à l'emploi et au bien-être de tous les travailleurs lorsque les salaires sont endogènes. Enfin, à taux de chômage donné, la détermination du profil optimal de l'indemnisation implique que la flexibilité salariale doit être associée à la poursuite d'un objectif utilitariste. L'application du critère de bien-être rawlsien plaide cependant en faveur d'une forte rigidité des salaires.

Joseph G., O. Pierrard and H. R. Sneessens, "Job Turnover, Unemployment and Labor Market Institutions", IRES Discussion Paper 2003-13.

This paper studies the role of labor market institutions on unemployment and on the cyclical properties of job flows. We construct an intertemporal general equilibrium model with search unemployment and endogenous job turnover, and examine the consequences of introducing an unemployment benefit, a firing cost and a downward wage rigidity. The simulations suggest that downward wage rigidities, rather than unemployment benefit or firing cost, may well play a dominant role in explaining both the high unemployment rate and the job flows dynamics of such an economy.

Joseph G. and T. Weitzblum (2003), "Optimal unemployment insurance: Transitional dynamics vs. Steady state", *Review of Economic Dynamics*, vol.6, 2003, pp. 869-884.

In this paper we ask whether the presence of precautionary savings substantially reduces the optimal replacement rate in an European economy type characterized by high unemployment benefits and moral hazard. We build a simple job search model calibrated on French data and, in line with previous studies, find that the optimality criterion based on comparisons of steady states leads to a low optimal ratio. Yet, this result ignores potential transitional costs due to the necessity for agents to

increase their savings and reduce their consumption whenever the ratio is cut. We therefore build a dynamic model taking full account of the transition, and show that a reduction in benefits reduces welfare. Even though the long-run optimal replacement rate is lower than the current one, transitional costs dominate long-run gains.

Joseph G., O. Pierrard and H. Sneessens (2003), "Job turnover, unemployment and labor market institutions", IZA Discussion Paper N° 835.

The paper studies the role of labor market institutions on unemployment and on the cyclical properties of job flows. We construct an intertemporal general equilibrium model with search unemployment and endogenous job turnover, and examine the consequences of introducing an unemployment benefit, a firing cost and a downward wage rigidity. The model is able to reproduce the main cyclical properties of a typical European economy. It also suggests that downward wage rigidities rather than unemployment benefit or firing costs, may well play a dominant role in explaining both the high unemployment rate and the cyclical properties of such an economy.

Karasiotou P., "Education, Unemployment and Earnings: Decomposing the Effect of Education on Earnings", Cahier du CEREC 2003/4.

The return of education on earnings does not express only the effect on wages; it expresses and includes also the effect that education has on working time (both employment and labour supply). Following the methodology of Ashenfelter and Ham (1979) we first estimate the return of education on annual earnings and subsequently decompose it in a return on monthly wages, an effect on labour supply and an effect on unemployment. We conclude that the return on annual earnings is always higher than the effect on monthly wages, which confirms our initial hypothesis. This employment effect comes from the effect of education on labour supply as well as from the effect of education on unemployment; both are high and statistically significant. Finally we find that our sample (individuals 18-30 at their early career stages) has affected the results leading to a positive schooling coefficient for unemployment. However, for older individuals, the negative relationship between unemployment and education is re-established.

Kholodilin K.A., "Identifying and Forecasting the Turns of the Japanese Business Cycle", IRES Discussion Paper 2003-08.

In this paper we identify and try to predict the turning points of the Japanese business cycle. As a measure of the business cycle we use a composite economic indicator (CEI). This indicator is endowed with nonlinear dynamics to capture the asymmetries between different cyclical phases. Two types of nonlinear dynamics are considered : Markov switching and smooth transition autoregression (STAR). The performance of these models in terms of forecasting the business cycle turns is compared. Both types of models produce statistically equivalent in-sample forecasting results, whilst the CEI with exponential STAR tends to outperform the CEI with Markov-switching and logistic STAR in the out-of-sample prediction.

Malgrange P. et M. Mougeot, "Economie publique : développements récents", *Economie et Prévision*, 156.

L'article consiste en une introduction à un numéro spécial d'*Economie et Prévision* consacré à la présentation d'un ensemble de contributions sur certains développements récents sur l'économie publique.

Mangematin V. et S. Robin, "The two faces of PhD students: management of early careers of French PhDs in Life Sciences", *Science and Public Policy*, 30(6), 2003, pp. 405-414.

In experimental sciences, such as the life sciences, PhD students are involved in experiments and knowledge production that require the use of increasingly complex instruments. They are also one of the vehicles for the dissemination of knowledge since they circulate between different organisations during or after their PhD. They therefore have two faces. First, during their PhD, they contribute towards scientific production in their laboratory, teaching and, in some cases, relations with the laboratory's partners. In the life sciences in France, they account for close to 30% of skilled manpower in academic laboratories. Second, after their PhD, most have to leave their academic institution: PhDs' embodied knowledge is thus spread to other organisations. Based on the example

of the life sciences, the importance of young PhD students for both academic laboratories and private firms is analysed.

Mauleon A. and V. Vannetelbosch "Farsightedness and Cautiousness in Coalition Formation", IRES Discussion Paper 2003-03.

We adopt *the largest consistent set* defined by Chwe *J. of Econ. Theory* 63 (1994), 299-235 to predict which coalition structures are possibly stable when players are farsighted. We also introduce a refinement, the *largest cautious consistent set*, based on the assumption that players are cautious. For games with positive spillovers, many coalition structures may belong to the largest consistent set. The grand coalition, which is the efficient coalition structure, always belongs to the largest consistent set and is the unique one to belong to the largest cautious consistent set.

Mauleon A. and V. Vannetelbosch, "Market Competition and Strike Activity", *International Journal of Industrial Organization* 21(5), 2003, 737-758.

We develop a model of wage bargaining with private information in a duopoly. We investigate how product differentiation and market competition (Bertrand vs Cournot competition) affect wages and strikes. If bargaining takes place at the industry-level, then both the wage outcome and the strike activity do not depend on the degree of product differentiation whatever the type of market competition. However, if bargaining takes place at the firm-level, then wages and strikes are increasing with the degree of product differentiation, and the strike activity is smaller under Bertrand than under Cournot competition.

Mauleon A. And V. Vannetelbosch, "Efficiency Wages and Union-Firm Bargaining with Private Information", *Spanish Economic Review* 5(4), 2003, 307-316.

We consider efficiency wage effects in a union-firm bargaining model with private information. We show that an increase in the efficiency wage effects does not necessarily increase the wage level at equilibrium, even when the wage bargaining with private information is close to one with complete information. However, if it is commonly known that the firm is stronger than the union and the demand is sufficiently elastic, then an increase in the efficiency wage effects increases for sure the wage at equilibrium.

Mauleon A. And V. Vannetelbosch, "Bargaining with Endogenous Deadlines", in *Journal of Economic Behavior and Organization*, to appear.

We develop a two-person negotiation model with complete information which makes endogenous both the deadline and the level of surplus destruction after the deadline. We show that the undominated Nash equilibrium outcome is always unique but might be inefficient. Moreover, as the bargaining period becomes short or as the players become very patient, the unique undominated Nash equilibrium outcome is always inefficient.

Mauleon A. and V. Vannetelbosch, "Farsightedness and Cautiousness in Coalition Formation," LABORES Document de Travail 2003-10, Université Catholique de Lille

We adopt the largest consistent set defined by Chwe [*J. of Econ. Theory* 63 (1994), 299-235] to predict which coalition structures are possibly stable when players are farsighted. We also introduce a refinement, the largest cautious consistent set, based on the assumption that players are cautious. For games with positive spillovers (e.g. cartel formation with Cournot competition), many coalition structures may belong to the largest consistent set. The grand coalition, which is the efficient coalition structure, always belongs to the largest consistent set and is the unique one to belong to the largest cautious consistent set

Menoncin F., "Optimal real consumption and asset allocation for a HARA investor with labour income", IRES Discussion Paper 2003-15.

In this paper, we take into account a very general setting : (i) a set of stochastic investment opportunities, (ii) a set of risky assets, (iii) a riskless asset paying a stochastic interest rate, (iv) a stochastic inflation risk, (v) stochastic labor income, and (vi) HARA preferences. We compute a quasi-explicit solution for both the optimal consumption and asset allocation. This solution is based on two changes in the probability measure. We also show that the investor behaves as if he could rely on his wealth augmented by the expected value of all his "forward real labor incomes".

Menoncin F., "Optimal Asset Allocation for HARA Consumers with Labour Income", *Economia Internazionale*, 3, 2003, 357-381.

We take into account: (i) a set of stochastic investment opportunities, (ii) a set of risky assets, (iii) a stochastic riskless interest rate, (iv) stochastic labor incomes, and (v) HARA preferences. Without specifying any particular functional form for drifts and diffusions of all the stochastic variables, we show a quasi-explicit solution for optimal consumption and asset allocation. We demonstrate that the agent behaves as if he could rely on his wealth augmented by the expected present value of all his future labor incomes. The solutions for CRRA and log-preferences are obtained as particular cases of our more general setting.

Menoncin, F. and O. Scaillet, "Mortality Risk and Real Optimal Asset Allocation for Pension Funds", FAME, Université de Genève, Discussion Paper, N. 101.

We analyze the problem of real optimal asset allocation for a pension fund maximising the expected CRRA utility of its real disposable wealth. The financial horizon of the analysis coincides with the random death time of a representative subscriber. We consider a very general setting where there exists a stochastic investment opportunity set together with stochastic contributions and pensions and we derive a quasi-explicit solution. When the market price of risk is independent of the state variables we are also able to compute a closed-form solution. Numerical simulations provide useful practical guidelines regarding the optimal investment strategy.

Moner-Colonques R., V. Orts and J. Sempere-Monerris, "The Strategic Role of Information Asymmetry on Demand for the Multinational Enterprise", IRES Discussion Paper 2003-02.

We study how asymmetric information impinge on oligopolistic firms' decision between direct investment and exports in a game-theoretic model with Bayesian learning. Host firms have superior information about market demand and foreign firms can improve their knowledge if foreign direct investment (FDI) is undertaken. In addition to the well-known tension between the fixed set-up costs of investment, the additional variable costs of exports and oligopoly sizes, the incentive to invest abroad is explained by the strategic learning effect. FDI may be observed even if foreign firms are pessimistic or trade costs are zero. Interestingly, compared with the certainty equivalent, the equilibrium number of investors is larger when foreign firms hold optimistic beliefs or, if these are pessimistic, when the strategic learning effect outweighs the conjuncture effect.

Moner-Colonques R., J. Sempere-Monerris and A. Urbano "The Manufacturers' Choice of Distribution Policy under Successive Duopoly", in *Southern Economic Journal*, 2004, 70(3à), 532-548.

We examine an asymmetric non-cooperative game between two manufacturers selecting the number of retailers who can distribute their products. In deciding whether to distribute through one or both retailers, there are two conflicting effects: the output expansion effect, since the product is sold in more outlets; and the competitive effect, associated with the introduction of intra-brand competition. Product differentiation and demand asymmetries between the two products determine which of these two effects dominates the other. When product differentiation is strong and brand asymmetry is moderate, both manufacturers distribute through both retailers in equilibrium. However, when both product differentiation and brand asymmetry are weak, exclusive dealing through a single retailer is the equilibrium. Perhaps the most interesting finding is that there also exist asymmetric equilibria in which one manufacturer distributes through both retailers but the other manufacturer distributes through one retailer. These equilibria can arise when both product differentiation and brand asymmetry are strong.

Nicoletti G., "Use costs in a two-R&D- Sector model", IRES Discussion Paper 2003-23.

In this paper we assess the properties of scale-free endogenous growth models in presence of use costs for the final users. As bench-mark we use Segerstrom (2000) two R&D sector model. When we use costs apply to both types of innovation we find counterintuitive results with respect to the standard Endogenous Growth literature : use costs can increase growth. This is due to the presence of both increasing returns in the research functions and the population growth condition. When costs apply to vertical innovations only we can establish more intuitive results : under mild conditions use costs decrease the rate of vertical innovation and of overall economic growth.

Nyembwe A., "Monetary Policy, Credibility and Asymmetries : Small African Countries and the EMU Advent", IRES Discussion Paper 2003-11.

As a country sets a peg of its currency, the monetary policy credibility it expects to gain implies that the anti-inflationary performance has to be as similar as possible to the anchor country one. Failing to attain this goal can lead to speculative attacks against the currency parity. This is an insight from models of credibility in monetary policy through fixed exchange rates regimes. In addition, multiple equilibria embedded in these models may cause speculative attacks rendering the efficiency of exchange rate regimes questionable. Contrary to this theoretical insight, the franc zone continues to work despite the disinflation process in the European Union that is likely to increase the level of constraint related to the use of the euro as anchor. In this paper, we show how the existence of particular arrangements in the Franc zone allows for getting a framework without multiple equilibria and insures the stability of the system. Moreover, we introduce two kinds of structural asymmetries relative to African economies to show that without the "operations account" mechanism, the EMU advent is likely to have increased the constraint related to a peg on the euro, leading to a more restraining peg.

Pami D. and M. Tapas, "Persistence of shocks: Features of fractional dynamics of Indian macroeconomic variables", Centre for Development Economics Working Paper, Delhi School of Economics, India, à paraître.

