



Stockholm  
University

INSTITUTE FOR  
INTERNATIONAL  
ECONOMIC STUDIES

# Annual Report

## 2014/2015

Research Activities  
Staff and Organization  
Publications

# The Institute for International Economic Studies

Stockholm University

Mail Address: S-106 91 Stockholm

Street Address: Universitetsvägen 10 A, 8th and 9th floor

Telephone: +46 8 16 20 00

Facsimile: +46 8 16 14 43

## Director:

JAKOB SVENSSON (from Jan 1, 2015)

HARRY FLAM (until Dec 31, 2014)

## Deputy Director:

JOHN HASSLER (from Jan 1, 2015)

JAKOB SVENSSON (until Dec 31, 2014)

## Administration:

CHRISTINA LÖNNBLAD (Head)

ANNIKA ANDREASSON

KARL ERIKSSON (IT Support)

ÅSA STORM

HANNA WEITZ

## Research Assistants:

SERENA COCCIOLO

KASPER KRAGH SÖRENSEN

BENEDETTA LERVA

JAAKKO MERILÄINEN

JÓSEF SIGURDSSON

## Board of Governors:

ANDERS BJÖRKLUND, Professor

GUDRUN DAHL, (Deputy Chair)

Professor (until Dec 31, 2014)

LOVE EKENGREN, Professor

(from Jan 1, 2015).

HARRY FLAM, Professor

(until Dec 31, 2014)

LARS O GRÖNSTEDT

JOHN HASSLER, Professor

(from Jan 1, 2015)

LARS HEIKENSTEN, Executive Director of  
the Nobel Foundation

KARIN HELANDER, (Chair) Professor and

Deputy Vice-Chancellor

(from Jan 1, 2015)

KARL O. MOENE, Professor

ULRIKA MÖRTH, Professor

MICHAEL SOHLMAN

JAKOB SVENSSON, Professor

ASTRID SÖDERBERGH WIDDING, (Chair)

Professor and Vice-Chancellor

(until Dec 31, 2014)

## Professors:

LARS CALMFORS  
HARRY FLAM  
JOHN HASSLER  
PER KRUSELL  
ASSAR LINDBECK  
MATS PERSSON  
TORSTEN PERSSON  
DAVID STRÖMBERG  
PETER SVEDBERG  
JAKOB SVENSSON

## Affiliated Professor:

LARS E.O. SVENSSON

## Visiting Professors:

PHILIPPE AGHION  
TIM BESLEY  
ROBERT SHIMER

## Research Fellows:

INGVILD ALMÅS  
ALMUT BALLEER  
TESSA BOLD  
TIMO BOPPART  
TOBIAS BROER  
KONRAD BURCHARDI  
TOM CUNNINGHAM  
GEORG DUERNECKER  
SUSANNE FORSTNER  
ANDERS FREDRIKSSON  
SEBASTIAN KOEHNE  
ALEXANDRE KOHLHAS  
MASAYUKI KUDAMATSU  
KURT MITMAN  
ARASH NEKOEI  
PETER NILSSON  
JONATHAN DE QUIDT  
ANNA SANDBERG  
KATHRIN SCHLAFMANN  
ROBERT ÖSTLING

## Graduate Students:

ANNA AEVARSDOTTIR  
AUDINGA BALTRUNAITE  
SAMAN DAROUGHEH  
RICHARD FOLTYN  
NIELS-JAKOB HARBO HANSEN  
KARL HARMENBERG  
MATHIAS IWANOWSKY  
MOUNIR KARADJA  
SHUHEI KITAMURA  
NATHANIEL LANE  
HANNES MALMBERG  
ERIK PRAWITZ  
THORSTEN ROGALL  
ALEX SCHMITT  
MIRI STRYJAN  
ERIK ÖBERG

## Visiting Graduate Student:

ANDREA GUARISO

## Visiting Fellows:

CLAUDIO CAMPANALE, University of  
Alicante  
TAREK HASSAN, Chicago Booth  
PAUL KLEIN, Simon Fraser University  
NILS-PETTER LAGERLÖF, York University  
HANNA MÜHLRAD, University of  
Gothenburg

## Publications:

ANNIKA ANDREASSON  
HANNA WEITZ

## Visitors Program and Seminars:

ANNIKA ANDREASSON  
TIMO BOPPART  
TOBIAS BROER  
KONRAD BURCHARDI  
ROBERT ÖSTLING

# News at the Institute 2014/2015

ANNA AEVARSDOTTIR will spend the academic year 2015/2016 at London School of Economics.

INGVILD ALMÁS was formally appointed as an International Research Fellow at the Institute for Fiscal Studies in London.

In July 2015 PHILIPPE AGHION was elected Foreign Fellow to the British Academy and President Elect for the European Economic Association.

OLIVIA BERTELLI will spend the period May 2015 – June 2016 at the Institute as a visiting graduate student within the PODER (Marie Curie) exchange program. She is a graduate student at Paris School of Economics.

TIM BESLEY was appointed Chair of a panel to review the Development Economics Vice Presidency of the World Bank. He was also appointed to a Government Panel in the UK to produce a report on Government-University partnerships.

TESSA BOLD and KONRAD BURCHARDI were elected Research Affiliates of CEPR's Development Economics Program.

LARS CALMFORS was appointed Chair of the Labour Economics Council (Arbetsmarknadsekonomiska rådet) established in 2015 by the Confederation of Swedish Enterprise (Svenskt Näringsliv). He was also appointed member of the Advisory Council at SIEPS (the Swedish Institute for European Policy Studies) and the Scientific Advisory Council for the Programme on Economic Reforms and Entrepreneurship at Fores. Moreover, he became an affiliated researcher at the Research Institute of Industrial Economics (IFN).

LARS CALMFORS and HARRY FLAM formally retired from the Institute in the summer and winter of 2015. Both will be around as professor emeritus, however. In September 2015, a special conference will be held in their honor.

TOM CUNNINGHAM has left the Institute to take up a research position at Facebook.

HARRY FLAM has been elected to the SNS (Centre for Business and Policy Studies) Board of Trustees, the SNS's highest governing body. SNS is an independent, nonprofit

organization that has helped leading decision makers make informed decisions based on science and objective analysis since 1948. Harry is also chairman of the SNS Economic Council 2016.

HARRY FLAM was appointed member of the Swedish Fiscal Policy Council as of July 1 2015.

HARRY FLAM was awarded the Stockholm University gold medal of the 8th size by the Vice-Chancellor of Stockholm University for significant contributions to Stockholm University, its research and its teaching. The medal will be awarded at the inauguration and conferment ceremony in the City Hall on 25 September 2015.

SUSANNE FORSTNER has taken up a post doc position at University of Aachen starting October 2014.

SELENE GHISOLFI, JAAKKO MERILÄINEN, JONNA OLSSON, JÓSEF SIGURÐSSON and MAGNUS ÅHL were admitted as graduate students, starting September 1 2015.

JOHN HASSLER took over as Deputy Director of the IIES as of 1 January 2015.

MATHIAS IWANOWSKY will spend the academic year 2015/2016 as a visiting graduate student at Harvard University.

JOHN KRAMER and XUEPING SUN will join the IIES as research assistants starting on September 1. It will also be their first year in the graduate program.

TORSTEN PERSSON, together with Olle Folke and Johanna Rickne, was awarded the Myrdal Prize 2014 for the article “Personröster och politisk makt” (Personal Votes and Political Power), published in the journal *Ekonomisk Debatt* No. 1, 2014.

TORSTEN PERSSON was appointed Director of the Institutions, Organizations and Growth program of CIFAR (the Canadian Institute For Advanced Research). He was also the local organizer (together with CHRISTINA LÖNNBLAD) of the spring CIFAR meeting in Stockholm.

JONATHAN DE QUIDT accepted a position as assistant professor at the Institute, starting September 1 2015.

THORSTEN ROGALL successfully defended his doctoral thesis *The Economics of Genocide and War* in June 2015. Tavneet Suri, MIT was the discussant. He has now taken up a tenure-track position at University of British Columbia.

In September 2014, ALEX SCHMITT successfully defended his doctoral thesis *Beyond Pigou: Climate Change Mitigation, Policy Making and Distortions*. Massimo Tavoni, Politecnico de Milano, acted as the discussant. Alex has since taken up a position at the CESifo Group in Munich.

JÓSEF SIGURDSSON will spend the academic year 2015/2016 at MIT.

JAKOB SVENSSON (until 31 December 2014 Deputy Director of the IIES) succeeded Harry Flam as Director.

# Staff Research Activities 2014/2015

PHILIPPE AGHION published (1) “Incomplete Contracts and the Internal Organization of Firms”, *The Journal of Law, Economics, and Organization*, 30:1, 2014 (with Nicholas Bloom and John Van Reenen); and (2) “Patent Rights, Product Market Reforms and Innovation”, *Journal of Economic Growth* 20:3, 2015 (with Peter Howitt and Susanne Prantl). Furthermore, (3) “Industrial Policy and Competition”, forthcoming in *American Economic Journal: Macroeconomics* (with Jing Cai, Mathias Dewatripont, Luosha Du, Ann Harrison and Patrick Legros); (4) “Of Mice and Academics: Examining the Effect of Openness on Innovation”, forthcoming in *American Economic Journal: Economic Policy* (with Mathias Dewatripont, Julian Kolev, Fiona Murray and Scott Stern); (5) “Carbon Taxes, Path Dependency, and Directed Technical Change: Evidence from the Auto Industry”, forthcoming in *Journal of Political Economy* (with Antoine Dechezleprêtre, David Hemous, Ralf Martin and John Van Reenen); and (6) “Inducing Leaders to Take Risky Decisions: Dismissal, Tenure, and Term Limits”, forthcoming in *American Economic Review* (with Matthew Jackson), have all been accepted for publication. In addition he also revised (7) “Education and Military Rivalry”, for *Journal of the European Economic Association* (with Xavier Jaravel, Torsten Persson and Dorothee Rouzet); and (8) “Creative Destruction and Subjective Well Being”, for *American Economic Review* (with Ufuk Akcigit, Angus Deaton and Alexandra Roulet).

INGVILD ALMÅS had a busy year as organizer of an Invited Session on inequality (speakers: Sam Bowles, Christina Fong and Ingvild Almås) and on the program committee at the 29th annual congress of the European Economic Association, France. She also held the following seminars: (1) “Are Americans More Meritocratic and Efficiency Seeking than Scandinavians?” (with Alexander Cappelen and Bertil Tungodden) at KU Leuven, a SITE lunch seminar at Stockholm School of Economics, and at Humboldt University of Berlin; (2) “International Comparisons of Living Standards with Heterogeneous Tastes” (with Ian Crawford and Peter Neary), International Comparison of Income, Prices and Production Conference; (3) “The Cost of a Growth Miracle - Reassessing Poverty and Inequality Trends in China”, Plenary Session, Meeting of the Norwegian Association for Economists; and (4) “Fairness and the Development of Inequality Acceptance” (with Alexander Cappelen, Erik Sørensen and Bertil Tungodden), 2014 PPE conference, and published in the NHH Department of Economics Discussion Papers, 2014 and 2015. Furthermore, (5) “Fairness Ideals and Family Background” (with Alexander Cappelen, Kjell Salvanes, Erik Sørensen and Bertil Tungodden) was accepted for publication in *Management Science*; and (6) “Poverty in China as Seen from Outer Space” (with Åshild Johnsen and Andreas Kotsadam) was published as a Department of Economics, University of Oslo 201, 2014.17 s. Memorandum.

ALMUT BALLEER wrote the seminar paper (1) “Some Surprising Facts about Working Time Accounts and the Business Cycle”, IZA Discussion Papers 8890 (with Britta Gehrke and Christian Merkl) and (2) “Does Short-Time Work Save Jobs? A Business Cycle Analysis” was accepted in *European Economic Review* (with Britta Gehrke, Wolfgang Lechthaler and Christian Merkl). During the year she also gave seminars at University of Warwick, Bundesbank, and Schumpeter Seminar Berlin. Further to this she also gave conference presentations at Mainz Workshop in Labor Economics: Economic Policy, Mainz October 2014, ECB/CEPR Workshop on Labor Markets, Frankfurt December 2014, ifo conference on Macroeconomics and Survey data, Munich December 2014, DFG Fourth Workshop on Financial Market Imperfections and Macroeconomic Performance, Frankfurt March 2015, IMF-DFG Conference on Labor Markets in and after the Crisis, Bonn May 2015, Society of Economic Dynamics, Warsaw June 2015, NORMAC Smögen August 2015, European Economic Association, Mannheim August 2015, Verein für Socialpolitik, September 2015.

TIM BESLEY focused on his core research themes: (1) “Impact of Predation and Crime on Firm Efficiency and Labor Allocation”; (2) “The Impact of Executive Constraints on Foreign Direct Investment”; (3) “The Role of Political Institutions in Mitigating Policy Risk”; (4) “Modeling the Role of Social Norms Influencing Tax Compliance”; and (5) “Dynastic Politicians and Economic Growth” and gave seminars at CIFAR, University of Sussex, University of Amsterdam, and University of Glasgow. He also published the following papers: (6) “The Legacy of Historical Conflict: Evidence from Africa”, *American Political Science Review*, 108:2, 2014 (with Marta Reynal-Querol); (7) “The Causes and Consequences of Development Clusters: State Capacity, Peace and Income”, *Annual Review of Economics*, 6, 2014 (with Torsten Persson); (8) “The Incidence of Transaction Taxes: Evidence from a Stamp Duty Holiday”, *Journal of Public Economics*, 119, 2014 (with Neil Meads and Paolo Surico); (9) “Why Do Developing Countries Tax so Little”, *Journal of Economic Perspectives*, 28:4, 2014 (with Torsten Persson); (10) “China’s Challenges: Strengthening State Capacities through Institutional Reform”, *Comparative Studies*, Issue 5, 2014 (in Chinese) (with Torsten Persson); (11) “The Welfare Cost of Lawlessness: Evidence from Somali Piracy”, *Journal of the European Economic Association*, 13:2, 2015 (with Hannes Mueller and Thiemo Fetzer); (12) “State Capacities and Inequality”, in a mini-symposium on *Capital in the 21st Century* by Thomas Piketty, *Bank of England Quarterly Bulletin*, 55:1, 2015; and (13) “Law, Regulation and the Business Climate: The Nature and Value of the World Bank Doing Business Project”, *Journal of Economic Perspectives*, 29:3, 2015.

TESSA BOLD has been working on several projects. Together with Jakob Svensson and David Yanagizawa-Drott she has completed a study on the prevalence of fake agricultural inputs in Uganda entitled (1) “Low Quality, Low Returns, Low Adoption: Evidence from



the Market for Fertilizer and Hybrid Seed in Uganda”, CEPR Working Paper 10743. She has also been working with Justin Sandefur and Nick Barton on a paper entitled (2) “The Selection and Formation of Civil Servants: Evidence from Kenya”. She is also working with Tobias Broer on the paper (3) “Village Risk-Sharing Revisited”. Her work was presented at the CSAE conference in Oxford, at the Swedish Development Economics Association and at SITE in Stockholm. Her work has also been presented at the SED Conference in Warsaw and the CEPR conference in Barcelona. In addition, she has published a paper in the *World Bank Economic Review*, 29:2, 2015, entitled (4) “Can Free Provision Reduce Demand for Public Services? Evidence from Kenya”.

TIMO BOPPART has been working on the papers (1) “Non-homothetic Preferences and Industry Directed Technical Change”, University of Zurich Working Paper No. 123 (with Franziska J. Weiss) and (2) “To Which Extent is the Rise in the Skill Premium Explained by Income Effects?”. He also started two new projects with the working titles (3) “Rising Leisure Inequality” (with Rachel Ngai) and (4) “A Theory of Structural Change that can



*The Annual Crayfish Party is always something to look forward to during the year.*

Fit the Data!” (with Simon Alder and Andreas Müller). Moreover, the paper (5) “Structural Change and the Kaldor Facts in a Growth Model with Relative Price Effects and Non-Gorman Preferences”, was published in *Econometrica*, 82:6, 2014. Timo presented his work at UCL, the Universities of Melbourne, Sydney and Edinburgh as well some workshops in St Andrews and Zurich. He also served on the IIES graduate student admission committee.

TOBIAS BROER was on part time parental leave from February 2015 to the end of the academic year after the birth of his twin daughters Nora and Alma, yet still found the time to work on the following projects: (1) “Securitisisation Bubbles”; (2) “The Great Moderation and the Great Leverage: Financial Trade and Asset Prices When Investors Disagree about Risk” (with Afroditi Kero); (3) “Great Moderation or Great Mistake: Can Overconfidence in Low Macro-risk Explain the Boom in Asset Prices?” (with Afroditi Kero); (4) “The Home Bias of the Poor: Foreign Asset Portfolios across the Wealth Distribution”; (5) “Monetary Policy with Heterogeneous Agents” (with Niels-Jakob Harbo Hansen, Per Krusell and Erik Öberg); (6) “Risk-Sharing in Village Economics Revisited” (with Tessa Bold); and (7) “Consumption Risk Sharing with Private Information When Earnings are Persistent” (with Marek Kapicka and Paul Klein). Tobias presented his work at the Society of Economic Dynamic Annual Meeting in Warsaw and the Nordic Macro Conference 2014 in Smögen.

KONRAD BURCHARDI completed the field work on a project which seeks to estimate the incentive effects of sharecropping contracts in Uganda (with Benedetta Lerva, Selim Gulesci and Munshi Sulaiman). Konrad also worked on a research project that aims to understand the impacts of different credit market interventions for capital misallocation in the economy (with Timothy Besley and Maitreesh Ghatak). Furthermore, he has been working on a research project that aims to understand the role of ethnic networks for international investment patterns. He presented his research at UAB (Barcelona), CEMFI (Madrid), Bristol University and HECER (Helsinki).

LARS CALMFORS started a new research program on wage formation in Sweden associated with his chairmanship of the Swedish Labour Economics Council. Together with Harry Flam, John Hassler and Per Krusell he published (1) *Makroekonomi*, Liber 2015, a Swedish version of Olivier Blanchard’s textbook *Macroeconomics*. He also published or substantially revised (2) “The Swedish Macroeconomic Policy Framework”, forthcoming in Pierre, J. (ed.), *Handbook in Swedish Politics*, Oxford University Press; (3) “The Roles of Fiscal Rules, Fiscal Councils and Fiscal Union in EU integration”, forthcoming in Badinger, H. and Nitsch, V. (eds.), *Handbook in the Economics of European Integration*, Routledge; (4) “Tiggarna på våra gator – hur ska vi förhålla oss” (“The Beggars in Our Streets – How Should We

Act?”), in Swedenborg, B. (ed.), *Svensk ekonomisk politik – då, nu och i framtiden* (Swedish Economic Policy – Then, Now and in the Future), *Dialogos* 2015; (5) “Budgetpropositionen för 2015” (“The Government Budget Bill for 2015”), *Nationalekonomiska Föreningens förhandlingar* (The Proceedings of the Swedish Economic Association), *Ekonomisk Debatt* 1, 2015; and (6) *SSF – att vara eller inte vara. En granskning av Stiftelsen för Strategisk forskning* (SSF – To Be or Not To Be. An Evaluation of the Swedish Foundation for Strategic Research) (with Ylva Borgegård, Staffan Josephson, Jan-Anders Månson, Christina Ullenius and Suzanne Wennberg), KVA (The Royal Swedish Academy of Sciences) and IVA (The Royal Swedish Academy of Engineering Sciences) 2014.