In this paper we investigate the implications of fractional integrated models for the analysis of persistence of shocks taking the case of India. Both semi-parametric (due to Geweke and Porter-Hudak (1983), and Robinson and Henry (1998)), and frequency domain approximate ML methods (due to Whittle (1951)) are used to conclude that long-memory is evident in most of the series except money supply which shows antipersistence. This is in contrast to the earlier studies in Indian macroeconomic set up. Evidence of long-memory implies the shock dies out very slowly and hence appropriate policies must be undertaken to counter this dynamics. Welfare implications are provided and the issue of economic structure in the presence of long-memory is investigated.

Perez-Barahona A. and B. Zou, "Energy Saving Technological Progress in a Vintage Capital Model", IRES Discussion Paper 2003-26.

Fossil fuel is an essential input throughout all modern economies. The reduced availability of this basic input to production, and the stabilization of greenhouse gases concentration - which requires reductions in fossil fuel energy use - would have a negative impact in GDP and economic growth through cutbacks in energy use. However, this trade-off between energy reduction and growth could be less severe if energy conservation is raised by energy saving technologies. Here we study this hypothesis and, in particular, the effect of a tax over the energy expenditure of firms as a way to promote investments in energy saving technologies. To do this we consider a general equilibrium model with embodied and exogenous energy saving technological progress in a vintage capital framework, where the scrapping rule is endogenous and linear simplifications are eliminated.

Petrella F., *Une analyse néo-institutionnaliste des structures de propriété « multi-stakeholder » : une application aux organisations de développement local*, Série des publications (thèses) de la Faculté des Sciences économiques, sociales et politiques de l'Université catholique de Louvain, n° 434.

As part of the movement of decentralisation of competences and governance, new coordination forms have emerged at the local level. These forms involve different players, such as local authorities, the private sector, non-profit organisations and the civil society. The coordination between all these players that pursue heterogeneous interests becomes a central issue that has not yet been thoroughly analysed with regards to the provision of local development services.

More specifically, although partnership is a very fashionable topic, there is neither clear nor universal definition of partnership. It is considered as one specific form of coordination, going from an informal but regular cooperation between agents to the integration of all the partners into the ownership of a single organisation. However, different forms of partnership raise different challenges that are important to identify. In our Ph.D. dissertation, we focus on partnerships characterised by the presence of different stakeholders in the ownership structure of the organisation. By stakeholders, we refer to all the persons or organisations that have an interest in the organisation, in its products and/or

in its performances. What forms of organisation do partnerships adopt for the provision of local development services? What are their specific features?

The participation of a diversity of stakeholders questions the usual acceptance of ownership in economic theory, mainly applied to shareholders. Even if the notion of ownership is widely discussed in the literature, ownership is commonly defined as the possession of the residual rights of control and the right to residual benefits. Since Coase Theorem, different authors have analysed the effect of the allocation of property rights on the incentive structure of the organisation. But the ownership of public and (private) nonprofit organisations characterised by a multi-stakeholder structure has not been deeply discussed by the literature on property rights.

Therefore, what are the advantages and limits of a multi-stakeholder ownership in the provision of collective local development services? We shall study the institutional arrangements of multi-stakeholder organisations as original incentive systems. Our intuition is that public organisations are limited in their capacity to reveal emerging social demands, in particular when they are heterogeneous, but have important strengths in terms of financing and regulation power. By contrast, non-profit organisations, given their anchorage in social and solidarity networks, seem to have a greater capacity to reveal new social demands and to meet them in an innovative way. However, economic theory reveals that private provision of collective goods is generally sub-optimal. Public organisations could subsidise non-profit organisations for the risk they take to reveal and meet new demands. But they cannot commit to the fact that they will not take the control of the organisation or recreate elsewhere, with more funds, the same services, leaving no room to experimental and small organisations. Such a risk of hold-up refrains non-profit organisations to collaborate with public ones. Building on a transaction costs framework, we examine if the creation of a multi-stakeholder organisation, constituted by public and non-profit organisations, along with the inhabitants, private enterprises and other local players, could be a solution to reveal and meet local social demands without losing the autonomy of the partners.

We confront our analytical model with empirical data collected from nearly thirty organisations of the city of Charleroi (Belgium). Using exploratory statistical tools, such as factor analysis and clustering, we elaborate different typologies of multi-stakeholder organisations.

Pierrard O. and H.R. Sneessens, "Low-Skilled Unemployment, Biased Technological Shocks and Job Competition", IRES Discussion Paper 2003-14.

The unemployment rise in EU countries has been particularly strong for low-skilled workers. This observation has often been explained in terms of biased technical change and relative wage rigidities. More attention has been paid recently to an alternative mechanism, the crowding-out of low-skilled workers by over-qualified workers. The objective of this paper is both methodological and empirical. We construct a dynamic general equilibrium model with two types of jobs and two types of workers and with search unemployment. The model is calibrated and simulated to examine the interactions between the "skill bias" and "crowding-out" mechanisms. When such interactions are accounted for, the model reproduces quite well the observed unemployment changes.

Pierrard O., H. Sneessens and F. Shadman, "Effets des préretraites sur l'emploi", *Revue française d'économie*, Vol 18, juillet 2003, pp 133-155.

L'analyse et l'exemple numérique développés dans cet article illustrent combien le coût de mesures de réduction de la population active telles que les préretraites peut être élevé en termes d'emplois et de niveau d'activité, même lorsque les retraits sont ciblés sur les populations les plus touchées par le chômage. Au-delà des chiffres, l'objectif est également d'explicitier la nature et la diversité des mécanismes par lesquels ces effets néfastes peuvent apparaître. La méthodologie utilisée prend en compte les effets de la concurrence imparfaite et les négociations salariales, ainsi que les frictions liées aux créations et destructions d'emplois et aux difficultés d'appariement. La réduction de la population active induite par les préretraites a pour conséquence à long terme d'augmenter le coût de la main-d'œuvre, soit directement via l'effet du taux de chômage sur les salaires, soit indirectement via l'effet du taux de chômage sur les difficultés de recrutement.

Robin S. and M. Sprietsma, "Characteristics of teaching institutions and students' performance: new empirical evidence from OECD data", IRES Discussion Paper 2003-28.

A whole branch of the economic literature suggests that institutional differences between and inside educational systems may have a larger influence on students performance than the amount of

resources devoted to schooling. In this paper, we use the PISA 2000 international OECD data to evaluate the impacts of organizational and institutional factors on students performance. We estimate an education production function with country fixed-effect and school random-effect. We find that, alongside individual characteristics, school autonomy in decisions regarding the recruitment of new personnel as well as pedagogical training strongly affect students performance. On the contrary, measures of school resources and standardised evaluation of students have no consistent effect.

Robin S., "Insertion des docteurs en sciences de la vie en France: secteur académique et secteur privé", in Degenne, Giret, Grelet, Werquin (Eds), *Les données longitudinales dans l'analyse du marché du travail*, Documents Céreq, Séries Séminaires, 2003, n°171.

L'objectif de cette recherche est d'identifier les déterminants des carrières des docteurs en sciences de la vie, dans le secteur académique et dans le secteur privé. Cette question a acquis une importance nouvelle dans les années 1990, où les perspectives d'emploi académique étaient moindres, alors que la croissance économique dépendait plus que jamais de l'innovation et des nouvelles technologies. À l'aide de données d'enquête originales portant sur plus de 800 docteurs en sciences de la vie français, nous montrons que l'insertion académique et l'insertion privée dépendent de critères très différents. L'orientation vers l'un ou l'autre secteur se fait dès l'entrée en thèse, avec peu de possibilités de reconversion par la suite. Dans la mesure où la plupart des entrées en thèse sont fortement motivées par la perspective d'une carrière académique, ce résultat révèle un problème d'incitation qu'il convient d'étudier de manière plus approfondie.

Sommacal A., "Ireland" in Bernardi and Profeta (eds.), *Tax System and Tax Reforms in Europe*, London: Routledge, 2003.

This paper aims to discuss the main features of the Irish tax system and its recent or underway reforms and is a part of a wider research on Europe taxation carried on this department, under the direction of L. Bernardi and P. Profeta. In paragraph 2 we give some quantitative information on the structure of the system and its development, stressing the fact that Ireland have now the lowest fiscal pressure in EU, mainly due to the low level of its social contributions. In paragraph 3 we explore the institutional features of the main taxes, direct and indirect. In particular the Income tax is characterized by some elements of family taxation and by a strong individualization, in the sense that a lot of its elements, including the tax rates and the level of exemptions depend on some specific features of the taxpayers, such as marital status, number of dependent children and age. Concerning the Corporate tax, it must be noticed that the system shows in general very low statutory rates: in fact, even if the facilitated rate of 10 percent will be ruled out in the following years, the standard rate has been strongly reduced and for the year 2003 it will be the 12,5 percent. In paragraph 4 we evaluate the distribution of the fiscal burden. The functional classification and the implicit tax rates show that Ireland, compared to EU, has a low level of tax on labour, even if, according to the marginal tax wedge, the distortion on labour supply seems to remain high. Effective marginal and average rates are both low and are important elements in justifying the good performance of Irish economy. Finally in paragraph 5 the main reforms carried out in the last decade are analysed. The measures taken to strengthen the incentive to work are positively valued, even if other reforms in the same direction seem to be necessary. Concerning Corporate Tax, the phasing out of special regimes (under pressure from the EU) and the contemporaneous reduction of general corporate rate, also prove to be positive measures.

Tercieux O., "Existence, Uniqueness and Stability of a Set-Valued Concept", Cahiers de la Maison des Sciences Economiques, Université Paris I, n°2003-130.

This paper introduces a notion of minimal  $(1/2)$ -best response set in order to relate it to equilibrium selection. In a 2-player game with compact sets of available actions and continuous payoff functions, the minimal  $(1/2)$ -best response set exists and is unique. This is in strong contrast with the existing concepts of the literature such as  $(1/2)$ -dominance. Next, we study equilibrium selection. A continuum of rational players is repeatedly and randomly matched to play a symmetric  $2 \times I$  game  $\Gamma$ . There are frictions: opportunities to revise actions follow independent Poisson processes. In the spirit of Oyama (2002), we provide two set-valued stability concepts: the linearly stable set and the absorbing set. Our main results state, provided that the degree of friction is sufficiently small, that the linearly stable set and the absorbing set coincide exactly with the minimal  $(1/2)$ -best response set of  $\Gamma$ .

Vandenberghe V., "Private, Government-Dependent and Public schools. An International Effectiveness Analysis", IRES Discussion Paper 2003-29.

This paper aims at estimating the effect on achievement of various types of schools : private, private but government-dependent and public ones. It is based on the analysis of Reading test scores of 15-year-old students surveyed in 2002 across OECD and non-OECD countries. The estimation of the effect of private vs. public school attendance may be biased by the existence of confounding factors. An obvious start is to use standard (OLS) regression models to isolate the effect of private/public status from the other determinants of achievement like family resources or socio-economic background. But regression estimates are highly dependent on the validity of the linearity assumption. Hence, the rationale for using non-parametric propensity score matching. The main result is that private government-dependent schools can have a significant positive effect on 15 year-olds' academic achievement. Regarding private independent schools, the conclusion is rather the opposite. Our results also support the view that, in most cases, expanding the size of the more effective sector would improve average achievement.

Vandenberghe V., "Un enseignement technique et professionnel (dé)valorisé?", UCL, *Les Cahiers de recherche du GIRSEF*, N°22,

La question de la dévalorisation des filières qualifiantes de l'enseignement secondaire en Communauté française préoccupe beaucoup d'observateurs de ce secteur. Le but de notre communication est de contribuer à cette réflexion à la lumière d'informations sur la manière dont le marché du travail valorise (ou non) les diplômés de ces filières, relativement aux diplômés de l'enseignement général. Ces diplômés souffrent-ils d'une pénalité ou d'une prime en termes de salaire ? Se distinguent-ils surtout par un taux d'emploi particulier ? Doit-on distinguer les diplômés de l'enseignement technique de ceux du professionnel ? A-t-on des indices d'une évolution en fonction de la génération concernée ? Comment les choses se différencient-elles selon le genre (homme/femme) et selon la région (Flandre/Wallonie-Bruxelles) ? Quels sont enfin les enseignements que l'on peut tirer de ces observations s'agissant des politiques de l'enseignement initial, celles qui concernent l'insertion professionnelle ou plus globalement le fonctionnement du marché du travail ? Nous utilisons pour tenter de répondre à ces questions les données 1995 du PSBH (Panel Survey of Belgian Household).

Van der Linden B., "Unemployment insurance and training in an equilibrium matching model with heterogeneous agents" IRES, Discussion Paper 2003-01 et INSEE, Document de travail du Centre de Recherche en Economie et Statistique (CREST) n° 2003-01.

This paper develops a joint evaluation of vocational training and unemployment insurance. This allows to analyze how these schemes complement each other from the viewpoints of labor market indicators and of welfare. For this purpose, a general equilibrium matching model is built where workers are heterogeneous and risk averse. Heterogeneity allows to look at the distribution of the effects. Job search effort and wages are endogenous in order to deal with the induced effects of these schemes. The net effect of these training programs appears to be gloomy. However, their impact on employment can be deeply affected by the design of passive policies. A declining time profile of benefit payments dominates a scheme with a constant replacement ratio. However, the optimal expected length of payment of 'high' benefits can vary a lot in the population. A reform that would relate this expected duration to search effort does not appear to produce substantial effects on any of the evaluation criteria. Performance indicators of the labor market and welfare criteria often vary in opposite directions after a reform. This questions the widespread focus on labor market indicators to guide the design of institutional reforms.

Van der Linden B., "Unemployment benefit profile, monitoring and active labor market policies: The role of normative criteria", Document de travail DOCH 127 de la Chaire Hoover d'Éthique économique et sociale, Université catholique de Louvain, octobre 2003.