TOM CUNNINGHAM spent the 2014-15 academic year as a visitor to Antonio Rangel’s lab at the California Institute of Technology, working on a theoretical paper and conducting laboratory work on implicit preferences, joint with Jonathan de Quidt, experiments on implicit knowledge, experiments on biases in judgment compared to biases in preferences, also with Jonathan de Quidt, and a theoretical paper on signaling, with Ines Moreno de Barreda. He also gave the following presentations: “Biases and Implicit Knowledge”, ESA 2014, Columbia University Economics Department and “Implicit Preferences”, ESA 2014, University of Southern California, California Institute of Technology, Bay Area Behavioural Economics Workshop (BABEW) and Columbia University Marketing Department.

GEORG DUERNECKER wrote (1) “On the Allocation of Time”, University of Mannheim Working Paper, ECON 14-09, 2014 (with Berthold Herrendorf) and presented it at the 5th Ifo Conference on “Macroeconomics and Survey Data, 2014 Meeting of the Canadian Macro Study Group” in October – December 2014 as well as at Sabanci University and the Universities of Hamburg, Munich and Frankfurt in 2015. He completed the working paper (2) “Structural Transformation, Marketization, and Household Production” (with Benjamin Bridgman and Berthold Herrendorf). He also worked on the papers (3) “Structural Transformation of Occupation and Industry Employment” (with Berthold Herrendorf) and presented it at the Annual Congress of the European Economic Association in Mannheim; and (4) “Occupations, Barriers to Entry and Structural Change” (with Berthold Herrendorf), presented at Sveriges riksbank.

HARRY FLAM and Roine Vestman are extending their working paper (1) “Swedish Equity Mutual Funds: Performance, Persistence and Presence of Skill”, Swedish House of Finance Research Paper No. 14-04. He also published the chapter (2) “Economics of the Single Market” in Badinger, H. and Nitsch, V. (eds.), *Routledge Handbook of the Economics of European Integration*. He has been working on a report for Centre for Business and Policy Studies (SNS) on transport infrastructure with Maria Börjesson, Jan-Eric Nilsson and Ulrika Mörth, and started research with Håkan Nordström on global value chains.

During the summer of 2014, SUSANNE FORSTNER mainly worked on two new research ideas: a project with Arpad Abraham that analyzes welfare effects of progressive income taxation in labor markets with performance pay and search frictions as well as a project with Teodora Borota that examines the relation between housing investments, savings behavior and capital income inequality in Sweden. She acted as discussant at both the 8th Nordic Summer Symposium in Macroeconomics, Laugarvatn, and the SITE Conference on Economics of Inequality, Stockholm. In October 2014, she joined the Chair of Applied Economics at RWTH Aachen as a post-doctoral researcher.

ANDERS FREDRIKSSON is an International Post Doc at the IIES, University of São Paulo, and University of Namur. During the academic year 2014/2015 he has been working on two different projects related to Poupateempo, a Brazilian bureaucracy reform, and a third project where he analyzes the optimality in the geographical locations of both Poupateempo and of “Servicekontor”, a Swedish Citizen Service Center. The projects were presented at the Research Workshop on Institutions and Organizations (RWIO) in Brazil, the Nordic Conference in Development Economics (NCDE) in Denmark, and at the European Economic Association (EEA) conference in Germany.

In January 2015, JOHN HASSLER was appointed Deputy Director of the IIES. The main focus of John’s research during the year has remained on the economics of climate change. He is a member of the management group of the climate project Mistra-SWECIA, run jointly with the Swedish meteorological office SMHI and Lund University. John’s research on climate change was done in collaboration with Per Krusell, Conny Olovsson and colleagues at other universities in Europe and the U.S. Together with Per Krusell and Tony Smith (Yale), he was asked to write a chapter in the coming new edition of *Handbook of Macroeconomics* on the economics of climate change and the environment and they presented a preliminary version of the chapter at Stanford in June. Together with Lars Calmfors, Harry Flam and Per Krusell, John published a Swedish textbook: *Makroekonomi*, Liber 2015. John and Per also produced a report on the costs of long-time storage of nuclear waste for the Swedish Radiation Safety Authority.

SEBASTIAN KOEHNE published (1) “Optimal Taxation in a Habit Formation Economy”, *Journal of Public Economics*, 122, 2015 (with Moritz Kuhn); and (2) “Should Unemployment Insurance Be Asset Tested?”, *Review of Economic Dynamics*, 18:3, 2015 (with Moritz Kuhn). He continued his work on (3) “Optimal Income Taxation with Asset Accumulation” (with Arpad Abraham and Nicola Pavoni) and (4) “On the Taxation of Durable Goods” and started new research projects on the provision of health care subsidies and the role of health insurance for economic inequality. Sebastian presented his work at the University of Oslo, Goethe University Frankfurt, University of Bonn and CESifo Munich.

ALEXANDRE KOHLHAS revised and completed the research papers: (1) “An Informational Theory of Instrument Policy” and (2) “Learning-by-Sharing: Monetary Policy and Information Content of Public Signals”. In addition, he started new projects on the origins of macroeconomic shocks and on empirical tests of different informational assumptions. He also presented his work at the US Federal Reserve Board, Aarhus University, the Barcelona GSE Summer Forum, the Society of Economic Dynamics Annual Conference, the 9th Nordic Macro Symposium and the 2015 Econometric Society World Congress.

PER KRUSELL worked on a variety of research topics within macroeconomics broadly defined (inequality, growth, labor markets, financial economics, political economy and public economics) and on a project on economics and global climate change, which involves cooperation with other scientists through Mistra-SWECIA and abroad. His paper (1) “Is Piketty’s ‘Second Law of Capitalism’ Fundamental?” was accepted for publication in *Journal of Political Economy* during the year. This paper, co-written with Tony Smith, was the result of a very engaging reading group at the IIES covering all the chapters of Piketty’s then newly-published book *Capital in the 21st Century*. Per also served on the advisor team for Hannes Malmberg, Erik Öberg, Karl Harmenberg, Saman Darougheh, Magnus Åhl, Richard Foltyn, József Sigurdsson, and Niels-Jakob Harbo-Hansen at the IIES as well as Elin Molin and Laurence Malafay at Stockholm University’s Department of Economics.

ASSAR LINDBECK spent the academic year working on the following papers: (1) “Sickness Absence and Local Benefit Cultures” (with Mårten Palme and Mats Persson), forthcoming in *Scandinavian Journal of Economics*; (2) “Norms, Incentives and Information in Income Insurance”; (3) “Insurance and Norms When Health is Imperfectly Observed” (with Mats Persson), and; (4) “Pay Schemes and Competition for Talent” (with Jörgen Weibull).

KURT MITMAN’s research has focused on labor markets, with a particular emphasis on the effects of unemployment insurance, and credit and housing markets. He published: (1) “Optimal Unemployment Insurance in an Equilibrium Business-Cycle Model”, *Journal of Monetary Economics*, 71, 2015 (with Stanislav Rabinovich) and revised (2) “Macroeconomic Effects of Bankruptcy and Foreclosure Policies” for *American Economic Review*. He continued to work on the following papers: (3) “Do Changes in Unemployment Insurance Explain the Emergence of Jobless Recoveries?”, PIER Working Paper 14-013 (with Stanislav Rabinovich); (4) “Unemployment Benefits and Unemployment in the Great Recession: The Role of Macro Effects”, NBER Working Paper 19499 (with Marcus Hagedorn, Fatih Karahan and Iourii Manovskii); (5) “The Impact of Unemployment Benefit Extensions on Employment: The 2014 Employment Miracle?”, NBER Working Paper 20884 (with Marcus Hagedorn and Iourii Manovskii); (6) “Macroeconomics and Heterogeneity, Including Inequality” (with Dirk Krueger and Fabrizio Perri); (7) “Consumption and House

Prices in the Great Recession: Model Meets Evidence” (with Greg Kaplan and Gianluca Violante); (8) “Unemployment Benefits and Unemployment in the Great Recession: The Role of Micro Effects” (with Marcus Hagedorn, Fatih Karahan and Iourii Manovskii); and (9) “Liquidity Effects of Unemployment Benefit Extensions: Evidence from Consumer Credit Data” (with Benjamin Pugsley and Fatih Karahan). He presented his work at University Autònoma de Barcelona, Tel Aviv University, Interdisciplinary Center Herzliya, Ben Gurion University, Universitat Bonn, the Conference on the *Handbook of Macro* Vol. 2 at the Hoover Institution, London School of Economics, UvA/VU/Tinbergen Institute, Greater Stockholm Macro Groups, IIES, Sveriges riksbank and EABCN Conference on “Inequality and Macroeconomics”, Annual Meeting of the Society of Economic Dynamics, the NBER Summer Institute (Aggregate Implications of Micro Consumption Behavior, and the Micro and Macro Perspectives of the Aggregate Labor Market), 8th Nordic Macro Symposium, World Congress of the Econometric Society and the CEPR/St. Gallen Conference on Household Finance and Economic Stability. He was invited to discuss papers at the Richmond Fed-Kiel Institute for the World Economy Conference on The Labor Market after the Great Recession, DFG-Bonn-IMF International Conference on Labor Markets in and after Crises, 23rd CEPR European Summer Symposium in International Macroeconomics (ESSIM) and 9th Nordic Macro Symposium.

ARASH NEKOEI published (1) “Recall Expectations and Duration Dependence”, *American Economic Review: Papers and Proceedings*, 105:5, 2015 (with Andrea Weber) and the working paper (2) “Does Extending Unemployment Benefits Improve Job Quality?”, CEPR Discussion Paper 10568 (with Andrea Weber). Three projects that also took up his time were (3) “Inheritance and Wealth Accumulation” (with David Seim), (4) “Income Taxation and Skill Distribution” (with Ali Shourideh); and (5) “Waiting for Recall? Evidence From Temporary Layoffs in Austria” (with Andrea Weber). He presented his work at NBER Summer Institute (Joint Labor and Public Meeting), Royal Holloway University of London, Warwick University, 17th IZA/CEPR European Summer Symposium in Labor Economics, EEA meetings, AEA meetings (2 presentations), 9th Nordic Summer Institute in Labour Economics, Uppsala University, Stockholm School of Economics, Stockholm University and IF-Metall/Unionen (Swedish Unions).

PETER NILSSON revised his work on the effects of early life conditions on long-term economic outcomes in (1) “Alcohol Availability, Prenatal Conditions, and Long-term Economic Outcomes”; the effects of air pollution in (2) “The Long-run Effects of Early-Childhood Lead Exposure: Evidence from the Phase out of Leaded Gasoline”; and (3) “Lead Exposure and Criminal Behavior: Lessons from the Swedish Phase-out of Leaded Gasoline” (with Hans Grönqvist and Per-Olof Robling). Peter also worked on (4) “Congestion Charges and Children’s Health” (with Janet Currie, Emilia Simeonova

and Reed Walker); (5) “Economic Status, Air Quality, and Child Health: Evidence from Inversion Episodes”, IZA Discussion Paper 7928 (with Jenny Jans and Per Johansson); and finally peer effects in the workplace (6) “Businesses, Buddies, and Babies: Fertility and Social Interactions at Work” (with Lena Hensvik and Magne Krogstad Asphjell); (7) “Gender Differences in Other-regarding Preferences: Evidence from an Experiment Affecting 60,000 Workers’ Incentives to Shirk”, IZA Discussion Paper 8133; and (8) “The Optimal Timing of Unemployment Benefits: Theory and Evidence from Sweden”, IZA Discussion Paper 9185. During the fall he presented his research in seminars/conferences in Uppsala, Umeå, and at Stockholm School of Economics. During the spring semester Peter was on parental leave (January 1 – June 30, 2015).

MATS PERSSON published (1) “2014 års Ekonomipris till Jean Tirole” (“The 2014 Economics Prize to Jean Tirole”), *Ekonomisk Debatt* 8, 2014 (with Tore Ellingsen, Torsten Persson and Tomas Sjöström); (2) “Nollränta, negativ ränta och andra räntor i Riksbankens



*Sailing is popular at the Institute. Arash Nekoei, Konrad Burchardi and Ingvild Almås made the most of Stockholm’s archipelago and took the boat out over a weekend in June 2015.*

arsenal” (“Zero Interest, Negative Interest, and Other Interest Rates in the Arsenal of the Riksbank”), in Swedenborg, B. (ed.), *Svensk ekonomisk politik – då, nu och i framtiden. Festskrift tillägnad Hans Tson Söderström*, Dialogos förlag, Stockholm 2015.

TORSTEN PERSSON published the paper (1) “Why Do Developing Countries Tax So Little?”, *Journal of Economic Perspectives*, 28, 2014 (with Tim Besley); he substantially rewrote (2) “The Primary Effect: Preference Votes and Political Promotions”, forthcoming in *American Political Science Review*, 2015 (with Olle Folke and Johanna Rickne); and (3) “Individual vs. Social Motives in Identity Choice: Theory and Evidence from China” (with Ruixue Jia). He also wrote the new paper (4) “Dynastic Political Rents” (with Olle Folke and Johanna Rickne). In addition, he gave a number of seminars and lectures in Sweden, Europe, the US and in China. In October/November 2014, he visited the London School of Economics, in his capacity as a Centennial Professor, where he gave a series of lectures to PhD students.

JONATHAN DE QUIDT has mostly been working on projects on land, credit and insurance markets in developing countries, sources of misallocation in developing countries, on the theory of and evidence for implicit preferences (for example, unconscious discrimination) in individual decision-making, and probability weighting (distortions of probabilities when making choices under uncertainty). He also wrote the papers (1) “Group Lending without Joint Liability”, forthcoming in *Journal of Development Economics* (with Thiemo Fetzer and Maitreesh Ghatak); and the working paper (2) “Commercialization and the Decline of Joint Liability Microcredit” (with Thiemo Fetzer and Maitreesh Ghatak). In addition, Jon held seminars and talks at Harvard Kennedy School, Uppsala, Munich, Surrey, Sussex, CEMFI, Houston, University of Amsterdam, Stockholm School of Economics, Max Planck Institute - Bonn, CERGE-EI, SITE - Stockholm School of Economics, NHH - Bergen, BABEEW conference, Natural Experiments and Controlled Field Studies workshop, SAEe 2014, Russell Sage ECBE conference (invited discussant).

ANNA SANDBERG finished and submitted four papers for publication: (1) “The Importance of Family Background and Neighborhood Effects as Determinants of Crime”, forthcoming in *Journal of Population Economics* (with Karin Hederos Eriksson, Randi Hjalmarsson and Matthew Lindquist); (2) “Competing Identities: A Field Study of Nationalistic Bias and Gender Bias among Professional Evaluators”; (3) “Is There an Omission Effect on Prosocial Behavior Beyond the Default Effect?”, SSE Working Paper Series in Economics 2014:1 (with Manja Gärtner); and (4) “Many Analysts, One Dataset: Making Transparent How Variations in Analytical Choices Affect Results”, revise and resubmit, *Perspectives on Psychological Science* (with Raphael Silberzahn et al.). Moreover, she has worked on four new projects that explore determinants of gender differences in labor market outcomes and economic behavior: (5) “Determinants of Gender Differences in Choice of College



Major” (with Anna Dreber Almenberg, Karin Hederos Eriksson and Juanna Joensen); (6) “How Does Half Naked Advertising Affect Economic Behavior?” (with Anna Dreber Almenberg, Karin Hederos Eriksson and Evelina Bonnier); (7) “The Impact of Minority Status on Educational and Labor Market Outcomes” (with Eva Ranehill); and (8) “Fraternity, Sorority and Stereotyping: A Field Experiment on Referral Based Hiring” (with Karin Hederos Eriksson, Lukas Kvissberg and Erik Polano). During the spring of 2015, she was the co-advisor for two master students at the Stockholm School of Economics, and she received the 2014 Erik Lindahl Stipend for best dissertation in Economics at the Stockholm School of Economics.

KATHRIN SCHLAFMANN mainly worked on her paper (1) “Housing, Mortgages, and Self Control” and on the project (2) “Income Expectations and Consumption Choices over the Business Cycle” (with Filip Rozsypal). She also started a new project on the differential effects of changes in fundamental variance and in noise over the business cycle (with Filip Rozsypal). Kathrin presented her work at University of Edinburgh and at the Conference for Computing in Economics and Finance in Taipei (CEF 2015). She also participated at the Conference of the Society for Economic Dynamics in Warsaw (SED 2015) and at the Nordic Summer Symposium in Macroeconomics in Smogen (NORMAC 2015).

ROBERT SHIMER published (1) “Dynamic Adverse Selection: A Theory of Illiquidity, Firesales, and Flight to Quality”, *American Economic Review*, 104, 2014 (with Veronica Guerrieri); and (2) “Private Information in the Mortgage Market: Evidence and a Theory of Crises”, in Bauducco, S., Christiano, L. and Raddatz, C. (eds.), *Macroeconomic and Financial Stability: Challenges for Monetary Policy*, Central Bank of Chile, 2014. He also wrote or substantially revised (3) “Markets with Multidimensional Private Information” (with Veronica Guerrieri); (4) “Efficiency and Information Transmission in Bilateral Trading (with Ivan Werning); (5) “Decomposing Duration Dependence in a Stopping Time Model” (with Fernando Alvarez and Katarina Borovickova); (6) “The Proportional Hazard Model: Estimation and Testing Using Price Change and Labor Market Data” (with Fernando Alvarez and Katarina Borovickova); and (7) “Meeting Technologies in Decentralized Asset Markets” (with Maryam Farboodi and Gregor Jarosch).

DAVID STRÖMBERG worked on (1) “The Political Economy of Social Media in China” (with Bei Qin and Yanhui Wu); (2) “The Determinants of Media Capture in China” (with Bei Qin and Yanhui Wu); (3) “The Effect of Education on Innovation” (with David Seim); (4) “Weather and Infant Mortality in Africa” (with Masayuki Kudamatsu and Torsten Persson); and (5) “Media Coverage and Political Accountability: Theory and Evidence”. He published (6) “The Judge, the Politician, and the Press: Newspaper Coverage and Criminal

Sentencing across Electoral Systems”, *American Economic Journal: Applied Economics*, 7:4, 2015 (with Claire Lim and James Snyder); and (7) “Media and Politics”, *Annual Review of Economics*, 7:1, 2015.