The design of the unemployment insurance system critically depends on the choice of the evaluation criterion. Indicators of labor market performance, welfarist and non-welfarist criteria often lead to very different conclusions. This paper also highlights that the distributional consequences of reforms should attract attention. A declining time profile of benefit payments dominates a scheme with a constant replacement ratio. This profile should be group-specific. For reasonable values of the monitoring cost, relating this profile to job-search effort produces positive but limited effects.

Analytical and simulation results show that the design of the UI system is affected by the presence of active programs

Van der Linden B., "Active citizen's income, unconditional income and participation under imperfect competition : A normative analysis" *Oxford Economic Papers*, 56, No. 1, 2004, pp. 98-117.

Various types of basic income schemes are considered to compensate the allocative inefficiencies induced by unemployment benefits. A dynamic general equilibrium model of a unionised economy is developed in which participation to the formal labour market is endogenous and the budget of the State has to balance. It is shown that basic income schemes reduce the equilibrium unemployment rate. Assuming that job-search is costly to monitor, the normative analysis suggests that only the active population should be eligible to the basic income. Introducing such an 'active citizen's income' can be a Pareto-improving reform.

Van der Linden B., "Actief en passief arbeidsmarktbeleid in België: over meer dan zichtbare effecten", *Over.Werk*, Tijdschrift van het Steunpunt Werkgelegenheid, Arbeid en Vorming, nr. 4, 2003, 34 - 37.

Cet article analyse les effets des réductions de charges patronales à la Sécurité Sociale, de certaines politiques actives brèves et de l'assurance-chômage en Belgique.

Wälde K., "Endogenous Business Cycles and Growth", CESifo WorkingPaper 920, Munich.

Current explanations why a growing economy necessarily goes through booms and recessions predict countercyclical R&D investment. As this is very controversial from an empirical perspective, a stochastic Poisson model of endogenous business cycles and growth is presented where the determinants of the cyclical behaviour of R&D investment are analytically studied. Providing an explicit expression for the expected length of a cycle shows that high frequency fluctuations can indeed be understood by this approach. It is also shown how small technological improvements translate into large aggregate fluctuations.

Wälde K. and J.Eisenschmidt, "International Trade, Hedging and the Demand for Forward Contracts", Dresden Discussion Paper 19/03.

There is a huge literature on the effects of uncertainty on trade levels. One very strong result of that literature is that uncertainty should not matter, as long as well developed forward markets exist. The empirical implications of this result, however, are hard to find in the data. We model terms of trade uncertainty in a small open economy with uncertainty stemming from abroad and derive the equilibrium demand for forward contracts. It turns out that risk averse agents will not buy forwards at an actuarially fair price, thus rendering both the full-hedge theorem and the separation theorem of the aforementioned literature obsolete. Using real world data for Germany we calibrate our model. We find that in equilibrium risk averse agents will buy forward cover only for speculative reasons. The amount of forwards purchased is around 20% of equilibrium imports. This is broadly in accordance with empirical observed ratios.

Zou B., "Vintage Capital, Optimal investment and Technology Adoption", IRES Discussion Paper 2003-27.

In this paper, we study a vintage capital model under a general equilibrium setting. In this model firms can invest not only on new vintage capital goods, but also on existing ones. We show that the capital accumulation is a single hump-shaped function, featuring slow technology diffusion

## **B. Programmes de recherche et études sous contrat**

### **1. Croissance et mécanismes d'incitations (1999-2004)**

Financement : Communauté française - service de la recherche : actions de recherche concertées

Responsable : Ronald Anderson

*Progrès technique, capital humain et structure dynamique du capital et financement de la croissance économique*

L'objectif principal de ce travail de recherche est l'étude des forces génératrices de la croissance économique et des institutions capables, au moyen d'incitations, de favoriser ces forces. Cette question est très importante pour l'avenir de nos sociétés. La croissance économique a un rôle primordial dans l'accroissement du bien-être.

Les réponses que les économistes ont données à cette question sont très variables et ont trait à des questions telles que le taux d'accumulation du capital, la vitesse de l'innovation et du changement technologique, l'organisation des grandes entreprises et le développement des marchés financiers, l'organisation du système éducatif, la répartition du revenu, ainsi que le comportement d'épargne des divers agents économiques.

### **2. Nouvelles perspectives macroéconomiques pour le développement (2003-2008)**

Financement : Communauté française - service de la recherche : actions de recherche concertées

Responsable : Raouf Boucekkine

Durant les trois dernières décennies, l'écart relatif entre les pays riches et pauvres n'a cessé de croître. La pensée qui a prévalu dans les années soixante voyait le sous-développement comme la conséquence d'un déficit en terme d'épargne. Les experts admettent aujourd'hui que la pauvreté est un phénomène complexe et multidimensionnel. Une faible datation en capital physique ne peut, à elle seule, expliquer le phénomène de sous-développement. Il est associé à un faible taux de scolarisation, de niveau d'éducation, des difficultés d'accès aux soins de santé, un taux de croissance démographique élevé, une faible espérance de vie et des institutions défaillantes qui sont généralement réticentes à la modernisation. Le projet se compose de trois parties distinctes mais interdépendantes : une partie analytique, une seconde relevant de l'histoire des idées et une troisième relevant d'une étude de cas. La première partie analytique développera une modélisation originale sur trois questions distinctes : premièrement, analyse des problèmes touchant aux transferts technologiques, deuxièmement, utilisation de la théorie des jeux afin de voir quel type d'accord commercial est le plus favorable aux pays sous-développés (multilatéralisme, bilatéralisme et accords de libre échange), troisièmement, étude de la répartition de la croissance et des revenus en tenant compte des caractéristiques démographiques (choix en terme de système éducatifs). La partie sur l'histoire des idées économiques mettra en perspective les modèles étudiés dans la partie analytique. En relation avec la partie analytique, une étude de cas empirique se penche sur la région du sud-Kivu (République démocratique du Congo).

**3. Trajectoires individuelles d'emploi en Belgique : une analyse exploratoire, (2001-2003)**

Financement : SPF Politique scientifique fédérale

Responsables : Bart Cockx et Bruno Van der Linden

L'objectif de cette recherche est une évaluation des programmes "d'activation des allocations de chômage" des jeunes demandeurs d'emploi. Par "activation", on entend que sous certaines conditions et pour une certaine durée, le demandeur d'emploi peut conserver son allocation de chômage en cas d'embauche. L'étude s'appuie sur un vaste fichier de données administratives. Dans un premier temps, l'analyse, descriptive, porte sur les transitions entre un nombre d'états du marché de travail, parmi lesquels la participation à des politiques d'activation. Ensuite, l'objectif est de mener une analyse causale portant sur la relation entre les politiques d'activation, la probabilité de trouver un emploi et la durée de la période d'emploi qui suit.

**4. L'impact des sanctions relatives aux allocations de chômage sur la réinsertion et la pauvreté, (2001-2003)**

Financement : SPF Politique scientifique fédérale

Responsable : Bart Cockx

Cette recherche s'intéresse à la relation entre la fin de droit dans l'assurance chômage et la trajectoire des chômeurs sur le marché du travail. En Belgique, sous un ensemble de conditions et après une certaine durée d'inoccupation, un chômeur peut perdre son droit à l'assurance-chômage. La recherche exploite la variabilité (en partie exogène) des conditions de fin de droit afin d'identifier ses répercussions sur la probabilité d'embauche et sur la nature de l'emploi retrouvé. La recherche s'appuie sur un vaste fichier administratif et sur une enquête.

**5. Evaluation micro- et macroéconomique des allègements de la (para)fiscalité en Belgique, (2003-2005)**

Financement : SPF Politique scientifique fédérale

Responsables : Bart Cockx, Henri Sneessens et Bruno Van der Linden

Cette recherche vise à évaluer l'efficacité relative des modalités d'allègement de la (para)fiscalité sur le travail. Sous l'angle *microéconomique*, elle évalue l'efficacité relative de ces modalités d'allègement du point de vue de *l'insertion des demandeurs d'emploi*. Sous l'angle *macroéconomique*, l'objectif est d'évaluer l'effet de ces diverses modalités sur les choix technologiques et les processus de création et de destruction d'emplois en tenant compte de la négociation salariale, de l'hétérogénéité des qualifications sur le marché belge du travail et de l'existence d'autres politiques de marché du travail (assurance-chômage, politiques actives).

**6. Thematic network on manufacturing technologies, (2001-2002)**

Financement : Communauté Européenne

Responsables : Vincent Bodart et Raouf Boucekkine

Cette étude s'insère dans le cadre d'un projet européen qui implique 14 institutions et qui est coordonné par le Comité européen de coopération des industries de la machine-outil (CECIMO). La contribution de l'IRES à ce projet est de deux ordres : 1. Identifier et prévoir le cycle économique du secteur de la machine-outil;

2. Préciser, sur le plan théorique, la relation entre évolution technologique et croissance économique.

**7. Relations entre coût salarial et emploi (approche désagrégée), (2001-2002)**

Financement : Région wallonne, SES, Service des Etudes et de la Statistique  
Responsables : Henri Sneessens, Bart Cockx et Bruno Van der Linden

Les effets d'un allègement du coût salarial sur l'emploi dépendent des modalités de cet allègement. Le diagnostic des causes du chômage, en particulier des moins qualifiés, a un impact prépondérant sur ces modalités et sur les effets à attendre de celles-ci sur l'emploi. L'objectif de ce projet est de progresser dans la compréhension du rôle respectif joué par les phénomènes d'inadéquation au sens large (notamment en termes de qualification) et par les mécanismes de déqualification en cascade. On construira dans ce but une maquette théorique qui sera calibrée et simulée pour fournir une évaluation qualitative et quantitative des divers scénarios possibles, et évaluer ainsi leur vraisemblance et finalement l'utilisation de ces outils théoriques et empiriques pour analyser les implications de différentes politiques économiques.

**8. Construction d'indicateurs conjoncturels pour la Région wallonne, (2001-2003)**

Financement : Région wallonne, SES, Service des Etudes et de la Statistique  
Responsable : Vincent Bodart

Le projet a pour objectif principal d'élargir la connaissance des mouvements du cycle économique en Wallonie, en développant de nouveaux indicateurs conjoncturels pour la Région wallonne. La construction de ces nouveaux indicateurs repose sur des méthodes économétriques avancées, en particulier celles développées par Stock et Watson.

**9. Thésaurus Ecodata (2002-2004)**

Financement : SPF Politique scientifique fédérale  
Responsable : Daniel Weiserbs

Elaboration d'un thésaurus intégré à Ecodata, banque des données macro-économiques du Ministère des Affaires économiques. Ecodata, la banque de données macroéconomiques des séries temporelles et des tableaux multidimensionnels du ministère des affaires économiques a connu une évolution majeure ces dernières années. Cette banque de données a pour ambition de proposer une vue détaillée de l'économie belge dans son contexte européen et mondial. Le degré de détail des informations s'est affiné et leur volume s'est considérablement accru. Le projet vise à offrir un accès convivial et performant via l'usage des technologies "web" les plus modernes ("java-applets").

**10. An inventory of Léon Dupriez archives (1999-2003)**

Financement : Fonds National de la Recherche Scientifique  
Responsable : Isabelle Cassiers

Les archives du Professeur L.H. Dupriez dormaient depuis des années dans les caves de l'IRES sans avoir été répertoriées. Ces archives contiennent l'ensemble des documents accumulés à l'IRES pendant 44 ans (1929-1973), par le fondateur de l'institut de recherche et par ses collaborateurs. Elles recèlent de nombreux documents inédits, dont la mise en valeur devrait ouvrir de nouvelles perspectives de

recherche, notamment en histoire économique de la Belgique et en histoire économique comparée.

L'inventaire et le classement des archives Dupriez est une première étape - incontournable - d'un projet plus vaste, qui vise la mise en valeur du patrimoine intellectuel laissé par L.H. Dupriez et par ses collaborateurs de l'IRES.

**11. "Structures socio-économiques et potentiel de développement de l'économie du Sud-Kivu", (2001-2003)**

Financement : Projet FSR-UCL

Responsable : Philippe De Villé

Ce projet, partenariat entre l'IRES, la Faculté des Sciences Economiques de l'Université catholique de Bukavu et le BEST (Bureau d'études Scientifiques et Techniques à Bukavu) et financé par les Fonds Spéciaux de recherche (FSR), vise à développer l'analyse de la structure et de la dynamique de l'économie du Sud-Kivu en République démocratique du Congo. Une partie importante du projet a consisté dans la mise sur pied d'une base de données socio-économiques de la région.

**12. "Dynamique des filières productives et développement rural intégré"**

Financement : Commission Universitaire pour le Développement (C.U.D), Conseil Interuniversitaire de la Communauté française de Belgique (C.I.U.F)

Responsable : Philippe De Villé

Le projet vise à créer, au sein de l'Université catholique de Bukavu, un "Laboratoire d'Economie Appliquée au Développement" (LEAD) comme pôle de compétences dans le domaine économique et dans celui de disciplines connexes, le droit et l'agronomie. La recherche porte sur l'analyse des capacités de développement de filières productives choisies en fonction de leur contribution à la lutte contre la pauvreté et au rétablissement des relations socio-économiques entre la ville et les campagnes de la région du Kivu. Les aspects relatifs à la micro-finance, à la formation de main d'oeuvre, aux infrastructures, aux techniques agricoles et pastorales et aux questions de droit foncier seront abordées. Les résultats attendus sont l'établissement d'indicateurs de priorités de re-développement et de stratégies de mise en oeuvre de ces priorités pour les acteurs de terrain.

### **C. Participation à des réseaux internationaux**

- **Groupe de recherches "Théories et Méthodes de la Macroéconomie"**

Dir.: Professor J.-O. Hairault (Université de Paris I, <http://t2m.univ-paris1.fr/fr/accueil.htm>)

- **Réseau européen EMES**

Ce réseau regroupe une dizaine de centres de recherche européens qui étudient des réalités socio-économiques qui, en Europe comme ailleurs, prennent de plus en plus d'importance mais restent néanmoins méconnus. Les manières de désigner ces réalités varient selon les contextes : économie sociale, économie solidaire, entreprises sociales, third sector, voluntary organisations, non-profit organisations. Marthe Nyssens (CERISIS et IRES) est membre fondateur de ce réseau.

- **AIECE (Association des Instituts Européens de Conjoncture Economique)**

Fondée en 1957, l'AIECE regroupe 43 instituts de conjoncture dans 20 pays européens pour des échanges de vue, d'informations et de documentation sur la situation économique en Europe et sur ses développements.

L'association tient annuellement deux réunions plénières. En 2003, ces réunions se sont tenues à Stockholm en mai et à Bruxelles en octobre.

L'IRES assure le secrétariat de l'Association des Instituts Européens de Conjoncture Economique.

- **Réseau européen COST A 23 "The Evaluation of European Labour Market Programmes" (2003-2008)**

Ce réseau présidé par R. Blundell vise à élargir les connaissances à propos des effets des interventions sur le marché du travail. Il associe les institutions suivantes : l'University College London, le Tinbergen Institute, l'I.R.E.S, le C.S.B. (Antwerp), l'I.H.S. (Autriche), l'Institute of Economics et le National Economics Institute (Danemark), l'Université de Tampere (Finlande), le R.W.I. (Allemagne), l'University College Dublin, le Ragnar Frish Centre for Economic Research et l'Institute for Social Research (Norvège) et l'Institute for Technology (Pologne).

### III. PUBLICATIONS ET DOCUMENTS DE TRAVAIL

#### A. Livres

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#### B. Thèses de Doctorat

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Durré A., "Essays on the Interaction between Monetary Policy and Financial Markets", Série des publications (thèses) de la Faculté des Sciences économiques, sociales et politiques de l'Université catholique de Louvain, n° 425.

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Vailakis I., "Essays on Optimal Growth, Equilibrium Analysis and Recursive Preferences", Série des publications (thèses) de la Faculté des Sciences économiques, sociales et politiques de l'Université catholique de Louvain, n° 435.

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### **C. Publications dans des revues scientifiques**

Amir R. and V. Lambson, "Entry, exit, and imperfect competition in the long run", *Journal of Economic Theory*, 110, 2003, pp. 191-203.

Amir R., I. Evstigneev and J. Wooders, "Noncooperative R&D versus cooperative R&D with endogenous spillover rates", *Games and Economic Behavior*, 42, 2003, pp. 183-207.

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*Regards Economiques est une publication des économistes de l'Université catholique de Louvain. Créé à l'initiative de l'Institut de Recherches Economiques et Sociales (IRES), Regards Economiques est consacré à des problèmes de l'actualité économique et à des sujets économiques généraux dont il y a lieu de se préoccuper indépendamment de l'actualité immédiate.*

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Numéro 13 Bernard Delbecq, "Le Pacte de stabilité européen : une nécessité à court et à long terme", juin 2003

Numéro 14 Jean Hindriks, Vincent Vandenberghe et Philippe Van Parijs, "L'Université doit-elle être gratuite ?"

Le point de vue d'un économiste des finances publiques.  
Le point de vue d'un économiste de l'éducation.  
Le point de vue d'un philosophe.  
septembre 2003

- Numéro 15 Bart Cockx, Henri Sneessens et Bruno Van der Linden, "Allégements de charges sociales : une mesure à promouvoir mais à réformer", octobre 2003
- Numéro 16 Vincent Bodart et David de la Croix, "Les finances publiques de la Belgique à long terme : quatre questions déplaisantes", octobre 2003
- Numéro 17 Paul Belleflamme, "Le piratage des biens d'information", décembre 2003

## **F. Analyses économiques et prévisions**

- Mars 2003 *L'incertitude entrave la croissance*  
Coordination : Vincent Bodart  
Analyses : H. Beltran-Lopez, V. Bodart, A. Durré, G. Legros, O. Pierrard, F. Shadman-Mehta  
Collaborations : L. Bertinelli, C. Camacho, B. Cresti, L. Jacquet, Ph. Ledent, F. Menoncin, E. Moreno, J. Ries, V. van Steenberghe
- Juin 2003 *Une reprise hypothétique*  
Coordination : Vincent Bodart  
Analyses : H. Beltran-Lopez, V. Bodart, A. Durré, G. Legros, O. Pierrard, F. Shadman-Mehta  
Collaborations : C. Camacho, B. Cresti, L. Jacquet, Ph. Ledent, E. Moreno, J. Ries, V. van Steenberghe
- Septembre 2003 *Enfin la reprise ?*  
Coordination : Vincent Bodart  
Analyses : H. Beltran-Lopez, V. Bodart, Ph. Ledent, G. Legros, O. Pierrard, F. Shadman-Mehta  
Collaborations : C. Camacho, B. Cresti, A. Durré, J. Ries, V. van Steenberghe
- Décembre 2003 *La reprise se confirme*  
Coordination : Vincent Bodart  
Analyses : H. Beltran-Lopez, V. Bodart, Ph. Ledent, G. Legros, O. Pierrard, F. Shadman-Mehta  
Collaborations : B. Cresti, A. Durré, M. Vander donckt, V. van Steenberghe

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## **H. Discussions papers**

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- 2003-1, Bruno Van der Linden, "Employment insurance and training in an equilibrium matching model with heterogeneous agents"
- 2003-2, Rafael Moner-Colonques, Vicente Orts and José J. Sempere-Moneris, "The Strategic Role of Information Asymmetry on Demand for the Multinational Enterprise"
- 2003-3, Ana Mauleon and Vincent Vannetelbosch, "Farsightedness and Cautiousness in Coalition Formation"
- 2003-4, Paolo Battocchio, Francesco Menoncin and Olivier Scaillet, "Optimal asset allocation for pension funds under mortality risk during the accumulation and decumulation phases"
- 2003-5, Barbara Cresti, U.S. "Domestic Barter : an Empirical Investigation"
- 2003-6, Raouf Boucekkine, Blanca Martinez and Cagri Saglam, "The Development problem under embodiment"
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- 2003-8, Konstantin K. Kholodilin, "Identifying and Forecasting the Turns of the Japanese Business-Cycle"
- 2003-9, Lionel Artige, Carmen Camacho and David de la Croix, "Wealth breeds decline : Reversals of leadership and consumption habits"
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- 2003-11, André Nyembwe, "Monetary Credibility and Asymmetries : Small African Countries and the EMU Advent"
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- 2002-13, David de la Croix and Matthias Doepke, "Public versus Private Education when Differential Fertility Matters"
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- 2003-15, Francesco Menoncin, "Optimal Real Consumption and Asset Allocation for a Hara Investor with Labour Income"
- 2003-16, Michel De Vroey, "Lucas on Involuntary Unemployment"
- 2003-17, Carmen Camacho and Benteng Zou, "The Spatial Solow Model"
- 2003-18, Vincent Bodart, Konstantin A. Kholodilin and Fati Shadman-Mehta, "Dating and forecasting the Belgian business cycle"
- 2003-19, Thierry Bréchet, Marc Germain et Philippe Monfort, "Spécialisation internationale et partage de la charge en matière de réduction de la pollution"

- 2003-20, Raouf Boucekkine and Patricia Crifo, "Human Capital Accumulation and the Transition from Specialization to Multi-tasking"
- 2003-21, David de la Croix and Matthias Doepke, "To segregate or to Integrate : Education Politics and Democracy"
- 2003-22, Jens Eisenschmidt and Klaus Waelde, "International Trade, Hedging and the Demand for Forward Contracts"
- 2003-23, Giulio Nicoletti, "Use costs in a two-R&D-sector model"
- 2003-24, Mathias Hungerbuelher, Etienne Lehmann, Alexis Parmentier, and Bruno Van der Linden, "Optimal Income Taxation in an Equilibrium Unemployment Model : Mirrless meets Pisarrides"
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- 2003-26, Agustin Perez-Barahona and Benteng Zou, "Energy Saving Technological Progress in a Vintage Capital Model"
- 2003-27, Benteng Zou, "Vintage Capital, Optimal investment and Technology Adoption"
- 2003-28, Stéphane R. Robin and Maresa Sprietsma, "Characteristics of teaching institutions and students' performance: new empirical evidence from OECD data"
- 2003-29, Vincent Vandenberghe, "Private, Government Dependent and Public Schools. An International Effectiveness Analysis"
- 2003-30, Laurence Jacquet and Bruno Van der Linden, "The Normative Analysis of 'Tagging' revisited: Dealing with Stigmatization".

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- Amir R., "Market selection and survival of investment strategies", CORE DP 2003/99.
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## **I. Rapports**

- Bodart V., K. Kholodilin et F. Shadman-Mehta. (Projet Mantys), "The machine tools industry in Europe: A statistical analysis of the industry data", juillet 2003.
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- Boucekkine R. and B. Cruz, "The economic impact of innovations in the machine tool industry", for the european committee for cooperation of the machine tool industries (CECIMO), juillet 2003.
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- Vandenberghe V., "Quelle différenciation positive dans l'enseignement obligatoire en Communauté française?", Mise en perspective du principe et développement d'un outil de simulation utile au choix des modalités de mise en oeuvre (Phase II), Rapport au Ministre Nollet, Bruxelles.
- Vandenberghe V., "L'équité des systèmes éducatifs européens – Un ensemble d'indicateurs", Contribution au rapport pour la Commission Européenne, Dir. Générale de l'Enseignement et de la Culture, Bruxelles.
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## IV. SEMINAIRES, ATELIERS, JOURNEES D'ETUDES

### A. Séminaire Economique de Louvain

- 27 janvier 2003 (*joint avec l' Economic Theory Seminar*)  
David Perez-Castrillo (Universitat Autònoma de Barcelona)  
*An ordinal Shapley value for economic environments*
- 28 janvier 2003, Ines Macho-Stadler (Universitat Autònoma de Barcelona)  
*Sequential formation of coalitions through bilateral agreements*
- 17 février 2003 (*joint avec l' Economic Theory Seminar*)  
Jan Bouckaert, (University of Antwerpen)  
*Softening competition by enhancing entry: an example from the banking industry*
- 21 février 2003, Maria Gutierrez-Domenech (LSE)  
*Employment after motherhood : a European comparison*
- 10 mars 2003 (*joint avec l' Economic Theory Seminar*)  
Jean-Michel Grandmont (CNRS-CREST and Department of Economics, Cà  
Foscari, Venice)  
*Aggregation of heterogenous beliefs and asset pricing in complete financial markets*
- 7 avril 2003 (*joint avec l' Economic Theory Seminar*)  
Tayfun Sönmez (Koç University, Turkey)  
*School choice : A mechanism design approach*
- 28 avril 2003 (*joint avec l' Economic Theory Seminar*)  
Annick Laruelle (Universidad de Alicante)  
*School choice: a mechanism design approach*
- 12 mai 2003 (*joint avec l' Economic Theory Seminar*)  
José Luis Moraga-Gonzalez (Erasmus University Rotterdam)  
*"Strategic targeted advertising"*
- 22 septembre 2003 (*joint avec l' Economic Theory Seminar*)  
Georg Kirchsteiger (University of Maastricht)  
*Does learning lead to coordination on market clearing institutions*
- 22 septembre 2003 (*joint avec l' Economic Theory Seminar*)  
Ben Lockwood (University of Warwick)  
*Decentralisation and government efficiency: theory and evidence*
- 13 octobre 2003 (*joint avec l' Economic Theory Seminar*)  
Egbert Dierker (University of Vienna)  
*Cournot competition in a general equilibrium model of international trade*
- 20 octobre 2003 (*joint avec l' Economic Theory Seminar*)  
Andreas Ortmann (RGE-EI, Prague)  
*The effects of costless pre-play communication: experimental evidence from games  
with Pareto-ranked equilibria and remarks about the experimental method*

## **B. Séminaire de l'IRES**

- 30 janvier 2003, Pierre Defraigne (directeur général adjoint, DG Trade, Commission européenne)  
*Gouvernance globale et commerce mondial. Quels sont les enjeux?*
- 13 février 2003, Vincent Bodart, Konstantin Kholodilin et Fatemeh Shadman-Mehta (IRES)  
*La datation et la prévision du cycle économique en Belgique*
- 27 février 2003, Michel Devroey (IRES)  
*Le concept de chômage involontaire a-t-il une place dans la théorie économique ?*
- 13 mars 2003, Florencia Lopez Boo (IRES)  
*Growth and redistribution components of changes in poverty in Argentina: 1991/97*
- 27 mars 2003, Susana Peralta (CORE)  
*Voter ou s'abstenir ? Que disent les théories économiques ?*
- 10 avril 2003, Olivier Pierrard et Henry Sneessens (IRES)  
*Le chômage des moins qualifiés: "skill mismatch" ou effet d'éviction?*
- 15 mai 2003, Philippe Monfort (IRES)  
*Spécialisation internationale et partage de la charge en matière de réduction des émissions polluantes. Co-auteurs: Thierry Bréchet et Marc Germain*
- 22 mai 2003, David de la Croix (IRES-CORE), Jacques Drèze (CORE) and Philippe Van Parijs (ETES)  
*Methodological discussion on models in economics*
- 16 octobre 2003, Bart Cockx, Henri Sneessens and Bruno Van der Linden (IRES)  
*Allégements de charges sociales : une mesure à promouvoir mais à reformer*
- 13 novembre 2003, Bernard Delbecque (IRES)  
*Le Pacte de stabilité européen : une nécessité à court et à long terme*
- 27 novembre 2003, Laurence Jacquet (IRES)  
*L'allocation universelle et ses politiques apparentées peuvent-elles être basées sur la théorie de la taxation optimale ? Une revue critique*
- 11 décembre 2003, Olivier Debande (la BEI) et Vincent Vandenberghe (IRES-GIRSEF)  
*Le Prêt Etudiant. Un mode de financement soutenable, efficace et équitable pour l'enseignement supérieur européen ?*