During the academic year 2014/2015, JAKOB SVENSSON has completed the following projects, (1) “Using Lotteries to Incentivize Safer Sexual Behavior: Evidence from a Randomized Controlled Trial on HIV Prevention”, World Bank Policy Research Working Paper 7215 (with Martina Björkman Nyqvist, Lucia Corno and Damien de Walque); (2) “Low Quality, Low Returns, Low Adoption: Evidence from the Market for Fertilizer and Hybrid Seed in Uganda”, CEPR Discussion Paper 10743 (with Tessa Bold, Kayuki Kaizzi and David Yanagizawa-Drott); (3) “Information is Power: Experimental Evidence on the Long-run Impact of Community Based Monitoring”, revised for *American Economic Journal: Applied Economics* (with Martina Björkman Nyqvist, Lucia Corno and Damien de Walque); (4) “Effect of a Micro Entrepreneur-based Community Health Delivery Program on Under-five Mortality in Uganda: A Cluster-randomized Controlled Trial”, working paper (with Martina Björkman Nyqvist, Andrea Guariso and David Yanagizawa-Drott). He has also worked on two ongoing projects, (5) “What Do Teachers Know and Do? A Report Card on Primary Teachers in Sub-Saharan Africa”, working paper (with Tessa Bold et al.); (6) “Can Good Products Drive out Bad? Evidence from Local Markets for (Fake) Antimalarial Medicine in Uganda”, working paper (with Martina Björkman-Nyqvist and David Yanagizawa-Drott). In addition, he has worked on the design of two large scale field experiments in health (scale-up of evaluation of an incentivized community health project) and agriculture (impact of relaxing input and output markets constraints) in Uganda.

LARS E.O. SVENSSON has continued to work on several projects on the theory and practice of monetary policy and financial-stability policy. From January 2015, he was a Resident Scholar at the Research Department at the International Monetary Fund, Washington, DC. He completed a first draft of the paper (1) “Cost-Benefit Analysis of Leaning against the Wind: Are Costs Larger Also with Less Effective Macroprudential Policy?”. The following papers were published or accepted for publication: (2) “The Possible Unemployment Cost of Average Inflation below a Credible Target”, *American Economic Journal: Macroeconomics*, 7:1, 2015; (3) “Inflation Targeting and Leaning against the Wind”, *Fourteen Years of Inflation Targeting in South Africa and the Challenge of a Changing Mandate: South African Reserve Bank Conference Proceedings 2014*, South African Reserve Bank, 2015; (4) “Forward Guidance”, *International Journal of Central Banking*, 11, September 2015, Supplement 1; (5) “Monetary Policy and Financial Stability,” in Kai, G. and Schipke, A. (eds.), *Financial Liberalization, Innovation, and Stability: International Experience and Relevance for China*, The People’s Bank of China and International Monetary Fund, 2015; (6) “A Simple Cost-Benefit Analysis of Using Monetary Policy for Financial-Stability Purposes”, forthcoming in Blanchard, O.,

Rajan, R., Rogoff, K. and Summers, L. (eds.), *Progress or Confusion: The State of Macroeconomic Policy*, MIT Press; and (7) “What Can Monetary Policy Achieve and What Is the Relation between Monetary Policy and Financial Stability”, chapter X in Oesterreichische Nationalbank, *The Challenge of Economic Rebalancing in Europe: Perspectives for CESEE Countries*, Edward Elgar, 2015.

ROBERT ÖSTLING’S main focus during the academic year 2014-15 has been his project about wealth effects. Most of this time has been devoted to two rounds of revisions of the paper (1) “Wealth, Health and Child Development: Evidence from Administrative Data on Swedish Lottery Players” (with David Cesarini, Erik Lindqvist and Björn Wallace). He has also prepared drafts of two related papers: (2) “The Effect of Wealth on Household Labor Supply: Evidence from Swedish Lotteries” (with David Cesarini, Erik Lindqvist and Matthew Notowidigdo); and (3) “Wealth and Stock Market Participation: Estimating the Causal Effect from Swedish Lotteries” (with Joseph Briggs, David Cesarini and Erik Lindqvist). He has continued working on his project about unique bid games with Erik Mohlin and Joseph Tao-yi Wang. The first paper within this project is now published (4) “Lowest Unique Bid Auctions with Population Uncertainty”, *Economics Letters*, 134, 2015 (with Erik Mohlin and Joseph Tao-yi Wang). During the academic year, Robert has presented in research seminars at the Research Institute of Industrial Economics (IFN), Karolinska Institutet, Linnaeus University, University of Oxford, University of St Andrews and University of Göteborg. He also participated and presented a paper at the National Conference of Swedish Economists in Umeå. Robert is also one of the organizers of the research seminars at IIES.

## Articles Published or Accepted in Leading Journals by IIES Permanent Staff 2014/2015

TIMO BOPPARD, “Structural Change and the Kaldor Facts in a Growth Model with Relative Price Effects and Non-Gorman Preferences”, *Econometrica* 82:6, 2014.

PER KRUSELL and ANTHONY A. SMITH JR, “Is Piketty’s ‘Second Law of Capitalism’ Fundamental?”, forthcoming in *Journal of Political Economy*, 123:4, 2015.

# Visiting Fellows 2014/2015

CLAUDIO CAMPANALE (University of Alicante) visited the Institute from September 30, 2014 to February 28, 2015. During the visit he worked on research projects on asset pricing. He enjoyed reacquainting with his thesis advisor, Per Krusell, and meeting the faculty at the IIES, especially the nice group of junior professors. He also enjoyed the very lively academic environment and the social events of the Institute. Besides that, he was happy to visit the city of Stockholm and especially enjoyed its Christmas atmosphere. He hopes to visit the Institute again in the near future to benefit from its intellectual environment and to further enjoy “the Stockholm life”. During his stay the paper (1) “Life-cycle Portfolio Choice with Liquid and Illiquid Financial Assets” (with Carolina Fugazza and Francisco Gomes) was accepted in *Journal of Monetary Economics* and subsequently published in Vol. 71, April, 2015.



*A toast and fond farewell to Georg Duernecker who was visiting assistant professor at the IIES from February - December 2014.*

TAREK HASSAN (University of Chicago Booth School of Business) visited the Institute twice this academic year, in September and March. While visiting, he completed work on a new project with Konrad Burchardi titled (1) “Migrants, Trade, and Investment”. He also enjoyed productive collaboration with other IIES faculty and doctoral students, and looks forward to his next chance to visit Stockholm.

PAUL KLEIN (Simon Fraser University) visited the Institute from April 10 to May 10, 2015. A former graduate student at the IIES, Paul has been a regular visitor for many years. This time he worked with Tobias Broer to put the finishing touches on a paper on consumption risk sharing under limited commitment and private information (this project is joint with Marek Kapicka of UC Santa Barbara and CERGE-EI). He also worked on a project (with Gustavo Ventura, Arizona State University) where the purpose is to understand the remarkable rise of Ireland from one of the poorest countries in Western Europe in 1985 to one of the richest today. On account of Paul’s recent appointment as Professor in the Department of Economics at Stockholm University, one floor below the IIES, his visits are now likely to become briefer but more frequent.

NILS-PETTER “NIPPE” LAGERLÖF (York University) visited the IIES August 18 – 24, 2014, and from May 27 – June 5, 2015. During both visits he worked with PhD student Shuhei Kitamura on revising the paper (1) “Natural Borders”, which examines how the shape of political borders, and the size of countries, depend on geography, from 1500 to today. As on all his visits, he immensely enjoyed being back in Stockholm, and felt sad leaving.

Graduate student HANNA MÜHLRAD (University of Gothenburg) visited the IIES during spring/summer 2014. During her stay she worked on a research project regarding fertility and reproductive health in Mexico. The visit provided her with a great opportunity to gain further academic experience and excellence within her field. She attended seminars and interacted with the faculty and other graduate students. Hanna’s score on the tipping community “IIES-WC-pool” dropped when Germany won the World Cup. She is still upset that she lost and that Mathias Iwanowsky won.

# Tenure-track Assistant Professor Position

The Institute for International Economic Studies, Stockholm University, seeks to fill one position at the tenure-track, assistant-professor level, in any field, beginning in the academic year 2016/2017. Applicants should have a Ph.D. in economics (or be near completion of the doctorate). A commitment to excellence in research is a prerequisite. The position offers a low teaching load (primarily at the Ph.D. level) and a competitive salary. Applicants should submit a CV, at least three letters of recommendation, and samples of research such as thesis chapters or publications.

To ensure full consideration, applications must be submitted at <http://econjobmarket.org> by November 27, 2015. Candidates on a shortlist will be interviewed at the ASSA Annual Meetings in San Francisco, January 2016. Other arrangements may be possible for short-listed candidates not based in the US who do not plan to attend the meetings.

For questions, please contact: Prof. Per Krusell, e-mail: [per.krusell@iies.su.se](mailto:per.krusell@iies.su.se)  
or Prof. Torsten Persson, e-mail: [torsten.persson@iies.su.se](mailto:torsten.persson@iies.su.se)

# Teaching 2014/2015

In the spring of 2015 PHILIPPE AGHION taught “Economic Growth: Theory and Policy” (with Timo Boppart).

INGVILD ALMÅS taught the PhD courses on Inequality (with Per Krusell) and Development (with Konrad Burchardi, Andreas Madestam, Tessa Bold, Jakob Svensson and Anna Tompsett), both in the fall of 2014.