### C. Séminaire des Doctorands

**DOCTORAL WORKSHOP**  
**Louvain-la-Neuve, 20 janvier 2003**

#### A) Econometrics and Finance

Chairperson: Luc Bauwens

Antonio Cosma (Supervisors: Pr. Anderson and Pr. Scaillet)  
*Non parametric estimation of financial duration models*

Fausto Galli (Supervisor: Pr. Bauwens; Pr. Grammig and Pr. Shadman)  
*Numerical methods for the estimation of SCD models*

Francesco Menoncin (Supervisor: Pr. Anderson; Pr. Blake and Pr. Scaillet)  
*Investment strategies for HARA utility functions: a general algebraic approximated solution*

Jeroen Rombouts (Supervisor: Pr. Bauwens; Pr. Scaillet and Pr. Verbeek)  
*Bayesian clustering of similar MGARCH models*

#### B) Macroeconomics I

Chairperson: Raouf Boucekkine

Lionel Artige (Supervisor: D. de la Croix, A. Goh and Ph. . Monfort)  
*Is Dictatorship a stable political regime?*

Carmen Camacho (Supervisors: R.. Boucekkine; D. de la Croix and J. Thisse)  
*Endogenous growth, knowledge spillovers and migrations vs agglomeration*

Eva Moreno-Galbis (Supervisor: H. Sneessens, F. Shadman and B. Van der Linden)  
*RBC model and embodied technological progress (joint with Henri Sneessens)*

Olivier Pierrard (Supervisor: H. Sneessens, D. de la Croix and B. Van der Linden)  
*RBC model with endogenous job destruction rate (joint with Gilles Joseph)*

#### C) Public Economics and Labour

Chairperson: Maurice Marchand

Francesca Petrella (Supervisor: M. Nyssens, Defourny and M. Marchand)  
*Partnership in distressed urban areas: a typology of ownership in the case of multi-stakeholder organizations*

Luciano Greco (Supervisor : M. Marchand, J. Hindricks and E.. Minelli)  
*The decentralization theorem in a model of public sector governance*

Susana Peralta (Supervisors : M. Marchand, J. Thisse, J. Hindriks and P. Pestieau)  
*Should governments be strict in the control of international profit shifting ?*  
(joint with T. van Ypersele and X. Wauthy)

Paolo Naticchioni (Supervisors : B. Van der Linden and H. Sneessens)  
*Employment protection and worker flows in Italy : testing the theoretical predictions*

## **D) Microeconomics II**

Chairperson: Rabah Amir

Emanuele Bacchiaga (Supervisors: J. Gabszewicz and X. Wauthy, Pr. Garella and J. Thisse)  
*Vertical differentiation and wage bargaining: a note on trade and welfare*

Luisito Bertinelli (Supervisor: J. Thisse, Ph. Monfort and Pr. Peeters)  
*Coagglomeration and growth*

Andrea Mantovani (Supervisor: R. Amir, T. Thisse and V. Vannetelbosch)  
*Complementarity between product and process innovation*

Alessandro Fedele (Supervisor: E. Minelli)  
*Moral hazard in financial markets and bank lending channel of monetary policy*

<b>DOCTORAL WORKSHOP</b> <b>Louvain-la-Neuve, 27-28 mai 2003</b>
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**Mardi 27 mai 2003**

### **A1) Microeconomics and Industrial Organization**

Chairperson : Rabah Amir

Antonio Tesoriere (Supervisor : R. Amir)  
*Endogenous Leadership in R&D with one-way spillovers : a linear example*

Chia Lin Chang (Supervisors : Ph. Monfort, H. Yamawaki; A.-T. Goh,  
V. Vannetelbosch and R. Veugelers)  
*Importing Technology and Productivity Growth Micro Evidence from Taiwan Manufacturing Firms*

Daniele Benintendi (Supervisor : C. d'Aspremont; Committee : N. Boccard and Y. Smeers)  
*The integration of the European Electricity Market*

## **A2) Macroeconomics I**

Chairperson : Raouf Boucekkine

Ornella Tarola (Supervisors : R. Boucekkine and G. Gozzi; Committee : D. de la Croix)  
*The Plant Size Problem: a Reformulation*

Claudio Mattalia (Supervisors : R. Boucekkine and R. W. Anderson; Jury :  
J-B- Chatelain, D. de la Croix and O. Licandro)  
*Information technologies, Human Capital Accumulation and Growth"*

Philippe Ledent (Supervisor : I. Cassiers; Committee : C. Arnsperger and Ph. De Villé)  
*Some lessons from Belgian Monetary Policy under Bretton Woods"*

Tapas Mishra (Supervisors : D. de la Croix & F. Shadman; Committee :R. Boucekkine  
and J.-P. Urbain)  
*The Role of the Components of Demographic Change on Economic  
Development"*

## **B1) Macroeconomics II**

Chairperson : David de la Croix

Yiannis Vailakis (Supervisors : R. Boucekkine and C. Le Van ; Jury : R. Amir, D.  
de la Croix & J. Duran)  
*On the asymptotic behavior of optimal paths in a simple model of optimal  
growth with heterogeneous agents and recursive preferences*

Fabio Mariani (Supervisors : D. de la Croix and A.-T. Goh ; Committee :  
R. Boucekkine)  
*Brain Drain, Inequality and Growth*

Augustin Perez Barahona (Supervisor : R. Boucekkine; Committee : A.-T. Goh and  
V. Vannetelbosch)  
*Energy Saving Technical Progress in a Vintage Capital Model*

Andre Nyembwe (Supervisor : B. Delbecque; Jury : L. 8auwens, C. Kegels,  
A. Benassy-Quére and S. Strandaert)  
*Monetary Policy, Credibility and Asymmetries : Small African Countries and  
the EMU Advent*

## **B2) International Trade and Economic geography**

Chairperson : Daniel Weiserbs

Giordano Mion (Supervisor : J. Thisse; Committee : Ph. Monfort and D. Peeters)  
*The spatial distribution of economic activities in Italy : Departure from  
randomness, spatial variability and clustering between 1961 and 1996*

Mark Vancauteran (Supervisor : D. Weiserbs; Committee : Ph. Monfort and B.  
Henry de Frahan)  
*The harmonization of technical barriers to trade, innovation and export  
behaviour : Theory with an application to EU environmental regulations*

Frederic Laurin (Supervisor : J. Thisse)  
*Regional specialization and growth : some empirical facts and preliminary intuitions*

### **B3) Microeconomics**

Chairperson : Enrico Minelli

Luca Panaccione (Supervisor: E. Minelli; Committee : C. d'Aspremont and P. Legros)  
*Efficiency of competitive equilibria with moral hazard in a pure exchange economy with multiple goods*

Armando Dominioni (Supervisors : H. Polemarchakis and E. Minelli; Committee : J. Thisse)  
*Endogenous complete markets*

Andrea Attar (Supervisors : R. W Anderson and C. d'Aspremont; Committee : S. Bhattacharya)  
*Financial structure and monetary policy with multiple lenders*

Eloisa Campioni (Supervisors : R. W Anderson and E. Minelli; Committee : P. Reichlin)  
*Long Term Financial Intermediation and Liquidity*

### **Mercredi 28 mai 2003**

### **C1) Macroeconomics III**

Chairperson : Henri Sneessens

Raul Fuentes (Supervisors : R. Boucekkine and A.T. Goh; Committee : D. de la Croix)  
*Foreign Aid: Where is your money ? A Two-sector model spelling out a simple response*

Bruno De Oliveira Cruz (Supervisors : R. Boucekkine and A. Pommeret; Committee : D. de la Croix)  
*Optimal Capital Accumulation and Embodied Technological progress under uncertainty*

Benteng Zou (Supervisor: R. Boucekkine; Committee : O. Licandro and A. Magnus)  
*General equilibrium in a vintage capital model with technology adoption and accumulation*

### **C2) Econometrics**

Chairperson : Andreas Heinen

Helena Beltran (Supervisor : L. Bauwens; Committee : L. Reichlin and O. Scaillet)  
*Liquidity in Limit Order Books*

Malika Hamadi (Supervisors : R. W. Anderson and A. Lamfalussy; Committee : L. Bauwens)  
*Internal capital market efficiency of Belgian holding companies*

Genaro Sucarrat (Supervisor : L. Bauwens; Committee : F. Shadman and V. Bodart)  
*Exchange-Rate Models for Policy Analysis*

Erick Rengifo (Supervisor : L. Bauwens; Committee : P. Giot and O. Scaillet)  
*Multivariate modelling of time series count data: an autoregressive conditional poisson model*

### **C3) Labour Economics**

Chairperson : Bart Cockx

Christian Göbel (Supervisor: B. Cockx; Committee : M. Dejemeppe and B. Van der Linden)  
*Unemployment Transitions in Belgium*

Isabelle de Greef (Supervisor: B. Van der Linden; Committee : M. Nyssens and B. Cockx)  
*An econometric analysis of unemployment traps for Belgium*

Pavlina Karasiotou (Supervisors: B. Cockx and V. Vandenberghe)  
*Education, unemployment and earnings : Decomposing the returns to education*

Jean Ries (Supervisor: B. Cockx; Committee : M. Dejemeppe and B. Van der Linden)  
*The exhaustion of unemployment insurance in Belgium: Does it enhance the transition to jobs*

### **D1) Labour and Public Economics**

Chairperson : Bruno Van der linden

Mathias Hungerbühler (Supervisors : B. Cockx and B. Van der Linden; Committee : Ph. Van Parijs)  
*Optimal Income Taxation in an Equilibrium Unemployment Model : Mirlees meets Pissaride*

Laurence Jacquet (Supervisor: B. Van der Linden; Committee : M. Marchand & Ph. Van Parijs)  
*Optimal income transfers programs : The role of welfare stigma and fraud*

Olivier Lohest (Supervisors : H. Sneessens and B. Van der Linden; Committee : B. Candelon)  
*Le taux de chômage en Belgique. Disparité ou convergence, les enseignements d'une analyse spatiotemporelle*

Paolo Nattichioni (Supervisors : Henri Sneessens and B. Van der Linden)  
*A New explanation for job tenure effects on short term mobility wage gains: An application to the Italian case*

### **D2) International Trade and Economic geography**

Chairperson : Philippe Monfort

Miriam Manchin (Supervisors : A.-T. Goh and Ph. Monfort; Committee : J. Thisse)  
*Border Effects in the Enlarged EU Area: Evidence from Applicant Countries*

Joseph Baricako (Supervisor : Ph. Monfort)  
*South regional integration and international trade*

Antonio Fernandes Texeira (Supervisor : J. Thisse; Committee : L. Bauwens and  
Ph. Monfort)  
*The Dynamics of Agglomeration*

### **D3) Public Economics and Health Economics**

Chairperson : Vincent van Steenberghe

Magali Verdonck (Supervisor : H. Tulkens; Committee : M. Marchand and  
F. Vaillancourt)  
*A survey of the theoretical and empirical literature on fiscal equalization*

Caterina Goulao (Supervisors : J. Hindriks & M. Marchand; Committee :  
H. Tulkens)  
*Why do countries prefer Public Health Insurance ? - a survey*

Julian Perelman (Supervisors: M.- C. Closon & M. Marchand; Committee :  
C. Croux and J. Hindriks)  
*Hospital response to prospective reimbursement of in-patient-days. The case  
of Belgium*

## **D. Colloques et journées d'études**

<p style="text-align: center;"><b>THE FIFTH LOUVAIN SYMPOSIUM ON ECONOMIC DYNAMICS</b> Louvain-la-Neuve, 31 janvier – 1er février 2003</p>
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**31 janvier 2003**

### **Growth Theory**

Chairperson : David de la Croix (UCL, Louvain-la-Neuve)

Omar Licandro (European University Institute and FEDEA)  
*The underestimated virtues of the two-sector AK model* (joint with Gabriel  
Felbermayr, European University Institute)

Discussant : Alberto Bucci (University of Milan)

Guido Cozzi (University of Rome "La Sapienza")  
*Information Transmission and the Limits to Growth* (joint with Luca Spinesi,  
University of Rome "La Sapienza")

Discussant : Raouf Boucekkine (UCL, Louvain-la-Neuve)

## **Empirical Growth**

Chairperson : Jorge Duran (Universidad de Alicante)

Aude Pommeret (University of Lausanne)

*Fertility, volatility and growth in developing countries* (joint with William Smith, Memphis University )

Bart Hobijn (Federal Reserve Bank of New York)

*Cross-Country Technology Adoption: New Evidence and Question* (joint with Diego Comin, New York University)

Discussant : Blanca Martinez (Universidad de Alicante)

## **Dynamic Programming and Optimal Growth**

Chairperson : Teresa Llyod Braga (Universidade Católica Portuguesa)

Cuong Le Van (CNRS-CERMSEM, Paris)

*On optimal growth models when the discount factor is near 1 or equal to 1* (joint with Lisa Morhaim, CERMSEM)

Discussant : Cagri H. Saglam (UCL, Louvain-la-Neuve)

Jorge Duran (Universidad de Alicante)

*A note on a solution to the Bellman equation using monotonicity*

Discussant: Yiannis Vailakis (UCL, Louvain-la-Neuve)

**1er février 2003**

## **Economic Dynamics**

Chairperson : Omar Licandro (European University Institute and FEDEA)

Klaus Wälde (University of Dresden)

*Endogenous technology jumps, short-run fluctuations and long-run growth*

Discussant : David de la Croix (UCL, Louvain-la-Neuve)

Raouf Boucekkine and Patricia Crifo-Tillet (UCL, Louvain-la-Neuve)

*Human capital accumulation and the transition from specialization to multi-tasking*

Discussant : Freddy Heylen (University of Gent)

## **Open Dynamic Economies**

Chairperson : Rodolphe Dos Santos Ferreira (BETA, Louis Pasteur University, Strasbourg)

Juan Ruiz (Universidad Carlos III de Madrid)

*Policy synchronization versus staggering in a dynamic model of strategic trade* (joint with Praveen Kujal, Universidad Carlos III de Madrid)

Discussant : Vincent Vannetelbosch (UCL, Louvain-la-Neuve)

Teresa Llyod Braga (Universidade Católica Portuguesa)  
*Unions, International Factor Mobility and Indeterminacy* (joint with Marta Aloi,  
University of Nottingham)

Discussant: Alexandra Rillaers (Universidad de Alicante)

### **Computable Dynamic General Equilibrium Analysis**

*Chairperson* : Raouf Boucekkine (UCL, Louvain-la-Neuve)

Antonia Diaz (Universidad Carlos III de Madrid)  
*Durable goods and the wealth distribution* (joint with Maria J. Luengo-Prado,  
Universidad Carlos III and Northeastern University)

Discussant : Henri Sneessens (UCL, Louvain-la-Neuve)

David de la Croix (UCL, Louvain-la-Neuve)  
*Changing returns to skill and experience in France and the US: a general  
equilibrium approach* (joint with Frédéric Docquier, University of Lille II, and  
Philippe Liégeois, ECARES)

Discussant : Bart Hobijn (Federal Reserve Bank of New York)

Rodolphe Dos Santos Ferreira and Frédéric Dufourt (BETA, Louis Pasteur University,  
Strasbourg)  
*The influence of animal spirits over free entry in the business cycle*

Discussant: Aude Pommeret (University of Lausanne)

<p style="text-align: center;"><b>GROWTH AND INCENTIVE DESIGN</b></p>
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ARC Workshop

Louvain-la-Neuve, 7 avril 2003

Raouf Boucekkine (with C. Saglam and T. Vallée)  
*Tehnology Adoption under Embodiment : A Two-stage Optimal Control Approach*

Andrea Attar  
*Financial Contracting along the Business Cycle*

Ron Anderson  
*A Model of the Determinants of Corporate Liquidity*

Andre Nyembwe  
*Monetary Policy, Credibility and Assymetries : Small African Countries and the  
EMU Advent*

David de la Croix (with M. Doepke)  
*To Segregate or to Integrate : How Inequality and Political Power Shape Education  
Spending*

**DAY FOR BELGIAN LABOUR ECONOMISTS**

PAI-UIAP Workshop

Louvain-la-Neuve, 23 mai 2003

Eva Moreno (with H. Sneessens) (IRES, UCL)

*Low Skilled Unemployment, Capital-Skill Complementarity, and Embodied Technical Progress*

Gilles Joseph and Olivier Pierrard (and Henri Sneessens) (IRES, UCL)

*Job Turnover, Unemployment and Labor Market Institutions*

Dieter Verhaest (with Eddy Omey) (University of Ghent)

*The application of alternative educational mismatch measures: implications for job satisfaction, mobility, training and wages*

Margo Alofs (UFSIA/RUCA, Antwerp)

*Migration policy, irregular migration and social security*

Sabien Dobbelaere (University of Ghent and LICOS, Leuven)

*Joint Estimation of Price-Cost Margins and Union Bargaining Power for Belgian Manufacturing*

Jean Ries (with Bart Cockx) (IRES, UCL)

*The Exhaustion of Unemployment Insurance in Belgium. Does it enhance the transition to jobs ?*

Mathias Hungerbühler (IRES, UCL)

*Optimal Income Taxation in an equilibrium unemployment model: Mirrlees meets Pissarides*

Laurence Jacquet (IRES, UCL)

*Optimal income transfers programs: The role of welfare stigma and fraud*

**VOIE ETROITE OU VOIE LARGE DE L'ECONOMIE POLITIQUE ?**

Louvain-la-Neuve, 14 novembre 2003

Marcel Crochet, Recteur UCL

*Allocution d'ouverture*

Président de séance : Bruno Van der Linden

Isabelle Cassiers

*Voie étroite ou voie large de l'économie politique ? une interrogation toujours pertinente*

Jean Ladrière (UCL), Christian Arnsperger (UCL), Paul Mandy (UCL)  
*Epistémologie des sciences sociales : les tâches de la pensée économique*

Jean-Paul Fitoussi (OFCE, Paris), Paul Löwenthal (IRES), Jacques Drèze (CORE)  
*Croissance et instabilité : quelle logique d'ajustement ?*

Allocution de Michel Woitrin (UCL)  
*Léon-H. Dupriez un témoignage...*

Président de séance : Henri Sneessens

Christian de Boissieu (Université de Paris I et Conseil d'Analyse Economique), Alexandre Lamfalussy (UCL)  
*Monnaie et finance : les enjeux actuels*

Philippe de Woot (UCL), François Martou (IRES)  
*Entreprise et innovation : de Schumpeter aux questions actuelles*

Table ronde : la politique économique (sous la présidence de Henri Sneessens)  
Jean-Paul Fitoussi, Christian de Boissieu, Alexandre Lamfalussy et Jacques Drèze

Clôture : Philippe De Villé (IRES)  
*Etroite ou large, la voie européenne ?*

Le colloque a bénéficié du soutien : de la Société Royale d'Economie Politique de Belgique, du FNRS, de la Communauté française, de la Fondation Woitrin

## **V. VISITES ACADEMIQUES**

*Rabah Amir*

- GREQAM, Marseille, janvier et juin 2003

*Helena Beltran*

- Department of Economics, University Carlos III (Madrid, Spain)  
septembre 2003 - février 2004
- Department of Economics, University of Tübingen (Tübingen, Germany)  
23-25 juillet 2003.
- Department of Finance, Free University of Amsterdam (Amsterdam, the Netherlands), 23-25 mai 2003.

*Bart Cockx*

- Tinbergen Institute, Amsterdam, janvier-juin (2 j/semaine)

*Muriel Dejemeppe*

CREST (INSEE, Paris), septembre 2002 - février 2003

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*Mathias Doepke*

- Visiting Senior Lecturer, Department of Economics, University Collège London, septembre-décembre 2003

- Visiting Researcher, CORE, Université Catholique de Louvain, juin 2003
- Visiting Scholar, Federal Reserve Bank of Minneapolis, mai 2003

*Jean-Jacques Herings*

- IRES, Université catholique de Louvain, Louvain-la-Neuve, Belgium, 26-28 août 2003
- Center for Economic Research, Tilburg University, 5-8 août 2003
- Center for Economic Research, Tilburg University, 6-8 janvier 2003

*Jean Hindriks*

- Université de Toulouse (IDEI-GREMAQ), mai 2003

*Mathias Hungerbühler*

- ERMES, Université Panthéon-Assas Paris II, janvier-février 2003

*Eric Mabushi*

- Enseignement (Professeur d'économie politique, Université du Burundi ), avril-mai 2003

*Philippe Monfort*

- Kyoto Institute of Economic Research, février-avril 2003
- Tokyo University, avril 2003.

*Olivier Pierrard*

- EUREQua Paris I, octobre-novembre 2003

*Bruno Van der Linden*

- Professeur invité, ERMES, Université de Paris II, janvier-juin 2003

*Klaus Wälde*

- University of British Columbia, Vancouver, novembre 2003

## VI. PRESENTATION A DES CONGRES ET JOURNEES D'ETUDES

Amir R., University of Copenhagen, "Market structure, scale economies and industry performance", septembre 2003.

Amir R., "Performance under uncertain efficiency gains" University of Aarhus, Merger, avril 2003.

Amir R., *International Conference on Game Theory*, SUNY at Stony-Brook, N.Y., juillet 2003.

Amir R., *SAET conference*, Rhodos, juillet 2003.

Amir R., *Workshop on Coalition formation*, U Paris I, juin 2003.

Artige L., "Dictatorship and Development: An Analytical Framework", Public Choice Society Meeting, Nasville, TN, 21-23 mars 2003.

Artige L., "Wealth breeds Decline: reversals of leadership and consumption habits", *Journées des Générations Imbriquées*, septembre 2003.

Barahona Perez A., *Summer meeting of Economic Analysis*, Vigo (Spain), 12-13 septembre 2003

Barahona Perez A., METU, *International Conference in Economics VII*, 6-9, Ankara (Turkey), septembre 2003.

Beltran H., "Trading activity, liquidity and volatility in an automated auction market", *Finance lunch seminar* (Free University of Amsterdam), 25 avril 2003.

Beltran H., "Trading activity, liquidity and volatility in an automated auction market", *Workshop MICFINMA* (network on *Microstructure in Financial Markets*), 13 juin 2003.

Boucekkine R. et P. Crifo, "Human capital accumulation and the transition from specialization to multi-tasking", GATE (CNRS, Univ Lyon 2 and ENS LSH), février 2003.

Boucekkine R. et Crifo P., "Human Capital accumulation and the transition from specialization to Multi-tasking", CEPREMAP, mai 2003.

Boucekkine R., "The spatial Ramsey model", *Conference on Irregular Growth and Fluctuations*, Paris, juin 2003.

Boucekkine R., "The self-fulfilling international allocation of innovation, inequality and education" by Guido Cozzi, *Conference on Irregular Growth and Fluctuations*, Paris, juin 2003.

Boucekkine R., C. Camacho and B.Zou, "Bridging the gap between growth theory and the new economic geography: The spatial Ramsey model" *International Conference, Irregular growth: Beyond balanced growth*, University of Paris, Paris I, juin 2003.

- Boucekkine R., "Energy consumption, technological progress and economic policy", Conference on *Dynamic environmental economics*, Sevilla, juillet 2003.
- Boucekkine R., "Technology adoption, capital maintenance and the technological gap", Conference on *Dynamic Macroeconomics*, Vigo, septembre 2003.
- Boucekkine R., "Modelling vintage structures with DDEs: principles and applications", Conference on *Vintage modelling*, Vienna, octobre 2003.
- Caillaud F., "Gender Gap in education and income inequalities" Greqam, Université de la Méditerranée, octobre 2003.
- Caillaud F., "Gender gap in education, educational policies and income inequalities", Congrès annuel de l'AFSE (Association française des Sciences économiques), septembre 2003.
- Camacho C., "Wealth breeds decline: reversals of leadership and consumption habits", discussed by Prof. Cozzi, International Conference, *Irregular Growth: beyond balanced growth*, juin 2003.
- Cassiers I., "Introduction à la théorie de la régulation", Conseil central de l'Economie, Bruxelles 12 juin.
- Cassiers I., Institut Jules Destrée, colloque Innovation, savoir-faire, performance. Une histoire économique de la Wallonie dans le cadre européen, Participation à la table ronde, *Innovation et savoir-faire : leur importance dans le cadre de l'histoire économique régionale*, Namur, 25 mars 2003.
- Cassiers I., "L'apport de la Régulation à la théorie économique", Journée d'étude de la FOPES *Approche de la richesse, richesses de l'approche : l'économie politique à la FOPES*, 29 août 2003.
- Cassiers I., "De l'Etat providence à l'Etat social actif : quels changements de régulation sous-jacents ?", Séminaire du GRIDES, 12 décembre 2003.
- Chang Ch. and S. Robin, "Innovation strategy and labor productivity growth: micro evidence from Taiwanese manufacturing firms", 4<sup>th</sup> INIR Workshop *The Economics of Knowledge Spillovers*, Université libre de Bruxelles, 13 septembre 2003.
- Chang C. et S. Robin, "Innovation strategy and labor productivity growth: micro evidence from Taiwanese manufacturing firms", Japan Economic Policy Association, 2<sup>nd</sup> International Conference of the JEPA (Japan Economic Policy Association), Nagoya (Japan), 29-30 novembre 2003.
- Chang C., *R&D, éducation et productivité*, Conférence Internationale, à la mémoire de Zvi Griliches in CREST-INSEE, Paris, août 2003.
- Cheng P. and O. Scaillet, "Linear-quadratic jump-diffusion models with application to stochastic volatility", Finance seminar at Imperial College, London, janvier 2003.
- Cheng P., and O Scaillet., "Linear-quadratic jump-diffusion models with application to stochastic volatility", *International conference in finance*, Hammamet, mars 2003.