TESSA BOLD taught the PhD course Development Economics (with Ingvild Almås, Konrad Burchardi, Andreas Madestam, Jakob Svensson and Anna Tompsett).

TIMO BOPPART taught “Economic Growth: Theory and Policy” (with Philippe Aghion) and “Macroeconomics I” (with Lars Ljungqvist) in the spring of 2015.

TOBAS BROER taught “Macroeconomics with Financial Frictions” (with Alexandre Kohlhas) and “Applied Macroeconomic Research” in the fall of 2014.

KONRAD BURCHARDI taught the undergraduate course “Intermediate Development Economics” as well as “Development Economics” at the PhD level (with Andreas Madestam, Jakob Svensson, Tessa Bold, Ingvild Almås and Anna Tompsett).

In the fall of 2014, LARS CALMFORS taught “Intermediate Macroeconomics” at the undergraduate level, and in the spring of 2015 he gave the master’s course “Labor Economics and Wage-Setting Theory”.

SEBASTIAN KOEHNE taught the PhD courses “Mathematics III” and “Public Economics” (with Arash Nekoei).

ALEXANDRE KOHLHAS taught the PhD course “Macroeconomics with Financial Frictions” (with Tobias Broer) in the fall of 2014.

PER KRUSELL taught various graduate courses at Stockholm University and elsewhere: “Inequality” (second year) and “Applied Macro” (second year) at Stockholm University, “Macro I” (first year) at University of Gothenburg, “Macro I” (first year) at London School of Economics, and “Macro and Inequality” (second year) at Yale University. Per also taught a master’s course at Stockholm University called “The Climate and the Economy”.



KURT MITMAN taught the PhD level courses “Applied Macroeconomic Research” (with Per Krusell, Tobias Broer and Kathrin Schlafmann) and “Quantitative Macro Methods” (with Kathrin Schlafmann).

ARASH NEKOEI taught the PhD course “Public Economics” (with Sebastian Koehne).

In the spring of 2015, PETER NILSSON taught the second year PhD course “Social Economics” (with Hans Grönqvist, Uppsala), and in the fall of 2014 he gave the master’s course “Policy Analysis in Labor Economics” (with Peter Fredriksson).

MATS PERSSON taught first-year undergraduate “Macroeconomics” in the fall of 2014.

TORSTEN PERSSON taught the second year graduate courses “Political Economics II and III” at Stockholm University (with David Strömberg). At the London School of Economics, he gave a PhD course in “Political Economics” (with Gilat Levy). He was also the advisor or co-advisor of five PhD students.

KATHRIN SCHLAFMANN taught the second year PhD course “Applied Macroeconomic Research” (with Tobias Broer, Per Krusell, Kurt Mitman and Roine Vestman) in the fall of 2014 and the second year PhD course “Quantitative Macroeconomic Methods” (with Kurt Mitman) in the spring of 2015. She also taught in the summer school “Tools for Macroeconomists” at the London School of Economics.

DAVID STRÖMBERG taught “Econometrics” (with Per Pettersson-Lidbom) and “Political Economics II and III” (with Torsten Persson).

JAKOB SVENSSON taught the master’s course in “Development Economics” and jointly taught the graduate courses in “Development Economics”. Both in the fall term 2014.

LARS E.O. SVENSSON gave guest lectures in undergraduate and masters courses at Stockholm School of Economics and at Stockholm University.

ROBERT ÖSTLING has taught an undergraduate course in applied game theory called “Economic Strategic Thinking”. He has also been advising Manja Gärtner who is scheduled to defend her thesis in November 2015.

# Extramural Activities

PHILIPPE AGHION gave the Henry George Lecture at University of Scranton, November 2014 and the Elmhirst Lecture in Milan, August 2015.

TIM BESLEY served on the External Advisory Panel, Doing Business Project, World Bank, was President for the International Economic Association and Chair of the board of the National Institute of Economic and Social Research as well as held the DEC Lecture at the World Bank, 2014. He was also an Economics Panel Member, Research Excellent Framework.

KONRAD BURCHARDI served as Associate Editor of the *Journal of Development Economics* as well as IIES seminar co-organizer. Furthermore he served as faculty opponent for a licentiate exam at Uppsala University.

LARS CALMFORS served as the chair of the newly established Labour Economics Council (Arbetsmarknadsekonomiska rådet). He also served as the chair of a joint committee set up by the Swedish Royal Academy of Sciences (KVA) and the Royal Academy of Engineering Sciences (IVA) to evaluate the Swedish Foundation for Strategic Research (Stiftelsen för strategisk forskning). He was a regular columnist in *Dagens Nyheter* (the leading Swedish morning daily). He also gave lectures and speeches on various topics at the European Commission, the Nordic Council, the Joint Committee of the Nordic Social Democratic Labour Movement (Samak), the Swedish Economic Association, the Center for Business and Policy Studies (SNS), the Annual Meeting of Swedish Local Governments (Kommekmässan), the Controller Days organised by Confex, NCC, the Confederation of Swedish Enterprise (Svenskt näringsliv), the Swedish Trade Union Congress (LO), the Swedish Confederation of Professional Unions (TCO), the Swedish Association of Professional Unions (Saco), and the Swedish Foundation for Strategic Research.

HARRY FLAM served as chairman of the Scientific Council at the Centre for Business and Policy Studies (SNS) and member of the Shadow Riksbank Executive Board at the business daily *Dagens Industri* (which takes mock decisions on monetary policy ahead of the Riksbank's decisions). He was appointed member of the Swedish Fiscal Policy Council.

JOHN HASSLER served as chairman of the Swedish Fiscal Policy Council. He was also a member of the Bellagio group of academics and central bankers led by Barry Eichengreen. John remained an adjunct member of the Prize Committee for the Sveriges Riksbank

Prize in Economic Sciences in Memory of Alfred Nobel and was associate editor of *Macroeconomic Dynamics* and *Scandinavian Journal of Economics*.

ASSAR LINDBECK gave a keynote lecture – “Idiosyncratic Reflections on Economics as a Science” at the yearly conference of the Society for Quantitative Economics in Paris in July 2015. He also gave a lecture at a conference in Chicago in honor of Gary Becker. Furthermore, he published a paper, (1) “Institute for International Economic Studies”, in *Faculty of Social Sciences, Stockholm University 1964-2014*, a book published by Stockholm University in conjunction with the 50th Anniversary of the Faculty of Social Sciences.

PER KRUSELL served on several Scientific Advisory Boards, on the senior grant evaluation panel of the European Research Council, and on the Council as well as the Women in Economics committee of the EEA. Per also served as a scientific consultant to Sveriges riksbank. In addition, Per gave a number of lectures and seminars and conference presentations in Europe and the United States and also participated in the public debate by appearing in various media outlets, including TV, radio, and newspapers.



*In September 2014, Alex Schmitt successfully defended his thesis “Beyond Pigou: Climate Change Mitigation, Policy Making and Distortions”. Massimo Tavoni, Politecnico de Milano, acted as opponent.*

MATS PERSSON served as a member of the Prize Committee for the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel.

TORSTEN PERSSON served as the Secretary of the Prize Committee for the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel, and as the Director of the Institutions, Organizations and Growth program of CIFAR (the Canadian Institute for Advanced Research). He also served on the Board of Trustees of the Nobel Foundation and was a member of the Nobel Foundation's Program Committee. He chaired the Advisory Board of the Toulouse School of Economics, and was a member of the Tenure Committee at Bocconi University and the Board of ENTER (a collaboration between some of the best PhD training programs in Europe). Finally, he chaired a committee tasked with making an external evaluation of the Economics Department at UPF (Universidad Pompeu Fabra).

JAKOB SVENSSON served as member of the Expert Group for Evaluation and Analysis of Swedish International Aid, Lead Academic - Uganda, International Growth Center (IGC), member of the Committee for the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel, visiting professor at Norwegian School of Economics (NHH), Bergen, and as chairman of the Association of Swedish Development Economists (ASWEDE).

LARS E.O. SVENSSON gave several policy-oriented speeches, lectures, and presentations during the year; see the sections "New" and "Practical Monetary Policy" on his website, [www.larseosvensson.se](http://www.larseosvensson.se). During the fall, he continued as one of the bloggers at the Swedish blog [Ekonomistas.se](http://Ekonomistas.se) (most posts are translated into English on his website [larseosvensson.se](http://larseosvensson.se)) and contributed to the [Voxeu.org](http://Voxeu.org) website.

ROBERT ÖSTLING has continued to serve on the Swedish Consumer Agency's Scientific Advisory Board and he recently accepted a temporary appointment to a scientific committee that will provide advice to Sweden's Financial Supervisory Authority on consumer policy. Robert has also continued to write blog posts about economics and economic policy for the Swedish blog [Ekonomistas](http://Ekonomistas.se).

# Completed Theses 2014/2015

In September 2014, ALEX SCHMITT successfully defended his thesis *Beyond Pigou: Climate Change Mitigation, Policy Making and Distortions*, consisting of three essays: The first chapter, “Optimal Carbon and Income Taxation”, investigates optimal carbon taxation while taking into account that taxes are set by national policy makers. It adds two features, namely distortionary income taxation and lack of commitment to future policies, to a standard climate-economy model and shows that there exists a tax-interaction effect: the optimal time-consistent carbon tax is in general not at the Pigouvian level, due to costs and benefits of emitting carbon that only materialize in the presence of income taxes. Quantitatively, a monotonic relationship is found between the cost of climate change and the size and direction of the tax-interaction effect.

In the second essay, “Time-Consistent Unilateral Climate Policy”, Alex analyzes unilateral climate change mitigation in a two-region climate-economy model with distortionary income taxation and lack of commitment. The model is calibrated to investigate how the European Union should regulate carbon emissions under the assumption that the rest of the world does not participate in climate policy. He finds that when introducing



*Alex Schmitt's "Beyond Pigou: Climate Change Mitigation, Policy Making and Distortions", 2014, and Thorsten Rogall's "The Economics of Genocide and War", 2015.*

distortionary income taxes into a non-cooperative regime, the unilateral carbon tax rate is cut almost in half initially and increases more slowly over time than in a setting with lump-sum taxation. At the same time, the decline in economic activity leads to a decrease in cumulative global emissions and thus mitigates climate change in the long run. The third essay, “Climate Change Mitigation under Political Instability” studies climate change mitigation in a setting where a policy maker is subject to probabilistic political turnover. Different types of governments have heterogeneous preferences with respect to the level of greenhouse emissions and hence commitment to future mitigation policies is not feasible. Alex shows that an incumbent government that takes into account the possibility of losing power has an incentive to reduce the emission level and invest more in clean energy relative to a corresponding myopic policy maker. This result is independent of whether the incumbent derives more or less disutility from emitting carbon than a possible successor. This reflects an incentive to affect the future state of the economy and thus to manipulate the extent of emission mitigation in the future.

In June 2015, THORSTEN ROGALL successfully defended his thesis *The Economics of Genocide and War*. The thesis consists of four essays:

“Preparing for Genocide: Community Work in Rwanda” shows how the political elites used mandatory community meetings to prepare the civilian Hutu population for the 1994 genocide against the Tutsi.

“Mobilizing the Masses for Genocide” shows that the political Hutu elites strategically sent around their army and militiamen to foster civilian participation in the 1994 genocide. Furthermore, civilians did not actively oppose the genocide but rather followed the militia’s orders. Finally, a military intervention could have stopped the genocide.

“The Legacy of Political Mass Killings: Evidence from the Rwandan Genocide” assesses the medium-term effects of the genocide and finds that villages with a great deal of genocide violence are better off economically six years after the genocide.

“Ethnic Income Inequality and Conflict in Africa” demonstrates that income inequality between ethnic groups increases the likelihood of ethnic conflict in Africa.

# Theses in Progress 2014/2015

ANNA AEVARSDOTTIR's research interests cover a broad range of topics in the fields of Development Economics and Political Economics. Within these fields she is particularly interested in issues relating to energy, health, education and gender. Over the past year, her focus has been on a research project that studies the impact and adoption of solar power in Sub-Saharan Africa. In this project she aims to answer the following questions: (i) How does access to solar power influence outcomes of individuals and households? In particular, how does ownership of a lamp influence educational attainment of children? (ii) How does demand for a solar powered light source vary with price? (iii) Are there spill-over effects in the adoption of a renewable energy source? (iv) How do learning and experience influence the adoption of a renewable and clean energy source? Other work in progress explore the relationship between health at birth and future outcomes and the impact of conditional cash transfers on maternal and child mortality.

AUDINGA BALTRUNAITE's research interests lie within Political Economics. During the past academic year, she has addressed the question whether firms trade their political contributions for preferential allocation of public procurement contracts. She exploits a ban on corporate donations in Lithuania and examines its effects on the awarding of procurement contracts to previously contributing firms. Consistent with political favoritism, before the reform corporate donors are more likely to win a contract compared to other tender participants. However, banning political contributions damages their chances of victory. In the short term, their probability of winning goes down by 5 percentage points. In terms of mechanisms, she proposes that confidential information about competing bids is passed to contributing firms. Moreover, she has started a project with Alessandra Casarico, Paola Profeta and Giulia Savio which examines the impact of a recent Italian law on female political empowerment, which prescribes both gender quotas in candidates' lists and double preference voting conditioned on gender. Using a Regression Discontinuity Design they estimate the effect of the law on the share of elected female politicians to be 22%. She also published "Affirmative Action and the Power of the Elderly", *CESifo Economic Studies*, 61, 2015 (with Alessandra Casarico and Paola Profeta).

SAMAN DAROUGHEH's research interests lie within macroeconomics and labor. During the year 2014/2015, he was visiting Princeton University using a grant from the Jan Wallander and Tom Hedelius Foundation. During this time, he worked on several research questions. Using detailed data on German firms and workers, he investigated the reasons behind the pro-cyclical wage of fired workers (Mueller, 2015). His preliminary findings cast doubt on the hypothesis that liquidity based firings of credit constraint firms are the

main reason behind this phenomenon. Together with Gustaf Lundgren (SSE), he looked at the recent rise in long-term unemployment. Can it really be fully explained by taste-based discrimination? Are there externalities of discrimination? What do these findings imply, for business cycle fluctuations and what policy lessons can we learn from them? Finally, he also looked at the shopping behavior of unemployed. Using the American Time Use Survey, he showed that most of the variation in time spent shopping between employed and unemployed stems from the income effect, not the substitution effect.

RICHARD FOLTYN continued to work in the field of heterogeneous-agent macroeconomics. In a project titled (1) “Self-selection and Social Security Reform” (with Jonna Olsson), he investigates how differences in terms of assets, wages and health determine optimal retirement decisions. Evidence from Swedish as well as US data suggests that high-income earners choose to work longer, a result not necessarily obtained in standard life-cycle models. In a framework which allows for heterogeneity along several dimensions and is calibrated to a US panel of the elderly, including realistic health and survival processes, he explores whether a more flexible model can match self-selection patterns observed in the data, and how this affects implications of a social security reform.

During the period April – October 2014 ANDREA GUARISO was a PODER fellow at the Institute. During his stay he worked with Jakob Svensson on a research project titled (1) “Effect of a Micro Entrepreneur-based Community Health Delivery Program on Child Mortality in Uganda: A Cluster-randomized Controlled Trial” (also with Martina Björkman Nyqvist and David Yanagizawa-Drott). The project evaluates the impact of an innovative entrepreneurial model of Community Health Delivery in Uganda, by which Community Health Workers operate as micro-entrepreneurs with an implicit piece-rate compensation scheme. During the month of July, Andrea carried out fieldwork in Rwanda to gain access to secondary data and to meet relevant stakeholders for a project on the impact of the 1994 genocide on schooling attainment. Both research papers have been completed and are currently submitted to international peer-reviewed journals. During his stay in Stockholm Andrea also finalized the paper (2) “Food Price Shocks and the Political Economy of Global Agricultural and Development Policy”, *Applied Economic Perspectives and Policy*, 36:3, 2014 (with Mara Squicciarini and Johan Swinnen). Finally, before leaving the institute, Andrea also started a new project with Thorsten Rogall to investigate the impact of resource inequality on ethnic conflicts across Africa. The paper is currently being finalized and is going to be Andrea’s job market paper.

NIELS-JAKOB HARBO HANSEN has spent his time working on a number of projects within the field of macroeconomics. In one project (with Hannes Malmberg) he is trying to understand how flows in the labor market and demographical changes are driving changes



in the unemployment and participation rate in Sweden. In another project (with Hans Henrik Sievertsen) he is matching data for official job-openings with data for hiring on the plant level in Denmark and Sweden. Information about this would help to better understand (i) how vacancies are translated into hires and (ii) how well official vacancy statistics measure the total amount of job-openings in the economy. Lastly, he is working on a project on the New Keynesian transmission channel (with Tobias Broer, Per Krusell and Erik Öberg). Here the aim is to gauge how the transmission channel depends on the behaviour of profits in response to monetary and TFP shocks.

KARL HARMENBERG has spent the academic year working on his dissertation focussing on macroeconomics. In a project with fellow student Erik Öberg, he studies the differential effect of monetary policy on durable purchases in expansions and recessions. Using an econometric approach, they find that monetary policy has a much smaller effect on durable purchases in recessions. Theoretically, this is consistent with the idea that increased income uncertainty (in particular unemployment risk) causes households to postpone purchasing large items until the uncertainty has resolved. When individuals are worried about losing their main source of income, it takes more than marginal interest rate changes to convince them to purchase large items. They are currently exploring a quantitative model of this type of ‘wait-and-see’ behavior, in particular they conjecture that the downward risk (prolonged unemployment and permanently lower future income prospects) associated with deep downturns have a substantial theoretical effect on the responsiveness of aggregate demand to monetary policy.

MATHIAS IWANOWSKY is a fourth year PhD student interested in topics of development and political economics. Throughout the academic year of 2014/2015, he has worked on two research projects in these fields. In his first paper, he investigates how international ethnic networks shape cross border trade flows in African countries and influence the wealth distribution in border regions. He presented this paper at the Oxford Development workshop 2014, the UCL Enter Seminar and the NEUDC at Boston University in 2014. The second paper looks at the political economy as well as social outcomes after the Khmer Rouge Regime in Cambodia and is jointly done with Andreas Madestam. In the academic year 2015/2016 he will be visiting Harvard University.

MOUNIR KARADJA is expecting to finish his thesis in the spring term of 2016. His areas of work are development economics and political economics. His main job market paper, (1) “Emigration and Political Change: Evidence from the Age of Mass Migration” (co-authored with Erik Prawitz), studies the effects of the Swedish mass emigration to the United States 1867-1920 on local political outcomes in Sweden. During a time when 1.3 million Swedes emigrated, the question is whether those who stayed behind in

high-emigration locations were better able to call for political reforms. Theoretically, if emigrants are those who are most likely to be politically active, emigration might lead to less political change. On the other hand, if past emigration facilitates future migration for current citizens, this may embolden political activism as citizens have an attractive exit option in case of a backlash from local elites. Consistent with the second hypothesis, it is found that emigration caused greater participation in the burgeoning labor union and Social Democratic movement and that voting for left-wing parties increased in areas with more emigration. Moreover, these locations have higher welfare spending per capita and are more likely to adopt representative democracy at the local level, which was less prone to elite capture.