- Cheng P., and O Scaillet., "Linear-quadratic jump-diffusion models with application to stochastic volatility", *Journées internationales de l'AFFI*, Lyon, juin 2003.
- Cheng P. and O Scaillet., "Linear-quadratic jump-diffusion models with application to stochastic volatility", ESEM, Stockholm, août 2003.
- Cheng P. and O Scaillet., "Linear-quadratic jump-diffusion models with application to stochastic volatility", Seminar at USI, Lugano, novembre 2003.
- Cockx B., "The Expiration of Unemployment Benefits in Belgium. Does it Enhance the Probability of Employment?", GREQUAM, Marseille, juin.2003.
- Cockx B., "The Expiration of Unemployment Benefits in Belgium. Does it Enhance the Probability of Employment?", Département d'économie, Rijksuniversiteit Gent (RUG), novembre 2003.
- Cockx B., "The Exhaustion of Unemployment Insurance in Belgium. Does it Enhance the Transition to Employment?", *Applied Labour Day*, Tinbergen Institute mars 2003.
- Cockx B., "L'impact de la suspension article 80 sur la réinsertion", Journée d'étude sur *L'impact de la suspension article 80 dans l'assurance chômage sur la réinsertion et la pauvreté*, International Trade House, Bruxelles, décembre 2003.
- Cresti B., "U.S. Domestic Barter: an Empirical Investigation", 7th Annual European Network on Industrial Policy (Eunip) Conference, PORTO University (Porto, Portugal), 18 -20 septembre, 2003.
- Crifo P., M.-A. Diaye et N. Greenan, "Why do Firms evaluate individually their employees?", TEAM (CNRS and Univ. Paris 1), septembre 2003.
- Crifo P, M.-A. Diaye and N. Greenan "Why do firms evaluate individually their employees?", *European Association of Labor Economists*, Annual Congress, septembre 2003.
- Cruz B., "Technological Innovations and Investment: Microeconomic foundations and Macroeconomic Implications", keynote Speaker at the MANTYS Conference EMO 2003, Milan, 23 octobre, 2003.
- Cruz B, "Optimal Capital Accumulation and embodied technological progress under uncertainty, the *EEA/ESEM Meeting* in Stockholm, août 2003 et the *Summer Meeting of Economic Analysis*, Vigo, septembre 2003.
- de Briey V., "Apports des approches conventionnalistes pour le développement : les 'conventions' de micro-crédit", communication faite lors du colloque intitulé *Conventions et Institutions : approfondissements théoriques et contributions au débat politique*, Forum (Paris X), 11, 12 et 13 décembre 2003.
- Dejemeppe M., "Do the higher educated unemployed crowd out the lower educated ones in a competition for jobs?", séminaire du laboratoire de microéconométrie du CREST, Paris, France, février 2003.
- De Vroey M., "Keynes, demande effective et chômage involontaire", CLERSE, Université de Lille, janvier 2003.

- De Vroey M., "Y a-t-il une théorie marshallienne de l'équilibre général?", Centre Walras, Université de Lyon, 2 janvier 2003.
- De Vroey M., "Le chômage involontaire. Un essai de conceptualisation", FORUM, Université Paris-X Nanterre, janvier 2003.
- De Vroey M., "La théorie économique est-elle au service du libéralisme?", Université Lille I, CLERSE, novembre 2003.
- De Vroey M., "Le modèle IS-LM, la révolution nouvelle classique et la nouvelle synthèse néoclassique : où en sommes-nous?", Université de Saint-Etienne, CREUSET, novembre 2003.
- De Vroey M., "Lucas on involuntary unemployment", 7<sup>th</sup> ESHET Conference, Paris, February.
- De Vroey M., "The history of macroeconomics viewed against the background of the Walras-Marshall divide", Conference on the *IS-LM Model*, its Rise, Fall and Strange Persistence, Duke University, avril 2003.
- De Vroey M., "Is Marshall's Account of The Working of Markets as Realistic as It Seems to Be?", Xth Conference of the Association Charles Gide pour *l'Etude de la Pensée Economique*, Université Pierre Mendès-France, Grenoble, septembre 2003..
- Doepke M., "Voting with your children: A positive analysis of child labor laws", MIT, avril 2003.
- Doepke M., "Voting with your children: A positive analysis of child labor laws"; University of California (Davis), avril 2003.
- Doepke M., "Voting with your children: A positive analysis of child labor laws", University of Hawaii, avril 2003.
- Doepke M., "Voting with your children: A positive analysis of child labor laws"; LSE, novembre 2003.
- Doepke M., "Real effects of inflation", Federal Reserve Bank of Minneapolis, mai 2003.
- Doepke M., "Real effects of inflation", Universität Frankfurt, décembre 2003.
- Doepke M., "Real effects of inflation", Institute for International Economic Studies, Stockholm, décembre 2003.
- Doepke M., "Voting with your children", Minerva Center for Macroeconomics and Growth Conference *From Stagnation to Growth*, Rorschach, Switzerland.
- Doepke M., "Dynamic mechanism design with hidden income and hidden actions" Workshop on *Optimal Policy in Economies with Incentive Problems*, Federal Reserve Bank of Cleveland.
- Doepke M., "Real effects of inflation", Annual Meetings of the Society for Economic Dynamics, Paris
- Doepke M., "Voting with your children", NBER Summer Institute, Cambridge, MA,

- Doepke M., "Real effects of inflation", Stanford Institute for Theoretical Economics *Workshop Optimal Policy*, Palo Alto
- Doepke M., "Voting with your children", *International Meeting on Income and Productivity Differences across Countries*, Fundação Getulio Vargas, Rio de Janeiro
- Fuentes R., "Foreign aid: where your money could be? An optimal two-sector growth model outlining a simple answer", ERC/METU International Conference in Economics VII, Ankara (Turkey), septembre 2003.
- Fuentes R., IWH Workshop in Makroökonomie IV, Halle (Germany), novembre 2003.
- Goffinet P., "An econometric appraisal of 13 years of European merger control", Centre Universitaire du Luxembourg, décembre 2003.
- Gurgand M., European Association of Labour Economists Congress, Sevilla, septembre 2003.
- Gurgand M., Conference on *R&D, Education and Productivity* in honour of Z. Griliches, Paris, août 2003.
- Gurgand M., "What explains the pattern of labour supply in Europe?", CEPR-European Central Bank *Labour Market Workshop*, Frankfurt, juin 2003.
- Gurgand M., Séminaire de l'IRES, Paris, novembre 2003.
- Hagmann M. and O. Scaillet, "Local multiplicative bias correction for asymmetric kernel density estimators", LAMES, Panama City, août 2003.
- Hagmann M. and O Scaillet, "Local multiplicative bias correction for asymmetric kernel density estimators", CERN, Genève, novembre 2003.
- Hamadi M., Séminaire VUB, avril 2003
- Hamadi M., Affi, Lyon, juin 2003.
- Herings J.J., "A necessary and sufficient condition for the non-emptiness of the Core of a non-transferable utility game", *Game Theory Seminar*, Tilburg, 9 mai, 2003.
- Herings J.J., "Intertemporal market division: The case of alternating monopoly", Tinbergen Institute, Rotterdam, The Netherlands, 24 février 2003.
- Herings J.J., "The private value single item bisection auction", *Auction Workshop*, University of Amsterdam, 15 août, 2003.
- Herings J.J., "Dynamic core concepts: an overview", Sixth Conference on *Current Trends in Economics*, Rodes, 3 juillet 2003.
- Herings J.J., "The private value single item bisection auction", 12<sup>th</sup> European Workshop on General Equilibrium Theory, IMW, Bielefeld University, 31 mai 2003.
- Herings J.J., "A necessary and sufficient condition for the non-emptiness of the Core of a non-transferable utility game", Illinois Workshop in *Economic Theory*, Urbana, 18 avril 2003.

- Hindriks J., "Voluntary machine grants", Université de Toulouse, mai 2003.
- Hindriks J., "Voluntary machine grants", Université de Cologne, juin 2003.
- Hindriks J., "Government accountability", University of Warwick, novembre 2003.
- Hungerbühler M., "Tax Progression and human capital in a matching framework", *European Economic Association (EEA)*, Annual Meeting Stockholm, août 2003
- Hungerbühler M., "Tax progression and human capital in a matching framework", *European Association of Labour Economists (EALE)*, Annual Conference, Sevilla, september 2003.
- Jacquet L., "Optimal income transfer programs: The role of welfare Stigma and Fraud", Université Catholique de Lille, Labores, avril 2003.
- Jacquet L., "Optimal income transfer programs: The role of welfare Stigma and Fraud", XXVIII Simposio de Análisis Económico, Sevilla, Universidad Pablo de Olavide, Spain, 11-13 décembre 2003.
- Jacquet L., "Optimal income transfer programs: The role of welfare Stigma and Fraud" 58<sup>th</sup> European Meeting of the Econometric Society (ESEM) Stockholm University, Stockholm, Sweden, 20-24 août 2003.
- Jacquet L., "Can optimal income tax theory be used to justify basic income", 18<sup>th</sup> Annual Congress of the European Economic Association (EEA), Stockholm University, Stockholm, Sweden, 20-24 août 2003.
- Jacquet L., "Job turnover, unemployment and labor market institutions", *European Association of Labor Economists*, Séville, septembre 2003.
- Joseph G., "Job turnover, unemployment and labor market institutions", *European Association of Labor Economists*, Séville, septembre 2003.
- Karasiotou P., "Education, unemployment and earnings: decomposing the effect of education on earning", workshop PAI KUL, Leuven, novembre 2003.
- Karasiotou P., "Identification of skill needs: projects and actions for Greece - in the International conference *Early identification of skill needs in Europe*, Cedefop and German Federal Ministry of Education, Thessaloniki, Greece, mai 2003
- Kholodilin K., "Alternative nonlinear models of the composite economic indicator", Centre de recherches conjoncturelles KOF der ETH, Zürich, 10 juillet 2003.
- Kholodilin K., 4<sup>th</sup> Eurostat Colloquium, Luxembourg, 20-22 octobre 2003.
- Kholodilin K., "Detecting the turning points of the Japanese business cycle under the structural break", XXVIII Simposio de Análisis Económico, Sevilla (Spain), 11-13 décembre 2003.
- Ledent Ph., "Economie générale", Chambre Belge des comptables, 6 sessions, novembre-décembre 2003.
- Lehmann E., "Optimal income taxation in an equilibrium unemployment model: Mirrlees meets Pissarides", CREST – INSEE, octobre 2003.

- Lemaître A., "Insertion sociale et professionnelle : qualité de vie et identité sociale"  
Colloque CERISIS-UCL, Charleroi, mai 2003.
- Licandro O., "The under-estimated virtues of the two-sector AK model", Universidad Pompeu Fabra, octobre 2003.
- Licandro O., "The Under-estimated virtues of the two-sector AK model", Universidad Tor Vergara, novembre 2003.
- Licandro O., "The Under-estimated virtues of the two-sector AK model", DEGIT VIII ,  
Conference on *Dynamics, Economic Growth and International Trade*, mai 2003.
- Licandro O., "Vintage capital and the dynamics of the AK Model", Université de Paris I,  
Conference on *Irregular Growth: Beyond Balanced Growth*, juin 2003.
- Licandro O., "Innovation, investment and productivity: Evidence from Spanish firms",  
FEDEA, Conference on *Lumpy Investment, Durable Purchases and Technical Change*, juin 2003.
- Licandro O., "Second hand market and the replacement of durable goods", Annual  
Meeting of the Society for Economic Dynamics, juin 2003.
- Licandro O., "The under-estimated virtues of the two-sector AK model", Society for the  
Advancement of Economic Theory, 6th International Conference on *Current Trends  
in Economics*, juillet 2003.
- Licandro O., "Innovation, investment and productivity", Summer Meeting of *Economic  
Analysis*, Universidad de Vigo, Ponencia, juillet 2003.
- Mabushi E., "Les états-généraux de l'économie burundaise", Bujumbura, août 2003.
- Mariani F., "Brain drain, inequality, and growth", (EDP Jamboree) Universitat Pompeu  
Fabra (Barcelona), novembre 2003.
- Mauleon A., "Farsightedness and cautiousness in coalition formation", Department of  
Public Economics, University of Namur, Namur (Belgium), 10 février 2003.
- Mauleon A., "Network externalities and product market integration", School of  
Management, University of Louvain, Louvain-la-Neuve (Belgium), 14 mars 2003.
- Mauleon A., "Farsightedness and cautiousness in coalition formation", LIIème Congrès  
Annuel de l'Association Française de Science Economique, Paris (France), 18  
septembre 2003.
- Menoncin F., 6th Conference of the Swiss Society for Financial Market Research,  
Rüschlik, Zürich, 4 avril 2003,
- Menoncin F., Annual Meeting of the European Financial Management Association  
(EFMA), Helsinki, 25-28 juin 2003.
- Menoncin F., 18th Annual Congress of the European Economic Association (EEA),  
Stockholm, 20-24 août 2003.
- Menoncin F., 3rd Annual Conference of the European Investment Review, EIR - HEC  
Lausanne, Université de Genève, Geneva, 25-26 septembre, 2003.