*Hanna Weitz (administrator) and Christina Lönnblad (head of administration) make full use of the local 4H-yard where backs on Icelandic horses are offered.*

SHUHEI KITAMURA'S main research interests are Economic Development, Political Economy, and Economic and Political History. During the year, he has mostly worked on a project about the Japanese land reform (1947-50). The first study (1) "Loyalty and Treason" examines the political impact of the reform, and finds the dilution of clientelism due to the transaction of land rights from landlords to tenants. The second study (2) "Tillers of Prosperity" examines the economic impact of the reform, and finds that land ownership has a substantial impact on the entire economy through technology adoption and the re-allocation of labor. Shuhe's third project (3) "Natural Borders" (co-authored with Nils-Petter Lagerlöf) examines whether the geography determines the location of borders in Europe and surrounding areas since 1500. The paper was published as an IIES seminar paper (No. 773). His projects were presented at Oxford University, Brown University, and Kyoto University.

NATHANIEL LANE returned to the IIES after a two year visiting appointment at Harvard University, Department of Economics. His thesis revisits major themes in the political economy of development using recent insights from "big data" alongside deep archival research. His first chapter, (1) "Manufacturing Revolutions: Industrialization and



*This year's Christmas bash took place at Monk's Porter House in the Old Town of Stockholm. Professor David Strömberg and Post Doc Anna Sandberg thoroughly enjoyed the festivities!*

the Developmental State in South Korea,” uses newly digitized data and fresh empirical tools to understand the role state institutions played in East Asia’s rapid, postwar transformation. This paper was presented at NBER Summer Institute, Development of the American Economy, Harvard University Department of Economics, Economic History Lunch, and Harvard University Department of Economics, Economic Development Tea. A second chapter, co-authored with Melissa Dell (Harvard University) and Pablo Querubin (NYU), is titled (2) “State Capacity, Local Governance, and Economic Development in Vietnam.” This emerging paper uses a novel natural experiment in Vietnamese history to explore the role of South East Asian versus East Asian institutions on economic development, asking how early experiences in state formation can have lasting developmental consequences at the local level. Last, a third untitled chapter, co-authored with Andreas Madestam (SU) and David Yanagizawa-Drott (Harvard University), examines the economic impact of labor-based social movements across Europe using high-resolution data on European union activity.

HANNES MALMBERG’S thesis will contain work from three different areas: monetary theory, labor market dynamics, and policy uncertainty and economic development. The main focus will be on uncertainty and economic development. During the year, he has been working on four papers. (1) “Price Level Determination when Money is Required for Tax Payments” is written jointly with Erik Öberg and explores the role of taxes in price level determination. (2) “Swedish Labor Market Flows” (with Niels-Jakob Harbo Hansen) investigates how different types of labor market transitions have contributed to variations in the Swedish unemployment rate. On uncertainty and economic growth he has one paper joint with Maximilian Eber: (3) “Supply Chain Risk and the Pattern of Trade” which explores the role of policy uncertainty in determining comparative advantage. (4) “Logistics Uncertainty and Economic Development - A Case Study of Ethiopia” together with Kinley Salmon has a similar theme. He is also currently planning a new paper within uncertainty and economic development. Further to this, he presented his research at ENTER Seminar, UCL, London, October 2014, PEDL Workshop, Warwick, December 2014, and finally at CIFAR, Stockholm June 2015.

ERIK PRAWITZ’S primary research interests are in economic development, political economics and economic history. During the last academic year he has mainly worked on two separate projects. Together with Mounir Karadja he has worked on a project regarding the transatlantic migration from Sweden to the US during the 19th century. The project aims at understanding the impacts of migration on economic and political outcomes in the sending communities in Sweden. Together with Laurence Malafray he

has worked on a project regarding electrification in rural India and its consequences for female empowerment in terms of labor supply and political participation. During the spring he was on parental leave.

MIRI STRYJAN does research in development economics and political economics in East Africa. During this year she has mainly worked on a study about community based saving groups in rural Uganda. The study is a randomized experiment comparing two participatory democracy processes for selecting group leaders: (i) voting in a closed poll, and (ii) open discussion with consensus. Miri Stryjan designed and supervised a long-term follow up survey collected in March – July 2015 to study the impact of the electoral process on group stability and group outcomes. The project is joint with Erika Deserranno and Munshi Sulaiman and has the working title (1) “Does the Electoral Process Affect the Performance of Community Groups? - Evidence from Uganda”. She has also worked on an ongoing experiment together with Andreas Madestam, Selim Gulesci and Francesco Loiacono investigating how credit contract structure impacts investment and growth in



*Thorsten Rogall successfully defended his thesis “The Economics of Genocide and War” in June 2015, further to which he took up a tenure track position at University of British Columbia.*

small enterprises taking loans in Uganda. Finally she has worked on the project (2) “Preparing for Genocide: Community Work in Rwanda” (with Evelina Bonnier, Jonas Poulsen and Thorsten Rogall) investigating the role of mandatory community work meetings in the early 1990’s in the participation in the subsequent Rwandan genocide. This study was published as a working paper in the SITE Working Paper Series No. 31, 2015, and the Working Paper Series of the Department of Economics, Uppsala University No. 2015:1.

ERIK ÖBERG’s thesis covers topics in macroeconomics and monetary economics. In a newly started project with Karl Harmenberg, they look into how income risks affect household purchases of durable consumption goods. Durable consumption goods are one of the most volatile components of GDP over the business cycle, and they are interested in whether business cycle fluctuations in income risk can explain this. They are also looking into whether the same fluctuations in income risks can explain the weaker response of durable consumption to monetary policy in recessions, which has been observed in the data. In a theory project with Hannes Malmberg, (1) “Price Level Determination when Requiring Taxes in Money”, they explore how requiring taxes to be paid with money can support a positive price level. They also show that this requirement eliminates the possibility of speculative hyperinflations that are inherent in models of fiat money. In another theory project, (2) “The New Keynesian Transmission Mechanism” (with Tobias Broer, Niels-Jakob Harbo Hansen and Per Krusell) he uncovers how one of the most common business cycle models, the sticky price version of the ‘new Keynesian model’, relies on a counterfactual transmission mechanism. Specifically, to generate the empirically observed response of output to monetary policy shocks, firm profits need to respond less procyclically than wages, which is not observed in the data.

# CIFAR Meeting June 2015

CIFAR (the Canadian Institute For Advanced Research ([www.cifar.ca](http://www.cifar.ca))) currently runs fourteen programs – eleven in the natural sciences, three in the social sciences – with the mission “to connect the world’s best minds through global research networks that address important, complex problems facing humanity”. Torsten Persson directs one of these programs on Institutions, Organizations and Growth. The multi-disciplinary objective of the program is to understand why some countries are rich and others poor, by focusing on how formal and informal institutions influence/are influenced by economic growth and development. The 25-30 members include top economists (like Daron Acemoglu, Philippe Aghion, George Akerlof, Roland Benabou, Timothy Besley, Matthew Jackson, Roger Myerson, Guido Tabellini and Daniel Treffer), historians (like Avner Greif and Joel Mokyr), political scientists (like Daniel Diermeier, James Fearon and Ken Shepsle) and anthropologists (like Robert Boyd and Joseph Henrich).

In June 2015, Torsten Persson – assisted by Christina Lönnblad – arranged one of the program’s three annual meetings in Stockholm. The meeting was also attended by a number of IIES researchers and Ph.D. students. Program members Tim Besley, Dan Diermeier, Mauricio Drelichman, Matt Jackson, Guido Tabellini and Dan Treffer presented new work. From the IIES side, David Strömberg presented his research on Chinese media, while Nathan Lane, Hannes Malmberg and Thorsten Rogall each made a 45-minute presentation of their ongoing doctoral research. There was ample time for informal interactions among the participants in the meeting – with two joint dinners, one of which was held on board the old steamship M/S Gustaf III.







# Seminars and Publications

## Seminars

Seminars at the IIES normally take place on Tuesdays and Thursdays between 15.00 and 16.30. Most speakers (about 85% of the total) are non-Swedish. Timo Boppart, Tobias Broer, Konrad Burchardi, Robert Östling and Annika Andreasson (administration) are responsible for all seminars during the academic year.

Information about seminars of past and current academic years can be found on our web: <http://www.iies.su.se/about-us/seminars-other-academic-events>. Invitations and papers presented at seminars can usually be received electronically.

## Publications

A list of the IIES Seminar Papers can be found on our website. Should you wish to download PDF versions of the papers, please refer to <http://su.diva-portal.org/smash/search.jsf>

For the most exhaustive information on the publications of individual IIES researchers, visit their respective personal web pages.

The theses of our PhD students are published in our Monograph Series, a list of which is available via our website. For PDF downloads, do a search of the thesis on <http://su.diva-portal.org/smash/search.jsf>

The IIES Reprint Series was discontinued at the end of 2001. Our web contains a list of previous and recent publications.



*Front Cover: Olle Baertling, KSIRD, 1978, Oil on canvas.*

*Back Cover: Sivert Lindblom, Terrakotta, 1978. In the background - the Arrhenius Laboratories.*

*Photo: Hanna Weitz, 2015.*

ISSN 1104-4195