- Menoncin F., Workshop on *Dynamic Strategies in Asset Allocation and Risk Management* EIASM - The European Institute for Advanced Studies in Management, Brussels, 26-27 septembre 2003
- Menoncin F., "Asset and liability management for financial institutions", EU-Workshop - EU MoptFin, Ciprus, 10-14 novembre, 2003.
- Menoncin F., XXVIII Symposium of *Economic Analysis*, Pablo Olivade University, Séville, 11-13 décembre 2003.
- Menoncin F., French Finance Association meeting AFFI, Paris, 18-19 décembre 2003.
- Monfort Ph., "Integration, regional agglomeration and international trade", Kyoto University, février 2003.
- Monfort Ph., "Geographic concentration and international integration", Kyoto University avril 2003.
- Monfort Ph., "Integration, regional agglomeration and international trade", Tokyo University, avril 2003.
- Moreno E., IZA, 6<sup>th</sup> IZA Summer School in *Labor Economics* , UCL , avril 2003.
- Moreno E., *Belgian Day of Labor Economists*, mai 2003.
- Moreno E., *European Labour Economist*, Universidad Pablo de Olavide (Seville), Conference 2003, September 2003.
- Nyssens M., "Des recherches économiques qui renouvellent les perceptions du marché, de l'Etat et des associations sans but lucratif", Institut d'Etudes Politiques de Paris, février 2003.
- Nyssens M., "Social enterprise in Europe, Social Economy and social capital", Middlesex University, London, mai 2003.
- Oulhaj L., Troisième rencontre du réseau inter-universitaire de l'économie sociale et solidaire,, *L'innovation sociale dans l'aide à domicile*, Université du Mirail, Mars 2003, France
- Moreno E., Jamboree 2003 (annual meeting of the doctoral students belonging to the European Doctoral Program), Pompeu Fabra (Barcelone), novembre 2003.
- Petrella F., "Les partenariats dans l'offre de services de développement de quartier : avantages et limites de nouvelles formes institutionnelles", Communication aux Troisièmes rencontres inter-universitaires d'économie sociale et solidaire sur L'innovation en économie solidaire, Université de Toulouse-2 le Mirail, 4,5 et 6 mars 2003.
- Pierrard O., EUREQua Paris I, "Job turnover, unemployment and labor market institutions", avril et novembre 2003.
- Pierrard O., "Impacts of selective reductions in labor taxation", EUREQua Paris I, novembre 2003.

- Ries J., "The exhaustion of unemployment insurance in Belgium: Does it enhance the transition to jobs?", 6th IZA European Summer School in Labor Economics, Discussion of "Minimum wage and occupational mobility" (Fabio Soares), Buch, Ammersee, 7-13 avril 2003.
- Robin S. et Vandenberghe V., "Does (private) education matters ?", Centre for the Economics of Education, London School of Economics, Department for Education and Skills, Londres, mai 2003.
- Robin S., "Private careers for Ph.D. graduates: the case of the life & natural sciences", School of Public Policy, Georgia Institute of Technology, Atlanta, mars 2003.
- Robin S., "The market for Ph.D. graduates in the natural sciences: private versus academic careers", Department of Industrial Dynamics, School of Technology Management and Economics, Chalmers University, Göteborg, février 2003.
- Robin S., "Heterogeneity in R&D cooperation", discussion of Belderbos, Carree, Diederen, Lokshin, Veugelers, 4<sup>th</sup> INIR Workshop *The Economics of Knowledge Spillovers*, Université libre de Bruxelles, 13 septembre 2003.
- Robin S. et V. Vandenberghe, "Does (private) education matter ? Recent evidence from international OECD data", 15<sup>th</sup> Annual Conference of the EALE (European Association of Labour Economists), Séville, (Spain), 18-21 septembre 2003.
- Robin S., "Insertion des docteurs en sciences de la vie en France: secteur académique et secteur privé", 10<sup>èmes</sup> Journées d'Etudes Céreq-Lasmas-IdL, Université de Caen, 21-23 mai 2003.
- Sempere J., "The Role of information asymmetry on demand for the multinational enterprise", European Association for Research in Industrial Economics (EARIE), 30<sup>th</sup> Annual Conference, Helsinki, août 2003.
- Sempere J., "The Role of information asymmetry on demand for the multinational enterprise", European Trade Study Group Meeting 2003, Madrid, septembre 2003.
- Tercieux O., "Existence, uniqueness and dtability of a set-valued concept", University of Stockholm, EEA, (Sweden), 25 août 2003.
- Vailakis I., Conference on Research on *Economic Theory and Econometrics*, Mediterranean Agronomic Institute of Chania, 7-10 juillet 2003.
- Vailakis I., International Conference on *Irregular Growth: Beyond Balanced Growth*, Université de Paris I, 19-21 juin 2003.
- Vancauteran M., *Midwest Theory and International Economics Meeting*, Indiana University, Bloomington, 17 octobre 2003.
- Vancauteran M., International Conference on *Policy Modeling*, ECOMOD, Istanbul, 3-5 juillet 2003.
- Van der Linden B., "Unemployment insurance and training in an equilibrium matching model with heterogeneous agents", séminaire de l'ERMES (UMR 7017 CNRS, Université Paris II), 20 février 2003.

- Van der Linden B., "Assurance-chômage et formation des chômeurs dans un modèle d'appariement avec agents économiques hétérogènes", séminaire du Groupe de Recherche interdisciplinaire Droit Economie et Société, Louvain-la-Neuve, 16 mai 2003.
- Van der Linden B., Discussion de "Gender and educational attainment in schools" by Steve Machin (University College London and CEPR) and Sandra McNally (London School of Economics), European Summer Symposium in Labour Economics (IZA and CEPR), Ammersee, 3-6 septembre 2003.
- Van der Linden B., Discussion de "Evaluating the labour market effects of compulsory military service" by Thomas Bauer (IZA, Bonn and CEPR), Stephan Bender (IAB) and Christoph M. Schmidt (Rheinisch-Westfälisches Institut für Wirtschaftsforschung and CEPR), European Summer Symposium in Labour Economics (IZA and CEPR), Ammersee, 3-6 septembre 2003.
- Van der Linden B., "Unemployment insurance and training in an equilibrium matching model with heterogeneous agents", The annual conference of the European Association of Labour Economists in Sevilla (Spain), 18-21 septembre 2003.
- Van der Linden B., "Assurance-chômage et formation des chômeurs dans un modèle d'appariement avec agents économiques hétérogènes", colloque *Evaluations macro et micro-économiques de politiques d'emploi*, organisé par le Bureau fédéral du Plan, 26 septembre 2003.
- Vannetelbosch V., "Farsightedness and cautiousness in coalition formation", Department of Economic Analysis, University of Valencia, Valencia (Spain), 6 juin 2003.
- Vannetelbosch V., "Farsightedness and cautiousness in coalition formation", Workshop in *Coalition and Network Theory*, EUREQua, Université Paris 1, Paris (France), 11 juin 2003.
- Vannetelbosch V., "Farsightedness and cautiousness in coalition formation", 8th *Coalition Theory* Workshop, Université de la Méditerranée, Aix-en-Provence (France), 24 janvier 2003.
- Zou B., "Vintage capital, optimal investment and technology adoption", Luxembourg University, novembre 2003.
- Zou B., "Vintage capital, optimal investment and technology adoption", Summer Meeting of Economic Analysis, Cidade Universitaria, Universidade de Vigo, Spain, septembre 2003.

## VII. PARTICIPATION A DES COMITES DE REDACTION, ORGANISATION DE COLLOQUES ET ACTIVITES DE REPRESENTATION

### A. Comité de lecture

*Rabah Amir*

- Co-Editor, The Manchester School
- Associate editor  
International Journal of Industrial Organization  
International Game Theory Review

*Vincent Bodart*

- Membre du Comité de rédaction de Reflets et perspectives de la vie économique
- Directeur de la publication Regards Economiques

*Boucekkine Raouf*

- Associate editor, Investigaciones Económicas
- Membre du comité de rédaction de Regards Economiques

*Isabelle Cassiers*

- Editorial board :  
European Review of Economic History (since 1995)

*Muriel Dejemepe*

- Rédactrice en chef de Regards économiques

*David de la Croix*

- Membre de l'editorial board de Recherches économiques de Louvain

*Michel De Vroey*

- Managing editor de Recherches économiques de Louvain

*Jean-Jacques Herings*

- Editorial board  
European Economic Review  
Journal of Mathematical Economics  
Jaarboek van de Koninklijke Vereniging van Staathuishoudkunde

*Jean Hindriks*

- Membre du comité de rédaction de Regards Economiques
- Membre du conseil de rédaction de Reflets et perspectives de la vie économique

*Omar Licandro*

- Member of the editorial board "des Annales d'économie et de statistique d'Investigaciones Economicas"

*Pierre Malgrange*

- Managing editor of Economie et prévision
- Associate editor of Macroeconomic Dynamics

*Francesca Petrella*

- Member of the Editorial Committee of TRAVERSES, Magazine of the Social Economy in Belgium.

*Henri Sneessens*

- Membre du comité de Lecture d'Economie et prévision

*Vincent Vandenberghe*

- Membre du comité de rédaction de Regards économiques

*Vincent Vannetelbosch*

- Membre du comité de rédaction de Regards économiques

*Daniel Weiserbs*

- Associate Editor :  
The Bulletin of Economic Research  
Recherches économiques de Louvain

## **B. Organisation de colloques scientifiques**

*Jean-Jacques Herings*

- NAKE-dag,"DNB, Amsterdam, October 24, 2003. (Member of programme committee).
- European Workshop on General Equilibrium Theory, University of Bielefeld, May 30-June 1, 2003. (Member of programme committee).

*Omar Licandro*

- Member of the Organizing Committee of the VIII Workshop on Macroeconomic Dynamics, Universidad de Vigo, juillet 2003.

*Eric Mabushi*

- Membre de l'équipe d'experts sur la préparation du Séminaire-Atelier sur le transport de transit et le commerce international du Burundi, EA-SRDC/ECA (Nations-Unies)
- Membre du Groupe de travail qui prépare le Projet de colloque sur l'intégration régionale des Grands-Lacs et la relance économique de la RDC (FUCID, Commission Justice et Paix et BEST)

*Pierre Malgrange*

- Member of Program Committee, AFSE Conference, 18-19 septembre 2003.

*Marthe Nyssens*

- Qualité de vie et bénéficiaires : le cas des entreprises de formation par le travail, colloque du CERISIS - UCL, insertion sociale et qualité de vie, mai 2003.

### **C. Autres activités de représentation**

*Isabelle Cassiers*

Direction :

- International Triffin Foundation (since 2000)

Membership :

- Conseil central de l'Economie (since 1999)
- Institut pour un développement durable (since 1996)

*Michel De Vroey*

- Member of the Comité National du CNRS

*Mathias Doepke*

- Member of the Program Committee, Society for Economic Dynamics
- Member of the Program Committee, European Economic Association

*Marc Gurgand*

- Scientific advisor, Commissariat général du Plan, Paris
- Member of the scientific board of « Programme incitatif de recherche sur l'éducation et la formation », Paris

*Jean Hindriks*

- Member of the International Monetary Fund's Panel of Fiscal Experts

*Omar Licandro*

- Member of the Steering Committee of the Euro-Latin Study Network on Integration and Trade, supported by the InterAmerican Development Bank
- Member Expert Panel on Human Capital, Employment, Productivity & Growth, European Commission

*Pierre Malgrange*

- Elected member of the managing committee of the Association Française de Science Economique (AFSE)
- Managing Secretary of AFSE

*Monfort Philippe*

- Expert for Trade Policy Review of the Republic of Haïti, WTO.

*Marthe Nyssens*

- Membre du Conseil supérieur de l'Emploi
- Membre du jury ARCO sur le "non-marchand"
- Membre du Jury Roger Vanthournout "économie sociale"
- Membre du Jury Fondation Roi Baudouin, "Innovation et services de proximité"

*Francesca Petrella*

- Member of the « Table-ronde des services de proximité », organised by the Fondation Roi Baudouin within the programme "Fond expérimental pour les services de proximité"

*Henri Sneessens*

- Membre comité scientifique "Emploi, travail, redistribution" du Commissariat général du Plan, Paris
- Membre du comité scientifique du Cepremap, Paris
- Membre de la Commission "Sciences économiques" du FNRS

*Vincent Vandenberghe*

- Expert auprès du Plan (France) dans le cadre de la sélection des projets de recherche Education

*Bruno Van der Linden*

- Membre de l'Observatoire wallon de l'Emploi

*Daniel Weiserbs*

- Vice président du Conseil supérieur de Statistique (+ Comité scientifique de l'Enquête socio-économique générale 2001)
- Président du Conseil wallon de la Statistique

## VIII. ADMINISTRATION

### **Conseil de Direction**

*Président :* Bruno Van der Linden

*Vice-Présidents :* Vincent Bodart, directeur du Service d'Analyse Economique  
Vincent Vannetelbosch, directeur de la recherche

*Secrétaire administratif :* Paul Olbrechts

### *Membres :*

Philippe Monfort      Responsable des recherches en économie industrielle (axe 1)  
                                  Responsable de l'axe finance (axe 2)

David de la Croix      Responsable des recherches en macroéconomie (axe 3)

Vincent Vandenberghe    Responsable des recherches en économie du travail et politiques  
                                  sociales (axe 4)

Romain Duvivier      Représentant du personnel scientifique (cadre) jusqu'en août  
                                  2003

Marie Vander Donckt    Représentant du personnel scientifique (fonds extérieurs), à  
                                  partir de septembre 2003

Jean Ries              Représentant du personnel scientifique (fonds extérieur)

Anne Davister          Représentante du personnel administratif (secrétariat)  
Yolande de Ryckel      Suppléante

Francine Plapied        Représentante du personnel administratif (logistique)  
Françoise Canart        Suppléante

<p>Institut de recherches économiques et sociales Collège L.-H. Dupriez Place Montesquieu, 3 - 1348 Louvain-la-Neuve (Belgique) ACCES GENERAUX    Tél. : (32)10.47.34.26                                   Fax : (32)10.47.39.45                                   Email : <a href="mailto:secretariat@ires.ucl.ac.be">secretariat@ires.ucl.ac.be</a>                                   Site web : <a href="http://www.ires.ucl.ac.be">http://www.ires.ucl.ac.be</a></p>
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